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Taiwan Union Technology Corporation ("TUC")

2024 Annual Report

**Prepared by Taiwan Union Technology Corporation
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and Futures Bureau of the Financial Supervisory Commission:
<http://siis.twse.com.tw>**

**The Annual Report is disclosed on the website:
<http://mops.twse.com.tw>**

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Name of Accounting Firm: Deloitte & Touche
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- V. Name of the Trading Place for Overseas Securities and the Ways to Inquire the Information of Overseas Securities: Not applicable.**
- VI. Company Website: <http://www.tuc.com.tw>**
- VII. The Issues Which Should be Disclosed by the Company: Not applicable.**

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Chapter 1 Letter to Shareholders

I 2024 Business Results

(I) Execution results of 2024 business plans

In 2024, the Company's consolidated operating income was NT\$23,070,425 thousand, an increase of 44.2% compared with the consolidated operating income of NT\$16,002,537 thousand in 2023. Due to the rapid development of the AI industry and the continuous evolution of large language models, the overall demand for computing power for training and inference has grown significantly. To deliver a high-speed, low-latency AI experience, the networking industry—including switches—has undergone generational advancements. As a result, the demand for advanced materials that offer ultra-high speed and ultra-low loss is growing rapidly. Therefore, in addition to a significant increase in operating revenue, the Company's product portfolio has been further optimized, resulting in a substantial rise in overall gross margin and profitability compared to the previous year. In 2024, the consolidated net income before tax was NT\$3,377,634 thousand, an increase of 117.9% compared with the consolidated net income before tax of NT\$1,549,905 thousand in 2023.

Unit: NT\$ thousand

Item	2024	2023	Increased (Decreased) amount	Percentage of Change %
Operating Revenue	23,070,425	16,002,537	7,067,888	44.17%
Net Operating Profit	5,341,553	3,158,975	2,182,578	69.09%
Operating Profit	3,331,870	1,424,327	1,907,543	133.93%
Income (Loss) Before Tax	3,377,634	1,549,905	1,827,729	117.93%
Income (Loss) After Tax	2,604,368	823,435	1,780,933	216.28%

(II) Budget implementation status: N/A. (TUC did not disclose any financial budget in 2024)

(III) Analysis on Financial Revenues and Expenditures, and Profitability

1. Financial Revenues and Expenditures NT\$ thousand

Item	2024
Cash Flows from Operating Activities	653,179
Cash Flows from Investment Activities	(1,106,171)
Cash Flows from Financing Activities	1,375,524
Cumulative translation adjustments	399,226
Increase (Decrease) in cash and cash equivalents	1,321,758

2. Profitability Analysis

Analyzed items		Year	Financial information of the most recent two years	
			2024	2023
Profitability	Return on Assets (%)		11.7	4.3
	Return on shareholders' equity (%)		20.1	7.0
	Proportion of paid-in capital(%)	Operating Profit	120.7	52.5
		Net Profit Before Tax	122.4	57.2
	Net profit margin (%)		11.3	5.1
Earnings per Share (NT\$)			9.56	3.05

Note: When calculating earnings per share, if any capital increase transferred from earnings, TUC shall adjust retrospectively based on the percentage of shares.

(IV) Status of Research and Development:

- Research and development of next-generation materials over the next 5 to 10 years.
- Research, development, and promotion of high-end, high-speed digital materials with low loss and low CTE.
- Research, development, and promotion of extremely low-loss, 224G halogen-free materials.

4. Promotion of extremely low-loss, 112G halogen-free materials.
5. Research, development, and promotion of RCC materials.
6. Research, development, and promotion of high-voltage, thick-copper materials for specialized applications.

II Summary of Business Plan for 2025

(I) Business strategies

Taiwan Union Technology Corporation operates with a spirit of innovation and enthusiasm, with the mission of providing customers with high value-added products.

We uphold our principles of integrity and practical, responsible attitude. We work collaboratively with our clients to research and develop swift solutions that meet market demands, while ensuring high-quality products and professional services, with the objective of innovating and growing together with our clients.

(II) Expected Sales Volume and Its Basis

The sales volumes of copper clad laminates and multi-layer laminates in the coming year are expected to be approximately 21.76 million sheets and 2.31 million SF, respectively. This estimation is based on the Company's actual sales volume in 2024, the latest orders, and the market's expected performance of customers in related industries.

(III) Significant Sales and Production Policies

1. The Group's production capacity is strategically balanced and distributed to mitigate geopolitical risks.
2. The expansion plan for the Thailand factory is underway. Upon completion of the first phase, the Group's production capacity is expected to increase by 300,000 sheets per month.
3. Positioning high-end materials required for AI-related infrastructure as a key target market, covering critical areas such as AI accelerator cards and high-end switches.
4. Promote the adoption of Extreme Low Loss 112G halogen-free materials to gain recognition and approval from downstream PCB customers and end users.
5. We are committed to achieving successful certification of Extreme Low Loss 224G halogen-free materials, laying the foundation for next-generation material advantages and strengthening customer recognition.
6. Promote high-end, high-speed digital products with low loss and low CTE to expand the product portfolio and strengthen the product positioning in the high-end HDI application sector.
7. Promote high-voltage, thick-copper materials for specialized applications to further expand our leading position in this niche market.
8. By implementing the ESG plan, we contribute to the protection of the natural environment, fulfill our corporate social responsibility, and strive to achieve the goal of sustainable business development.

III TUC's Future Development Strategy

(I) Mission and Vision: Our mission is to deliver high-value products to our customers through innovation and enthusiasm. We are dedicated to providing high-quality products and professional services, with a primary focus on innovation and mutual growth with our customers.

(II) Research and Innovation Strategy: We focus on the research and development of next-generation ultra-high speed and ultra-low loss materials. Our strategy includes active investment in advanced Low CTE materials and materials for specialized applications, aiming to enhance both the depth and breadth of our advanced material portfolio.

(III) Production Capacity Strategy: Considering geopolitical factors, we are implementing expansion plans to increase production capacity, thereby strengthening our ability to capture a larger market share.

- (IV) Supply Chain Management Strategy: We collaborate with upstream suppliers for mutual collaboration, ensuring a steady supply of critical raw materials to meet customer delivery deadlines and enhance overall customer satisfaction.
- (V) Marketing Strategy: Our primary target market focuses on high-end materials essential for AI-related infrastructure. We aim to serve leading PCB customers, OEM/ODM clients, and end-users across various application sectors. This will be achieved through rigorous product validation, strict adherence to high-quality standards, reliable delivery schedules, and professional, timely customer service. These efforts are designed to gain customer recognition and ensure the highest level of satisfaction.

IV Impacts of External Competitions, Regulations, and Overall Business Environment

Impact of the External Competitive Environment:

The external environment is marked by the rapid growth of AI-related industries and a significant surge in demand for advanced materials. Therefore, by focusing on advancing research and development in high-end materials, maintaining robust supply chain management, and rigorously executing marketing strategies, the Company is able to achieve strong operational results in the face of intense and dynamic external competition.

Impact of regulations:

The Company pays close attention to important policy or legal changes both at home and abroad and consults relevant professional legal and financial companies from time to time to plan relevant measures promptly. For 2024 and the current year as of the publication date of the Annual Report, the Company has not suffered any impact on its finance and business due to the changes in important domestic or foreign policies and laws.

Impact of overall business environment:

Taking into account international geopolitical conflicts and in order to meet the risk diversification and order growth needs of downstream customers, the company set up a factory in Thailand to expand production capacity and increase the company's competitive advantage in the overall operating environment.

Looking ahead to 2025, with the continued rapid development of the AI industry, a wide range of AI and high-speed networking solutions are emerging. Capital expenditures by major cloud service providers continue to rise, and national-level AI infrastructure initiatives are being announced one after another. As next-generation solutions increasingly demand higher-grade materials, this creates a favorable environment for the Company, which is positioned in the high-end product segment. Additionally, the Company's factory in Thailand was completed this year, not only meeting our customers' needs for geographical diversification but also providing additional momentum for the Company's growth.

The Company is committed to upholding the highest standards of corporate governance, guided by integrity, innovation, and enthusiasm. We aim for sustainable development by leveraging advanced technology, superior manufacturing quality, exceptional service, and the trust of our customers. Through this approach, we seek to achieve profitable growth, set new milestones, and create maximum value for our shareholders.

We hereby wish you all
Good health and all the best

Chairman: Hsin, Chung-Herng

Chapter 2 Corporate Governance Report

I Information about Directors, Supervisors, President, Vice President, Assistant Vice Presidents, and Managers of Departments and Branches:

(I) Directors and Supervisors

1. Profile of Directors and Supervisors: (I)

April 23, 2025

Job Title (Note 1)	Nationality/ Place of Incorporation	Name	Gender Age (Note 2)	Date Elected (Appointed)	Term (Years)	Initial appointment date (Note 3)	Shares Held When Elected		Shares currently held		Shares held by spouse and minor children		Shares Held in the Name of Other Persons		Major Working (Education) Experience (Note 4)	Positions Concurrently Held in the Company and Other Companies	Executives, Directors or Supervisors who Are Spouses or within the Second Degree of Kinship			Note
							Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage			Job Title	Name	Relationship	
Chairman	Taiwan	Hsin, Chung-Herng	Male 71-80	2024.6.19	3	2000.6.21	11,108,377	4.1%	11,108,377	4.1%	4,686,311	1.7%	0	0%	Academic and professional qualifications: Department of Electrical Engineering, National Taiwan University Doctor of Science in Electrical Engineering from Drexel University, USA	None	Director	Hsin, Yao-Chi	Immediate family	
Director	Taiwan	Hsin, Yao-Hung (Note 3)	Male 51-60	2024.6.19	3	2009.6.16	1,032,428	0.4%	1,032,428	0.4%	0	0%	0	0%	Academic and professional qualifications: Master in Electrical Engineering/Business Administration from University of California, USA Senior Software Engineer, Celera Genomics	Shing Nan Bus Co., Ltd., President/Director	None	None	None	
Director	Taiwan	Hsin, Yao-Chi	Male 51-60	2024.6.19	3	2009.6.16	55,000	0.02%	170,000	0.06%	0	0%	0	0%	Academic and professional qualifications: Department of Medicine, University of Missouri, USA Master of Business Administration, University of California, USA	Chief Strategy Officer of TUC	Director	Hsin, Chung-Herng	Immediate family	

Job Title (Note 1)	Nationality/ Place of Incorporation	Name	Gender Age (Note 2)	Date Elected (Appointed)	Term (Y ears)	Initial appointment date (Note 3)	Shares Held When Elected		Shares currently held		Shares held by spouse and minor children		Shares Held in the Name of Other Persons		Major Working (Education) Experience (Note 4)	Positions Concurrently Held in the Company and Other Companies	Executives, Directors or Supervisors who Are Spouses or within the Second Degree of Kinship			Note
							Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage			Job Title	Name	Relationship	
Independent Director	Taiwan	Li, Yu-Ying Dismissed on June 19, 2024	Female 61-70	2021.7.1	3	2015.6.30	58,995	0.02%	0	0.0%	0	0%	0	0%	Academic and professional qualifications: Master in Business Administration, New York University. Possess professional knowledge and skills in business management. Experience: Assistant Vice President, Taian Insurance Company, Ltd. Vice President, PineBridge Investments and Hanlning Investments With more than twenty years of experience in financial investment and management, and possess professional qualifications and expertise in finance, accounting, auditing, and business management.	None	None	None		
Independent Director	Taiwan	Yeh, Shu-Wen	Female 51-60	2024.6.19	3	2024.6.19	0		0		0		0		Academic and professional qualifications: Bachelor, Department of Accounting, National Taiwan University Master of Business Administration, San Jose State University, United States CPA of the Republic of China	CPA, C&S CERTIFIED PUBLIC ACCOUNTANT FIRM Director, ALLIANCE ADVISORY LTD. Director, Y&Y Alliance Advisory Ltd.	None	None	None	

Job Title (Note 1)	Nationality/ Place of Incorporation	Name	Gender Age (Note 2)	Date Elected (Appointed)	Term (Years)	Initial appointment date (Note 3)	Shares Held When Elected		Shares currently held		Shares held by spouse and minor children		Shares Held in the Name of Other Persons		Major Working (Education) Experience (Note 4)	Positions Concurrently Held in the Company and Other Companies	Executives, Directors or Supervisors who Are Spouses or within the Second Degree of Kinship			Note
							Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage			Job Title	Name	Relationship	
Independent Director	Taiwan	Chin-Tay Shih	Male 71-80	2024.6.19	3	2021.7.1	0		0		0		0		Academic and professional qualifications: Bachelor degree in Electrical Engineering, National Taiwan University Ph.D. in Electrical Engineering, Princeton University, USA Master of Science in Management, Stanford University Experience: 1994-2003 President, the Industrial Technology Research Institute 2004-2010 Dean, College of Technology Management, National Tsing Hua University 2009-2012 Chairman, Institute for Information Industry	Independent director, Vanguard International Semiconductor Corporation Independent director, Sercomm Corporation Independent director, FocalTech Systems Co., Ltd. Director, Qualife System Technology Corp. Supervisor, Tsing Entrepreneurship Consulting Co., Ltd.	None	None	None	

Job Title (Note 1)	Nationality/ Place of Incorporation	Name	Gender Age (Note 2)	Date Elected (Appointed)	Term (Years)	Initial appointment date (Note 3)	Shares Held When Elected		Shares currently held		Shares held by spouse and minor children		Shares Held in the Name of Other Persons		Major Working (Education) Experience (Note 4)	Positions Concurrently Held in the Company and Other Companies	Executives, Directors or Supervisors who Are Spouses or within the Second Degree of Kinship			Note
							Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage			Job Title	Name	Relationship	
Independent Director	Taiwan	Gene Su	Male 51-60	2024.6.19	3	2021.7.1	0		0		0		0		Academic and professional qualifications: Bachelor of Electrical Engineering, Massachusetts Institute of Technology, USA Master of Electrical Engineering, Cornell University, USA J.D., Santa Clara University, USA Experience: Attorney, State Bar of California (since 2001) United States Patent and Trademark Office licensed attorney (since 1999) Jones Day Intellectual Property Department, Quanta Computer Inc. Senior Engineer and Legal Consultant, Intel	Founder/Attorney, Ren-Sheng International IP Management Ltd.	None	None	None	
Independent Director	Taiwan	Chen, Cheng-Yi	Male 51-60	2024.6.19	3	2021.7.1	0		0		0		0		Academic and professional qualifications: Ph.D. in High Polymer from UMass-Lowell, USA Experience: June 1996-June 1998, Visiting Professor, Department of Materials Science, Chulalongkorn University, Thailand 2003-2009 Vice President of R&D Dept., ITEQ Corporation	None	None	None	None	

Note 1: Corporate shareholders should list the name of the corporate shareholder and the representative separately (for corporate shareholder's representative, the name of the corporate shareholder should be stated) and should fill in Table 1 below: None

- Note 2: Please indicate the actual age, which may be expressed in a range, such as 41 ~ 50 years old or 51 ~ 60 years old.
- Note 3: State the date of first appointment as a director or supervisor of the company. If there were any interruptions, a note should be included: Hsin, Yao-Hung was not elected as the 12th and 13th Director.
- Note 4: Experience relevant to the current position, if you have worked for a firm of certified public accountants or an affiliated company during the preceding period, you should state the title and duties for which you were responsible: None.
- Note 5: If the chairman of the board of directors of the company and the general manager or equivalent person (top manager) are the same person, spouse or first-degree relative, information on the reasons, reasonableness, necessity and countermeasures (such as increasing the number of independent directors, and having more than half of the directors who are not employees or managers, etc.) shall be stated: None.

2. Information about Directors and Supervisors (II)

(1) Disclosure of the professional qualifications of directors and supervisors and the information on independence of independent directors:

Qualifications Name	Professional Qualification and Work Experience	Independence criteria	Concurrently serves as Independent Director for multiple other publicly-listed companies
Chairman Hsin, Chung-Herng	Doctor of Science in Electrical Engineering from Drexel University, USA Successfully transformed the Company from a traditional industry to the electronics sector and continues to progress towards high-tech development	N/A	0
Director Hsin, Yao-Chi	Master of Business Administration, University of California, USA Serve as the Company's strategic management planner		0
Director Hsin, Yao-Hung	Master in Electrical Engineering/Business Administration from University of California, USA Possesses experience as an electrical engineer and expertise in managing the transportation industry		0
Independent Director Chin-Tay Shih	Ph.D. in Electrical Engineering, Princeton University, USA Master of Science in Management, Stanford University Former President of the Industrial Technology Research Institute and Dean of the College of Technology Management, National Tsing Hua University	The four Independent Directors listed on the left all meet the following conditions: 1. Comply with the relevant provisions of Article 14 (2) of the Securities and Exchange Act promulgated by the Financial Supervisory Commission and the Measures for the Establishment and Compliance of Independent Directors of Public Companies (Note 2). 2. Neither the Independent Director (or using the name of another person), nor his/her	3
Independent Director Gene Su	Master's degree in Electrical Engineering and Doctorate in Law Licensed attorney in the State of California and registered with the United States Patent and Trademark Office		0
Independent Director Chen, Cheng-Yi	Ph.D. in High Polymer Former Visiting Professor, Department of Materials Science, Chulalongkorn University, Thailand		0

Qualifications Name	Professional Qualification and Work Experience	Independence criteria	Concurrently serves as Independent Director for multiple other publicly-listed companies
	Served as the Vice President of Research and Development in the copper-clad laminate industry for an extended period (2003-2017)	3. spouse and minor children hold shares in the Company. No remuneration received for providing business, legal, financial, accounting and other services to TUC or its affiliates in the recent two years.	
Independent Director Yeh, Shu-Wen	CPA of the Republic of China Possess professional skills and experience in financial accounting		0
Independent Director Li, Yu-Ying Dismissed on June 19, 2024	Master in Business Administration, New York University. Possess professional knowledge and skills in business management		0
None of the directors have any of the provisions of Article 30 of the Companies Act (Note 1) For detailed information on the professional qualifications and experience of the directors, please refer to Page 4-8 "I. (I).1 Information on Directors and Supervisors"			

Note 1: Shall not act as a manager under any of the following circumstances. If he or she has already acted as a manager, he shall be dismissed:

1. Having committed a crime specified in the Organized Crime Prevention Act and has been convicted of a crime, where sentence has not been executed, has not been completed, or less than five years have elapsed after the execution, the expiration of probation or pardon.
2. Having committed the crime of fraud, breach of trust or embezzlement, and having been sentenced to fixed-term imprisonment of more than one year, where sentence has not been executed, has not been completed, or less than two years have elapsed after the execution, the expiration of probation or pardon.
3. Having committed a crime under the Anti-corruption Act, and having been convicted of a crime, where sentence has not been executed, has not been completed, or less than two years have elapsed since the completion of the execution, the expiration of the probation, or the pardon.
4. Having been declared bankrupt or having been ordered by the court to commence liquidation proceedings but not yet reinstated.
5. Those who have been refused a transaction with use of notes and have not expired.
6. Incapacitated or restricted.
7. The order of the commencement of assistance has not been revoked.

Note 2:

1. Not a government, legal person or its representative specified in Article 27 of the Company Act.
2. Concurrently serve as an Independent Director in no more than three other public companies.
3. None of the following situations in the two years before the election and during the term of office:
 - (1) An employee of the company or its affiliates.
 - (2) A Director or Supervisor of the Company or any of its affiliates.
 - (3) A natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of one percent or more of the total number of issued shares of the Company or ranking in the top 10 in holdings.

- (4) The spouse, a relative within second degree of kinship or a lineal relative within third degree of kinship of a managerial officer listed in (1) or a person listed in (2) or (3).
- (5) A Director, Supervisor, or Employee who is the Company's shareholder that directly holds 5% or more of the total number of issued shares of the Company, or that ranks among the top five in shareholdings, or that designates its representative to serve as a Director or Supervisor of the company under Article 27 the Company Act.
- (6) A Director, Supervisor or employee of a company controlled by the same person who has shares over half of the Company's director seats or voting rights.
- (7) A Director, Supervisor, or employee of another company or institution who, or whose spouse, is a Chairman, President or person holding an equivalent position of the Company.
- (8) A Director, Supervisor, officer, or shareholder holding 5% or more of the shares, of a specified company or institution that has a financial or business relationship with the Company.
- (9) A Professional, Business Owner, Partner, Director, Supervisor, Manager and Spouse of Sole proprietorship, partnership, company or institution in terms of relevant service including commercial, legal, financial, accounting affair providing audit to the Company or affiliated enterprises or whose accumulative amount being no more than NT\$500,000 in recent two years. Except for those who are members of the Remuneration Committee of the Company.

(2) Diversity and Independence of the Board of Directors:

The nomination of TUC's Directors is through rigorous selection procedures, which not only examines the diverse background, professional ability and experience, but also attaches great importance to their personal reputation in moral behavior and leadership. TUC aims to have at least 50% of the total number of Directors as Independent Directors and at least one female Director. At present, seven members of the Board of Directors of the Company have diverse backgrounds, including professional backgrounds in different industries, academia 、accounting and law, including one female Independent Director; of the seven Directors, four are Independent Directors, accounting for 57% of the total number of Directors' seats, and two Directors among the seven Directors are within the second degree of kinship; there are no spouses or within the second degree of kinship between the four Independent Directors and the three Directors, and there are no cases under Item 3 and 4 of Article 26 (3) of the Securities and Exchange Act.

Please refer to page 34-40 "Composition and Responsibilities of the Board of Directors" of the Operation of Corporate Governance of the Annual Report.

The industry in which the company operates is male-dominated. To achieve the goal of having a diverse board of directors, the board of directors maintains at least one female independent director. Although this does not account for one-third of the board seats, we will adhere to the principle of selecting people based on their talents when selecting board members in the future and continue to pay attention to appropriate female candidates. Our goal is to add at least one more female director seat in the next board of directors to reach one-third of the seats.

Members of the Board of Directors meet the criteria for independence:

None of the following situations in the two years before the election and during the term of office	Name						
	Hsin, Chung-Herng	Hsin, Yao-Chi	Hsin, Yao-Hung	Chin-Tay Shih	Yeh, Shu-Wen	Gene Su	Chen, Cheng-Yi
(1) An employee of the company or its affiliates.	V		V	V	V	V	V
(2) A Director or Supervisor of the Company's affiliates.		V	V	V	V	V	V
(3) A natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of one percent or more of the total number of issued shares of the Company or ranking in the top 10 in holdings.		V	V	V	V	V	V
(4) The spouse, a relative within second degree of kinship or a lineal relative within third degree of kinship of a managerial officer listed in (1) or a person listed in (2) or (3).			V	V	V	V	V
(5) A Director, Supervisor, or Employee who is the Company's shareholder that directly holds 5% or more of the total number of issued shares of the Company, or that ranks among the top five in shareholdings, or that designates its representative to serve as a Director or Supervisor of the company under Article 27 the Company Act.		V	V	V	V	V	V
(6) A Director, Supervisor or employee of a company controlled by the same person who has shares over half of the Company's director seats or voting rights.	V	V	V	V	V	V	V

None of the following situations in the two years before the election and during the term of office	Name	Hsin, Chung-Herng	Hsin, Yao-Chi	Hsin, Yao-Hung	Chin-Tay Shih	Yeh, Shu-Wen	Gene Su	Chen, Cheng-Yi
(7) A Director, Supervisor, or employee of another company or institution who, or whose spouse, is a Chairman, President or person holding an equivalent position of the Company.		V	V	V	V	V	V	V
(8) A Director, Supervisor, officer, or shareholder holding 5% or more of the shares, of a specified company or institution that has a financial or business relationship with the Company.		V	V	V	V	V	V	V
(9) A Professional, Business Owner, Partner, Director, Supervisor, Manager and Spouse of Sole proprietorship, partnership, company or institution in terms of relevant service including commercial, legal, financial, accounting affair providing audit to the Company or affiliated enterprises or whose accumulative amount being no more than NT\$500,000 in recent two years.		V	V	V	V	V	V	V
(10) A government, legal person or its representative specified in Article 27 of the Company Act.		V	V	V	V	V	V	V

During their tenure, each Director has been granted full rights to participate in decision-making and express opinions in accordance with Article 14-3 of the Securities and Exchange Act, thereby independently exercising relevant powers.

3. If any Director or Supervisor is the representative of any corporate shareholder, the name of the corporate shareholder as well as the names and shareholding ratios of the top 10 shareholders in terms of shareholding in the corporation shall be specified: None.
4. If the top 10 shareholders are corporate shareholders, the names of the corporate shareholders as well as the names and shareholding ratios of the top 10 shareholders in terms of shareholding in the corporations shall be specified: None.

(II) President, Vice Presidents, Assistant Vice Presidents, Managers of Departments and Branches:

April 23, 2025; Unit: shares; %

Job Title	Nationality	Name	Gender	Date Elected (Appointed)	Shareholding		Shares Held by Spouse and Minor Children		Shares Held in the Name of Other Persons		Education and Work Experience	Position Held with Other Companies	Managerial Officers Who are Spouses or Within Two Degrees of Kinship			Note
					Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage			Job Title	Name	Relationship	
President Newly appointed on October 30, 2024	Taiwan	Hu, Kuei-Chin	Female	2024.10.30	0	0%	0	0%	0	0%	Department of Chemical Engineering, Chung Yuan Christian University Chief Operating Officer, KINSUS INTERCONNECT TECHNOLOGY CORP. President, TRIPOD TECHNOLOGY CORPORATION	None	None	None	None	Note: TUC's President and its Chairman are not the same one person, nor spouse or immediate family.
President Retirement on October 30, 2024	Taiwan	Liu, Yu-Ju	Male	2021.3.17	16,639	0%	0	0.0%	0	0%	PhD in Chemistry from Michigan State University, USA R&D Manager, Huntsman International LLC. Senior Vice President, Taiwan Union Technology Corporation	None	None	None	None	
Chief Strategy Officer	Taiwan	Hsin, Yao-Chi	Male	2015.6.1	170,000	0.06%	0	0%	0	0%	Department of Medicine, University of Missouri, USA Master of Business Administration, University of California, USA	None	None	None	None	
Vice President	Taiwan	Wang, Bo-Gong	Male	2022.5.20	5,000	0.00%	0	0%	0	0%	Nihon Kogakuin College Data Processing (Information Software) Assistant Vice President of Grace Electron Corp., GuangZhou Vice President of ITEQ Corporation	None	None	None	None	
Vice President	Taiwan	Huang, Wen-Hsu	Male	2013.7.1	320,000	0.12%	10,000	0%	0	0%	Department of Economics, National Tsing Hua University Institute of Business Research, National Chung Hsing University Chief Financial Officer, TRI OCEAN TEXTILE CO., LTD.	None	None	None	None	

Job Title	Nationality	Name	Gender	Date Elected (Appointed)	Shareholding		Shares Held by Spouse and Minor Children		Shares Held in the Name of Other Persons		Education and Work Experience	Position Held with Other Companies	Managerial Officers Who are Spouses or Within Two Degrees of Kinship			Note
					Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage			Job Title	Name	Relationship	
Vice President	Taiwan	Liu, Shu-Fen	Female	2018.7.1	45,000	0.02%	0	0%	0	0%	Master/PhD, Institute of Chemical Engineering, National Tsinghua University Research Director, Material and Chemical Research Lab, Industrial Technology Research Institute	None	None	None	None	
Vice President	Taiwan	Kuo, Chao-Hui	Male	112.12.01	35,000	0.01%	0	0%	0	0%	Master's degree in Institute of Food Science and Technology, National Taiwan University / Ph.D. in Institute of Polymer Science and Engineering, National Taiwan University R&D Assistant Vice President, Cheng Mei Materials Technology Corporation R&D Director, TPK TOUCH SOLUTIONS INC.	None	None	None	None	
Vice President	Taiwan	Chung, Chiang	Male	2014.5.30	58,000	0.02%	0	0%	0	0%	Department of Marine Engineering, Tamkang University Vice President of HannStar Board Corporation Vice President of Yaowen (or UCINAP) Electronic Co., Ltd.	None	None	None	None	
Vice President	Taiwan	Wu, Kuan-Ying	Male	2021.5.5	0	0.00%	0	0%	0	0%	Master in Polymeric Materials, Chemistry Institute, Tsinghua University Vice President of Uniplus Electronics	None	None	None	None	

Job Title	Nationality	Name	Gender	Date Elected (Appointed)	Shareholding		Shares Held by Spouse and Minor Children		Shares Held in the Name of Other Persons		Education and Work Experience	Position Held with Other Companies	Managerial Officers Who are Spouses or Within Two Degrees of Kinship			Note
					Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage			Job Title	Name	Relationship	
Vice President	Taiwan	Jiang, Yan-Jin	Male	2025.11.1	10,000	0%	0	0%	0	0%	Department of Marine Engineering, National Taiwan Ocean University Master, Graduate Institute of Applied Mechanics, National Taiwan University Plant Manager, TUC (ZhongShan) Director of Operations Management Department, Isola (Huizhou) Director of the Equipment Division, Isola (Taiwan) Asia Region	None	None	None	None	
Accounting/ Finance Manager Newly appointed in January 2025	Taiwan	Lin, Hsiao-Chiao	Female	2025.1.15	0	0%	0	0%	0	0%	Department of Accounting, National Chung Hsing (Taipei) University Institute of Finance, National Chiao Tung University Chief Financial Officer and Spokesperson, LUXNET CORPORATION Chief Financial Officer, ORIGINAL BIOMEDICALS CO., LTD.	None	None	None	None	
Corporate Governance Officer	Taiwan	Huang, Yi-Jen	Male	2020.10.28	73,000	0.03%	0	0%	0	0%	Bachelor, Department of Law, College of Law and Business, National Chung Hsing University Master of International Studies, Sheffield University, UK Legal Manager, Lite-On IT Corporation	None	None	None	None	

(III) If the Chairman of the Board of Directors and the President or equivalent (top manager) who are the same person, spouse or within the second degree of kinship, information on reasons, reasonableness, necessity and countermeasures shall be stated: None

II Compensations to Directors, Supervisors, President and Vice Presidents in the Most Recent Year

(I) 1. Remuneration of General Directors and Independent Directors (in 2024) (with the name(s) disclosed based on each remuneration range)

Unit: NT\$ thousand

Job Title	Name	Remuneration of Directors								Total Amount of A, B, C and D and its Ratio to Net Income After Tax		Remuneration Paid to Concurrent Employees								Total amount of A, B, C, D, E, F and G and its Ratio to Net Profit after Tax (%)		Companies Other than Subsidiaries or the Parent Company		
		Remuneration (A)		Severance Pay and Pension (B)		Remuneration to Directors (C)		Business Execution Fees (D)				Salary, Bonuses, and Allowances, etc. (E)		Severance Pay and Pension (F)		Remuneration to Employees (G)								
		TUC	All Companies in the Financial Report	TUC	All Companies in the Financial Report	TUC	All Companies in the Financial Report	TUC	All Companies in the Financial Report	TUC	All Companies in the Financial Report	TUC	All Companies in the Financial Report	TUC	All Companies in the Financial Report	TUC	All Companies in the Financial Report	TUC	All Companies in the Financial Report					
Chairman	Hsin, Chung-Herng																							
Director	Hsin, Yao-Hung	2,520	2,520	0	0	8,714	8,714	360	360	11,594 0.45%	11,594 0.45%	3,356	3,356	0	0	2,374	0	2,374	0	17,325 0.67%	17,325 0.67%	None		
Director	Hsin, Yao-Chi																							
Independent Director	Li, Yu-Ying (Dismissed in June 2024)																							
Independent Director	Chin-Tay Shih																							
Independent Director	Gene Su	0	0	0	0	11,619	11,619	940	940	12,559 0.48%	12,559 0.48%	0	0	0	0	0	0	0	0	12,559 0.48%	12,559 0.48%	None		
Independent Director	Chen, Cheng-Yi																							
Independent Director	Yeh, Shu-Wen (Newly appointed in June 2024)																							

- Please specify the policies, systems, standards and structure of and for payment of remuneration to Independent Directors, and their relevance with the amount of the remuneration based on Independent Director's duties, risks, time invested and other factors:
The policies for Independent Director's remuneration are as follows:
 - Travel and attendance fees shall be paid according to attendance situation and stipulations.
 - There are no fixed salary structure.
 - Directors' remuneration: Remuneration should be allotted to and withdrawn for Directors according to Article 18 of the Articles of Incorporation, the allotment of remuneration shall be evaluated at least once every year according to the Measures for Evaluation on the Performance of the Board of Directors and Functional Committees, evaluation and self-assessment shall be made based on duties, risks, attendance, professional opinions and degree of legal risks etc., and remuneration shall be allotted and paid to Directors according to the evaluation results. In 2024, Director attendance rate was above 95% of the meetings for Board of Directors and exercised due diligence in supervising and management as well as provided professional advice.
TUC's Independent Directors attended Directors' meetings for 6 times in total, achieving a 98% attendance rate in 2024. Please refer to pages 25-26 of this Annual Report for the attendance details and decisions. Independent Directors and Directors are responsible for supervising and managing the Company within the scope of their duties. In addition to the traveling costs for attending the meeting each time, the relevant results of evaluation on Director's performance have been taken into consideration in the Company's procedures for determining remuneration. (Please refer to pages 22-24 of this annual report.)
- In addition to the disclosures in the table above, the remuneration received for services rendered by directors of the Company in the most recent year (e.g. acting as consultants to non-employees of the parent company/all companies in the financial statements/reinvestment business, etc.): None.

Range of Remuneration

Range of Remuneration Paid to Directors	Name of Director			
	Total remunerations from A to D (A+B+C+D)		Total remunerations from A to G (A+B+C+D+E+F+G)	
	TUC	All companies in the Financial Report H	TUC	All companies in the Financial Report I
Less than NT\$1,000,000				
NT\$1,000,000 (inclusive) ~ NT\$2,000,000 (exclusive)	Li, Yu-Ying, Yeh, Shu-Wen (Note)	Li, Yu-Ying, Yeh, Shu-Wen (Note)	Li, Yu-Ying, Yeh, Shu-Wen (Note)	Li, Yu-Ying, Yeh, Shu-Wen (Note)
NT\$2,000,000 (inclusive) ~ NT\$3,500,000 (exclusive)	Chin-Tay Shih, Gene Su, Chen, Cheng-Yi, Hsin, Yao-Chi, Hsin, Yao-Hung	Chin-Tay Shih, Gene Su, Chen, Cheng-Yi, Hsin, Yao-Chi, Hsin, Yao-Hung	Chin-Tay Shih, Gene Su, Chen, Cheng-Yi, Hsin, Yao-Hung	Chin-Tay Shih, Gene Su, Chen, Cheng-Yi, Hsin, Yao-Hung
NT\$3,500,000 (inclusive) ~ NT\$5,000,000 (exclusive)				
NT\$5,000,000 (inclusive) ~ NT\$10,000,000 (exclusive)	Hsin, Chung-Herng	Hsin, Chung-Herng	Hsin, Chung-Herng, Hsin, Yao-Chi	Hsin, Chung-Herng, Hsin, Yao-Chi
NT\$10,000,000 (inclusive) ~ NT\$15,000,000 (exclusive)				
NT\$15,000,000 (inclusive) ~ NT\$30,000,000 (exclusive)				
NT\$30,000,000 (inclusive) ~ NT\$50,000,000 (exclusive)				
NT\$50,000,000 (inclusive) ~ NT\$100,000,000 (exclusive)				
Over NT\$100,000,000				
Total	8 Directors	8 Directors	8 Directors	8 Directors

Note: Li, Yu-Ying was dismissed on June 19, 2024; Yeh, Shu-Wen was newly appointed on June 19, 2024.

2. Supervisors' Remuneration: TUC has established the Audit Committee, so this is not applicable.

3. Remuneration Paid to President and Vice President (with the name(s) disclosed based on each remuneration range)

Unit: NT\$ thousand / thousand shares

Job Title	Name	Salary (A)		Severance Pay and Pension (B)		Compensation and Allowances (C)		Remuneration to Employees (D) (Note 2)				Total Amount of A, B, C and D <u>and</u> its Ratio to Net Income After Tax		Remuneration from Invested Companies Other than Subsidiaries or the Parent Company
		TUC	All Companies in the Financial Report	TUC	All Companies in the Financial Report	TUC	All Companies in the Financial Report	TUC		All Companies in the Financial Report		TUC	All Companies in the Financial Report	
								Cash Amount	Stock Amount	Cash Amount	Stock Amount			
President Newly appointed on October 30, 2024	Hu, Kuei-Chin	35,490	35,736	976	976	-	-	27,711	-	28,887	-	64,177 2.46%	69,599 2.67%	None
President Retirement on October 30, 2024	Liu, Yu-Ju													
Chief Strategy Officer	Hsin, Yao-Chi													
Vice President	Wang, Bo-Gong													
Vice President	Chung, Chiang													
Vice President	Wu, Kuan-Ying													
Vice President	Huang, Wen-Hsu													
Vice President	Jiang, Yan-Jin													
Vice President	Liu, Shu-Fen													
Vice President	Kuo, Chao-Hui													
Accounting and Finance Manager Newly appointed on January 15, 2025	Lin, Hsiao-Chiao													
Corporate Governance Officer	Huang, Yi-Jen													

Note 1: Net income after tax for 2024 was NT\$2,604,368 thousand.

Note 2: The employees' compensation was approved by the Board of Directors on March 12, 2025.

Range of Remuneration

Range of Remuneration Paid to President and Vice Presidents	Name of President and Vice Presidents	
	TUC	All companies in the Financial Report E
Less than NT\$1,000,000		
NT\$1,000,000 (inclusive) ~ NT\$2,000,000 (exclusive)		
NT\$2,000,000 (inclusive) ~ NT\$3,500,000 (exclusive)		
NT\$3,500,000 (inclusive) ~ NT\$5,000,000 (exclusive)		
NT\$5,000,000 (inclusive) ~ NT\$10,000,000 (exclusive)	Hu, Kuei-Chin 、Liu, Yu-Ju 、 Hsin, Yao-Chi 、Wang, Bo-Gong Chung, Chiang 、Wu, Kuan-Ying Huang, Wen-Hsu 、Jiang, Yan-Jin Liu, Shu-Fen 、Kuo, Chao-Hui Huang, Yi-Jen	Hu, Kuei-Chin 、Liu, Yu-Ju 、 Hsin, Yao-Chi 、Wang, Bo-Gong Chung, Chiang 、Wu, Kuan-Ying Huang, Wen-Hsu 、Jiang, Yan-Jin Liu, Shu-Fen 、Kuo, Chao-Hui Huang, Yi-Jen
NT\$10,000,000 (inclusive) ~ NT\$15,000,000 (exclusive)		
NT\$15,000,000 (inclusive) ~ NT\$30,000,000 (exclusive)		
NT\$30,000,000 (inclusive) ~ NT\$50,000,000 (exclusive)		
NT\$50,000,000 (inclusive) ~ NT\$100,000,000 (exclusive)		
Over NT\$100,000,000		
Total	11 Directors	11 Directors

4. Names of the managerial officer receiving employee remuneration and status of allocation

April 30, 2025; Unit: NT\$ thousands; %

	Job Title	Name	Stock Amount	Cash Amount	Total	Ratio of Total Remuneration in Net Profit after Tax (%)
Managerial Officers	President	Hu, Kuei-Chin	0	27,711	27,711	1.06
	Chief Strategy Officer	Hsin, Yao-Chi				
	Vice President	Wang, Bo-Gong				
	Vice President	Chung, Chiang				
	Vice President	Wu, Kuan-Ying				
	Vice President	Huang, Wen-Hsu				
	Vice President	Liu, Shu-Fen				
	Vice President	Kuo, Chao-Hui				
	Vice President	Jiang, Yan-Jin				
	Corporate Governance Officer	Huang, Yi-Jen				

Note 1: The payment of employees' compensation to managerial officers was approved by the Board of Directors on March 12, 2025.

Note 2: Net income after tax for 2024 was NT\$2,604,368 thousand.

- (II) If any of the following applies to the Company, it shall disclose the remuneration paid to each individual Director and Supervisor:
- For the parent company only financial statements or individual financial reports for the most recent three years that exhibit net losses after tax, remunerations to individual directors and supervisors shall be disclosed. This requirement, however, shall not apply if there's net profit after tax indicated in the individual or separate financial statements of the most recent year which is sufficient to offset the accumulated losses: None.
 - If any Director holds insufficient ratio of shares for 3 consecutive months or longer in the most recent year, the remuneration to the Directors shall be disclosed; if any Supervisor holds insufficient ratio of shares for 3 consecutive months or longer in the most recent year, the remuneration to the Supervisor shall be disclosed: None.
 - If the average ratio of share pledging by Directors or Supervisors exceeds 50% in any 3 months during the most recent year, the remuneration paid to each Director or Supervisor having a ratio of pledged shares in excess of 50% in each such month shall be disclosed: None.
 - If the total amount of remuneration received by all of the Directors and Supervisors in their capacity as the Directors or Supervisors of all of the companies listed in the financial statements exceeds 2% of the net profit after tax, and the remuneration received by any individual Director or Supervisor exceeds NT\$15 million, the remuneration paid to each Director or Supervisor shall be disclosed: None.
 - Any result of evaluation made on corporate governance in the most recent year which fell into the last level, or any changes in trading methods, suspension of

trading, termination of listings or any evaluation being rejected by the Corporate Governance Evaluation Committee in the most recent year as of the publication date of the Annual Report: None.

6. Any full-time employees who have not held any managerial positions with an average annual salary of less than NT\$ 500,000 in the most recent year: None.
 7. In the most recent year, there was an increase of more than 10% in net profit after tax; however, the average annual salary of full-time employees who do not hold managerial positions did not increase compared to the previous year: None.
 8. In the past year where the net profit after tax has declined by 10% or more and exceeded NT\$5 million, and the average remuneration of each director (excluding concurrent employee remuneration) increased by 10% or more and exceeded NT\$100,000:None.
- (III) For TWSE/TPEX Listed Companies, if any condition specified in the above item 1 or 5 is applicable, the remuneration of the top 5 highest paid managers shall be disclosed: None.
- (IV) Comparison of and Description about the Analyses on the Ratio of the Total Remuneration Paid by TUC and All the Companies Listed in the Consolidated Financial Statements to TUC's Directors, Supervisors, President, and Vice Presidents in the Most Recent Two Years in the Net Profit After Tax Indicated in Individual Financial Report, and Description about Remuneration Payment Policies, Standards and Combination, Procedure for Determining Remuneration, and Their Relevance to Business Performance and Future Risks.
1. Analysis of the total remuneration paid to TUC's Directors, Supervisors, President and Vice Presidents in the most recent two years as a ratio of the net profit after tax of the individual or separate financial statements:

Unit: %

Job Title	Year	2024		2023	
		TUC	All Companies in the Consolidated Financial Statements	TUC	All Companies in the Consolidated Financial Statements
Director		0.93	0.93	1.71	1.71
President and Vice Presidents		2.46	2.67	5.46	5.94

The decrease in the total remuneration paid to directors, the president, and vice presidents as a percentage of net profit after tax in the Parent Company Only or individual financial statements, compared to the previous year, is primarily due to the fact that the Company's after-tax net profit for the fiscal year 2024 grew at a rate higher than the increase in the remuneration allocation ratio.

2. TUC's Directors, President and Vice president's payment policies, standards and portfolios, the procedures for determining remuneration, and the relationship with operating performance and future risks.
 - (1) TUC's remuneration policies, standards and portfolios
 - A. Talent is an important assets of TUC. TUC will adhere to the philosophy of sharing hardships and achievements with employees, providing competitive remuneration system to attract, motivate and retain talented people. It will be confirmed, through regular investigation on the salary in the market, newly recruited employee's requirements for salary, and the salary level in policies, that TUC's overall remuneration system is competitive in the market.

Reasonable and competitive overall salaries will be provided, depending on the value of various expertise and functions in the market, based on the evaluation of posts as well as employee's contributions and duties.

(b) Relevant performance incentive bonuses will be paid depending on TUC's operating performance, achievement of team goals and employee's personal contribution and performance at work.

The salaries and remunerations to be paid to employees vary with their job evaluation, functional needs, professional experience and personal performance, instead of their gender, race, religion, political position and marital status.

- B. TUC's remuneration package includes cash remuneration, warrants, bonus and stock ownership, retirement benefits or severance pay, various allowances and other tangible incentives. The scope of which is consistent with the Guidelines for the Remuneration of Directors and Managers in the Annual Report of Public Companies.

Payment of remuneration to Directors and senior managers shall subject to TUC's Measures for Management of the Remuneration of Directors, Supervisors and Senior Managerial Officers, Evaluation on Director's Annual Performance, and the evaluation made on employees' performance.

- C. Diversified benefit system: Insurances and protection, Employee Welfare Committee benefits and supplements.

(2) Procedures for determining remuneration:

- A. TUC's Directors do not receive remuneration, except for travel expenses of NT\$ 20,000 per person for each meeting. The remuneration of the Directors shall be provided in accordance with Article 18 of the Articles of Association, and shall be reviewed by the Remuneration Committee and submitted to the Board of Directors for approval before reporting at the shareholder's meeting. The Board of Directors shall evaluate the performance of Directors and the Board of Directors at the end of each year, the result of which will be used as the basis for allotment of remuneration to Directors.

- B. TUC's employees and managers are remunerated with various allowances and bonuses in accordance with the TUC's salary regulations to provide compassion and reward the employees for their hard work and dedication. The relevant bonuses shall also be assessed according to TUC's annual operating performance, financial status, operating status and personal work performance; In addition, if TUC makes profits for the current year, it shall allocate employee remuneration in accordance with Article 18 of the Articles of Incorporation, which shall be reviewed by the Remuneration Committee, submitted to the Board of Directors for approval and then reported to the Shareholders' Meeting.

- C. Performance Evaluation Policy

(A) The results of the performance evaluation conducted by TUC in accordance with the "Performance Evaluation Operation Specifications" are used as the basis for reference for the managers' bonuses. The performance evaluation items for managers are as follows: the rate of achievement for managers' goals, implementation of TUC's core values and operational management capabilities, participation in sustainable operation, leadership development, team cooperation, self-improvement, etc.

TUC will review the remuneration system at any time according to the actual business conditions and relevant laws and regulations.

- (B) To encourage senior managers and all employees to prioritize long-term comprehensive performance and achieve sustainable operations, the Company plans to incorporate the targets of the Ministry of Environment's voluntary reduction program into the performance evaluation criteria for the President, internal managers, and department-level supervisors. This will specifically apply to the "goal achievement rate" assessment category, starting in 2025.

* President: performance indicators – sustainability performance (10%) implementation breakdown (weighting): green product innovation (3%), low-carbon manufacturing transformation (4%), occupational safety and health (2%), others (1%)

* Internal managerial officers: performance indicators – sustainability performance (5%) implementation breakdown (weighting): green product innovation (3%), occupational safety and health (1%), others (1%)

* Department-level supervisors: performance indicators – sustainability performance (based on respective responsibilities 5%) implementation breakdown (weighting): low-carbon manufacturing transformation (4%) / circular economy (4%) / sustainable procurement (4%), others (1%)

- (C) The long-term performance incentive goals for the President and internal managers will incorporate the group's financial performance over the next three years, the effectiveness of long-term strategic execution, Total Shareholder Return (TSR), risk management, corporate governance, and other relevant factors. Additionally, the weighting of the "Sustainable Development Performance Indicators" will be increased to effectively align sustainable objectives with managers' responsibilities and accountability for long-term performance.

- (3) Relevance to business performance and future risks

- A. TUC's remuneration policy is to adopt an overall remuneration ethos of a combination of fixed salaries and variable rewards. A system tagged to operating results performance will be adopted, which will allow TUC to take on a certain level of flexibility in the rate of change in remuneration cost risk to withstand changes in operating results.
- B. The performance objectives of TUC's managers are combined with "Risk Control" to ensure that possible risks within the scope of responsibilities are managed and prevented, and the results of evaluation according to the actual performance are linked with relevant human resources and remuneration policies.
- C. TUC drafts mid-and-long-term business plans every year, and clearly sets the orientation and formulate strategies against any future business risks through SWOT analysis and an annual strategy meeting held every year, and will make adjustment within the scope of employee's salary adjustment ratio and annual salary adjustment ratio based on estimation of business performance.

III Corporate Governance

(I) Operation of the Board of Directors

1. Information about the operation of the Board of Directors: The meeting of the Board of Directors were held for 6 times in the most recent year (2024), with the attendance by the Directors as follows:

Job Title	Name	Attendance in Person	Attendance by Proxy	Attendance Rate (%)	Note
Chairman	Hsin, Chung-Herng	6	0	80%	
Director	Hsin, Yao-Chi	6	0	100%	
Director	Hsin, Yao-Hung	6	0	80%	
Independent Director	Li, Yu-Ying	2	0	100%	Dismissed on June 19, 2024
Independent Director	Chin-Tay Shih	6	0	100%	
Independent Director	Gene Su	6	0	100%	
Independent Director	Chen, Cheng-Yi	5	1	83%	
Independent Director	Yeh, Shu-Wen	4	0	100%	Newly appointed on June 19, 2024

Other required disclosure:

- I. If the Board of Directors operates in any of the following circumstances, it shall state the date of Board of Directors, the term, the content of proposals, opinions of all Independent Directors and TUC's handling of the opinions of Independent Directors:

- (I) Matters referred to in Article 14-3 of the Securities and Exchange Act:

Board of Directors Date/ Term	Contents of Proposal	Independent Directors' Opinions and the Company's Response to Such Opinions
2024/03/6 Fifteenth meeting of Fifteenth Board of Directors	Proposal for the Issuance of the Fourth Domestic Unsecured Convertible Corporate Bonds Assessment of the Appointment, Independence, Competence, and Reasonableness of Compensation of CPAs Proposal for the establishment of the "Review Procedures for Pre-Approval of CPAs Providing Non-Assurance Services" the Company	The proposals were approved without objection.
2024/07/31 Second Meeting of Sixteenth Board of Directors	Proposal for Capital Expenditure of the Subsidiary, Taiwan Union Technology (Thailand) Co., Ltd.	The proposals were approved without objection.
2024/10/30 Third Meeting of Sixteenth Board of Directors	Proposal for Amendments to the "Internal Control System" and "Internal Audit Implementation Rules" of the Company	The proposals were approved without objection.

- (II) Other than the matters mentioned above, other resolutions on which the Independent Directors have dissenting opinions or qualified opinions: None.

- II. Regarding recusals of Directors from voting due to conflicts of interests, the names of the Directors, contents of proposals, reasons for recusal, and participation in voting shall be specified

1. The Fifteenth Meeting of the Fifteenth Board of Directors, March 6, 2024:

<p>Discussion 6: The Remuneration Committee submits proposals on employee compensation. To avoid a conflict of interest, Director Hsin, Yao-Chi recused himself from voting on the resolution (Reason: concurrent employee status).</p> <p>2. The Sixteenth Meeting of the Fifteenth Board of Directors, May 8, 2024:</p> <p>Discussion 6: The Remuneration Committee submits proposals on salary adjustment. To avoid a conflict of interest, Director Hsin, Yao-Chi recused himself from voting on the resolution (Reason: concurrent employee status).</p>	
III.	<p>The cycle, period, scope, method, contents and other information of the self-evaluation (or peer evaluation) on the Board of Directors:</p> <p>Evaluation cycle: The evaluation is made once every year.</p> <p>Evaluation period: January to December of current year.</p> <p>Scope of assessment: Board of Directors, Audit Committee, Remuneration Committee, individual board members and functional committees</p> <p>Assessment method: Internal self-evaluation and external organization evaluation</p> <p>Contents of evaluation: Participation in operation, awareness of duties, internal control, and other corporate governance matters</p> <p>The self-evaluation for 2023 was completed in December 2023, and the results were reported to the Board of Directors on March 6, 2024.</p> <p>The self-evaluation for 2024 was completed in December 2024, and the results were reported to the Board of Directors on March 12, 2025.</p>
IV.	<p>Assessment of the current and most recent year's objectives for enhancing the Board's functions (e.g. establishing an audit committee, enhancing information transparency, etc.) and their implementation:</p> <ol style="list-style-type: none"> 1. Strengthen director selection and succession planning. 2. Strengthen risk assessment and control.

2. Implementation of evaluation on the Board of Directors:

TUC's Measures for "Evaluation on the Performance of the Board of Directors and Functional Committees" were approved by the Board of Directors in March 2020.

(1) External Evaluation

Assessment Year: 2022

Evaluation January 1, 2022 to December 31, 2022

Evaluation-related work was performed in the fourth quarter of 2022 in accordance with the measures and an external professional evaluation resulted in an excellent rating in March 2023.

External Evaluation Organization: Cross-Strait Business Development Foundation

Scope of Evaluation	Evaluation Method	Evaluation Cycle	Contents of Evaluation	Evaluation Result
The Overall Board and Individual Directors	On-site Evaluation by an External Evaluation Organization	Once every three years (2020 to 2022)	<ol style="list-style-type: none"> 1. Composition of the Board of Directors 2. Guidance, authorization, supervision (including functional committees), and communication by the Board of Directors 3. Internal Control and Risk Management 4. Self-discipline of the Board of 	<p>Excellent</p> <p>Suggestions:</p> <p>It is advisable to continue monitoring and planning for suitable candidates for key management positions. In addition to establishing internal and external talent databases, it is recommended to further specify succession and training plans for key management positions. Among them, it is advisable to establish a regular review of the operation of relevant mechanisms and regularly evaluate the effectiveness of talent development. This will strengthen the Board's supervision of talent cultivation and help achieve the Company's goal of</p>

Scope of Evaluation	Evaluation Method	Evaluation Cycle	Contents of Evaluation	Evaluation Result
			Directors	sustainable development.

(2) Implementation of the 2024 Board of Directors Evaluation

Evaluation January 1, 2024 to December 31, 2024

Date of Submission to the Remuneration Committee and Board of Directors:
March 12, 2025

Scope of Evaluation	Evaluation Method	Evaluation Cycle	Contents of Evaluation	Evaluation Result
Board of Directors	Self-evaluation of the Company	Once a year	<ol style="list-style-type: none"> 1. Participation in the Company's Operating 2. Quality of decisions by Board of Directors 3. Composition and Structure of Board of Directors 4. Selection and Continuing Education of Board of Directors 5. Internal control 	Performance Achievement Ratio: 97% Enhancement of functional objectives: <ol style="list-style-type: none"> 1. Enhance participation in shareholder's meetings: 2. To increase the number of meetings for the Board of Directors in addition to the regular meetings held every quarter 3. Performance Review of the Management Team
Audit Committee	Self-evaluation of the Company	Once a year	<ol style="list-style-type: none"> 1. Awareness of the duties of the functional committee. 2. Functional Committee Decision Quality 3. Composition of the functional committee and election of its members. 4. Internal control 	Performance Achievement Ratio: 100%
Remuneration Committee	Self-evaluation of the Company	Once a year	<ol style="list-style-type: none"> 1. Awareness of the duties of the functional committee. 2. Functional Committee Decision Quality 3. Composition of the functional committee and election of its members. 	Performance Achievement Ratio: 98% Enhancement of functional objectives: Identification and Assessment of Potential Risks
Individual Directors	Directors' self-evaluation	Once a year	<ol style="list-style-type: none"> 1. Execution of the Company's Goals and Tasks 2. Directors' Awareness of Their Duties 3. Participation in the Company's Operating 4. Internal Relationship Management and Communication 5. Professional and Continuing Education for Directors 6. Internal control 	Performance Achievement Ratio: 97% Enhancement of functional objectives: <ol style="list-style-type: none"> 1. Improve the awareness of the characteristics and risks in the industry the Company engages in 2. Increase the time dedicated to matters concerning the Board of Directors 3. Increased awareness of internal controls and risk assessment 4. Enhancing the understanding of the Company's financial and accounting status, various

Scope of Evaluation	Evaluation Method	Evaluation Cycle	Contents of Evaluation	Evaluation Result
				audit deficiencies, and tracking conditions
Member of Audit Committee	Member's self-evaluation	Once a year	1. Participation in the Company's Operating 2. Members' Awareness of Their Duties 3. Enhance the Committee Decision Quality 4. Composition of the functional committee and election of its members. 5. Internal control	Performance Achievement Ratio: 96% Enhancement of functional objectives: 1. Enhancement awareness of risk assessment 2. Further discussion of the proposal 3. Enhance communication with CPAs
Member of Remuneration Committee	Member's self-evaluation	Once a year	1. Participation in the Company's Operating 2. Members' Awareness of Their Duties 3. Enhance the Committee Decision Quality 4. Composition of the functional committee and election of its members.	Performance Achievement Ratio: 97%

(II) Operation of Audit Committee or Participation by Supervisors in the Meeting of the Board of Directors

The Audit Committee of the Company consists of four independent directors. Its purpose is to assist the Board of Directors in overseeing the quality and integrity of the Company's accounting, auditing, financial reporting processes, and internal financial controls.

Member	Professional Qualification and Work Experience
Yeh, Shu-Wen	CPA of the Republic of China Possess professional qualifications in auditing and financial accounting
Chin-Tay Shih	Ph.D. in Electrical Engineering, Princeton University, USA Master of Science in Management, Stanford University Former President of the Industrial Technology Research Institute and Dean of the College of Technology Management, National Tsing Hua University Independent director of Vanguard International Semiconductor Corporation and Sercomm Corporation Possess a leadership position in technology and academia within the electronics and technology industries
Gene Su	Master's degree in Electrical Engineering and Doctorate in Law Licensed attorney in the State of California and registered with the United States Patent and Trademark Office
Chen, Cheng-Yi	Ph.D. in High Polymer Former Visiting Professor, Department of Materials Science, Chulalongkorn University, Thailand Served as the Vice President of Research and Development in the copper-clad laminate industry for an extended period (2003-2017)

TUC's Audit Committee are comprised of all Independent Directors as required by the Securities and Exchange Act, and the Audit Committee is empowered to conduct any appropriate audits and inquiries in the performance of its duties as required by its Articles of Incorporation and has direct channels of communication with internal auditors, Certifying CPAs and all employees of the Company.

1. Operations of the Audit Committee

The Committee consists of all Independent Directors and the highlights of the committee's work in 2024 are summarized as follows:

(1) Review of Financial Reports (Annual and interim financial reports):

The Board of Directors has prepared TUC's 2023 Business Report, Financial Statements, and Proposal for Distribution of Earnings, as well as the Financial Statements for Q1, 2024, Q2, 2024, and Q3, 2024, among which the annual and quarterly Financial Statements have been audited by Deloitte & Touche, and an audit report was issued. The aforementioned business report, financial statements, and proposal for distribution of earnings, have been reviewed and verified by the Audit Committee.

(2) Evaluation on the effectiveness of internal control system:

The Audit Committee evaluates the effectiveness of the Company's internal control system, including policies and procedures (covering financial controls, operations, risk management, information security, outsourcing, and regulatory compliance). Additionally, the Committee reviews periodic reports from the internal audit department, external auditors, and management, focusing on risk management and legal compliance.

The Audit Committee believes that the Company's risk management and internal control systems are effective. The Company has established essential control mechanisms to monitor and address any violations.

(3) Proposal for Amendment of "Internal Control System," "Internal Audit Implementation Rules" and "Regulations of Audit Committee" of the Company. Proposal for establishment of the "Review Procedures for Pre-Approval of CPAs Providing Non-Assurance Services" of the Company.

(4) Trading of major assets or derivatives.

(5) Raise, issue, or privately place securities with equity characteristics.

(6) Appointment, dismissal, and remuneration of CPAs:

To ensure the independence of the auditing firm, the Audit Committee has established an independence assessment form based on Article 47 of the Certified Public Accountant Act and Bulletin No. 10 of the Code of Ethics for Certified Public Accountants, which emphasizes integrity, impartiality, objectivity, and independence. The assessment evaluates the independence, professional competence, and suitability of the auditors, including whether any relationships exist between the auditors and the Company, such as business dealings or financial interests. March 6, 2024 The Third Audit Committee Eleventh Meeting

The proposal to appoint CPA Weng, Bo-Jen and CPA Chu, Shih-Lan of Deloitte & Touche, as well as the assessment of their independence, has been reviewed and approved. Both individuals meet the required standards and are deemed qualified to serve as the Company's financial and tax auditors.

The Audit Committee held Four meetings in the most recent year (2024), with the attendance by Independent Directors as follows:

Job Title	Name	Attendance in Person	Attendance by Proxy	Attendance Rate	Note
Independent Director	Yeh, Shu-Wen	2	0	100%	Newly appointed on June 19, 2024
Independent Director	Chin-Tay Shih	4	0	100%	-
Independent Director	Gene Su	4	0	100%	-

Independent Director	Chen, Cheng-Yi	4	0	100%	
Independent Director	Li, Yu-Ying	2	0	100%	Dismissed on June 19, 2024

Other required disclosure:

I. With regard to the implementation of the Audit Committee, if any of the following circumstances occur, the dates, terms of the meetings, contents of motions, all Audit Committee resolutions, and the Company's handling of such resolutions shall be specified:

(I) Matters listed in Article 14-5 of the Securities and Exchange Act:

Convening of the Audit Committee Date/Term	Contents of Proposal	Contents of objections, reservations or major recommendations by Independent Director	Results of the Audit Committee's resolutions	The Company's response to the opinion of the Audit Committee
2024/03/6 The Third Audit Committee Eleventh Meeting	1. Annual Operating Report, Financial Report and Earnings Distribution Statement For Year 2023. 2. Proposal for the Issuance of the Fourth Domestic Unsecured Convertible Corporate Bonds 3. Internal Control Effectiveness Assessment for 2023 4. Assessment of the Appointment, Independence, Competence, and Reasonableness of Compensation of CPAs 5. Proposal for the establishment of the "Review Procedures for Pre-Approval of CPAs Providing Non-Assurance Services" the Company	None	The proposals were approved, as proposed, by all the members present at the meeting.	The Board approves all proposals as recommended by the Audit Committee.
2024/05/08 The Third Audit Committee Twelfth Meeting	Financial Statement for Q1, 2024	None	The proposals were approved, as proposed, by all the members present at the meeting.	The Board approves all proposals as recommended by the Audit Committee.
2024/07/31 The Fourth Audit Committee First Meeting	1. Financial Statement for Q2, 2024 2. Proposal for Capital Expenditure of the Subsidiary, Taiwan Union Technology (Thailand) Co., Ltd.	None	The proposals were approved, as proposed, by all the members present at the meeting.	The Board approves all proposals as recommended by the Audit Committee.
2024/10/30 The Fourth Audit Committee Second Meeting	1. Financial Statement for Q3, 2024 2. Proposal for Amendments to the "Internal Control System" and "Internal Audit Implementation Rules" of the Company	None	The proposals were approved, as proposed, by all the members present at the meeting.	The Board approves all proposals as recommended by the Audit Committee.

(II) Except for the aforementioned matters, other matters not approved by Audit Committee but approved by more than two-thirds of all Directors: None.

II. Regarding recusals of Independent Directors from voting due to conflicts of interests, the names of the Independent Directors, contents of proposals, reasons for recusal, and participation in voting shall be specified: None.

III. Communication between Independent Directors, Audit Supervisor, and CPAs (Shall include significant matters, methods, and results for communicating TUC's financial and business conditions):

(I) TUC's Independent Directors shall have at least one symposium with Internal Audit Manager every quarter to conduct face-to-face

communication about the implementation of audit, in addition to monthly written reports. A total of four (4) symposiums were held in 2024. In 2024, Internal Audit Manager communicates with the company's independent directors through pre-board meetings:

Date/Convening Method	Highlights of meeting	Result of Communication
2024/03/06 Pre-board meeting	Internal audit report of the company from December 2023 to January 2024	Unanimously passed by all present Independent Directors' suggestion: None.
2024/05/08 Pre-board meeting	Internal audit report of the Company from February 2024 to April 2024	Unanimously passed by all present Independent Directors' suggestion: None.
2024/07/31 Pre-board meeting	Internal audit report of the Company from June 2024 to July 2024	Unanimously passed by all present Independent Directors' suggestion: None.
2024/10/30 Pre-board meeting	1. Internal audit report of the Company from July 2024 to September 2024 2. Audit Explanation on the Revisions and Additions to the "Internal Control System" and "Internal Audit Implementation Rules" of the Company	Unanimously passed by all present Independent Directors' suggestion: None.

- (II) The Company's Independent Directors shall have at least one symposium with external CPAs every year to report the audit on the finance and business of the Company and its subsidiaries, and to report and communicate any significant adjustment to the financial statements of current year or affected matters.

Two symposiums were held in 2024, on March 6 and October 30, 2024, to discuss the following matters.

Accountants for 2024 to communicate with the company's independent directors and directors through a pre-session meeting of the jury:

Date: March 6, 2024

Communication matters:

Communication matters from CPA Weng, Bo-Jen of Deloitte & Touche to Independent Directors.

1. Audit Quality Indicator (AQI) Report

Dimension 1. Professional Indicators: This dimension includes audit experience, training hours, turnover rate, and professional support

Dimension 2. Quality Control Indicators: CPA's workload, audit input, EQR review status, quality control support capability

Dimension 3. Independence: Non-audit services and client familiarity

Dimension 4. Supervision: External inspection deficiencies and disciplinary actions and letter from supervisory authority for improvement

Dimension 5. Innovation Capability: Innovative planning or initiatives

The audit quality indicators are provided based on the period information for the fiscal year (June 1, 2022, to May 31, 2023) of the firm

The quality of auditing should be assessed using both quantitative and qualitative indicators. The quantitative indicators presented in this report showcase our firm's and the audit team's dedication and efforts in handling your company's auditing cases. Regarding the non-quantitative indicators, the CPA will maintain communication with your company's audit committee to support them in conducting the necessary evaluations.

2. CPA report on key audit matters:

(1) Group audit: Component or personnel that constitute the component will conduct the audit

(2) Significant Risk: As defined in Standards on Auditing No. 315, significant risk refers to the auditor's judgment regarding identified and assessed risks of material misstatement that require special attention during the audit process.

	<p>The significant risks identified by the CPA are as follows:</p> <ul style="list-style-type: none"> *Audit of risks arising from managers beyond their control authority *Authenticity of sales revenue from specific customers <p>(3) Key audit items: Recognition of sales revenue of major customers</p> <p>(4) Other: Scope of Assurance and Non-Assurance Services for Fiscal Year 2023</p> <p>(5) Independence Declaration</p> <p>Result of Communication: Independent Directors' suggestion: None</p> <p>Date: October 30, 2024</p> <p>Communication matters:</p> <p>CPA Chi, Rui-Chuan, CPA Weng, Bo-Jen, and Senior Manager Huang, Yu-Huan from Deloitte & Touche engaged in discussions with the Audit Committee of Taiwan Union Technology Corporation concerning the annual audit planning, audit strategy, and governance matters identified for the financial statements of Taiwan Union Technology Corporation for the fiscal year 2024:</p> <ol style="list-style-type: none"> 1. Duties of Corporate Governance unit: 2. SQM from Deloitte & Touche: Deloitte & Touche has conducted an assessment in accordance with ISQM 1/TWSQM 1 3. Scope and method of audit Understanding the enterprise and its environment helps →determine materiality →define the audit scope (including component entities) →assess significant risks →assess key audit matters →other findings →the audit report 4. Group Audit Parent Company: Taiwan Union Technology Corporation 2024 projected audit on subsidiaries: TUC (ZhongShan), TUC (ChangShu), TUC (Thailand) 5. Significant Risk Audit of risks arising from managers beyond their control authority: No significant findings upon testing Significant Risks - The Group income analysis: According to data from the Industrial Database of the Taiwan Institute of Economic Research, the printed circuit board (PCB) industry is influenced by overall economic conditions. Currently, demand for consumer applications is showing signs of gradual recovery. In 2024, TUC experienced an increase in revenue compared to 2023, aligning with overall industry trends. 6. Key audit items: Recognition of sales revenue of major customers 7. Information on Audit Fees and Public Disclosure of Fee Details 8. Introduction to the International Financial Reporting Standards Sustainability Disclosure Standards 9. Declaration of Auditor Independence <p>Result of Communication: Independent Directors' suggestion: None</p>
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2. Participation by Supervisors in the operation of the Board of Directors: Not applicable, for TUC has established an Audit Committee.

(III) Implementation of corporate governance and deviation from Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons

Date of Reporting to the Board of Directors on the Implementation of Corporate Governance in 2024: March 12, 2025

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Ye	No	Summary Description	
I. Does the Company establish and disclose its corporate governance practices in accordance with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies?	V		<p>TUC's "Corporate Governance Best Practice Principles" was established in accordance with the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" in 2015 and was disclosed on TUC's website and Market Observation Post System. TUC's operations are carried out in accordance with the regulations.</p> <p>Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies was submitted to the Board of Directors for recording: Approved by the Board of Directors on December 23, 2015 Amendment: Amendment was approved by the Board of Directors on December 22, 2016 Amendment was approved by the Board of Directors on March 20, 2019 Amendment was approved by the Board of Directors on March 25, 2020 Amendment was approved by the Board of Directors on March 10, 2022 Amendment was approved by the Board of Directors on March 8, 2023</p>	No discrepancy
II. Equity structure and shareholders' rights of the Company (I) Does the company formulate internal operating procedures to deal with shareholders' suggestions, doubts, disputes and litigations, and implement the procedures?	V		<p>(I) In order to ensure shareholders' rights and interests, TUC has Spokesperson/Acting Spokesperson, Legal and Stock Affair Specialists to deal with shareholder's proposals, doubts, disputes, and litigations, and also discloses investors' contact and petition methods on its company website to properly deal with the issues. TUC's website for disclosure: http://www.tuc.com.tw/en-us/corporate/id/13CorporateGovernance/Stakeholder Area/Stakeholder Feedback Channel The Company spokesperson or acting spokesperson shall report to the Board of Directors (at least once a year) on the status of communications with various shareholders. There were no complaints, suggestions, queries, disputes and litigation</p>	No discrepancy

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Ye	No	Summary Description	
<p>(II) Does the Company maintain a register of major shareholders with controlling power as well as a register of persons exercising ultimate control over those major shareholders?</p> <p>(III) Does the Company establish and enforce risk control and firewall systems with its affiliated businesses?</p> <p>(IV) Does the Company stipulate internal rules that prohibit company insiders from trading securities using information not disclosed to the market?</p>	V		<p>matters received from shareholders in 2024. This was reported to the Board of Directors on March 12, 2025.</p> <p>(II) TUC maintains close contact with major shareholders and can keep track of the list of major shareholders of the Company under actual control at any time to ensure the stability of the right to operate.</p> <p>(III) Regulations Governing Investments in Other Enterprises and Rules Governing Finance and Rules Governing Business Matters among Related Parties have been established and implemented in accordance with the regulation, and auditors regularly monitor their implementation.</p> <p>(IV) There are relevant stipulations in Article 16 of TUC's Rules for Integrity Managements and its internal management rules for handling information and preventing insiders from trading. TUC's website for disclosure: http://www.tuc.com.tw/en-us/corporate/id/9</p>	
<p>III. Composition and Responsibilities of the Board of Directors</p> <p>(I) Does the Board of Directors formulate diversification policies, specific management objectives and implement them?</p>	V		<p>(I) Composition of the Board of Directors is diversified.</p> <p>1. Policies</p> <p>Subject to Article 20-3 of TUC's Corporate Governance Best Practice Principles:</p> <p>The composition of the Board of Directors shall be diversified. It is advisable that TUC's Directors concurrently serving as its managerial officers shall not exceed one-third of the total number of the members of its Board of Directors, and that appropriate policies on diversity shall be formulated based on its business operation, operating status and development needs, including but not limited to the following two general standards:</p> <p>(1) Basic qualification and value: gender, age, nationality, and culture, etc.</p> <p>(2) Expertise and skills: Professional background (such as law, accounting, industry, finance, marketing or technology), professional skills and industrial experiences.</p>	No discrepancy

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Ye	No	Summary Description	
			<p>(3) Objectives for implementation of policy diversification:</p> <ul style="list-style-type: none"> * Establish at least three directors of different genders: currently one is a female independent director. * Diversify professional skills: technology (technician)/finance (business)/law/others respectively, account(s) for more than 13% (at least one) <p>All members of the Board of Directors shall have the knowledge, skills and experience necessary to perform their duties. To achieve the ideal goal of corporate governance, the Board of Directors overall shall have:</p> <p>(1) Business judgment ability. (2) Accounting and financial analysis ability. (3) Business management ability. (4) Crisis management ability. (5) Knowledge of the industry. (6) The ability to understand international markets. (7) Leadership. (8) Decision-making ability. (9) Risk management knowledge and ability.</p> <p>2. Implementation status:</p> <p>TUC's Board of Directors, in respect of the Company's business development scale and its main shareholder shareholding situation, to balance the practical operation needs, has seven seats for Directors.</p> <p>Distribution of professional knowledge and skills of the Fifteenth (2021-2024) Board members:</p> <p>Technology (Engineering) 58%, Finance (business) 14%, Legal 14%, Others 14%</p> <p>Distribution of professional knowledge and skills of the Sixteenth (2024-2027) Board members:</p> <p>Technology (Engineering) 58%, Finance (business) 14%, Legal 14%, Others 14%</p> <p>The sixteenth Board of Directors of the Company consists of seven directors, including three directors and four independent directors. The number of independent directors exceeds the number of directors by more than one-half (57%). The Directors have rich experience and expertise in the fields of industry, finance, legal and management. TUC has one female Director, accounting for more than 13% of the total Directors, the relevant facts are as follows:</p>	

Evaluation Item	Implementation Status								Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof																																																																																																																																																									
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			<table><tr><th colspan="2">Core Items for Diversity</th><th>Hsin, Chung-Herng</th><th>Hsin, Yao-Chi</th><th>Hsin, Yao-Hung</th><th>Chin-Tay Shih</th><th>Gene Su</th><th>Chen, Cheng-Yi</th><th>Yeh, Shu-Wen</th></tr><tr><td rowspan="7">Basic Composition</td><td>Nationality</td><td>Taiwan</td><td>Taiwan</td><td>Taiwan</td><td>Taiwan</td><td>Taiwan</td><td>Taiwan</td><td>Taiwan</td></tr><tr><td>Gender</td><td>Male</td><td>Male</td><td>Male</td><td>Male</td><td>Male</td><td>Male</td><td>Female</td></tr><tr><td colspan="2">Concurrent Employee</td><td></td><td>V</td><td></td><td></td><td></td><td></td></tr><tr><td rowspan="2">Age</td><td>Under 60 Years Old</td><td></td><td>V</td><td>V</td><td></td><td>V</td><td>V</td><td>V</td></tr><tr><td>Over 61 Years Old</td><td>V</td><td></td><td></td><td>V</td><td></td><td></td><td></td></tr><tr><td rowspan="2">Tenure of Independent Director</td><td>New</td><td></td><td></td><td></td><td></td><td></td><td></td><td>V</td></tr><tr><td>Three terms</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td rowspan="5">Professional Ability</td><td colspan="2">Electrical Engineering</td><td>V</td><td></td><td>V</td><td>V</td><td></td><td></td><td></td></tr><tr><td colspan="2">Finance and Accounting</td><td></td><td></td><td></td><td></td><td></td><td></td><td>V</td></tr><tr><td colspan="2">Business Management</td><td>V</td><td>V</td><td></td><td></td><td></td><td></td><td></td></tr><tr><td colspan="2">Laws</td><td></td><td></td><td></td><td></td><td>V</td><td></td><td></td></tr><tr><td colspan="2">Chemical materials</td><td></td><td></td><td></td><td></td><td></td><td>V</td><td></td></tr><tr><td rowspan="4">Industry Experience</td><td colspan="2">Electronics</td><td>V</td><td>V</td><td>V</td><td>V</td><td></td><td>V</td><td></td></tr><tr><td colspan="2">CPA / Attorney</td><td></td><td></td><td></td><td></td><td>V</td><td></td><td>V</td></tr><tr><td colspan="2">Service Industry</td><td></td><td>V</td><td>V</td><td></td><td></td><td></td><td></td></tr><tr><td colspan="2">Academic Research Institution</td><td></td><td></td><td></td><td>V</td><td></td><td>V</td><td></td></tr></table>								Core Items for Diversity		Hsin, Chung-Herng	Hsin, Yao-Chi	Hsin, Yao-Hung	Chin-Tay Shih	Gene Su	Chen, Cheng-Yi	Yeh, Shu-Wen	Basic Composition	Nationality	Taiwan	Taiwan	Taiwan	Taiwan	Taiwan	Taiwan	Taiwan	Gender	Male	Male	Male	Male	Male	Male	Female	Concurrent Employee			V					Age	Under 60 Years Old		V	V		V	V	V	Over 61 Years Old	V			V				Tenure of Independent Director	New							V	Three terms								Professional Ability	Electrical Engineering		V		V	V				Finance and Accounting								V	Business Management		V	V						Laws						V			Chemical materials							V		Industry Experience	Electronics		V	V	V	V		V		CPA / Attorney						V		V	Service Industry			V	V					Academic Research Institution					V		V		
Core Items for Diversity		Hsin, Chung-Herng	Hsin, Yao-Chi	Hsin, Yao-Hung	Chin-Tay Shih	Gene Su	Chen, Cheng-Yi	Yeh, Shu-Wen																																																																																																																																																										
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(II) In addition to the Remuneration Committee and Audit Committee established as required by law, does the Company establish other functional committees voluntarily?	V		(II) TUC's functional committees are as follows: 1. Remuneration Committee: It shall hold at least 2 meetings in a year; in 2024, 2 meetings were held on March 6, and May 8, respectively. 2. Audit Committee: Established on June 30, 2015, and composed of all Independent Directors. In 2024, meetings were held on March 6, May 8, July 31 and October 30, respectively. 3. Labor Pension Reserve Supervision Committee: It holds quarterly meetings. In 2024, meetings were held on January 30, April 30, July 30, and October 29, respectively. 4. Labor meeting: The regular meetings are held on quarterly basis. In 2024, meetings were held on January 30, April 30, July 30, and October 29, respectively.																																																																																																																																																															

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Ye	No	Summary Description	
(III) Does the company have the measures for evaluating the performance of the Board of Directors and the method of its evaluation, and to evaluate their performance regularly and annually, and subsequently, to report the evaluation results to the Board of Directors, and use the results as reference for individual Director's remuneration and nomination for reappointment?	V		<p>(III) The "Measures for Evaluation on the Performance of the Board of Directors and Functional Committees" was formulated by TUC on March 25, 2020, and submitted and approved by the resolution of the Board of Directors.</p> <p>The 2024 performance evaluation will encompass the Board of Directors, Audit Committee, and Remuneration Committee, along with self-evaluations by directors and committee members. The evaluation period will span from January 1, 2024, to December 31, 2024.</p> <p>The achievement rates of the Board of Directors, Audit Committee, and Remuneration Committee were 97%, 100%, and 98%, respectively.</p> <p>The average achievement rates of the Board of Directors, Audit Committee, and self-evaluations by directors and committee members of the Remuneration Committee were 97%, 96%, and 97%, respectively.</p> <p>The performance evaluation results were reported to TUC's Remuneration Committee and Board of Directors on March 12, 2025.</p> <p>External Evaluation: The evaluation is made triennial. The Cross-Straits Business Development Foundation conducted a site visit and completed the 2022 external evaluation in March 2023, and the evaluation result was excellent.</p> <p>In addition to paying the traffic and attendance fee for each meeting, TUC's procedures for paying remuneration have included the relevant results of Directors' performance evaluation into the consideration.</p> <p>The performance evaluation results are submitted to the Board of Directors for their reference in the reappointment of individual directors.</p>	
(IV) Does the Company regularly evaluate the independence of its CPAs?	V		<p>(IV) The Company's Audit Committee regularly assesses the independence of the CPAs and reports the evaluation results to the Board of Directors. After the decision of the Audit Committee on March 6, 2024, it was approved by the Board of Directors on the same day.</p> <p>The assessment mechanism is as follows:</p> <ol style="list-style-type: none"> 1. Please confirm that the CPAs of the Company and the directors of the Company are not related parties. 2. Compliance with the Corporate Governance Practice Guidelines by 	

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Ye	No	Summary Description	
			<p>rotating the appointment of the CPA.</p> <p>3. Prior to the appointment of the annual audit and in other cases, the Accounting Firm must obtain prior approval from the Audit Committee.</p> <p>4. CPAs provide regular reports to the Audit Committee regarding the implementation of review and audit procedures, as well as adherence to independence requirements.</p> <p>5. Obtain regular independent statements issued by CPAs.</p> <p>6. Obtain information about the 13 Audit Quality Indicators (AQIs) provided by the accounting firm and assess the audit quality of both the accounting firm and the audit team using the "Guidance for Audit Committees on Interpreting the Audit Quality Indicators" issued by the competent authority.</p> <p>Evaluation Result is as follow:</p> <p>1. The independence of the CPA and the Company is in accordance with the relevant regulations of the Certified Public Accountant Act, the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, as well as the United States Securities and Exchange Commission (SEC) and Public Company Accounting Oversight Board (PCAOB).</p> <p>2. The Company has not retained the services of the same CPA for five consecutive years.</p> <p>3. On March 6, 2024, October 30, 2024, and March 12, 2025, CPA's independent statements and 13 audit quality indicators (AQIs) data provided by the accounting firm were obtained. No findings showed levels below industry standards.</p>	
IV. Is the TWSE/TPEX listed company equipped with qualified and appropriate number of corporate governance personnel, and appointed a corporate governance director to be in charge of corporate governance affairs including, but not limited to, providing information necessary for Directors and Supervisors to carry out their business, assisting Directors and Supervisors in	V		<p>Full-time position in corporate governance: TUC has a Corporate Governance Office and Corporate Governance Manager, who is responsible for matters related to corporate governance.</p> <p>1. Corporate governance organization: Comprising the Corporate Governance Office, Legal Affairs Office, Human Resources Department and Stock Affairs Unit.</p> <p>2. Duties and implementation: TUC's Corporate Governance Office and Department of Legal Affairs are responsible for corporate governance-related affairs, while, Human Resources Department provides assistance,</p>	No discrepancy

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Ye	No	Summary Description	
complying with laws and regulations, conducting board meetings and shareholders' meetings in accordance with the law, and preparing minutes of board meetings and shareholders' meetings, etc.?			formulates and reviews Corporate Social Responsibility (CSR) policies, systems or related management policies, provides the data required by Directors for execution of business, research, draft and plan for appropriate systems and organization structure, help to promote the independence of the Board of Directors, compliance with laws as well as implementation of internal audit and control by the Company. The reviews are done at the end of each year and reported to the Board of Directors at its first meeting in the following year. 3. The report on the implementation of 2024 corporate governance was presented to the Board of Directors on March 12, 2025. Recommendations made by the directors: None.	
V. Does the company establish communication channels and a dedicated section on the company website for stakeholders (including but not limited to shareholders, employees, customers, and suppliers) to respond to material sustainable development issues in a proper manner? which are critical to the stakeholders?	V		Depending on situations, TUC orders and instructs, including, service, HR, customer service, purchase and other departments to communicate with interested parties, and specify the contact information of spokesperson and relevant departments on its website, and set dedicated section for interested parties to properly respond to their relevant concerns, including the issues about corporate social responsibility. TUC has smooth communication channels with banks and other creditors, customers and suppliers, and respects their legitimate rights and interests. Stakeholder area is set up on TUC's website to respond to important corporate social responsibility issues of concern to stakeholders. TUC's website for disclosure: http://www.tuc.com.tw/en-us/corporate/id/13CorporateGovernance/Stakeholder Area/Stakeholder Feedback Channel The Company spokesperson or acting spokesperson shall report to the Board of Directors (at least once a year) on communications with various stakeholders. There were no cases of complaints from stakeholders in 2024. This was reported to the Board of Directors on March 12, 2025.	No discrepancy
VI. Does the company appoint a professional shareholding agency to handle shareholders' affairs?	V		TUC appoints the Stock Affairs Department of SinoPac Securities Co., Ltd. to deal with related affairs of shareholders' meetings.	No discrepancy
VII. Information Disclosure (I) Does the Company establish a website to disclose information on financial	V		(I) There is a dedicated section for corporate governance on TUC's website, covering functional committees, internal audit, corporate	No material deviation

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Ye	No	Summary Description	
operations and corporate governance?			governance, sustainable development, interested parties' section, as well as environment, safety and health promotion, investor relations, etc., to disclose relevant information, and please see its website for other relevant disclosed information (About TUC/Product Introduction/Technology Development) about its products and businesses.	
(II) Does the Company adopt other means of information disclosure (such as establishing an English language website, delegating a professional to collect and disclose Company information, implementing a spokesperson system, and disclosing the process of investor conferences on the Company website)?	V		(II) TUC's Corporate Governance Office is responsible for collection and disclosure of the Company's information, and discloses TUC's financial, business and other relevant information on MOPS. In addition, a dedicated section is set for stakeholders under Corporate Governance section on TUC's website, providing investors with the contact information and email of the spokesperson of the company and relevant corporate information (Chinese/English version). The Company has appointed a spokesperson who is responsible for external disclosure of financial information.	No discrepancy
(III) Does the Company publish and report its annual financial report within two months after the end of a fiscal year, and publish and report its financial reports for the first, second and third quarters as well as its operating status for each month before the specified deadline?	V		(III) The review and completion time of the financial report will be negotiated with the CPA to facilitate the advance announcement of the financial report. The financial reports for Q1, Q2 and Q3, 2024 were announced on May 8, July 31, and October 30, respectively, in advance of the prescribed deadlines. The current operations of the Company for each month have been announced in advance on the 6th day of each month (or the next business day, in the event of public holidays).	No material deviation
VIII. Does the Company have any other important information (including but not limited to employee rights, employee care, investor relations, supplier relationships, stakeholder rights, directors and supervisors' further training, implementation of risk management policies and risk measurement standards, implementation of customer policies, purchase of liability insurance for directors	V		(I) Employee rights and interests 1. Quarterly Labor-management conference are held to engage in good communication between employers and employees. The rights and obligations of employers and employees shall be governed by the provisions of TUC's employee manual. 2. In addition to the "Rules for Management of Employee's Work" and "Measures for Prevention, Correction, Compliant and Handling of Sexual Harassment" formulated by TUC for compliance by its employees, TUC implements the rights and responsibilities of	No discrepancy

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Ye	No	Summary Description	
and supervisors, etc.) that can help to understand the operation of corporate governance?			<p>employees in accordance with the relevant laws and regulations and internal control regulations; In addition, TUC has a good communication mechanism, and attaches importance to the exchange of opinions between employees and Managers, and the company is able to handle the matter accordingly to protect the rights of employees and the company.</p> <p>3. Established a personal data protection committee and formulated relevant procedures to implement the protection of employees' personal data.</p> <p>(II) Staff Care</p> <p>1. TUC establishes a comprehensive welfare and training system and builds up good relationships of mutual trust and reliability with the employees.</p> <p>2. Each department holds departmental meetings regularly, TUC holds labor meeting and foreign workers' symposium etc. on quarterly basis, and communicates with employees regularly to fulfill the responsibilities as an employer.</p> <p>3. Where the company policy may result in a significant impact on the operation of the change, that would be the whole plant announcement and ask the heads of departments to again advocate to let the staff know.</p> <p>(III) Relation with investors: TUC has spokesperson and acting spokesperson to allow shareholders to communicate with and give suggestions to the Company, in order to safeguard their legitimate rights and interests.</p> <p>(IV) Relation with suppliers: TUC is committed to promoting green environmental protection and, in addition to maintaining good communications with suppliers, it also actively promotes suppliers' compliance with environmental laws and international regulations, and requests suppliers to sign a corporate social responsibility pledge and a cleanliness statement to enhance corporate governance performance.</p> <p>(V) Stakeholders' rights</p> <p>1. Stakeholders can communicate with and give suggestions to TUC to safeguard their legitimate rights and interests.</p> <p>2. The company adheres to the "Ethical Corporate Management Best</p>	

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof																												
	Ye	No	Summary Description																													
			<p>Practice Principles," and strictly abides by the relevant regulations of the competent authority on the handling, disclosure, and confidentiality of significant information.</p> <p>(VI) Directors and Supervisors' training record: 2024 Directors and Supervisors training record</p> <table><tr><th>Job Title</th><th>Name</th><th>Name of course</th><th>Training Hours</th></tr><tr><td>Director</td><td>Hsin, Chung-Herng</td><td>Comprehensive Initiation of Corporate Innovation and Growth How the Board of Directors Establishes ESG Sustainable Governance Strategies</td><td>6</td></tr><tr><td>Director</td><td>Hsin, Yao-Chi</td><td>AI Strategy and Governance Comprehensive Initiation of Corporate Innovation and Growth</td><td>6</td></tr><tr><td>Director</td><td>Hsin, Yao-Hung</td><td>Employee reward plan and equity inheritance The New Generation of Artificial Intelligence: Chatbot ChatGPT Transforms Industry Trends</td><td>6</td></tr><tr><td>Independent Director</td><td>Chin-Tay Shih</td><td>Trends and Risk Management in Digital Technology and Artificial Intelligence Practical Analysis and Key Issues of Overseas Investment and M&A in Enterprises</td><td>6</td></tr><tr><td>Independent Director</td><td>Yeh, Shu-Wen</td><td>Meeting for Description about Insiders' Equity How the Board of Directors Establishes ESG Sustainable Governance Policies New Perspectives on the Semiconductor Industry: The Revolution Behind Artificial Intelligence Considerations for the Money Laundering Control Act and Risk Assessment</td><td>12</td></tr><tr><td>Independent</td><td>Chen, Cheng</td><td>Applications of AI, Law, and Auditing How the Board of Directors Establishes ESG</td><td>6</td></tr></table>	Job Title	Name	Name of course	Training Hours	Director	Hsin, Chung-Herng	Comprehensive Initiation of Corporate Innovation and Growth How the Board of Directors Establishes ESG Sustainable Governance Strategies	6	Director	Hsin, Yao-Chi	AI Strategy and Governance Comprehensive Initiation of Corporate Innovation and Growth	6	Director	Hsin, Yao-Hung	Employee reward plan and equity inheritance The New Generation of Artificial Intelligence: Chatbot ChatGPT Transforms Industry Trends	6	Independent Director	Chin-Tay Shih	Trends and Risk Management in Digital Technology and Artificial Intelligence Practical Analysis and Key Issues of Overseas Investment and M&A in Enterprises	6	Independent Director	Yeh, Shu-Wen	Meeting for Description about Insiders' Equity How the Board of Directors Establishes ESG Sustainable Governance Policies New Perspectives on the Semiconductor Industry: The Revolution Behind Artificial Intelligence Considerations for the Money Laundering Control Act and Risk Assessment	12	Independent	Chen, Cheng	Applications of AI, Law, and Auditing How the Board of Directors Establishes ESG	6	
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Evaluation Item	Implementation Status				Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof							
	Ye	No	Summary Description									
			<table><tr><td>Director</td><td>-Yi</td><td>Sustainable Governance Strategies</td><td></td></tr><tr><td>Independent Director</td><td>Gene Su</td><td>Applications of AI, Law, and Auditing Carbon Credit Trading Mechanism and Carbon Management Applications</td><td>6</td></tr></table>	Director	-Yi	Sustainable Governance Strategies		Independent Director	Gene Su	Applications of AI, Law, and Auditing Carbon Credit Trading Mechanism and Carbon Management Applications	6	
Director	-Yi	Sustainable Governance Strategies										
Independent Director	Gene Su	Applications of AI, Law, and Auditing Carbon Credit Trading Mechanism and Carbon Management Applications	6									
			(VII) Implementation of risk management policies and risk measurement standards 1. TUC adopted the Risk Management Policy and Procedures include: (1) Risk Management Structure and Responsibilities The Board of Directors is the highest authority on risk management policies and is responsible for approving, reviewing and monitoring the Company's risk management policies. The Corporate Governance Office shall be responsible for the control, measurement and evaluation of corporate risks and other matters at the executive level. In addition to reporting to the Board of Directors on a regular basis, it shall exercise its relevant duties independently of business units and operations. Sustainability Implementation Committee conducts risk assessments of environmental, social, or corporate governance issues related to the company's operations according to the principle of materiality, establishing relevant risk management policies or strategies. The head of each department is responsible for risk management as well as to analyze and monitor the relevant risks in his/her unit to ensure that risk control mechanisms and procedures are effectively implemented. (2) Risk Management Work Flow Through risk identification, risk measurement, risk monitoring, risk reporting and risk response management procedures, to clearly grasp the scope of each risk, and take appropriate measures to ensure that the relevant risks are properly managed, so that the limited resources are efficiently allocated to the relevant risk management work. (3) Implementation of risk management The implementation of risk management shall be carried out in									

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Ye	No	Summary Description	
			<p>accordance with the three-tier system (business contractor, department heads and corporate governance office) and the procedure of self-evaluation of each department.</p> <p>2. Regularly conduct risk factor identification to identify relevant risks that may impact the company's sustainable development. Screen the risk management scope and implement appropriate risk management strategies based on the risk level.</p> <p>3. Operation: Convene at least 2 risk management group meetings per year and report to the Board on its operations annually</p> <p>Implementation Status in 2024:</p> <p>(1) The Risk Management Group on December 28, 2023: Assessment of the various risks faced by the Company in 2024, including the risk environment, risk management priorities, risk assessment and response measures.</p> <p>(2) A report was submitted to the Sustainability Implementation Committee on February 2, 2024, which included an assessment of the various risks faced by the company during the year, such as the risk environment, risk management priorities, risk assessments, and response measures. Additionally, a report was presented to the board of directors on March 6, 2024, outlining the operations of the company's risk management team, including assessments of risk scope, risk environment, and the risk control measures and risk management practices implemented.</p> <p>(3) Preparation and Revision of education and training materials: It is proposed that the Company's key risks and related measures to prevent and respond to them be compiled as teaching materials for employee to enhance awareness and recognition of the Company's operational risk culture.</p> <p>Training Schedule for 2024: From January to March of 2024, approximately 20 to 25 personnel, including department heads and ESG preparers, participated.</p> <p>(VIII)Implementation of customer policies: TUC maintains good and stable relationships with its customers, understands customer's demands, continuously reviews and improves</p>	

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Ye	No	Summary Description	
			<p>product quality to ensure customer's demands are satisfied to achieve the win-win goal for itself and its customers.</p> <p>(IX) Purchase of liability insurances by TUC for Directors and Supervisors: The Company purchased US\$15 million of liability insurance for all directors and managers from November 1, 2024, to November 1, 2025. Reported the purchase to the Board of Directors on October 30, 2024.</p>	
<p>IX. According to the Corporate Governance Evaluation Results published by the Corporate Governance Center of Taiwan Stock Exchange in the most recent year, please describe what sort of improvements the company has already made and suggest priorities and measures to enhance those that have not yet been improved. (The companies not listed in the list of evaluations are exempted from such disclosure):</p> <p>Results of the 2014 Corporate Governance Assessment: Total score: 91.4 points; ranked in the 6%-20% range of OTC companies</p> <p>(I) Improvement items compared to 2013: 4.21 The company has evaluated the risks or opportunities to the community and adopted corresponding measures, and disclosed the specific measures and implementation results on the company website, annual report or sustainability report.</p> <p>(II)The Company has proposed priority enhancement items and measures for the items that have not been improved in the 2014 "Corporate Governance Evaluation": 4.23 Does the company disclose its policy on linking senior executives' remuneration with ESG-related performance evaluations? The company will develop an evaluation policy that links senior managers' remuneration with ESG-related performance.</p>				

(IV) If the Company has Remuneration Committee, the Committee's composition, duties and operation shall be disclosed:

1. Information on Members of the Remuneration Committee

Name	Qualifications status	Professional Qualification and Work Experience (Note)	Independence	Number of companies concurrently serving as members of the remuneration committee of other publicly traded companies
Chin-Tay Shih (Convener)	Independent Director	Ph.D. in Electrical Engineering, Princeton University, USA Master of Science in Management, Stanford University Former President of the Industrial Technology Research Institute and Dean of the College of Technology Management, National Tsing Hua University Independent director of Vanguard International Semiconductor Corporation and Sercomm Corporation Possess a leadership position in technology and academia within the electronics and technology industries	The four independent directors listed below all meet the following conditions: 1.The individual, his/her spouse, and any of his/her relatives within the second degree of kinship do not serve as a director, supervisor, or employee of any company with which the Company has a definite relationship. 2.Neither the Independent Director (or using the name of another person), nor his/her spouse and minor children hold shares in the Company. 3.No remuneration received for providing business, legal, financial, accounting and other services to TUC or its affiliates in the recent two years.	3
Gene Su	Independent Director	Master's degree in Electrical Engineering and Doctorate in Law Licensed attorney in the State of California and registered with the United States Patent and Trademark Office		0
Chen, Cheng-Yi	Independent Director	Ph.D. in High Polymer Former Visiting Professor, Department of Materials Science, Chulalongkorn University, Thailand Served as the Vice President of Research and Development in the copper-clad laminate industry for an extended period (2003-2017)		0
Yeh, Shu-Wen	Independent Director	CPA of the Republic of China Possess professional qualifications in auditing and financial accounting		0

Note: Please refer to the Appendix on pages 4-6: Information of Directors and Supervisors (I) for relevant contents.

2. Operations of the Remuneration Committee

(1) Scope of Duties of the Remuneration Committee

The scope of duties of TUC's Remuneration Committee shall be specified in accordance with Article 7 of the Rules for Remuneration Committee, and Remuneration Committee shall perform the following duties as a manager in good faith, and submit its suggestions to the Board of Directors for discussion:

- *Regular review of the rules and propose amendments for the Remuneration Committee.
- *Establishing and regularly reviewing the annual and long-term performance goals for TUC's Directors and Managerial Officers, as well as the policies, systems, standards and structure of their compensation.
- *Periodically assessing the achievement of performance goals for the Directors, Supervisors, and Managerial Officers, and to determine the contents and amounts of their remuneration.

- (2) There are four members in the Remuneration Committee of TUC, all of whom are independent directors of the Company.
- (3) Term of office of the current Committee: from June 28, 2024 to June 16, 2027. The Remuneration Committee has held 2 meetings (A) in the most recent year (2024) with the following qualifications and attendance records from its members:

Job Title	Name	Attendance in Person	Attendance by Proxy	Attendance Rate	Note
Convener	Chin-Tay Shih	2	0	100%	-
Committee Member	Li, Yu-Ying	2	0	100%	Dismissed on June 19, 2024
Committee Member	Gene Su	2	0	100%	-
Committee Member	Chen, Cheng-Yi	2	0	100%	-
Committee Member	Yeh, Shu-Wen	0	0	-	Newly appointed on June 19, 2024

Other required disclosure:

- I. In the event the Board of Directors does not adopt or wishes to amend the proposals of the Remuneration Committee, please state the date and number of the Board meeting, the content of the proposals, resolution from the Board of Directors, and the method in which the opinion from the Remuneration Committee was handled (e.g., if the salaries and compensations approved by the Board was higher than the suggested levels from the Remuneration Committee, please state the differences and reasons): None.
- II. If a member has an objection or reservation to a resolution of the Compensation Committee and it is recorded or stated in writing, the date and session of the meeting of Remuneration Committee, contents of proposal(s), all member's opinions and the company's response to such opinions shall be specified.
- III. Highlights of the committee's work in 2024 are summarized as follows:
1. Reviewing the annual and long-term performance goals for TUC's Directors and Managerial Officers, as well as the policies, systems, standards and structure of their compensation.
 2. Assessing the achievement of performance goals for the Directors, Supervisors, and Managerial Officers, and to determine the contents and amounts of their remuneration.

Date/Session/ Proposal Contents of the Meeting of Remuneration Committee	Members reservations or objections	Amendments to or Proposals	Resolutions of the Remuneration Committee	Date of reporting to the Board of Directors	Resolution of the Board of Directors
March 6, 2024 (Seventh Meeting of the Fifth Committee) 1. Achievement of TUC's directors' performance targets for 2023 and the Company's policy on remuneration for directors and functional committee members and managers.	None	None	The proposals were approved, as proposed, by all the members present at the meeting.	2024/03/6	The proposals were approved, as proposed, by the six Directors present at the meeting (Director Hsin, Yao- Chi recused himself from voting)

	2. Proposal for Allotment of Remuneration to Directors and Employees in 2023	None	None	The proposals were approved, as proposed, by all the members present at the meeting.		
	July 26, 2023 (Eighth Meeting of the Fifth Committee) 1. 2023 Annual employee remuneration distribution 2. Proposal for 2024 Wage adjustment plan 3. Plan for Payment of Year-end Bonus in 2024	None	None	The proposals were approved, as proposed, by all the members present at the meeting. The proposals were approved, as proposed, by all the members present at the meeting. The proposals were approved, as proposed, by all the members present at the meeting.	2024/05/08	The proposals were approved, as proposed, by the six Directors present at the meeting (Director Hsin, Yao-Chi recused himself from voting)

3. Nominating Committee Membership and Operation Information: Nominating Committee has not been established.

(V)

1. Implementation of Sustainable Development and the circumstances and reasons for differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies

Date of Reporting to the Board of Directors on the Implementation of Sustainable Development in 2024: March 12, 2025

Item	Status of Execution			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Summary Description	
I. Does the Company have a governance structure to promote sustainable developments and set up a dedicated (concurrent) unit for the promotion of sustainable development, where the Board of Directors will delegate to senior management for implementation and supervision?	V		<p>1. TUC's governance structure for sustainable development: In May 2022, the Board of Directors resolved to set up a "Sustainability Implementation Committee" in the Corporate Governance Office, with the Head of Corporate Governance serving as the chairman and the Board of Directors overseeing the implementation. The Sustainability Implementation Committee formulates sustainable development policies and be responsible for the implementation and enforcement within the company. The concept of sustainability management will gradually be incorporated into the corporate culture of TUC.</p> <p>2. Execution of the Company's organizations: (1) Name of the dedicated (concurrent) unit for sustainable development, the time of establishment and the mandate of the Board of Directors: For the purpose of sound management of sustainable development and the establishment of a governance structure for sustainable development, TUC has set up the Corporate Governance Office as the dedicated (concurrent) unit for sustainable development, which will be responsible for the formulation and implementation of sustainable development policies, systems or related management policies and specific promotion plans, and reports to the Board at least once a year. (2) Member composition, operation and execution of the promotion unit in the current year: In order to address the environmental, social and corporate governance (ESG) aspects of sustainable development, the Sustainability Implementation Committee has set up the Economic, Environmental and Social sub-committees, to collect stakeholders'</p>	No discrepancy

Item	Status of Execution			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Summary Description	
			<p>concerns on environmental protection, work safety, supply chain management, labor rights, operational performance and corporate governance. In respect to the interests of our stakeholders, we have set up a stakeholder zone on our website to respond appropriately to concerns about key sustainability issues.</p> <p>The Sustainability Implementation Committee held a total of 8 meetings in 2024, and the proposal includes (i) identifying sustainable issues of concern and formulating corresponding action plans; (ii) revising the goals and policies of sustainability-related issues; and (iii) supervising the implementation of sustainable business matters and evaluating their implementation.</p> <p>(3) To set the frequency of reporting to the Board of Directors (at least once a year) or the date of reporting to the Board for the current year: The Sustainability Implementation Committee reports to the Board at least once a year on the results of the implementation of sustainability and future work plans.</p> <p>The performance for 2024 and the action plan for 2025 were submitted to the Board of Directors on March 12, 2025.</p> <p>3. Supervision by the Board of Directors over sustainable development: The Board of Directors receives regular reports from the management team (including ESG reports), and review the feasibility, progress and results of the implementation of the Company's plans, objectives and strategies and propose adjustments or amendments as necessary. The Board of Directors' suggestion for 2024: Adjust the carbon emission reduction targets.</p>	
II. Does the company conduct risk assessment on environmental, social and corporate	V		<p>1. Boundaries of Risk Assessment (Scope of Subsidiaries Covered): This disclosure covers the Company's sustainability performance at its principal locations from January to December 2024. The risk assessment boundary is mainly based on TUC's Taiwan plant.</p> <p>2. The Sustainability Implementation Committee analyses based on the</p>	No discrepancy

Item	Status of Execution			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof	
	Yes	No	Summary Description		
governance issues related to the company's operations in accordance with the principle of materiality, and determine relevant risk management policies or strategies?			materiality principles of the Sustainability Report. It communicates with internal and external stakeholders, and evaluates important ESG issues by reviewing domestic and foreign research reports, literature, and consolidating assessment data from various departments and subsidiaries. These efforts aid in formulating risk management policies and specific action plans for effective identification, measurement, assessment, supervision and control to reduce the impact of relevant risks.		
			3. Based on the assessed risks, the relevant risk management policies or strategies are set out as follows:		
			Major Items		Risk Evaluation Items
Major Items	Risk Evaluation Items	Risk Management Policies or Strategies			
Environment	Environment impact and management Raw materials management Water stewardship Energy saving and carbon reduction Waste management Sustainable supply chain Green products	1. The Company effectively reduces pollution emissions and environmental impact through the implementation of process safety management and institutionalized management cycles. 2. The Company requires products to comply with environmental regulations. As a result, the company obtained the ISO14001 environmental management certification in 2005 and has since regularly obtained recertification. 3. The Company constructs its climate risk identification process based on the Task Force on Climate Related Financial Disclosures (TCFD) framework. As a result of cross-departmental discussions on climate risks and opportunities, three opportunities and four risks were identified in total. 4. According to ISO14064-1, the Company is required to conduct regular inventories of greenhouse gas emissions in order to assess our impact on operations. Based on the result of the carbon footprint verification, the company continues to implement carbon reduction measures, effectively reducing Scope 1 emission risks and indirect greenhouse gas emissions from electricity usage in Scope 2. 5. The 2024 internal audit plan is designed to assess the Company's compliance with various relevant			

Item	Status of Execution			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Summary Description	
				environmental laws and regulations and to examine whether each operational process complies with the regulations.
			Society Occupational safety: Remuneration benefit Labor-management communication Occupational safety Talent cultivation Human rights protection	<ol style="list-style-type: none"> 1. In 2020, all factories and subsidiaries completed certification of ISO45001 Occupational health and safety management systems. (passed the verification in 2020 and the latest certification is valid till September 14, 2026) 2. Conduct annual fire drills and occupational safety education and training regularly to cultivate employees' emergency response and self-safety management abilities. 3. TUC respects and supports internationally recognized human rights norms and principles, including the "Universal Declaration of Human Rights", the "United Nations Global Compact" and the International Labour Organization's Declaration on "Fundamental Principles and Rights at Work", comply with the laws and regulations of our locations, and establish our "Human Rights Policy" in accordance with the "United Nations Guiding Principles on Business and Human Rights". 4. TUC takes measures to rationalize employee salaries and benefits 5. TUC establishes an effective career development training program
			Product safety Customer service	<ol style="list-style-type: none"> 1. All of the Company's products comply with government regulations and conform to EU RoHS standards, containing no hazardous substances. 2. To ensure customer service quality, the company has established a customer service hotline and communication website. The company proactively conducts customer service satisfaction surveys on a regular basis each year to strengthen relationships with customers.
			Corporate Governance Socio-economic and legal compliance	<ol style="list-style-type: none"> 1. By establishing governance structures and implementing internal control mechanisms, the Company ensures that all personnel and operations comply with relevant laws and regulations. 2. The products developed by the Company apply for patent protection to safeguard the Company's rights

Item	Status of Execution			Summary Description	Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No			
				<p>and interests.</p> <p>3. TUC complies with relevant regulations and international standards, and develops relevant consumer or customer protection policies and complaint procedures</p> <p>4. TUC establishes supplier management policies and requires suppliers to comply with relevant regulations on environmental, occupational health and safety or labour rights issues.</p>	
				<p>Economic Risks</p> <p>1. Exchange Rate: TUC's hedging strategy is based on the achievement of the ability to circumvent risks of the most market prices. The derivative financial products that are highly negatively correlated with the fair value changes of the hedged items are used as hedging instruments and are regularly evaluated.</p> <p>2. Inflation: TUC disperses the source of raw materials, and negotiates long-term supply agreements based on the total demand on both sides of the Taiwan Straits.</p>	
				<p>Operational Risks</p> <p>1. Internal control: TUC implements the internal control mechanism.</p> <p>2. Stakeholders: TUC insures liability insurance for Directors and internal managers to protect shareholders' rights and interests. TUC establishes communication channels.</p> <p>3. Industry: TUC continues to strengthen R&D and production technology according to product and technology trends.</p>	
				<p>Stakeholder communication</p> <p>1. Establish various communication channels and actively communicate to reduce conflicts and misunderstandings. An investor email address is established and managed by the spokesperson, who is responsible for responding.</p>	
			<p>4. The Company's Risk Management Policies and Procedures were adopted by the Board of Directors on November 1, 2022. Convene at least 2 risk management group meetings per year and report to the Board on its operations annually. 2024 Risk Management Execution and Assessment Report, reported to the Board of Directors on March 12, 2025.</p>		

Item	Status of Execution			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Summary Description	
III. Environmental Issues				No discrepancy
(I) Does the Company establish suitable environmental management system based on the characteristics of its industry?	V		(I) TUC establishes the environmental management systems in accordance with ISO14001 Environmental Management System. TUC passed the ISO14001 Environmental Management System (passed the verification in 2005 and the latest certification is valid till September 15, 2026) and obtained green building certification.	
(II) Is the Company committed to improving resource efficiency and to the use of renewable materials with low environmental impact?	V		(II) The company is committed to improving the efficiency of the use of various resources, adding solar power generation facilities, and promoting water saving, power saving, the use of recycled paper, recycled paper, waste of resources to be recycled, reduced reuse, reduce waste of resources. 808,424 kWh of self-produced green electricity in 2024 (Phase 1 generated 506,880 kWh for the whole year, Phase 2 generated 394,464 kWh for the whole year, and Phase 3 generated 232,960 kWh for the whole year), equivalent to reducing CO2 emissions by 561 tons (based on the 2022 electricity emissions factor of 0.495 kg CO2 e/kWh). In 2024, water savings reached 5,916 metric tons. In 2024, general waste was reduced by 7.03 metric tons compared to 2023, a decrease of over 3.5% compared to 2023.	
(III) Does the company assess the potential risks and opportunities of climate change for businesses now and in the future, and take action on climate-related	V		(III) The Company has a Sustainability Implementation Committee as the highest body for climate change management, which annually reviews the Company's climate change strategy and objectives, manages climate change risks and opportunities, assesses the status of implementation, discusses future plans and reports to the Board of Directors. The Company's climate risk identification process is structured according to the TCFD framework to assess the risks and opportunities of climate change for the Company. The Company's latest climate risk	

Item	Status of Execution			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof																		
	Yes	No	Summary Description																			
issues?			<p>assessment was completed at the end of 2022 and, following interdepartmental discussions, a total of three opportunities and four risks were identified. The following risks were highlighted from the climate risk items: increased prices for greenhouse gas emissions, environmental regulations, technological and economic impacts of the transition to low-carbon products, and increased raw material costs. In order to reduce the aforementioned risk factors, TUC also simultaneously identifies feasible opportunities and formulate countermeasures. In the area of climate change mitigation, TUC is developing green operations, energy management, carbon information disclosure and green buildings; in the area of climate change adaptation, the Company implemented measures to strengthen infrastructure, build sustainable operations and make full use of green buildings.</p> <p>A detailed description of the Company's analysis of climate change risks and opportunities has been set out in the Company's Sustainability Report. https://www.tuc.com.tw/zh-tw/corporate/id/153</p>																			
(IV) Has the company measured the total weight of greenhouse gas emissions, water consumption and waste in the past two years, and formulated policies to reduce greenhouse gas emissions, water	V		<p>(IV)</p> <p>1. GHG</p> <p>(1) Greenhouse gas emissions in the last 3 years:</p> <p style="text-align: right;">Unit: Metric tons CO₂e</p> <table border="1"> <thead> <tr> <th>Year</th><th>Category 1</th><th>Category 2</th><th>Total Emission</th><th>Note</th></tr> </thead> <tbody> <tr> <td>2024</td><td>18,149.4279</td><td>25,207.5703</td><td>43,356.9982</td><td rowspan="3">Categories 1 and 2 Information for Taiwan Plant</td></tr> <tr> <td>2023</td><td>20,076.9607</td><td>25,476.6391</td><td>45,553.5999</td></tr> <tr> <td>2022</td><td>20,993.3650</td><td>27,722.4790</td><td>48,715.8439</td></tr> </tbody> </table> <p>(2) Reduction Target: TUC's target for reduction of greenhouse gas emission: 5% reduction in greenhouse gas emissions per year from 2021 to 2025; To achieve a 20% reduction in greenhouse gas emissions in 2025 as compared to 2021.</p> <p>(3) Management Policy:</p>	Year	Category 1	Category 2	Total Emission	Note	2024	18,149.4279	25,207.5703	43,356.9982	Categories 1 and 2 Information for Taiwan Plant	2023	20,076.9607	25,476.6391	45,553.5999	2022	20,993.3650	27,722.4790	48,715.8439	
Year	Category 1	Category 2	Total Emission	Note																		
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Item	Status of Execution			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof									
	Yes	No	Summary Description										
consumption or other waste management?			<p>(a) Promote various energy-saving and carbon-reduction programmes in line with the implementation of climate change or greenhouse gas management.</p> <p>(b) In response to climate change and to promote the company’s sustainable operations, the Group will continue to pursue the procurement of renewable energy and invest in the development of energy-efficient products.</p> <p>(4) Promotion Measures and Achievement Status:</p> <p>(a) Since 2021, TUC and its subsidiaries have been conducting annual greenhouse gas emissions validation and verification in accordance with ISO14064-1. The management of carbon emissions and emissions information is reviewed in the Company's internal ISO14001 environmental management review meeting and disclosed in the ESG report.</p> <p>(b) Over the past three years, greenhouse gas emissions from the Taiwan plant have shown a year-on-year decline (see Table Item (1) for details).</p> <p>2. Water Consumption</p> <p>(1) Water consumption in the last 2 years:</p> <table><tr><th>Year</th><th>Water Consumption (metric tons)</th><th>Water Intensity (Metric tons /NT\$ million in revenue)</th></tr><tr><td>2024</td><td>293,120</td><td>30.276</td></tr><tr><td>2023</td><td>297,530</td><td>39.346</td></tr></table> <p>(2) Reduction Target:Reduce water consumption by 3% each year.</p> <p>(3) Management Policy:The Company has consistently prioritized water resource conservation and environmental protection. In our water-saving initiatives, we start by fully implementing water conservation practices in our daily operations, thereby maximizing the benefits derived from available water resources.</p> <p>(4) Promotion Measures and Achievement Status:</p> <p>(a) The backwash water from the pure water production system</p>	Year	Water Consumption (metric tons)	Water Intensity (Metric tons /NT\$ million in revenue)	2024	293,120	30.276	2023	297,530	39.346	
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	Yes	No	Summary Description																
			<p>is reused for toilet flushing, conserving approximately 30 tons of water per day.</p> <p>(b) Use of water-saving faucets.</p> <p>(c) Utilize a rainwater harvesting system for plant irrigation.</p> <p>(d) The Company has implemented multiple improvement measures. In 2024, through the management of water resource utilization and the execution of water-saving technologies, the Company has steadily and continuously reduced water consumption, achieving a 20% decrease in water usage compared to the base year (2021).</p> <p>3. Waste management</p> <p>(1) Waste Generation in the Last Two Years:</p> <table border="1"> <thead> <tr> <th>Year</th><th>Hazardous (metric tons)</th><th>Non-hazardous (metric tons)</th><th>Total Weight (Metric Tons)</th><th>Waste Intensity (Metric tons/NT\$ million in revenue)</th></tr> </thead> <tbody> <tr> <td>2024</td><td>330</td><td>619</td><td>949</td><td>0.0980</td></tr> <tr> <td>2023</td><td>407</td><td>595</td><td>1,002</td><td>0.1325</td></tr> </tbody> </table> <p>(2) Reduction Target: Non-hazardous waste recycling rate increased by 2% compared to the previous year.</p> <p>(3) Management Policy: The Company is dedicated to environmental protection and has established Key Performance Indicators (KPIs) aimed at waste reduction. It conducts both internal and external audits, and in 2024, it successfully achieved certification for the ISO 14001 Environmental Management System.</p> <p>(4) Promotion Measures and Achievement Status:</p> <p>(a) To achieve sustainable resource reuse, the group's waste disposal principles prioritize in-house reuse to minimize the consumption of raw materials. The second priority is recycling for reuse, while incineration or landfill methods are</p>	Year	Hazardous (metric tons)	Non-hazardous (metric tons)	Total Weight (Metric Tons)	Waste Intensity (Metric tons/NT\$ million in revenue)	2024	330	619	949	0.0980	2023	407	595	1,002	0.1325	
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	Yes	No	Summary Description	
			<p>employed only as a last resort.</p> <p>Reduction Targets: The reuse rate of reclaimed wood is increased by 10% compared to the previous year, while the amount of waste generated is reduced by 2% compared to the previous year.</p> <p>(b) In 2024, the Company's total waste output increased by 15% compared to 2023, while it decreased by 39% compared to the baseline year (2021). The primary reason for this year's increase is the higher volume of recyclable waste being processed, as opposed to incineration.</p> <p>4. Carbon reduction effect brought by the company's products or services to customers or consumers: The low loss high-end materials developed by TUC can indirectly achieve carbon reduction for customers or consumers.</p> <p>5. TUC's budget and plans for greenhouse gas reduction, water usage reduction and other waste management</p> <p>Four energy-saving projects were added in 2024 with a total budget of about NT\$14 million.</p> <p>Nine energy-saving projects were added in 2023 with a total budget of about NT\$52.3 million.</p> <p>For a detailed implementation status, please refer to pages 78-80, sections 1-1&1-2 of the 2024 Annual Report. This report includes the results of the greenhouse gas inventory, verification status, and reduction policies.</p> <p>6. The certification status of each piece of information (should be valid as of the date of publication of the annual report) and the scope of coverage of the information:</p> <p>The Company has completed the ISO14064-1 Category 1 and Categories 2 to 4 inventories for 2024. The inventories were third-party verified by SGS Taiwan Ltd., resulting in the issuance of an</p>	

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			ISO14064-1 Greenhouse Gas Verification Statement (certification of 2023 data dated July 21, 2024). Scope of coverage: Taiwan parent company and China subsidiaries (Changshu facility and Zhongshan facility).	
IV. Social Issues (I) Does the company have management policies and procedures formulated in accordance with relevant regulations and International Human Rights Conventions?	V		(I) In order to safeguard social rights and interests, the Company establishes relevant management procedures and regulations in accordance with relevant laws and regulations and international human rights conventions: 1. The Company recognizes and voluntarily follows the internationally recognized human rights standards such as the "United Nations Universal Declaration of Human Rights", the "United Nations Global Compact", the "United Nations Guiding Principles on Business and Human Rights", and the "United Nations International Labor Organization", and have adopted the "TUC Human Rights Management Policy" to respect the protections set forth in human rights treaties, which is posted on our website. 2. Social Equity: In accordance with the Responsible Business Alliance (RBA), the company has established relevant internal management procedures and regulations, including the "Child and Adolescent Labor Protection Management Procedure," "Anti-Discrimination Management Regulation," "Anti-Punishment, Slave Labor, Forced Labor, Prison Labor, and Human Trafficking Management Regulation," among others. Additionally, awareness courses are held periodically. 3. Management Procedure: (1) TUC complies with international conventions on human rights and local labor-related laws and regulations, provides a fair, healthy and safe workplace, respects human rights in workplace,	No discrepancy

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			<p>observes laws and regulations, cares for employees, provides the channel for communicating opinions, protects information security, and establishes a workplace with harmonious labor relation, and it does not use child or forced labor.</p> <p>(2) TUC respects internationally-recognized basic human rights, including the freedom of association, caring for vulnerable groups, prohibition of child labor, elimination of all forms of forced labor and the discrimination in employment, and compliance with the local labor-related laws and regulations of the place where TUC locates.</p> <p>(3) Human rights risk mitigation measures: TUC regularly evaluates risks in respect of human rights, communicates with interested parties, identifies important human rights issues and high-risk ethnic groups, establishes risk evaluation procedures, and promotes mitigation measures and management objectives, according to the characteristics of manufacturing industry as well as its operation and development strategies.</p> <p>(4) Relevant human rights issues included: Multiple inclusiveness and equal opportunities, reasonable working hours, health and safety workplace, freedom of association, labor consultation and privacy protection.</p> <p>4. TUC conducts regular education and training: Prevention of abuse and violence in the workplace, Date of course: August 7, 2024 to September 10, 2024, Number of trainees: with a total of 80 participants. Annual Training on Prevention of Abuse in the Workplace: December 11- December 31, 2024, with a total of 987 participants trained.</p>	

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(II) Does the company set up and implement reasonable measures to provide benefits to employees (including compensation, leave, and other benefits), and appropriately reflect business performance or results through remuneration to employees?	V		<p>(II)</p> <ol style="list-style-type: none"> 1. Employee remuneration The Company's year-end bonus system is based on the Company's after-tax operating income and is issued in accordance with the year-end bonus operation specifications to reward all employees for working together towards the Company's goals. Employee remuneration is provided in accordance with the provisions of the Articles of Association of the Company. 2. Employee subsidies and benefits TUC provides the following: Group insurance, medical examination, free meals, annual travel, three festival bonuses, employee and child education scholarships, employee parking lots, birthday gift vouchers, year-end bonuses and year-end party, etc. Regarding the leave system, on the basis of a fixed two-day's leave every week. In the event that a staff member needs to take a longer leave of absence for reasons such as childcare, major injury or illness, or a major accident, he or she can apply for leave without pay to take care of his or her personal and family needs. 3. Workplace Diversity and Equality The Company upholds basic human rights for gender equality and workplace diversity by incorporating leave policies for same-sex marriage into the Company's regulations. For many years, it has been dedicated to internal practices to establish an inclusive culture, acknowledge the contributions of male and female colleagues, and formulate anti-discrimination policies to prevent any harassment. Due industry characteristics and job nature, grassroots positions still require physical advantages. The other job positions advocate for equal opportunities for men and women in terms of equal pay, equal work conditions and equal opportunities for advancement, which in turn promotes inclusive and sustainable economic growth. 	

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(III) Does the Company provide employees with a safe and healthy work environment, and does it provide regular safety and health education to its employees?	V		<p>Implement the empowerment of women in a friendly workplace, so that all genders can work with peace of mind.</p> <p>4. Operating performance is reflected in the employee remuneration In order to effectively link operating results to employee remuneration, TUC has established the relevant management regulations for the following categories of remuneration: Salary Management, Employee Compensation, Sales Personnel Performance Bonus, Performance Appraisal, Promotion Management, etc., so as to ensure an effective link between the Company's operational performance and employee's performance.</p> <p>(III)</p> <p>1. TUC provides employees with a safe and healthy work environment TUC values the importance of the working environment and employee personal safety protection measures. TUC applies the ISO14001 and ISO45001 management systems on major environmental considerations / occupational health and safety risk controls while prioritized improvements are done through objectives and project management; the low-risk aspects are managed by means of operational controls, which, when improved through good practice, the safety and control of the working environment have shown significant results. TUC has passed ISO 14001 (2023/9/15 - 2026/9/15) and ISO 45001 (2023/9/14 - 2026/9/14) certification.</p>	

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			<p>2. Working environment and employees' personal safety protection measures:</p> <p>(1) Safety education and training: New employees are required to attend training on their first day of work. Direct personnel (including transferred employees, special machinery and equipment operators, special task personnel, and managers) will undergo safety education and training every six months or as needed. Indirect personnel will receive training at least once a year.</p> <p>In 2024, a total of 686 individuals participated in safety education and training, with an average of 5 hours of training per person.</p> <p>In 2024, a total of 185 individuals participated in safety and health education training for new employees, accumulating a total of 174 hours.</p> <p>(2) Public and fire safety: TUC conducts regular public safety inspection for buildings, as well as inspection and declaration for fire safety system and equipment, and fire training and emergency drills are conducted for staff once every six months.</p> <p>In 2024, a total of 350 individuals participated in safety education and training, with an average of 3 hours of training per person.</p> <p>(3) Code of Practice: TUC revises the Code of Practice for Occupational Safety and Health and related procedures in accordance with law for employees compliance.</p> <p>(4) The number of major accidents, the number of employees and the ratio of the total number of employees in the current year, and related improvement measures:</p> <p>There is no major accident in 2024.</p> <p>Preventive measures for occupational hazards: In line with risk</p>	

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			<p>identification, TUC promotes Disaster Prevention Projects, eliminates potential hazard factors, and avoids disasters and accidents.</p> <p>3. State the number of fires, the number of casualties, and the casualty rate as a proportion of the total number of employees for the current year, as well as the related improvement measures in response to the fires: There were no fire incidents in 2024.</p> <p>TUC Fire Safety Management Policy:</p> <p>(1) Strengthen disaster management at the source</p> <p>(2) Increase emergency response training</p> <p>(3) Conduct recovery and reconstruction drills</p> <p>Improvement measures in response to fires: Not applicable.</p> <p>4. Employee Health Protection Measures and Its Implementation Status:</p> <p>(1) In accordance with regulations, the company arranges for factory safety personnel and designated physicians specializing in occupational health services to provide regular on-site consultations.</p> <p>(2) An annual comprehensive health examination is conducted for all employees. The results are categorized and monitored, followed by the implementation of improvement measures.</p> <p>(3) Implement a tiered health management system, where physicians conduct comprehensive assessments to determine the appropriate level of care, offer personalized health guidance, or provide clinical diagnoses. Occupational medicine specialists are engaged to perform health follow-up examinations. In 2024, a total of 763 individuals underwent tiered health examinations.</p> <p>(4) Implementation status of employee personal health protection measures:</p> <p>The top three abnormal indices identified in employee health</p>	

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(IV) Does the Company have effective career development and training plans for its employees?	V		<p>examinations for 2024 are Body Mass Index (BMI), triglycerides, and total cholesterol.</p> <p>Arrange three lectures led by nutritionists to offer guidance on dietary considerations for individuals with hypertension, hyperglycemia, hyperlipidemia, and elevated uric acid levels. A weight loss program was conducted from March 11 to June 21, spanning a total of 15 weeks. A total of 78 participants took part, achieving a combined weight loss of 223 kg (an average weight loss of 2.85 kg per participant)</p> <p>A reduction in body fat of 108% (an average of 1.38%) and a decrease in waist circumference of 446 cm (an average of 5.7 cm).</p> <p>Continuing the health management and protection for high-risk workers, we have added blood pressure measurement advocacy and posted health protection-related posters.</p> <p>(IV) TUC has an effective training blueprint system and technical qualification certification system for employees according to the procedures for management of education and training for developing career advancement programmes for different positions.</p> <p>1. In-house key training blueprint courses:</p> <p>The Company has a comprehensive training programme for supervisors and employees at all levels, including newcomer training, professional advancement training and supervisor training. The objectives are to help employees learn and grow through a variety of learning methods, and increase the availability of online courses to provide colleagues with diverse learning resources. In 2024, a total of 67 physical courses and 56 online courses were held for new staff, production line staff, engineers, and group supervisors and above, covering communication management, quality management, process management, data analysis, patents,</p>	

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	Yes	No	Summary Description	
			functional education, and work safety education.	
(V) Does the Company comply with relevant laws and international standards in relation to customer health and safety, customer privacy, marketing, and labeling of products and services, and has it established relevant consumer or customer protection policies and grievance procedures?	V		<p>(V)</p> <p>2. Develop external training courses based on job functions During annual performance interviews, supervisors discuss and set up individual annual development plans with employees to help tailor the best development plans for them through regular review and feedback.</p> <p>3. In 2024, 1049 people completed a total of 9865 hours of vocational training.</p> <p>1. To provide professional and technical services for after-sale products with customers, and provide immediate answers and solutions to safeguard consumers' rights and interests. The corporate governance/stakeholder zone on TUC's website provides information on the company's integrity policy and provides a channel for complaints to customers/suppliers/the general public. To inquire: TUC's website for disclosure: http://www.tuc.com.tw/en-us/corporate/id/13 Corporate Governance/Dedicated Section for Interested Parties/Complaint Channel for Interested Parties</p> <p>2. TUC complies with customer requirements and relevant regulations, and regularly accepts customer inspection.</p>	
(VI) Does the Company have a supplier management policy that requires suppliers	V		<p>(VI)</p> <p>1. In addition to compliance with corporate responsibilities, TUC also requires partners to work together to fulfill corporate social responsibility, such as to evaluate suppliers on a quarterly basis, and require suppliers to sign Corporate Social Responsibility Self-</p>	

Item	Status of Execution			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
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to comply with relevant regulations on environmental protection, occupational safety and health or labour rights, and their implementation?			<p>Assessment Form (including labor and ethics, health, safety and environment), Commitments and Integrity Declaration, and checks the implementation status of partners through auditing and visiting.</p> <p>2. TUC has signed Integrity Declaration with major suppliers. In case of violating their corporate social responsibility policies and having a significant impact on the environment and society, TUC may terminate the cooperation and demand compensation for the Company's losses at any time.</p> <p>3. Implementation: TUC cooperates with suppliers to promote green supply chain, strengthen carbon management in response to climate change, reduce fire risk, and pay attention to environmental protection, safety and health management. TUC jointly with the suppliers to assess and improve economic, environmental and social risks and impacts. TUC establishes a code of conduct for suppliers that includes labor rights, health and safety, environment, ethical norms and management systems. In order to strengthen the sustainable management of the supply chain and effective risk management, TUC is committed to working with suppliers to comply with Taiwan's environmental, safety, health and fire regulations.</p>	
V. Does the company refer to the internationally accepted reporting standards or guidelines for the preparation of reports that disclose the company's non-financial information, such as	V		<p>2023 Sustainability Report prepared in accordance with GRI, TCFD, and SASB and verified by a third-party. Third-party verification unit: GREAT Certification conducted a Type 1 moderate assurance level verification according to the AA1000ASv3 assurance standard.</p> <p>2024 Sustainability Report prepared in accordance with GRI, TCFD, and SASB and verified by a third-party.</p>	No material deviation

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sustainability reports, which disclose non-financial information about the company? Are the reports certified or assured by a third-party accreditation body?				
VI. If the company has established sustainable development best-practice principles based on the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies," describe the implementation and any deviations from such principles: None.				
VII. Other key information useful for explaining the status of sustainable development implementation: Environment protection: TUC takes measures to prevent pollution, in accordance with the Waste Disposal Act, Water Pollution Prevention and Control Act, Air Pollution Prevention and Control Act, and other laws, to maintain environment quality; promotes energy saving and waste reduction, and promotes its employees to save water and power and recycle and reuse water. TUC's products comply with EU RoHS requirements. Cooperate with the County Environmental Protection Bureau to promote various environmental protection measures and activities and sharing of resources and materials and exchange platforms to save resources. Participate in ecological and spontaneous environmental activities to jointly protect our ecology and environment. Community engagement: Sponsored local community activities and road maintenance around the vicinity of adopted factory (Boai Street - the street around the factory), and supported self-improvement, hiking, and scholarship activities in Taihe Village, Zhubei City, with a total sponsorship of NT\$20,000. Social services: (1) Adopted the "International Environmental Education Park (behind the Hsinchu County Women's and Children's Building)" and Boai Street, regularly responsible for maintenance, cleaning, and upkeep of the park's green spaces (with a fixed monthly maintenance cost of NT\$8,800). (2) Cooperate with the County Environmental Protection Bureau to promote various environmental protection measures and activities and sharing of resources and materials and exchange platforms to save resources. Social welfare: Encourage and support colleagues to participate in various public welfare activities that address societal needs,				

Item	Status of Execution			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Summary Description	
			as detailed below: (1) On May 22, 2024, during the 50th anniversary celebration of TUC, a priority purchase of NT\$7,000 was made for products from the Children Are Us Foundation, and the foundation was invited to complete blessing cards. (2) On March 24, 2024, National Central University hosted a recruitment event on campus in collaboration with the Children Are Us Foundation for a charitable cookie initiative. The university prioritized the procurement of products totaling NT\$7,000 and also made a donation of NT\$10,000. (3) On March 24, 2024, a national half marathon took place, featuring 68 participants and raising a total of NT\$69,000 in donations for the Hsinchu St. Teresa Children Center. (4) On December 7, 2024, the Zhubei City Half Marathon attracted 63 participants and raised NT\$63,000 for the Children Are Us Foundation. Rights and interests of consumers: TUC enhances customer satisfaction and wins potential customers with positive, rapid and effective service quality. Human rights: TUC regularly conducts risk assessments on human rights issues, includes external expectations for communication with stakeholders, identifies important human rights issues and high-risk groups, and establishes risk due diligence processes and promotes mitigation measures and management objectives. Requirements: Diversity, inclusiveness and equal opportunities, reasonable working hours, health and safety workplace, freedom of association, labor negotiation and protection of privacy. Policy: Any act of sexual harassment. TUC provides a fair, healthy and safe workplace, respects human rights in workplace, observes laws and regulations, cares for employees, provides the channel for communicating opinions, protects information security, and establishes a workplace with harmonious labor relations, and it does not use child or forced labor.Promote gender equality policies and eliminate any acts of sexual harassment. Safety and Health: (1) It actively uses resources fully and effectively to reduce waste and production costs and improve process and operation management to increase recycling and reuse to reduce waste. On the other hand, it develops and chooses non-polluting and low-polluting processes, and obtains the certification of cleaner production, which is followed up regularly. (2) Occupational disaster prevention plan: In order to achieve the target of zero disaster, TUC drafts occupational disaster prevention plans at the end of each year, and formulates detail implementation	

Item	Status of Execution			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Summary Description	
			<p>according to the prevention plans. The plans are implemented by the business unit according to the schedule and contents and TUC will identify any deficiencies in the implementation through audit system. Thereafter, the plans will be reviewed and amended at the I Safety and Health Committee meeting.</p> <p>(3) Implementing automatic inspection: When facing different working environments, processes and operations, employees may suffer physical injury due to unsafe operations, equipment or management, and other risk factors. To improve the situation, automatic inspection is actively promoted, so that potential hazards can be identified, improved and effectively controlled risks.</p> <p>(4) On-site environmental testing: periodic environmental tests are carried out for carbon dioxide (CO2), noise, organic solvents, dust,, etc.</p> <p>(5) Health screening: New employees are subjected to health screenings and job specific check-ups as a basis for selection and assignment of jobs; regular health screenings are carried out annually for staff members and for specific job workers, special items will be added for screening to understand the health condition of staff members and also serve as the basis for staff assignment and improvement of work environment.</p> <p>(6) Education and training: TUC will carry out the necessary education and training in accordance with the law for new employees, transferred employees, special machinery and equipment operators, special operators, and managers.</p> <p>(7) Public and fire safety: TUC conducts regular public safety inspection for buildings, as well as inspection and declaration for fire safety system and equipment, and fire training and emergency drills are conducted for staff once every six months.</p> <p>(8) Code of Practice: TUC revises the Code of Practice for Employee Safety and Health and related procedures in accordance with law for employee compliance.</p>	

Note 1: If the execution status is "Yes", please specify the important policies, strategies, measures and execution status; if the execution status is "No", please explain the differences and the reasons in the "Circumstances and Reasons for Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies", and explain the plans for the adoption of relevant policies, strategies and measures in the future.

Note 2: The principle of materiality refers to environmental, social and corporate governance issues that have significant impacts on the company's investors and other stakeholders.

2. Execution of climate-related information:

Item	Status of Execution
(1) Describe the supervision and governance of climate-related risks and opportunities by the Board and management.	<p>In response to the high uncertainty of climate conditions and the rapid changes in policies and markets, the Company has established a Sustainability Implementation Committee that regularly convenes senior executives from various departments to identify significant climate-related risks and opportunities. At the same time, we further assess the risks that floods, droughts, typhoons, and high temperatures may pose to various operational sites. This aims to grasp the external environmental changes due to climate variations and market dynamics, allowing for a more comprehensive consideration of the overall operational strategy planning.</p> <p>Board of Directors: The highest authority on risk management policies and is responsible for approving, reviewing and monitoring the Company's risk management policies. The Corporate Governance Office convenes quarterly meetings to formulate, promote, and strengthen action plans and capital expenditures for important policies related to the Company's sustainable development (including climate-related issues), review, track, and revise the implementation and effectiveness of sustainable development initiatives, and report to the Board of Directors.</p> <p>The Sustainability Implementation Committee is responsible for the environmental management system, compliance with environmental regulations and international standards, assessment of sustainable transformation, enhancement of resource utilization efficiency, and climate change response mechanisms. The Committee convenes interdepartmental meetings periodically to discuss and coordinate efforts in order to achieve the goal of environmental sustainability.</p> <p>The Risk Management Group, consisting of heads from various departments, is responsible for the risk management policies and procedures of the companies within the Group. This responsibility encompasses matters related to climate-related risks, the latest regulatory requirements pertaining to industry climate risks, and updates on the identification of climate risks and opportunities.</p> <p>The Company's Risk Management Policies and Procedures were adopted by the Board of Directors on November 1, 2022, which incorporate climate change risk management into the overall risk management process.</p> <p>Remuneration Committee: At least once a year, during meetings, the committee discusses, evaluates, and reviews the compensation related to managers' performance in ESG matters (including climate change-related issues). Climate-related objectives and the degree of achievement of these goals will be incorporated into the performance evaluation and remuneration system for senior executives (refer to pages 23-24 of this annual report) to monitor the achievement of climate-related goals.</p> <p>By aligning the outcomes of the reward system with climate change management, the management is motivated to conduct the Company's operations in a way that both generates profits and promotes sustainability. This strategy will allow the Company to achieve its sustainability objectives while creating value for investors and stakeholders.</p> <p>The risk assessment concerning environmental, social, and corporate governance issues related to company operations for the fiscal year 2024, along with the associated risk management strategies and response measures, was submitted to the Board of Directors on March 12, 2025.</p>
(2) Describe how the identified climate risks and opportunities impact business, strategy and finances (short-, medium- and long-term).	<p>The Company assesses the potential operational and financial impacts of relevant climate risks and opportunities over the short, medium, and long term. The objective is to develop a range of actions to address climate-related risks and opportunities, with the goal of mitigating the operational and financial impacts of climate change and strengthening the organization's climate resilience. (Defining short-term as within 3-5 years, mid-term as 5 to 10</p>

Item	Status of Execution		
	years, and long-term as over 10 years)		
	In 2024, the Company identified 3 transformation risks, 1 physical risk, and 3 opportunities. The above risks and opportunities have been addressed and explained:		
	Short-term	Transition Risk: Physical Risks: Market Opportunities:	Market information uncertainty and rising raw material costs The severity of extreme weather events, such as typhoons and floods, has increased, resulting in higher raw material costs and damage to operational assets Research and innovation in new low-carbon products and services, the utilization of low-emission energy, the transition to decentralized energy production, and the development or expansion of low-carbon products and services
	Mid-term	Transition Risk: Physical Risks: Market Opportunities:	Transition to low-carbon / environmental protection technologies, introduction of regulations for renewable energy, and implementation of a carbon tax Increased severity of extreme weather events such as typhoons and floods may lead to supply chain disruptions Enhancing resource utilization efficiency, conducting research and development for new products and services, and implementing more efficient production and distribution processes
	Long-term	Transition Risk: Physical Risks: Market Opportunities:	Increase in the cost of greenhouse gas emissions (such as cap-and-trade / carbon tax /energy tax), alongside the trend towards achieving net-zero emissions Increase in Average Temperature Controlling Operating Costs and Enhancing Corporate Reputation
(3) Describe the financial impact of extreme weather events and transition actions.	The impact of climate-related risks and opportunities on business, strategy, and financial planning.		
	Transition Risk:	In response to the risks associated with changes in relevant legal compliance and green standards, the Company not only actively aligns with international regulations but also consistently adheres to standards that exceed international benchmarks. This approach effectively mitigates the risks associated with renewable energy costs. Proactively develop and implement green design initiatives to help clients reduce costs and improve efficiency by utilizing high energy conversion rates and low-carbon product combinations. Green design is founded on a life cycle perspective that incorporates the principles of the 3Rs (Recycle, Reuse, Reduce) into product development. The objective is to create environmentally friendly products that are non-toxic, easy to assemble, easy to disassemble, and characterized by low energy consumption.	
	Physical Risks:	To mitigate the impact of drought events, relevant facilities are progressively investing in water-saving infrastructure and enhancing the recycling and utilization of water resources. Additionally, insurance coverage is being extended to pertinent areas, and emergency response plans are being developed to minimize operational losses resulting from disaster risks.	

Item	Status of Execution		
	<table border="1"> <tr> <td data-bbox="840 186 1077 362">Market Opportunities:</td><td data-bbox="1077 186 2060 362">The Company has long been committed to sustainability, establishing a solid foundation and maintaining a close and trusting relationship with our customers over the years. We actively leverage our core technologies in optics and electricity to invest in research and development based on market demand. Therefore, as the wave of sustainability rises, we will have the opportunity to gain preferential favor from customers in a wide range of green products and solutions, thereby increasing revenue.</td></tr> </table>	Market Opportunities:	The Company has long been committed to sustainability, establishing a solid foundation and maintaining a close and trusting relationship with our customers over the years. We actively leverage our core technologies in optics and electricity to invest in research and development based on market demand. Therefore, as the wave of sustainability rises, we will have the opportunity to gain preferential favor from customers in a wide range of green products and solutions, thereby increasing revenue.
Market Opportunities:	The Company has long been committed to sustainability, establishing a solid foundation and maintaining a close and trusting relationship with our customers over the years. We actively leverage our core technologies in optics and electricity to invest in research and development based on market demand. Therefore, as the wave of sustainability rises, we will have the opportunity to gain preferential favor from customers in a wide range of green products and solutions, thereby increasing revenue.		
(4) Describe how climate risk identification, assessment and management processes are integrated into the overall risk management system.	Incorporating climate change into the critical aspects of corporate sustainable development and key risk factors, implementing risk management plans across all manufacturing sites, and developing response strategies in areas such as operations, product management, and supply chain management. In accordance with ISO 31000, the risk management system employs the PDCA operational model to continuously enhance the management of climate change risks from an environmental perspective, while also integrating the overall enterprise risk management system within the management framework.		
(5) If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analytical factors and major financial impacts used should be stated.	<ol style="list-style-type: none"> 1. Referring to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC AR6) and the Taiwan Climate Change Projection and Information Platform (TCCIP), which utilizes Representative Concentration Pathways (RCP) as scenario assumptions. 2. "Increased severity of extreme weather events such as typhoons and floods" <ul style="list-style-type: none"> * Under climate change, typhoons and heavy rainfall are becoming increasingly severe, which may expose the Company's operational sites to natural disasters, resulting in operational interruptions or casualties. * SSP1-2.6: By the mid and end of the 21st century, the average annual total rainfall in Taiwan is projected to increase by approximately 12% and 16%, respectively. By the mid and end of the 21st century, the average annual maximum 1-day extreme rainfall intensity is projected to increase by approximately 15.7% and 15.3%, respectively. * SSP5-8.5: By the mid and end of the 21st century, the average annual total rainfall in Taiwan is projected to increase by approximately 15% and 31%, respectively. By the mid and end of the 21st century, the average annual maximum 1-day extreme rainfall intensity is projected to increase by approximately 20% and 41.3%, respectively. * SSP5-8.5: By the mid and end of the 21st century, the number of typhoons affecting Taiwan is expected to decrease by approximately 15% and 55%, respectively. However, the proportion of strong typhoons is projected to increase by about 100% and 50%, respectively, and the rate of change in typhoon-related rainfall is anticipated to rise by approximately 20% and 35%, respectively. 3. Rise in average temperature <ul style="list-style-type: none"> * SSP1-2.6: By the mid and end of the 21st century, the annual average temperature could increase by 1.3°C and 1.4°C, respectively. The number of days with temperatures exceeding 36°C is projected to increase across regions. By the mid and end of the 21st century, the increase is estimated at approximately 6.8 days and 6.6 days, respectively. * SSP5-8.5: By the mid and end of the 21st century, the annual average temperature could increase by more than 1.8°C and 3.4°C, respectively. The number of days with temperatures exceeding 36°C is projected to increase across regions. By the mid and end of the 21st century, the increase is estimated at approximately 8.5 days and 48.1 days, respectively, with urban areas experiencing a significantly greater rise compared to other regions. <p>In response to the average temperature increase of 1 degree Celsius across Taiwan, electricity consumption has</p>		

Item	Status of Execution
	risen by 3.74%. Should electricity prices remain stable, a further increase of 2 degrees Celsius is projected to lead to a short-term rise of approximately 34% in electricity consumption and associated costs.
(6) If there is a transformation plan to address climate-related risks, describe the content of the plan and the indicators and targets used to identify and manage physical and transformation risks.	<p>In terms of climate change mitigation, the Company uses greenhouse gas emissions per unit of revenue as the primary quantitative assessment key performance indicator. Additionally, we have established targets for the proportion of renewable energy used, electricity consumption per unit of revenue, and water consumption per unit of revenue. (Please refer to Section 3.2.4.6 of the Sustainability Report for the environmental management objectives and their implementation status)</p> <p>In response to the transformation plan for managing climate-related risks, please refer to Section 4.5.3 on climate risk identification in the Company's sustainability report for detailed information regarding the plan. This section outlines the Company's risk response and future planning in relation to the risks and opportunities presented by climate change.</p> <p>https://www.tuc.com.tw/zh-tw/corporate/id/153</p>
(7) If internal carbon pricing is used as a planning tool, the basis for setting the price should be explained.	1. At this stage, the Company has not yet planned for carbon pricing, carbon conversion and renewable energy certificates.
(8) If climate-related targets are set, information on the activities covered, the scope of greenhouse gas emission, planning of schedules, progress achieved each year, and, if carbon credits or renewable energy certificates (RECs) are used to achieve the targets, the source and quantity of carbon credits or the quantity of renewable energy certificates (RECs) should be stated.	<p>1. Target Value: Achieve a 20% reduction by 2025 relative to the baseline year of 2021, with a mandated reduction of 42% by 2030 in accordance with Ministry of Environment regulations</p> <p>The Company intends to participate in the Ministry of Environment's voluntary reduction program, utilizing the Science-Based Targets initiative (SBTi) for calculations. Using 2021 as the baseline year, the objective is to achieve a 42% reduction by 2030. As a result, the carbon fee may decrease from NT\$300 per ton to NT\$50 per ton. Consequently, a minimum annual reduction of 5% is required.</p> <p>2. Greenhouse Gas Emission Scope: Scope 1 and Scope 2 for factories in Taiwan.</p> <p>3. Utilization of Carbon Offsets or Renewable Energy Certificates (RECs): Currently not incorporated into the planning.</p>
(9) Greenhouse gas inventory and assurance status; <u>reduction targets, strategies, and specific action plans</u> (separately fill out in points 1-1 <u>and</u> 1-2 below).	See next page for details

1-1TUC Greenhouse gas inventory and assurance status in the last two years

1-1-1 Information of greenhouse gas validation

TUC's standards of greenhouse gas inventory: In accordance with ISO 14064-1 from the International Organization for Standardization.

Greenhouse gas emissions (metric tons CO₂e), intensity (metric tons CO₂e/million), and data coverage scope in the last two years:

Emission sources category		2024 Emissions	2023 Emissions	2022 Emissions	Data coverage scope
Direct emissions	Category 1, Emissions directly from sources owned or controlled by the company.	18,149.4279	20,076.9607	20,993.3650	Parent company (Taiwan Facility)
Indirect emissions	Category 2, Indirect greenhouse gas emissions from purchased electricity, heat, or steam consumption.	25,207.5703	25,476.6391	27,722.4790	Parent company (Taiwan Facility)
Total emissions (Category 1 + Category 2)		43,356.9982	45,553.5999	48,715.8439	Parent company (Taiwan Facility)
Density (The data is calculated in terms of sales revenue of NT\$1 million.)		4.4783	6.0241	5.9621	Parent company (Taiwan Facility)

Note 1: Direct emissions (domain 1, i.e., emissions directly from sources owned or controlled by the Company), emissions from indirect energy choices (domain 2, i.e., indirect greenhouse gas emissions from intaken electricity, heat, or steam) and other indirect emissions (domain 3, i.e., emissions from company activities that are not indirect energy emissions, but originate from sources owned or controlled by other companies).

Note 2: The scope of data for direct and indirect energy emissions should be managed within the timetable specified in Article 32, Paragraph 3 of this standard. Information on other indirect emissions may be disclosed voluntarily.

Note 3: Standards of greenhouse gas inventory: ISO 14064-1 from the International Organization for Standardization.

Note 4: The intensity of greenhouse gas emissions is calculated based on sales revenue (NT\$1 million).

1-1-2 Information on greenhouse gas assurance status

State the assurance situation for the last two years as of the date of printing the annual report, including the scope of assurance, the assurance institution, the assurance standards, and the assurance opinion:

	Credible scope	Credible institution	Credible regulations	Credible opinions	Credible information disclosure
2024	Verification of Category 1 and Category 2 from Hsinchu Facility	SGS (SGS Taiwan Ltd.)	ISO 14064-1:2018 ISO 14064-3:2006	The complete and credible information for 2024 will be disclosed in ESG report.	
2023	Verification of Category 1 and Category 2 from Hsinchu Facility	SGS (SGS Taiwan Ltd.)	ISO 14064-1:2018 ISO 14064-3:2006	Category 1 and Category 2 provide a reasonable assurance level. Categories 3 to 6 are subject to a limited assurance statement.	Unit: Metric tons CO ₂ e Direct emissions: 20,076.9607 Indirect emissions: 85,268.0959 Total emissions: 105,345.0566

1-2 Greenhouse gas reduction targets, strategies, and specific action plans (state the baseline year for greenhouse gas reduction and its data, reduction targets, strategies, and specific action plans, and the achievement of reduction targets).

Set 2021 as the baseline year for greenhouse gas reduction, using the carbon emission data of that year as the baseline.

Reduction targets: Set short, medium, and long-term phased goals.

Phase 1 (2021-2025): Achieve a 20% reduction in carbon emissions by 2025 compared to the baseline year (2021).

Phase 2 (2026-2030): Achieve a 42% reduction in carbon emissions per unit by 2030 compared to the baseline year (2021).

Phase 3 (2031-2050): Starting from 2031, maintain a 5% annual reduction in carbon emissions compared to the previous year and continue to review and improve.

Reduction Strategies: Reduce standby energy loss, promote various energy-saving projects (replace old equipment, switch to variable frequency drives, replace energy-saving devices, etc.), research and introduce eco-friendly materials, and install green energy devices.

Specific action plans:

Year	2024	2023	2022
Specific action plans	<ol style="list-style-type: none"> 1. The cooling water system reduces conductivity, thereby saving on water replacement volume 2. Completion of the Installation of Phase Three Solar Panels 3. Replacement of #1 Air Compressor Dryer in Plant 1 4. Replacement of High-Efficiency Motors for Ice Water Pumps at Plant 1 	<ol style="list-style-type: none"> 1. Installation of variable frequency drive on cooling water pumps (P7) in Plant 1 2. Installation of variable frequency drive on chilled water pumps (P12) in Plant 1 3. Replacement of high-performance magnetic floating ice water main engine in the second plant chiller 4. Installation of centrifugal water-cooled air compressor in Plant 3 5. Replacement of chiller cooling water pump motors in Plant 1 (P7) and Plant 2 (P20) with IE3 (high efficiency) motors 6. Replacement of #1 cooling tower in Plant 1 7. Connection of cooling water discharge pipelines in Plant 1 and Plant 2 8. Expansion of solar panel installation for Phase 2 	<ol style="list-style-type: none"> 1. Installation of variable frequency drive on cooling water pumps in Plant 1 2. Installation of variable frequency drive on chilled water pumps in Plant 1 3. Replacement of centrifugal water-cooled air compressor system 4. Replacement of magnetic bearing chiller 5. Phase 1 solar panel installation (Plant 3 rooftop)

Achievement of reduction targets:

Year	2024	2023	2022
Category 1	18,149.4279	20,076.9607	20,993.3650
Category 2	25,207.5703	25,476.6391	27,722.4790
Total	43,356.9982	45,553.5999	48,715.8439
Unit carbon emission sales intensity (emissions / NT\$ million)	4.4783	6.02 The ratio of sales decrease is greater than the ratio of carbon emissions reduction	5.96

(VI) Ethical Corporate Management and Deviations from "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies" and Reasons

Date of Reporting to the Board of Directors on the Implementation of Ethical Corporate Management in 2024: March 12, 2025

Evaluation Item	Implementation Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Summary Description	
<p>I. Establishing Corporate Code of Conduct and Ethics Policy and implementation measures</p> <p>(I) Does the company establish the ethical corporate management policies approved by the Board of Directors and declare its ethical corporate management policies and procedures in its guidelines and external documents, as well as the commitment from its Board to implement the policies?</p> <p>(II) Does the Company establish a risk assessment mechanism against unethical conduct, analyze and assess on a regular basis business activities within its business scope which are at a higher risk of being involved in unethical conduct, and establish prevention programs accordingly, which shall at least include those specified in Paragraph 2, Article 7 of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies"?</p>	V	V	<p>(I) TUC has the "Rules for Integrity Management" approved by the Board of Directors, and the Code of Conduct in Respect of Corporate Social and Environmental Responsibilities, with the contents including integrity management, business ethics and corporate governance, and the commitment of all of its Directors and managements for integrity management policy and Integrity Declaration are specified in its external documents. Records of submitting and reporting "Ethical Corporate Management Best Practice Principles" to the Board of Directors: Approved by the Board of Directors on March 26, 2014 Amendment was approved by the Board of Directors on March 23, 2016 Amendment was approved by the Board of Directors on March 25, 2020</p> <p>(II) TUC's measures for prevention of the following acts covered by the "Ethical Corporate Management Best Practice Principles":</p> <ol style="list-style-type: none"> 1. Bribery and Acceptance of Bribes. 2. Illegal political contributions. 3. Improper charitable donations or sponsorship. 4. Offering or accepting unreasonable gifts, hospitality or other improper benefits. 5. Infringement of trade secrets, trademarks, patents, copyrights and other intellectual property rights. 6. Engaging in unfair competition practices. 	No discrepancy

Evaluation Item	Implementation Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Summary Description	
(III) Does the company specify the procedures, guidelines, punishment for violation and compliant system in unethical conduct prevention scheme, and implement them, and regularly review the scheme before amendment?	V		<p>7. Products and services that directly or indirectly harm the rights, health and safety of consumers or other Stakeholders when they are developed, procured, manufactured, offered or sold.</p> <p>8. Insider trading.</p> <p>(III) The guidelines for various acts are specified in TUC's "Operating Procedures for Integrity Management" (These include the prohibition of offering or accepting improper benefits and its handling procedures, the prohibition of facilitation fees and its handling procedures, the handling procedures for political donations, benefit avoidance, the prohibition of leaking trade secrets, the prohibition of insider trading, confidentiality agreements, etc.). In addition, the punishment and reward system for employee's unethical conduct, channel for reporting, and protection system etc. are also specified in the operating procedures.</p>	
<p>II. Implementation of the Code of Business Conduct</p> <p>(I) Does the Company evaluate the ethical record of its business partners and set ethical conduct policies in the terms and conditions of its contracts with the clients?</p> <p>(II) Does the company establish an exclusively dedicated unit supervised by the Board of Directors to be in charge of ethical corporate management and report to the Board of Directors the implementation of ethical corporate management policies and prevention programs on a regular basis (at least once a year)?</p>	V	V	<p>(I) The Company has an "Integrity Operating Procedure" in place, with key officers signing ethical and integrity acknowledgements and employment contracts with integrity clauses.</p> <p>(II) TUC's Corporate Governance Office promotes the operation of a dedicated (concurrent) corporate integrity management function. The Human Resources Department and the Legal Department are identified as the reporting units, and the status of the implementation will be reported to the Board of Directors at the beginning of the year.</p> <p>Report to the Board of Directors on the Company's Rules for Integrity Management for 2024, the Plan for Preventing</p>	No discrepancy

Evaluation Item	Implementation Status		Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	
			<p>Dishonest Behavior, and the Supervision of Implementation Status. Date: March 12, 2025.</p> <p>1. Implementation Status of the Company's Rules for Integrity Management for Fiscal Year 2024:</p> <p>(1) Advocacy courses provided:</p> <p>Course Name: Plant-wide advocacy content (Quality Cognition and Integrity Management Procedures / Prevention of Trading between/among Insiders, etc.)</p> <p>Time: First Echelon: May 17, 2024, to June 16, 2024 Number of trainees: 941 persons Total hours of online courses: 159hr.</p> <p>Second Echelon: June 17, 2024, to July 17, 2024 Number of trainees: 42 persons Total hours of online courses: 3hr.</p> <p>(2) Requirements for Suppliers: TUC requires suppliers to sign the Supplier's Corporate Social Responsibility Commitments and Integrity Declaration, with the contents including the requirements for integrity management and Corporate Social Responsibility.</p> <p>2. Complaints accepted and handled: In 2024, no complaints were received, and this was reported to the Board of Directors on March 12, 2025.</p>

Evaluation Item	Implementation Status		Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	
(III) Does the Company establish policies to prevent conflicts of interest and provide appropriate communication channels, and implement such policy properly?	V		(III) TUC's Ethical Integrity Statement and employment contract have provisions to prevent conflicts of interest and provide a reporting channel. In addition, TUC provides the email address receiving complaint (whistle-blowing) on its website. TUC's website for disclosure: http://www.tuc.com.tw/en-us/corporate/id/13 Corporate Governance/Dedicated Section for Interested Parties/Complaint Channel for Interested Parties
(IV) Does the company establish effective accounting systems and internal control systems to implement ethical corporate management, with the internal audit unit being responsible for devising relevant audit plans based on the results of assessment of any unethical conduct risk, examining accordingly the compliance with the prevention programs, or engaging a certified public accountant to carry out the audit?	V		(IV) TUC has accounting and internal control systems, and its Audit Office formulates parent-company-and-subsiary audit plan every year, and checks the actual implementation status on monthly basis according to the plan, and issues and submits report to the Board of Directors and Independent Directors.
(V) Does the Company organize internal and external training geared towards business integrity practices on a regular basis?	V		(V) In addition to the training courses for new entrants, TUC regularly organizes education and training on integrity management of each year and reminds employees through websites or bulletin boards from periodically. Plant-wide advocacy content (Quality Cognition and Integrity Management Procedures / Prevention of Trading between/among Insiders, etc.) Time: First Echelon: May 17, 2024, to June 16, 2024 Number of trainees: 941 persons Total hours of online courses: 159hr.

Evaluation Item	Implementation Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Summary Description	
			Second Echelon: June 17, 2024, to July 17, 2024 Number of trainees: 42 persons Total hours of online courses: 3hr.	
III. Operation of the whistle-blowing channel (I) Does the company have a specific reporting and reward system in place, and has it established channels to facilitate reporting and assigned appropriate staff to receive reports on the subject? (II) Does the Company have the standards for investigating, and the procedures for accepting, the reported issues, and subsequent measures to be made after investigation and related confidentiality mechanism? (III) Does the company take measures to protect whistleblowers from being improperly disposed of as a result of reporting an incident?	V	V	(I) The whistle-blower channel and protection system are implemented according to Article 25 of TUC's "Ethical Corporate Management Best Practice Principles." TUC's website for disclosure: http://www.tuc.com.tw/en-us/corporate/id/13 Corporate Governance/Dedicated Section for Interested Parties/Complaint Channel for Interested Parties (II) TUC has Rules for Management of Employees' Complaints/Rules for Management of and Service for Employees' Suggestions and Complaints/Procedures for Evaluation and Management on Labor and Integrity Risk See Article 22 to 25 of TUC's Rules for Integrity Management. (III) There are clear protection and confidentiality procedures for handling of complaints and whistle-blowing: See Article 25-4 of its Rules for Integrity Management. TUC's website for disclosure: http://www.tuc.com.tw/en-us/corporate/id/9 Corporate Governance/Corporate Social Responsibility and Governance/Ethical Corporate Management Best Practice Principles No reporter has been improperly disposed of because of reporting in 2024.	No discrepancy
IV. Enhancing Information Disclosure <u>Does</u> the Company disclose the contents of its Rules	V		TUC's Rules for Integrity Management is disclosed on MOPS and its website.	No discrepancy

Evaluation Item	Implementation Status		Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	
for Integrity Management and its implementation result on its website and MOPS?			<p>The results of the promotion are disclosed in TUC's Annual Report and uploaded to MOPS, and are disclosed on TUC's website. TUC's website for disclosure: http://www.tuc.com.tw/en-us/corporate/id/9</p> <p>Corporate Governance/Corporate Social Responsibility and Governance/Rules for Integrity Management/Implementation of Integrity Management in 2024</p> <p>TUC's website for disclosure: http://www.tuc.com.tw/en-us/corporate/id/9</p>
V. If the company <u>has</u> its own rules for integrity management formulated in accordance with the "Rules for Integrity Management of TWSE/TPEX Listed Companies", please specify the deviation of <u>its</u> implementation from the Rules: No deviation.			
VI. Other important information that facilitate the understanding of the implementation of ethical corporate management (such as review and amendment of the Company's Ethical Corporate Management Best Practice Principles): <ol style="list-style-type: none"> Externally, TUC requires suppliers to sign the Supplier's Corporate Social Responsibility Commitments and Integrity Declaration, with the contents including the requirements for integrity management and Corporate Social Responsibility. The Company conducts integrity-related training courses for current directors, managers, and employees at least once annually: On February 5, 2024, an email was sent to the board of directors and senior executives of the Company: Article 10 of the Company's Code of Practice on Corporate Governance and Article 5 of the Procedure for Management of Internal Material Information and Prevention of Insider Trading of shares stipulate the following: Measures for controlling stock trading by internal personnel who gain knowledge of the Company's financial reports or related performance information. These measures include, but are not limited to, the prohibition of directors from trading their stocks during closed periods, which are defined as the thirty days preceding the announcement of the annual financial report and the fifteen days preceding the announcement of each quarterly financial report. And proactively inform the periods to avoid trading in 2024 (aligned with the Board of Directors and annual report announcement timelines: February 5, 2024 - March 7, 2024; April 22, 2024 - May 9, 2024; July 15, 2024 - August 1, 2024; October 14, 2024 - October 31, 2024) 			

(VII) Other Important Information Regarding Corporate Governance:

1. If the Company has established corporate governance principles and relevant regulations, the mode of inquiry shall be disclosed:
TUC's Corporate Governance Regulations: "Code of Practice on Corporate Governance", "Regulations for Board Meetings", "Procedures for the Election of Directors", "Rules Governing the Responsibilities of Independent Directors", "Methods for Evaluating the Performance of the Board of Directors and Functional Committees", "Standard Procedures for Handling Requests from Directors", "Rules of Procedure for Shareholders' Meetings", "Rules for the Organization of the Remuneration Committee", "Code of Practice on Inter-relative Financial Practices", "Rules for Integrity Management", "Code of Practice on Corporate Social Responsibility", "Code of Ethical Conduct" and "Risk Management Policies and Procedures".
TUC's rules and regulations related to corporate governance can be enquired from: 1. Market Observation Post System <http://mops.twse.com.tw> "Corporate Governance" section.
TUC's website/Corporate governance section: <https://www.tuc.com.tw/en-us/corporate>
2. Managerial officers who participated in the advanced study and training related to corporate governance

Job Title	Name	Date of Training	Organizer	Name of course	Training Hours
Spokesperson	Huang, Wen-Hsu	2024.06.07	Accounting Research and Development Foundation	Legal Responsibilities and Internal Control Practices Regarding Employee Fraud	6
		2024.12.03	Accounting Research and Development Foundation	Latest Revisions to the "Regulations Governing Establishment of Internal Control Systems by Public Companies" and Compliance with Regulations Related to Internal Auditing and Internal Control in Financial Reporting	6
Corporate Governance Officer	Huang, Yi-Jen	2024.07.10	Taipei Exchange	AI Strategy and Governance	3
		2024.09.24	Taiwan Corporate Governance Association	Applications of AI, Law, and Auditing	3
		2024.10.04	Taiwan Corporate Governance Association	Climate Risk Identification Workshop and Net Zero Carbon Emission Advocacy Meeting	6
Audit Supervisor	Li, Hsiu-Ying	2024.07.04	Institute of Internal Auditors	Examples of Integration and Application of ESG, Internal Audit, and Internal Control in Enterprises	6
		2024.09.23	Institute of Internal Auditors	Analysis of Sustainable Information Disclosure Policies and Key Aspects of Internal Control and Audit	6

(VIII) Implementation of internal control system

1. Statement of Internal Control System.

(Indicating that both design and implementation are effective)

(This Statement shall apply if it is made fully in accordance with the Act)

Taiwan Union Technology Corporation ("TUC")
Statement of Internal Control System

Date: March 12, 2025

In accordance with the results of self-assessment, the internal control system of the Company for the year 2024 is stated as follows:

- I. TUC recognizes that it is the responsibility of the Board of Directors and the Managers of the Company to establish, implement, and maintain an internal control system, and TUC has established such a system. The purpose of ICS is to provide reasonable guarantees for achieving the effect and efficiency of operation (including profits, performance, and protection of assets safety, etc.), as well as the reliability, timeliness, transparency, and compliance of reports with relevant laws and rules.
- II. The internal control system has its inherent limitations, no matter how perfect the design, an effective internal control system can only provide reasonable assurance of the aforementioned three objectives, and the effectiveness of the internal control system may change along with the changes in the environment and circumstances. Nevertheless, the internal control system contains self-monitoring mechanisms, and TUC takes immediate remedial actions in response to any identified deficiencies.
- III. TUC evaluates the design and operating effectiveness of its internal control system based on the criteria provided in the "Guidelines Governing Establishment of Internal Control Systems by Public Companies" (the "Guidelines"). The internal control system used in the "Regulations" divides the internal control system into five constituent elements according to the process of management control: 1. Control environment, 2. Risk assessment, 3. Control operations, 4. Information and communication, and 5. Supervision operations. Each part includes several items. Please refer to the Regulations for the aforementioned items.
- IV. TUC has adopted the aforementioned ICS assessment items to evaluate the effectiveness of ICS design and implementation.
- V. Based on the results of the preceding evaluation, TUC concluded that its internal control system (including supervision and management of subsidiaries) which was stated in Note 2 of December 31, 2024, including understanding the extent to which operational effectiveness and efficiency objectives are achieved, reporting is reliable, timely, transparent and consistent with relevant regulations and compliance with relevant laws and regulations, and that the design and implementation of the internal control system is effective, and that it is reasonably capable of ensuring the achievement of the above objectives.
- VI. This Statement is an integral part of TUC's Annual Report and Prospectus, and it is publicly disclosed. If the aforementioned disclosure is false or concealed, it will involve the legal liability of breaching Articles 20, 32, 171, and 174 of the Securities and Exchange Act.
- VII. It is stated that this Statement has been approved by TUC's Board of Directors on March 12, 2025. Among the seven Directors present at the meeting, none of them had any objection, and all of them agreed with the contents of this Statement.

Taiwan Union Technology Corporation
("TUC")

Chairman: Hsin, Chung-Herng

President: Hu, Kuei-Chin

2. If the Company entrusts any CPA to audit ICS, the audit report issued by the CPA shall be disclosed: None.

(IX) Significant resolutions made in/by the Shareholders' Meeting and the Board of Directors in the most recent fiscal year up to the date of publication of this Annual Report:

1. Important resolutions made at the Shareholders' Meeting held in 2024:

Date of Shareholders' Meeting: June 19, 2024

Major resolutions of the Shareholders' Meeting	Status of Execution																								
<p>Proposed Resolutions</p> <p>1. Proposal for approving the 2023 Business Report and Financial Statements</p> <p>2. Proposal to approve 2023 Earnings Distribution Plan.</p>	<p>1. The proposal was approved by voting: number of affirmative voting: 174,623,052, accounting for 88.87% of the total voting.</p> <p>2. The proposal was approved by voting: number of affirmative voting: 174,722,047, accounting for 88.92% of the total voting.</p> <p>Execution: Dividend payout was completed on May 22, 2024.</p>																								
<p>Election Matters</p> <p>1. Proposal for the 16th TUC Directors' Election</p>	<p>1. The list of elected members and their corresponding voting rights for the sixteenth Board of Directors of the Company is as follows:</p> <table><tr><th>Election type</th><th>Name</th><th>Election weight</th></tr><tr><td>Director</td><td>Hsin, Chung-Herng</td><td>166,734,725 votes</td></tr><tr><td>Director</td><td>Hsin, Yao-Chi</td><td>163,317,259 votes</td></tr><tr><td>Director</td><td>Hsin, Yao-Hung</td><td>162,456,847 votes</td></tr><tr><td>Independent Director</td><td>Chin-Tay Shih</td><td>154,682,296 votes</td></tr><tr><td>Independent Director</td><td>Gene Su</td><td>140,691,407 votes</td></tr><tr><td>Independent Director</td><td>Chen, Cheng-Yi</td><td>140,666,506 votes</td></tr><tr><td>Independent Director</td><td>Yeh, Shu-Wen</td><td>140,468,484 votes</td></tr></table> <p>Execution: Change of registration matters with The Ministry of Economic Affairs was completed on August 26, 2024, and was subsequently announced on the MOPS.</p>	Election type	Name	Election weight	Director	Hsin, Chung-Herng	166,734,725 votes	Director	Hsin, Yao-Chi	163,317,259 votes	Director	Hsin, Yao-Hung	162,456,847 votes	Independent Director	Chin-Tay Shih	154,682,296 votes	Independent Director	Gene Su	140,691,407 votes	Independent Director	Chen, Cheng-Yi	140,666,506 votes	Independent Director	Yeh, Shu-Wen	140,468,484 votes
Election type	Name	Election weight																							
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Independent Director	Chen, Cheng-Yi	140,666,506 votes																							
Independent Director	Yeh, Shu-Wen	140,468,484 votes																							
<p>Other Proposals</p> <p>1. Proposal to Lift the Non-Compete Clause for the Newly Appointed Director</p>	<p>1. The proposal was approved by voting: number of affirmative voting: 168,054,678, accounting for 85.53% of the total voting.</p> <p>Execution: Announced on the MOPS.</p>																								

2. Important resolutions of the Board of Directors:

	Meeting Date/Term/Contents of the Proposal	Matters listed in Article 14-3 of the Securities and Exchange Act	Independent Directors hold reservations or objections	Matters listed in Article 14-5 of the Securities and Exchange Act	Resolutions that have not been adopted by the Audit Committee but agreed by more than two-thirds of the Directors	Resolution	Status of Execution
The Fifteenth Meeting of the Fifteenth Board of Directors, March 6, 2024							
1	Proposal for approving the 2023 Business Report and Financial Statements			V	None	Approved	Submitted and report to the Shareholders' Meeting on June 19, 2024
2	The number of shares to be exercised under the employee warrants and the setting of a base date for new share capital increases in the first quarter of 2024.					Approved	Registration of the Change was completed on March 25, 2024
3	Proposal for the Time, Place and Agenda of 2023 Annual Shareholders' Meeting.					Approved	To be announced on March 6, 2024.
4	Proposal for the 16th TUC Directors' Election					Approved	Submit the proposal for a full board re-election at the Shareholders' Meeting on June 19, 2024.
5	Shareholders' proposal rights and director candidate nominations for the 2024 Annual Shareholders' Meeting.					Approved	Date of acceptance: April 9, 2024, to April 19, 2024, no shareholders' proposal and nomination were received.
6	Proposal for the Meeting of Remuneration Committee					Approved	Filed for reference
7	Proposal for Approving Employees and Directors' Remuneration Distribution Plan for 2023					Approved	Submitted and report to the Shareholders' Meeting on June 19, 2024
8	Proposal for Approving 2023 Earnings Distribution					Approved	Submitted and reported to the Shareholders' Meeting on June 19, 2024, and distributed on May 22, 2024
9	Proposal for Distribution of Dividends Per Share and Determination of Reference Date of Distribution.					Approved	Dividend per share: NT\$4.00752 Ex-dividend date: April 25, 2024 Dividend Payout Date: 5/22/2024

Meeting Date/Term/Contents of the Proposal		Matters listed in Article 14-3 of the Securities and Exchange Act	Independent Directors hold reservations or objections	Matters listed in Article 14-5 of the Securities and Exchange Act	Resolutions that have not been adopted by the Audit Committee but agreed by more than two-thirds of the Directors	Resolution	Status of Execution
10	Proposal for the Subscription Price of Employee's Warrants of TUC and Adjustment to the Conversion Price of TUC's third issuance of Domestic Unsecured Convertible Corporate Bonds					Approved	Effective on April 25, 2024 and the price adjustment is as follows: The price for issuance in 2020, NT\$82.1, is adjusted into NT\$80.2 The price of the third domestic unsecured convertible corporate bonds for issuance is adjusted from NT\$130.3 to NT\$127.3.
11	Approved the proposal for applying for a credit line from the bank.					Approved	Signature of contract was completed.
12	Proposal for the Issuance of the Fourth Domestic Unsecured Convertible Corporate Bonds					Approved	In 2024, effective filing and listing on the OTC market on May 6.
13	Proposal for Approving the "Internal Control System Effectiveness Assessment" and "Internal Control System Statement" for 2023.					Approved	Announcement Completed Within the Deadline
14	Assessment of Changing CPAs and their Independence and Competency					Approved	Starting from the first quarter of 2024
15	Review Procedures for Pre-Approval of CPAs Providing Non-Assurance Services					Approved	With immediate effect and upload announcement on MOPS
16	Amendments to the Company's "Regulations of Audit Committee"					Approved	With immediate effect and upload announcement on MOPS
17	Amendments to the Company's "Board of Directors Meeting Rules"					Approved	With immediate effect and upload announcement on MOPS
18	Amendments to the Authority for TUC's and Its Subsidiaries' Internal Approval and Decision-making					Approved	With immediate effect and upload announcement on MOPS

Meeting Date/Term/Contents of the Proposal		Matters listed in Article 14-3 of the Securities and Exchange Act	Independent Directors hold reservations or objections	Matters listed in Article 14-5 of the Securities and Exchange Act	Resolutions that have not been adopted by the Audit Committee but agreed by more than two-thirds of the Directors	Resolution	Status of Execution
The Sixteenth Meeting of the Fifteenth Board of Directors, May 8, 2024							
1	Financial Statement for Q1, 2024.			V	None	Approved	With immediate effect and upload the announcement as well as declaration
2	Approved the proposal for applying for a credit line from the bank.					Approved	In the process of signing the contract
3	List of Candidates for Directors and Independent Directors					Approved	Announced on May 8
4	Proposal to Lift the Non-Compete Clause for the Newly Appointed Director					Approved	Announced on May 8
5	Proposal Submitted by the Remuneration Committee					Approved	Filed for reference
The First Meeting of the Sixteenth Board of Directors, June 28, 2024							
1	Proposal for the Election of the Chairman.					Elected Director Hsin, Chung-Herng as the Chairman of the Company	Effective on June 28, 2024, and announced on MOPS
2	Proposal for the Appointment of Remuneration Committee Members.					Approved	Appointed all independent directors to serve as members of the Company's Sixth Remuneration Committee, and elected Independent Director Chin-Tay Shih as the convener
3	Proposal for the delivery of new common shares and the setting of a base date for new share capital increases in the second quarter of 2024.					Approved	Registration of the Change was completed on August 26, 2024
4	Approved the proposal for applying for a credit line from the bank.					Approved	Signature of contract was completed.

Meeting Date/Term/Contents of the Proposal		Matters listed in Article 14-3 of the Securities and Exchange Act	Independent Directors hold reservations or objections	Matters listed in Article 14-5 of the Securities and Exchange Act	Resolutions that have not been adopted by the Audit Committee but agreed by more than two-thirds of the Directors	Resolution	Status of Execution
The Second Meeting of the Sixteenth Board of Directors, July 31, 2024							
1	Financial Statement for Q2, 2024.			V	None	Approved	With immediate effect and upload the announcement as well as declaration
2	Approved the proposal for applying for a credit line from the bank.					Approved	Signature of contract was completed.
3	Proposal of 2023 Sustainability Report.					Approved	Announcement Completed Within the Deadline
4	Proposal for Capital Expenditure by the Subsidiary, Taiwan Union Technology (Thailand) Co., Ltd.	V	None	V	None	Approved	The subsidiary in Thailand has placed an additional order for one laminating machine and related auxiliary equipment to meet the planned production capacity requirements.
The Third Meeting of the Sixteenth Board of Directors, October 30, 2024							
1	Financial Statement for Q3, 2024.			V	None	Approved	With immediate effect and upload the announcement as well as declaration
2	Approved the proposal for applying for a credit line from the bank.					Approved	Signature of contract was completed.
3	Proposal for the delivery of new common shares and the setting of a base date for new share capital increases in the third quarter of 2024.					Approved	Registration of the Change was completed on November 21, 2024
4	Proposal for Change of President.					Approved	Effective on October 30, 2024, and announced on MOPS
5	Proposal for Change of Personnel.					Approved	Effective on October 30, 2024, and announced on MOPS
6	Proposal for Amendments to the "Internal Control System" and "Audit Implementation Rules" of the Company.	V	None	V	None	Approved	With immediate effect

Meeting Date/Term/Contents of the Proposal		Matters listed in Article 14-3 of the Securities and Exchange Act	Independent Directors hold reservations or objections	Matters listed in Article 14-5 of the Securities and Exchange Act	Resolutions that have not been adopted by the Audit Committee but agreed by more than two-thirds of the Directors	Resolution	Status of Execution
The Fourth Meeting of the Sixteenth Board of Directors, December 14, 2024							
1	Proposal for the delivery of new common shares and the setting of a base date for new share capital increases in the fourth quarter of 2024.					Approved	Registration of the Change was completed on January 9, 2025
2	Approved the proposal for applying for a credit line from the bank.					Approved	Signature of contract was completed.
4	2025 Internal audit plan.					Approved	Complete the Announcement and Filing within the Deadline
The Fifth Meeting of the Sixteenth Board of Directors, March 12, 2025							
1	Proposal of Ratification of Personnel Changes for Accounting Manager and Finance Manager.	V	None	V	None	Approved	Complete the Announcement and Filing within the Deadline
2	Proposal for approving the 2024 Business Report and Financial Statements			V	None	Approved	Submitted and report to the Shareholders' Meeting on June 17, 2025
3	The number of shares to be exercised under the employee warrants and the setting of a base date for new share capital increases in the first quarter of 2025.					Approved	Registration of the Change was completed on March 27, 2025
4	Proposal for the Time, Place and Agenda of 2025 Annual Shareholders' Meeting.					Approved	Announcement and Declaration on March 12, 2025
5	Acceptance of Shareholders' Proposal Rights at 2025 Annual Shareholders' Meeting					Approved	Date of acceptance: April 11, 2025, to April 21, 2025, no shareholders' proposal and nomination were received.
6	Proposal for the Meeting of Remuneration Committee					Approved	Filed for reference
7	Proposal for Approving Employees and Directors' Remuneration Distribution Plan for 2024					Approved	Submitted and report to the Shareholders' Meeting on June 17, 2025
8	Proposal for Approving 2024 Earnings Distribution					Approved	Submitted and reported to the Shareholders' Meeting on June 17, 2025, and distributed on May 21, 2025

Meeting Date/Term/Contents of the Proposal		Matters listed in Article 14-3 of the Securities and Exchange Act	Independent Directors hold reservations or objections	Matters listed in Article 14-5 of the Securities and Exchange Act	Resolutions that have not been adopted by the Audit Committee but agreed by more than two-thirds of the Directors	Resolution	Status of Execution
9	Proposal for Distribution of Dividends Per Share and Determination of Reference Date of Distribution.					Approved	Dividend per share: NT\$6.503978 Ex-dividend date: April 23, 2025 Dividend Payout Date: 5/21/2025
10	Proposal for the Subscription Price of Employee's Warrants of TUC and Adjustment to the Conversion Price of TUC's fourth issuance of Domestic Unsecured Convertible Corporate Bonds					Approved	Effective on April 23, 2025 and the price adjustment is as follows: The exercise price of employee warrants issued in 2020 was adjusted from NT\$80.2 to NT\$77.2 The exercise price of employee warrants issued in 2022 was adjusted from NT\$151.5 to NT\$145.8 The price of the fourth domestic unsecured convertible corporate bonds for issuance is adjusted from NT\$170 to NT\$163.6.
11	Approved the proposal for applying for a credit line from the bank.					Approved	Signature of contract was completed.
12	Proposal for the Assessment of CPAs' Independence and Competency					Approved	
13	Proposal for Approving the "Internal Control System Effectiveness Assessment" and "Internal Control System Statement" for 2024.					Approved	Complete the Announcement and Filing within the Deadline
14	Proposal for Amendment to TUC's "Articles of Incorporation."					Approved	Submitted to the Shareholders' Meeting on June 17, 2025 for resolution

Meeting Date/Term/Contents of the Proposal		Matters listed in Article 14-3 of the Securities and Exchange Act	Independent Directors hold reservations or objections	Matters listed in Article 14-5 of the Securities and Exchange Act	Resolutions that have not been adopted by the Audit Committee but agreed by more than two-thirds of the Directors	Resolution	Status of Execution
17	Proposal for Amendments to the "Internal Control System" and "Audit Implementation Rules" of the Company.	V	None	V	None	Approved	With immediate effect
18	Proposal for Amendments to the Procedures for Acquisition or Disposal of Assets of the Company and its subsidiaries.	V	None	V	None	Approved	Submitted to the Shareholders' Meeting on June 17, 2025 for resolution
The Sixth Meeting of the Sixteenth Board of Directors, May 7, 2025							
1	Financial Statement for Q1, 2025			V	None	Approved	With immediate effect and upload the announcement as well as declaration
2	Approved the proposal for applying for a credit line from the bank.					Approved	In the process of signing the contract
3	Proposal Submitted by the Remuneration Committee					Approved	Filed for reference

- (X) If any Director or Supervisor has different opinions, recorded or stated in written, on any important resolution approved at the meeting of the Board of Directors in the most recent year as of the publication date of the Annual Report, the main contents of the opinions shall be specified: None.

IV Information on CPAs fees :

(I) Information on CPAs fees :

Unit: NT\$ thousand

Name of CPAs Firm	Name of CPA	Audit Period	Audit Fees	Non-Audit Fees	Total	Notes
Deloitte & Touche	Weng, Bo-Jen	2024.01.01-2024.12.31	4,580	615	5,195	Tax certification and business registration. The business registration is mainly for the registration of changes in the delivery of new shares for each quarterly employee stock option certificate.
	Chu, Shih-Lan	2024.01.01-2024.12.31				

(II) If the auditing firm is replaced and the audit fee paid in the replacement year is lower than the audit fee in the previous year, the amount of the audit fee before and after the replacement shall be disclosed and the reason: None.

(III) If the decrease in audit fee is more than 10% as compared with the previous year, the decrease in the amount of the audit fee, decrease percentage and the reason for the decrease shall be disclosed: The decrease in audit fee did not reach 10%.

The term "audit fee" mentioned in the preceding paragraph refers to the fee paid by TUC to CPAs for auditing, verifying, and reviewing financial report, and for tax projection.

V Information of CPA Replacement:

(I) About the former accountant :

Date of replacement	The CPAs were changed since the preparation of the financial statement for the First Quarter of 2024		
Cause and details of the replacement	In order to maintain the independence of the CPAs and implement the rotation mechanism, the CPAs were changed from CPA Chih Jui-Chuan and CPA Weng Bo-Jen to CPA Weng Bo-Jen and CPA Chu, Shih-Lan.		
Any details for the termination or rejection of the commissioner or CPA	The Party		CPA
	Status		Commissioner
	voluntarily terminates the commission	N/A	N/A
	No longer accepting (continuing) appointments	N/A	N/A
Opinion and reasons for audit report issued during the two past fiscal years containing an observation other than unqualified ones	None		
Different opinions from the issuer	Reports		Accounting principles or practices
			Disclosure of financial report
			Scope or procedure of auditing
			Others
	None	V	
	Note		

Other items for disclosure (items in Item 1-4 to Item 1-7, Subparagraph 6, Article 10 of the Regulations shall be disclosed)	None
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(II) About the succeeding CPAs :

Name of the firm	Deloitte & Touche
Name of CPA	Weng Bo-Jen, CPA/ Chu, Shih-Lan, CPA
Date of appointment	The CPAs were changed since the preparation of the financial statement for the First Quarter of 2024
Pre-appointment consultancy on the accounting treatment or accounting principles for specific transactions and on the possible issuance of financial statements	None
Succeeding CPA's written opinion of disagreement toward the former CPA	None

(III) The former CPA's response to Article 10, Subparagraph 6, Item 1 and Item 2-3 of the Principles: Not applicable.

VI The Company's Chairman, President, and Managers Responsible for Finance or Accounting Who Have Held a Position in the CPA Firm or Its Affiliates Within the Most Recent Year; Their Names, Job Titles, Names of the Independent Auditors or Their Affiliates, and The Employment Periods Shall Be Disclosed.: None.

VII Stock Transfer and Pledge of Directors, Supervisors, Management Team and Major Shareholders Who Own 10% of the Stock in the Most Recent Year and as of the Publication Date of the Annual Report. If any equity transferred or pledged to related person, the name of such person, his/her relation with the Company, Directors, Supervisors, managerial officers, and the shareholders holding over 10% shares, and the number of the shares obtained by or pledged to him/her shall be disclosed:

- (I) Changes in the shares held by Directors, Supervisors, Managerial Officers, and the shareholders holding over 10% shares

Unit: Share

Job Title	Name	2024		Up to April 30, 2025	
		Increase (or Decrease) in the Shares Held	Increase (or Decrease) in the Shares Pledged	Increase (or Decrease) in the Shares Held	Increase (or Decrease) in the Shares Pledged
Chairman	Hsin, Chung-Herng	—	—	—	—
Director	Hsin, Yao-Hung	—	—	—	—
Director/Chief Strategy Officer	Hsin, Yao-Chi	10,000	—	—	—
President	Hu, Kuei-Chin	—	—	—	—
Vice President	Wang, Bo-Gong	(29,000)	—	—	—
Vice President	Liu, Shu-Fen	45,000	—	—	—
Vice President	Kuo, Chao-Hui	35,000	—	—	—
Vice President	Chung, Chiang	20,000	—	30,000	—
Vice President	Wu, Kuan-Ying	(10,000)	—	—	—
Vice President	Jiang, Yan-Jin	10,000	—	—	—
Vice President	Huang, Wen-Hsu	40,000	—	40,000	—
Accounting/Finance Manager	Lin, Hsiao-Chiao	—	—	—	—
Corporate Governance Officer	Huang, Yi-Jen	15,000	—	11,500	—

Note: No Shareholder holds more than 10% shares.

- (II) Information about transfer of equity: None.
 (III) Information on share pledge: None.

VIII Information about the Top 10 Shareholders in Respect of Shareholding Ratio who are Related Parties, Spouses, or the Relatives of Second-degree Kinship or above.

April 19, 2025

Name	Shares Held in Person		Shares Held by Spouse and Minor Children		Total Shareholdings in the Name of Other Persons		The names or names and relationships of the top ten shareholders who have relationship defined in Statements of Auditing Standards No. 6 or who are relatives within the scope of the spouse or the second-degree relative of kinship.		Note
	Number of Shares	Shareholding Percentage%	Number of Shares	Shareholding Percentage%	Number of Shares	Shareholding Percentage%	Title (or Name)	Relationship	
Hsin, Chung-Herng	11,108,377	4.0	4,686,311	1.7	0	0	Hsin Wang, Mei-Lien/Hsin, Chung-Tao	Spouse/ Second-degree relatives of kinship	None
Ding Hing Fung Corporation Representative: Hsieh, Su-E	8,114,910 30,337	3.0 0.0	0	0	0	0	None	None	None
Hsin, Chung-Tao	7,607,661	2.8	215,116	0	0	0	Hsin, Chung-Herng/ Hsin Wang, Mei-Lien	Second-degree relatives of kinship	None
Cathay Life Insurance Co., Ltd. Representative: Xiong Minghe	7,285,000 0	2.6 0.0	0	0	0	0	None	None	None
ChangYuHung Co., Ltd. Representative: Wang, Ya-Ying	5,511,000 0	2.0 0.0	0	0	0	0	None	None	None
Hsin Wang, Mei-Lien	4,686,311	1.7	11,108,377	4.1	0	0	Hsin, Chung-Herng/ Hsin, Chung-Tao	Spouse/ Second-degree relatives of kinship	None
Citibank Manages Investment Accounts at the Norwegian Central Bank	4,617,000	1.7	0	0	0	0	None	None	None
HSBC manages the Aberdeen Standard Asia Focus Corporate Investment Account	4,362,000	1.6	0	0	0	0	None	None	None
Changhua Commercial Bank Co., Ltd. Representative: Hu Guanghua	3,712,000	1.3 0.0	0	0	0	0	None	None	None
Chase Custody Advanced Starlight Advanced Total International Stock Index	3,516,239	1.3	0	0	0	0	None	None	None

IX Consolidated Number of Shares Owned by the Company, Directors, Supervisors, Management Team and Businesses Controlled Directly or Indirectly by the Company.

Consolidated Shareholding Percentage

December 31, 2024

Unit: Share; %

Reinvested Enterprise (Note)	TUC's Investments		Investment in the Entity Directly or Indirectly Controlled by Directors, Supervisors, Managerial Officers and TUC		Consolidated Investment	
	Number of Shares	Shareholding ratio	Number of Shares	Shareholding ratio	Number of Shares	Shareholding ratio
Taiwan Union Holding Corp.	63,012,000	100	0	0	63,012,000	100
Taiwan Union Technology (Thailand) Co., Ltd.	150,000,000	100	0	0	150,000,000	100
Taiwan Union (Samoa) Corporation	0	0	30,730,000	100	30,730,000	100
Taiwan Union Investment Corporation	0	0	30,300,000	100	30,300,000	100
TUC (ChangShu)	0	0	30,500,000	100	30,500,000	100
TUC (ZhongShan)	0	0	30,000,000	100	30,000,000	100

Note: It is the investment made by TUC by using the equity method.

Chapter 3 Funding Status

I Capital and Shares

(I) Source of capital: The type(s) of the shares issued by the company in the most recent year as of the publication date of this Annual Report.

Month/ Year	Issuing Price	Authorized Capital		Paid-in Capital		Note		
		Number of Shares	Amount	Number of Shares	Amount	Sources of capital	Payment by using other Properties Instead of Cash	Others
2024.01	10	500,000,000	5,000,000,000	271,175,549	2,711,755,490	NT\$1,975,000 of shares converted from employee warrants	None	Note 1
2024.03	10	500,000,000	5,000,000,000	271,680,199	2,716,801,990	NT\$5,046,500 of shares converted from employee warrants	None	Note 1
2024.08	10	500,000,000	5,000,000,000	272,032,966	2,703,299,660	NT\$7,670 of shares converted from convertible corporate bonds NT\$3,520,000 of shares converted from employee warrants	None	Note 2
2024.11	10	500,000,000	5,000,000,000	272,533,517	2,725,335,170	NT\$4,155,510 of shares converted from convertible corporate bonds NT\$850,000 of shares converted from employee warrants	None	Note 2
2025.01	10	500,000,000	5,000,000,000	275,973,913	2,759,739,130	NT\$32,646,460 of shares converted from convertible corporate bonds NT\$1,757,500 of shares converted from employee warrants	None	Note 2
2025.03	10	500,000,000	5,000,000,000	276,222,163	2,762,221,630	NT\$2,482,500 of shares converted from employee warrants	None	Note 3

Note 1: Approval date and document No.: December 1, 2017, JGZFF No. 1060045828 and August 31, 2020, JGZFF No. 1090356370.

Note 2: Approval date and document No.: April 27, 2020, JGZFF No. 1090339155 and August 31, 2020, JGZFF No. 1090356370.

Note 3: Approval date and document No.: August 31, 2020, JGZFF No. 1090356370.

Type of shares	Authorized Capital			Note
	Outstanding Shares (OTC shares)	Unissued shares	Total	
Registered ordinary shares	276,292,413	223,707,587	500,000,000	TPEX-listed Stock

If securities are approved to be issued by shelf registration, the approved amount and information about the securities scheduled to be issued and already issued shall be disclosed: None.

(II) List of Major Shareholders

April 19, 2025

Name of Major Shareholders	Shares Number of shares held	Shareholding ratio %
Hsin, Chung-Herng	11,108,377	4.0
Ding Hing Fung Corporation	8,114,910 30,337	3.0
Hsin, Chung-Tao	7,607,661	2.8
Cathay Life Insurance Co., Ltd.	7,285,000 0	2.6
ChangYuHung Co., Ltd.	5,511,000 0	2.0
Hsin Wang, Mei-Lien	4,686,311	1.7
Citibank Manages Investment Accounts at the Norwegian Central Bank	4,617,000	1.7
HSBC manages the Aberdeen Standard Asia Focus Corporate Investment Account	4,362,000	1.6
Changhua Commercial Bank Co., Ltd.	3,712,000	1.3
Chase Custody Advanced Starlight Advanced Total International Stock Index	3,516,239	1.3

(III) Dividend Policy and Implementation Status:

1. Dividend Policies under the Articles of Incorporation

Subject to Article 19 of the Articles of Association, TUC's dividend policy is as follows:

If TUC has surplus on the final financial statements of a year, it shall, after all taxes and dues are paid, cover its losses firstly, and then set aside ten percent of such profits as legal reserve, provided that it may be exempted from continuing to set aside the reserve if its legal reserve equals to its paid-in capital, and it shall set aside (or gain) a special reserve according to laws; distribution scheme shall be drafted by the Board of Directors for any balance and undistributed surplus, and submitted to the Board of Shareholders for resolution to distribute or reserve.

Where any surplus, legal reserve, and additional paid-in capital specified in the preceding Paragraph shall be distributed in cash, TUC may authorize distribution after a resolution has been adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors; and in addition, thereto a report of such distribution shall be submitted to the shareholders' meeting.

In response to TUC's industry, profitability, and financial structure, no higher than 80% of the distributable surplus may be set aside for the distribution of shareholders' dividends each year, which may be distributed in cash or stock, provided that the distribution ratio of stock dividends shall not exceed 70% the total amount of dividends as principle.

2. Status of proposed (paid) dividend payout for the year

Dividends for 2024 were approved by the resolution made at the meeting of the Board of Directors on March 12, 2025. A total of NT\$1,797,000 thousand of cash dividends are planned to be distributed, due to the conversion of employee stock options into common stock, the number of outstanding shares was affected, and

the cash dividend per share was adjusted from 6.505632 to 6.503978 yuan. This proposal will be reported to the shareholders' meeting on June 17, 2025.

(IV) Impact of the unpaid allotment of shares proposed at the shareholders' meeting on the Company's operating performance and EPS: There is no unpaid share allotted this year, so it is not applicable.

(V) Remuneration of employees, directors, and supervisors:

1. Amount or scope of remuneration of employees, directors and supervisors in the Articles of Association:

If TUC is profitable in one fiscal year, it shall provide the compensation for employees and Directors under the following provisions:

(1) Remuneration of employees: The amount to be withdrawn is between 4% to 8%, and remuneration shall be paid by stock or in cash.

(2) Directors' compensation: The allocation ratio is limited to 0.8%.

The distribution of employees' remuneration and directors' remuneration shall be resolved by the Board of Directors and reported to the Shareholders' Meeting.

However, TUC's accumulated losses shall have been covered before the amount is set aside as employees' compensation and Directors' remuneration in accordance with the preceding paragraph.

TUC's employee treasury stocks, employee stock options, new shares subscription by employees, new restricted employee shares, and employee compensation, etc., may include qualification requirements of employees, including the employees of subsidiaries of TUC meeting certain specific requirements.

2. The basis for estimating the amount of compensation of employees, Directors, and Supervisors, for calculating the number of shares to be distributed as employee remuneration, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated figure, for the current period:

The remunerations paid to employees and Directors in 2024 are estimated based on the ratio of 6.02% and 0.67% respectively, and such remuneration will be paid fully in cash. If there's any change in any amount after the publication date of the annual Financial Statements, it shall be handled as changes in accounting estimates and will be adjusted and recorded in the financial statement of the following year.

3. Distribution of compensation approved by the Board of Directors:

Approved on: March 12, 2025

(1) Remuneration to employees, directors, and supervisors allocated in cash or stock. If there is any discrepancy between the aforementioned amount and estimated amount of recognized expenses for the current fiscal year, the amount, causes, and treatment of such discrepancy shall be disclosed:

A. The remuneration of employees, Directors and Supervisors:

The remuneration paid to employees in 2024 (in cash): NT\$182,284,207

Compensation of Directors (in cash) in 2024: NT\$20,332,865

B. If there is any difference between the aforementioned amount and the recognized amount, the amount, cause, and treatment of and for such difference shall be disclosed: None.

(2) Ratio of the remuneration distributed to employees in stocks to the sum of the net profit after tax and employee's remuneration as specified in individual Financial Report: There's no remuneration distributed to employees in stocks.

4. Actual distribution of remunerations for employees, directors, and supervisors (including the number, sum, and price of shares distributed) for the previous year, and where there were discrepancies with the recognized remuneration for

employees, directors, and supervisors, the difference, reason and treatment of the discrepancy shall be state:

Actual distribution status of the remuneration for employees, Directors and Supervisors in the previous year (which was reported to the Shareholders' Meeting in 2024):

Compensation of employees (in cash): NT\$93,279,760

Compensation of Directors (in cash): NT\$10,404,933

If there is any difference between the aforementioned amount and the recognized remuneration of employees, Directors and Supervisors, the amount, cause, and treatment of and for such difference shall be disclosed: There's no difference between the actually distributed amount and the recognized amount.

(VI) Share Repurchases: None.

II Issuance of Corporate Bonds:

(I) Issuance of Corporate Bonds:

Type of Corporate Bonds		The Fourth Time (term) Unsecured Convertible Corporate Bonds
Issuing (handling) date		May 6, 2024
Face Value		NT\$100,000
Place of issuance and transaction		Republic of China
Issuing Price		NT\$106
Total Amount		NT\$2,000,000,000
Interest Rate		0%
Duration		5 years Maturity Date: May 6, 2029
Guarantee Agency		N/A
Trustee		E.SUN Commercial Bank, Ltd.
Underwriter		Cathay Securities Corporation
Certifying Attorney		N/A
Certifying CPA		N/A
Redemption method		The bonds will be paid in cash by lump sum upon maturity based on their face value, unless creditor converts them into TUC's ordinary shares according to Article 10, or TUC withdraws them ahead of schedule in accordance with Article 18, or creditor exercises the right to sell back as per Article 19, of the Measures for Issuance and Conversion of TUC's Domestic 4th Unsecured Convertible Corporate Bonds, and TUC buys them back through securities agency for cancellation.
Outstanding Principal Balance		NT\$2,000,000,000
Terms of Redemption or Advance Repayment		Article 18 and Article 19 of the Measures for Issuance and Conversion of TUC's fourth Domestic Unsecured Convertible Corporate Bonds (Please refer to pages 108-109 of this Annual Report)
Restrictive Clause		None
Name of credit rating institute, rating date, results of corporate bond rating		None
Other Rights Attached	Amount of ordinary shares already converted (swapped or warranted) and global depositary receipts or other negotiable securities as of the publishing date of the annual report	NT\$0
	Rules governing issuance	Please refer to the Measures for Issuance and

	or conversion (Exchanged or subscription)	Conversion of TUC's fourth Domestic Unsecured Convertible Corporate Bonds (see pages 103-109 of this Annual Report for details).
Issuance and Conversion (Exchange or Subscription) Regulations, Issuing Condition Dilution, and Impact on Existing Shareholders' Equity		When TUC's Fourth Unsecured Convertible Corporate Bonds are fully converted into common stocks, calculating based on the current conversion price of NT\$163.6, TUC's share capital will increase by 12,220,000 shares, accounting for 4.42% of the current outstanding shares with limited impact on shareholders' equity.
Name of the entrusted custodian institution for the exchange of bids		N/A

(II) Information about conversion of corporate bonds :

Type of Corporate Bonds		The 4th Unsecured Convertible Corporate Bonds	
Item	Year	2024	Current year as of April 30, 2025
Market Value for Conversion of Bonds	Highest	129.80	121.5
	Lowest	110.20	101.55
	Average	122.33	110.89
Conversion price		170	163.6
Issuing (handling) date and conversion price at issue		May 6, 2024 170	N/A
Method for fulfilling conversion obligations		Issuance of new shares	Issuance of new shares

(III) Information on exchange of corporate bonds: Not applicable.

(IV) Information for shelf registration: Not applicable.

(V) Information about corporate bonds attached with stock options: Not applicable.

III Preferred Shares: None.

Information about preferred shares attached with stock option: None.

IV Global Depositary Receipts: None.

Annex

Taiwan Union Technology Corporation ("TUC")

Measures for Issuance and Conversion of TUC's Fourth Domestic Unsecured Convertible Corporate Bonds

- I. Name of the bond
The 4th Domestic Unsecured Convertible Corporate Bonds (hereinafter referred to as "the convertible corporate bonds") of Taiwan Union Technology Corporation (hereinafter referred to as "TUC").
- II. Issuance date
May 6, 2024 (hereinafter referred to as "issuance date").
- III. Issuing period
The issuing period is five years, from May 6, 2024, to May 6, 2029 (hereinafter referred to as "the maturity date").
- IV. Total amount of issuance and denomination of each bond
The face value of each convertible corporate bond is NT\$100,000 only, with 20,000 pieces to be issued in total, that is, the total face value of the bonds to be issued is NT\$2,000,000,000, and the bonds will be issued at the price of 106% of their face value.
- V. Bond coupon rate
The annual coupon rate is 0%.
- VI. Date and method of repayment of principle and interest
Unless the holders of this convertible corporate bond (hereinafter referred to as the "creditors") convert the bonds into TUC's ordinary shares in accordance with Article 10 of the Measures, exercise their put option under Article 19, the Company redeems the bonds early under Article 18, or repurchases and cancels the bonds through a securities firm's business office, the bonds shall be repaid in full in cash at face value upon maturity. Payment will be made within 10 business days (inclusive of the 10th business day) following the maturity date. In case of closure of the Taiwan Stock Exchange, the aforementioned date will be postponed to the next business day.
- VII. Guarantee
The convertible corporate bond is unsecured bond, and only when TUC issues separately or privately funds other secured warrants or converts corporate bonds after the issuance of the converted corporate bonds, the converted corporate bonds will be set the creditor's rights at the same level or collateral rights of the same order based on the secured warrants or secured convertible corporate bonds.
- VIII. Conversion target
The creditor may, in accordance with the provisions of the Measure, request TUC to convert this convertible corporate bond into TUC's ordinary shares at the face value and the conversion price at the time of conversion requested, TUC shall perform the conversion obligation by issuing new shares, and the new shares issued shall be delivered by book transfer, not in printed form.
- IX. Conversion period
Creditor may apply to TUC for converting the corporate bonds to TUC's ordinary shares at any time, in accordance with the Measures, during the period from the day immediately after the convertible corporate bonds are issued (August 7, 2024) to their maturity date (May 6, 2029), and handle the same in accordance with Article 10, 11, 12 and 16 of the Measures, except that application shall not be made for conversion during the period (I) during which ordinary shares are suspended for transfer; (II) from the 15th business day before the date when TUC stops unpaid allotment of shares, cash dividends stop to be transferred, or cash increase in registered capital stops to be transferred, to the reference date for allotment of rights; (III) from the reference date for decrease in registered capital to the date immediately

before stocks are exchanged for the decrease; (IV) from the date when the face value of stocks stops to be changed and converted to the date immediately before new shares are exchanged. "The date when the face value of stocks stops to be changed and converted" mentioned in the above paragraph refers to the business date immediately before applying to the Ministry of Economic Affairs for registration of change. TUC will announce the conversion-stopping period four business days before such date.

X. Procedure for requesting for conversion

- (I) The creditor may go to the original trading broker to fill in the "Application for Transferring Conversion/Redemption/Resale of Convertible Corporate Bonds" (indicating conversion), the trading brokers will propose application to the Taiwan Depository & Clearing Corporation (hereinafter referred to as "TDCC"), TDCC will notify TUC's stock affairs agency electronically after accepting the application, and the conversion will be effective at the time of delivery; the creditor may not apply for cancellation, and the conversion procedure shall be completed within five business days after delivery, directly transferring TUC's common stock into the creditor's TDCC account.
- (II) When an overseas Chinese or a foreigner applies to convert the convertible corporate bonds held into TUC's ordinary shares, the distribution shall be solely handled by TDCC with account book transferring method.

XI. Conversion prices and its adjustments

- (I) The method for determining conversion price
April 25, 2024, shall be adopted as the reference date for determining the conversion price of the convertible corporate bonds. The benchmark price is the simple arithmetic average value of TUC's ordinary share's closing price on one, three or five business days, respectively, prior to the reference date (exclusive). The benchmark price is then multiplied by the convertible premium rate of 103.22%, which is the basis for calculating the conversion price (calculated to the nearest NT cent, rounding the number up to one decimal place). In the case of ex-equity or XD reference date before the reference date, the closing price of the conversion price to be calculated by sampling shall be the price after deducting equity or dividend; the conversion price shall be adjusted according to the conversion price adjustment formula in case of XD reference date or XD reference date from the date of decision to the actual date of issue. As per the above method, the conversion price of convertible corporate bonds will be NT\$ 170 per share at the time of issuance.
- (II) Adjustment of conversion price
 1. After issuing the convertible corporate bonds, except for the conversion of various securities with ordinary shares conversion rights or subscription right that are issued or privately funded by TUC into ordinary shares or shares issued newly due to compensation for employees, if TUC's ordinary shares issued (including privately funded) increase (including but not limited to cash capital increase, conversion of surplus to capital, conversion of capital surplus to capital increase, company merger or issuance of new shares of other companies, stock split and cash capital increase to participate in issuing global depository receipts, etc.), TUC shall adjust the conversion price (rounding the number up to one decimal place, rounding up below instead of above) of this convertible corporate bonds be in accordance with the formula given below and request the Taipei Exchange (hereinafter referred to as the "TPEX") to make an announcement to adjust on the ex-equity reference date of issuing new shares (Note 1), provided that the actual paid-in amount is adjusted on the date of full payment of the shares. If there's any increase in the issued common stocks due to the change in the face value of stocks, the conversion price shall be adjusted on the reference date for the conversion of new shares. If the issuing price of new shares is changed after the ex-equity reference date of cash capital increase

to issue new share, it shall be re-adjusted with the formula given below according to the issuing price of new share updated and current price per share (the reference date of setting issuing price of new share after TUC's decision to update as the reference date of setting updated current price per share). If the conversion price after calculation and adjustment is lower than the conversion price that has been declared to adjust before original ex-equity reference date, it shall issue an official letter to request TPEx to announce again.

(1) Increase in ordinary shares not due to the change in the face value of stocks

Conversion price after adjustment=

Conversion price before adjustment \times [Shares issued (Note 2) + (Payment per share (Note 3) \times Number of shares newly issued or privately funded) / Current price per share (Note 4)] / (Issued shares (Note 2) + Number of shares newly issued or privately funded)

Note 1: If it is for stock split, it shall be adjusted on the split reference date; if it is for merger or transferred capital increase, it shall be adjusted on the merger or transfer reference date; if it is cash capital increase for inquiry purchase processing or cash capital increase for participation in the issuance of global depositary receipts, it shall be adjusted on the date of full share payment as there is no ex-equity reference date; if it is cash capital increase handled by private funding, it shall be adjusted on the delivery date of the privately funding securities.

Note 2: The number of issued shares means the number of shares calculated as follows: the total number of issued ordinary shares and privately offered shares minus the number of treasury shares bought back but not canceled or transferred by TUC.

Note 3: If the payment per share is share grants or share split, the amount paid is zero. If it is new shares issued for merger capital increase, the amount paid per share shall be the amount that is calculated by net value per share (which is in the most recent financial statements audited and certified or reviewed by the certified public accountant prior to the reference date of the merger) being multiplied by the share conversion ratio. If it is new shares issued for transferring to other companies, the amount paid per share shall be the amount that is calculated by net value per share of the transferred companies (which is in the most recent financial statements audited and certified or reviewed by the certified public accountant) multiplies by the share conversion ratio.

Note 4: The current price of each share shall be calculated as the simple arithmetic average value of TUC's ordinary share's closing price on one, three or five business days prior to the ex-equity reference date, setting price reference date, share split reference date or the delivery date of the private funding securities.

(2) In case of increase in common stocks due to the change in face value of stocks

Conversion price after adjustment =

Conversion price before adjustment \times (Number of ordinary shares issued before the change in par value (Note 2) / Number of ordinary shares issued after the change in par value)

2. If TUC distributes the cash dividends of ordinary shares after convertible corporate bonds are issued, conversion price shall be adjusted downwards (calculated to the nearest NT cent, rounding the number up to one decimal place) based on current price per share on XD reference date, and the adjustment shall be announced and

made on TPEx on XD reference date. The provision for adjustment to conversion price does not apply to the request for conversion made before the XD reference date reference date (exclusive).

Conversion price after adjustment =

Conversion price before adjustment \times (1 - Ratio of the cash dividend of ordinary shares distributed in the current price (Note 5) per share)

Note 5: The current price per share shall be subject to the simple arithmetic average of the closing price of TUC's common stock on one, three or five business days prior to the date of the announcement of the cash dividend cessation and ex-dividend.

3. If TUC converts, at the price lower than the current price (Note 6), or re-issues (including private offer), at subscription price, the various securities with the conversion right or subscription right to ordinary shares after the convertible corporate bonds are issued, TUC shall adjust the conversion price of the convertible corporate bonds (calculated to the nearest NT cent, rounding the number up to one decimal place) according to the following formula, and the adjustment shall be announced and made on TPEx on the said issuance date of securities or warrants or on the delivery date of privately offered securities:

Conversion price after adjustment =

Conversion Price Before Adjustment \times [Issued Shares (Note 7) + (The conversion or subscription price of the securities newly issued or privately offered with the conversion or subscription right to ordinary shares \times the number of conversion or subscription share of securities newly issued or privately funded with ordinary shares conversion rights or subscription right) / Current price per share (Note 6)] / [Issued Shares (Note 7) + The number of issued shares + the number of conversion or subscription share of securities newly issued or privately funded with ordinary shares conversion rights or subscription right)

Note 6: The current price per share shall be calculated as the simple arithmetic average value of TUC's ordinary shares' closing price on one, three, or five business days prior to the pricing base date of various securities with ordinary shares conversion rights or subscription right re-issued or privately funded or the delivery date of the private funding securities. In the case of ex-equity or XD reference date before the pricing reference date, the closing price of the conversion price to be calculated by sampling shall be the price after deducting equity or dividend.

Note 7: The number of issued shares means the number of shares calculated as follows: the total number of issued ordinary shares and privately offered shares minus the number of treasury shares bought back but not canceled or transferred by TUC. If various securities with ordinary shares conversion rights or subscription right re-issued or privately funded are paid by treasury shares, the issued number of shares in the adjustment formula shall deduct the convertible or subscribed number of shares of securities newly issued (or privately funded).

4. After issuing the convertible corporate bonds, if a decrease in TUC's ordinary share is not a result of a capital reduction on cancellation of treasury shares, the conversion price after adjustment shall be calculated in accordance with the formula given below (calculated to the nearest NT cent, rounding the number up to one decimal place), while requesting the TPEx to make an announcement to adjust on the base date of the capital reduction. If there's any decrease in the issued ordinary shares due to the change in the face value of stocks, the conversion price shall be

adjusted on the reference date for the conversion of new shares.

(1) In case of capital decrease for recovery of losses

Conversion price after adjustment =

Conversion price before adjustment \times (Number of the ordinary shares issued before capital decrease (Note 8)/Number of ordinary shares issued after capital decrease)

(2) When capital is reduced in cash:

Conversion price after adjustment =

[Conversion price before adjustment \times (1 – Ratio of cash refunded per share to the closing price of the last trading day before the issuance of new shares)] \times (Number of ordinary shares issued before capital reduction (Note 8) / Number of ordinary shares issued after capital reduction)

(3) In case of decrease in ordinary shares due to the change in face value of stocks

Conversion price after adjustment =

Conversion price before adjustment \times (Number of ordinary shares issued before the change in par value (Note 8) / Number of ordinary shares issued after the change in par value)

Note 8: The number of issued common shares is calculated as the total number of TUC's issued ordinary shares and private funding shares deducting the number of treasury common shares that TUC has bought back but have not been canceled or transferred.

XII. Handling the amount that is not enough as one share during conversion

If there is the amount that is not enough as one share during conversion of TUC's ordinary shares, TUC will pay in cash (count up to NT\$1, rounded up below).

XIII. Conversion of ownership of annual cash dividend and stock dividend

(I) Cash dividends

1. If creditor applies for conversion 15 business days (exclusive) before TUC applies to TPEx for stopping transfer of cash dividends, the creditor may be entitled to the current cash dividends.
2. The conversion of convertible bond will cease from 15 business days (inclusive) prior to and including the date of cessation of transfer of the cash dividend from the Company to the ex-dividend basis date (inclusive) of the cash dividend.
3. If a creditor applies for conversion of a cash dividend not later than fifteen business days prior to the date on which the current cash dividend becomes ex-dividend and the date on which the next cash dividend ceases to be payable, the creditor shall not be entitled to the current cash dividends, but may be entitled to the cash dividends to be distributed next time.

(II) Stock dividend

1. If creditor requests conversion between 1 January of the year and 15 business days (exclusive) prior to the date on which TUC applies to TPEx for cessation of unpaid allotment of shares, the creditor may be entitled to participate in the payment of stock dividends for the previous year as resolved by the shareholders in the current year's meeting.
2. From 15 business days (including) before TUC negotiates with TPEx to cease the stock transfer of stock dividends in the current year to reference date of stock dividends ex-rights (including), the conversion of the convertible corporate bonds shall be ceased.
3. Creditors who request conversion from the next day of reference date of stock dividends ex-rights in the current year to before December 31 (including) shall not be entitled to the cash dividend of the previous year before the resolution of the

shareholders' meeting of the current year, but may obtain the current year's cash dividend issued by the resolution of shareholders' meeting held in the next year.

XIV. Rights and obligations after conversion

Bonds holder's rights and obligations to/in the common stocks obtained by him/her after the request for conversion becomes effective are as the same as that to/in the ordinary shares originally issued by TUC.

XV. Over-the-counter listing and delisting of convertible bond

The convertible corporate bonds shall be applied to TPEX for over-the-counter trading before the date of issue, and OTC trading shall be terminated until they are fully converted into ordinary shares or the full amount is bought back or repaid by TUC.

XVI. Listing of new shares after conversion

When convertible corporate bonds are converted into TUC's ordinary shares, the converted ordinary shares will be trading over the counter from the date of delivery. The aforementioned matters shall be announced after TUC obtained the approval of TPEX.

XVII. Incorporation of stock capital change

TUC shall announce the amount of shares delivered in the previous quarter due to the conversion of the converted corporate bonds within 15 days after the end of each quarter, and shall apply to the competent authority for incorporation of stock capital change at least once a quarter.

XVIII. Redemption rights for our convertible corporate bonds

(I) If, from the day (August 7, 2024) immediately after the date when it reaches 3 months after the issuance date of convertible corporate bonds, until the 40th day before the issuing period expires (March 27, 2029), the closing price of TUC's ordinary shares is over 30% (inclusive) higher than their current conversion price for 30 consecutive days, TUC shall, within 30 business days thereafter, send the "Notice for Redemption of Bonds" with a term of 30 days by registered mail to creditors (the said term shall be calculated from the date when TUC sends the mail, and the expiration date of the term shall be the bonds redemption reference date, and the said term shall not be the conversion period during which conversion stops as specified in Article 9) (the creditors shall subject to those specified in Register of Bonds Holders on the 5th business day before sending the "Notice for Redemption of Bonds", while, the holders of the convertible corporate bonds who subsequently obtains such bonds by purchase or due to other reason shall subject to those announced), the redemption price shall be the face value of the bonds, and all the bonds shall be redeemed in cash, and the redemption shall be announced in TPEX, and TUC shall implement the redemption request, and redeem its outstanding convertible corporate bonds at the face value of the bonds within 5 business days after the bonds redemption reference date.

(II) If, from the day (August 7, 2024) immediately after the date when it reaches three months after the issuance date of the bonds, until the 40th day before the issuing period expires (March 27, 2029), the balance of the outstanding bonds is less than ten percent of their total amount when they are issued originally, TUC shall send the "Notice for Redemption of Bonds" with a term of thirty days by registered mail to the bonds holders (the said term shall be calculated from the date when TUC sends the mail, and the expiration date of the term shall be the bonds redemption reference date, and the said term shall not be the conversion period during which conversion stops as specified in Article 9) (the holders shall subject to those specified in Register of Bonds Holders on the fifth business day before sending the "Notice for Redemption of Bonds", while, the holders of the convertible corporate bonds who subsequently obtains such bonds by purchase or due to other reason shall subject to those announced), the redemption price shall be the face value of the bonds, and all the bonds shall be redeemed in cash, and exercising of the redemption right by TUC shall be announced in TPEX. When executing the recall claim within five business days after the date of retire bonds, TUC shall redeem its outstanding convertible corporate bonds in cash according to the

nominal amount of the bond.

- (III) The next business day following the redemption reference date of the convertible bonds issued by this company will be the termination date for the listing of the convertible bonds. The final deadline for bondholders to request conversion will be the second business day after the termination date of the listing. However, bondholders must submit their application to convert the convertible bonds into ordinary shares of the Company to the original trading broker no later than the next business day following the termination date of the listing. If bondholders fail to apply for conversion within the aforementioned deadline, the Company will redeem the convertible bonds held by them at face value. The redemption will be completed in cash within five business days following the redemption reference date. In the event that the Taiwan Stock Exchange is closed, the aforementioned date will be postponed to the next business day.

XIX. Bondholder's selling rights

The date (May 6, 2027) when it reaches 3 years after the convertible corporate bonds are issued shall be the redemption reference date for the holder of the bonds to redeem the bonds. TUC shall send the "Notice about Exercising Redemption Right" to bonds holders (the holders shall subject to those specified in Register of Bonds Holders on the 5th business day before sending the "Notice for Redemption of Bonds", while, the holders of the convertible corporate bonds who subsequently obtains such bonds by purchase or due to other reason shall subject to those announced) by registered mail 40 days before the redemption reference date (March 27, 2027), and exercising of the redemption right by TUC shall be announced in TPEx, and the holder of the bonds shall notify TUC's stock affairs agency within 40 days before the redemption reference date (the notice shall become effective immediately upon delivery, and the delivery time shall subject to that specified in the postmark if it is sent by mail), and be entitled to require TUC to redeem the convertible corporate bonds held by him/her, at their face value, in cash. TUC will carry out the redemption claim and will redeem its convertible corporate bonds in cash within five business days after the reference date of redemption. In case of closure of the Taiwan Stock Exchange, the aforementioned date will be postponed to the next business day.

- XX. All convertible corporate bonds recovered (including those redeemed by Dealers Business Office), repaid or converted by TUC will be canceled, no longer sold or issued, and the accompanying conversion rights will also be eliminated.

- XXI. The convertible corporate bonds and the converted ordinary shares are all registered. The stock transfer, transaction incorporation, pledge and loss shall be handled according to the Regulations Governing the Administration of Shareholder Services of Public Companies and the relevant provisions of the Company Act; other tax matters should be handled according to the provisions of the current tax law.

- XXII. The trustee of the creditors of the convertible corporate bonds is the Trust Department of E.Sun Commercial Bank Co., Ltd., who will exercise the power to audit and supervise the issuance of the convertible corporate bonds for the interests of the creditors. For all bondholders of convertible corporate bond, whether they subscribe upon the issuance or redeem in the middle of issuance, they will agree with the provisions of the trustee contract between TUC and the trustee, the rights and obligations of the trustee, the issuance and conversion measures, and the trustee will be granted to act solely on the trustee matters. The delegation of authority shall not be revoked halfway. As for the content of the trustee contract, the creditor shall visit TUC or the trustee's business office for inquiry at any time during business hours.

- XXIII. The repayment of principal and interest and conversion matters of the convertible corporate bonds shall be carried out by the stock affairs agency of TUC.

- XXIV. The issuance of convertible corporate bond shall be delivered by means of account book transfer according to Article 8 of the Securities and Exchange Act, and no physical bonds shall be printed.

- XXV. Matters not mentioned herein for the issuance and conversion measures of the convertible corporate bonds shall be handled according to the relevant laws and regulations.

V Employee Warrants

- (I) Unexpired employee warrants shall disclose the processing situation up to the printing date of the Annual Report and the impact on shareholders' rights and interests. Private offering employee warrants shall be marked in a significant way.

April 23, 2025

Type of Employee Warrants	2020 Employee Warrants	2022 Employee Warrants
Effective date of declaration and total number of units	2020.08.31 8,000 units	2022.11.30 4,000 units
Issuing (handling) date	2020.10.28	2024.11.18
Number of units issued	3,000	3,000
Number of units available for issuance	0	0
Ratio of subscription shares to total issued and outstanding shares	1.09	1.09
Duration of stock subscriptions	2020.10.28~2026.10.27	2024.11.18~2030.11.17
Method of performance	Issuance of new shares	Issuance of new shares
Restricted subscriptions period and ratio	<p>1. Subscribers may exercise the stock options according to the following period two years after the expiration of the grant of the employee stock options. The survival period of warrants is six years, and the warrants and their rights and interests shall not be transferred, except for the successors.</p> <p style="text-align: center;"><u>Period Available stock subscriptions ratio</u></p> <p style="text-align: center;">Expiration of the second anniversary 50%</p> <p style="text-align: center;">Expiration of the third anniversary 75%</p> <p style="text-align: center;">Expiration of the fourth anniversary 100%</p> <p>2. After the subscribers are granted to the employee warrants, TUC has the right to withdraw and cancel the warrants that does not have the right to exercise in case of gross negligence, such as violation of labor contract or working rules, or poor performance.</p>	
Quantity of stock subscriptions executed	1,736,000 shares	0
Amount of subscribed shares	NT\$17,360,000	0
Quantity of stock subscriptions unexecuted	1,264 units	3,000 units
Unexecuted subscribers' stock subscription price per share	NT\$77.2	NT\$145.8
Ratio of unsubscribed shares in the total number of issued shares (%)	0.46	1.09
Impact on shareholders' equity	<p>Issuance of employee warrants is to attract and keep technical and professional talents of TUC, and improve the cohesive force and sense of belonging of employees to TUC. Although the proportion of original shareholders' equity has been diluted, the dilution ratio is not high. Looking forward to the future, employees can be kept and motivated to create interests for TUC and shareholders, and the original shareholders will benefit more from that.</p>	

Note: TUC did not issue privately offered warrants to employees.

(II) The names, acquisitions and subscriptions of the managerial officers who have obtained the employee warrants and the top ten employees who have obtained the warrants up to the date of publication of the annual report.

March 26, 2025

	Job Title	Name	Quantity of stock subscriptions obtained (thousand shares)	Ratio of the number of the shares which can be subscribed in the total number of issued shares	Executed				Unexecuted			
					Quantity of stock subscriptions (thousand shares)	Subscription price (NT\$)	Subscription Amount (NT\$ thousand)	Ratio of the number of subscribed shares in the total number of issued shares	Quantity of stock subscriptions (thousand shares)	Subscription price (NT\$)	Subscription Amount (NT\$ thousand)	Ratio of the number of subscribed shares in the total number of issued shares
Managerial Officers	President	Hu, Kuei-Chin	989	0.36%	2020: 70 151.5	2020: 82.1 80.2	17,897	0.08%	2020: 202.5 2022: 565	2020 77.2 2022: 145.8	143,354	0.40%
	President	Liu, Yu-Ju (Note)										
	Chief Strategy Officer	Hsin, Yao-Chi										
	Vice President	Liu, Shu-Fen										
		Chung, Chiang										
		Huang, Wen-Hsu										
		Wu, Kuan-Ying										
		Jiang, Yan-Jin										
		Wang, Bo-Gong										
		Kuo, Chao-Hui										
	Corporate Governance Officer	Huang, Yi-Jen										
Top Ten Number of Employees	Liao, Chih-Wei, Fan, Chin-Kuo, Hsu, Sen-Wei, Wu, Pei-Lin, Lin, Yu-Chin, Huang, Kuo-Cheng, Hsu, Hsuan-Hao, Lin, Yen-Chi, Tsai, Sen-Yuan, Lin, Hao-Chieh		449	0.16%	2020: 71 51	2020: 82.1 80.2	9,919	0.04%	2020: 34 2022: 293	2020: 77.2 2022: 145.8	45,344	0.12%

Note: President Liu, Yu-Ju retired on October 30, 2024.

VI New Shares to Employees with Restricted Rights: None.

VII Merger, acquisition or issuance of new shares by acquiring other companies: None.

VIII Fund Utilization Plans and Status:

As of the date of printing the annual report, a detailed explanation must be provided for any previous issuances or private placements of securities that have not been completed, or that have been completed within the last three years but whose planned benefits have yet to materialize. This explanation should include a description of all changes to the plan, the sources and uses of funds, the reasons for the changes, the benefits before and after the changes, and the date on which the revised plan was submitted to the shareholders' meeting. Additionally, the date of publication on the designated information reporting website of this association must be included. As of the end of the most recent quarter prior to the publication date of the Annual Report, the only previously issued or privately placed securities of TUC that remain outstanding are the unsecured domestic convertible corporate bonds from the fourth issuance in May 2024. The execution of the convertible corporate bonds is described as follows:

(I) Content of the plan:

1. Total amount of the funds required for this plan: NT\$2,120,000 thousand.
2. Source of funds: Issuing 20,000 of the fourth domestic unsecured convertible corporate bonds for five years, with each nominal amount of NT\$100,000 and coupon rate of 0%, at 106% of the face value. The total amount raised is NT\$2,120,000 thousand.
3. Planning project and application progress

Unit: NT\$ thousand

Planning project	Scheduled completion date	Total funds required	Scheduled application of funds progress			
			2024			
			First quarter	Second quarter	Third quarter	Fourth quarter
Replenishment of Working Capital	Q3 2024	2,120,000	—	620,000	1,500,000	—

4. Estimated possible benefits

In order to meet the increased working capital requirements for the continuous growth of operation, the funds raised this time are mainly to enrich working capital, increase the stability of long-term funds, and strengthen the flexible capital management ability and improve the operational competitiveness of TUC.

(II) Current execution process and benefits

1. Implementation Status

Unit: NT\$ thousand

	2024			
	First quarter	Second quarter	Third quarter	Fourth quarter
Actual Status of Execution	—	1,481,178	638,822	—

2. Benefit Analysis

Unit: NT\$ thousand

Analyzed items		Second quarter	Third quarter	Fourth quarter
Current Assets		7,743,751	8,796,559	9,291,397
Current Liabilities		4,192,057	4,870,767	4,720,431
Total Liabilities		8,027,474	8,619,493	8,360,307
Interest Expense		11,575	14,412	36,838
Operating Revenue		2,644,581	3,288,527	1,819,919
Earnings per Share		2.55	2.77	2.58
Financial Structure	Liabilities to Assets Ratio	39.60%	39.62%	36.83%
	Ratio of Long-term Capital to Property, Plant, and Equipment	567.27	605.81	661.92

Explanation of Benefit Analysis:

TUC's current ratio and quick ratio at the end of the 3rd quarter of 2024 were both higher than those at the end of the 1st quarter of 2024 (before fund raising), indicating

an improvement in long-term capital and operational flexibility. Therefore, the benefits of fundraising are becoming evident.

- (III) All changes to the plan, the sources and uses of funds, the reasons for the changes, the benefits before and after the changes, and the date on which the revised plan was submitted to the shareholders' meeting: No changes to the project have occurred.

Chapter 4 Operation Overview

I Business Activities

(I) Business Scope:

1. Contents of TUC's business
 - (1) C901020 Glass and glass made products manufacturing
 - (2) CC01080 Electronic parts and components manufacturing
 - (3) CE01030 Photographic and optical equipment manufacturing
 - (4) F113030 Wholesale of precision instruments
 - (5) F119010 Wholesale of electronic materials
 - (6) F213040 Retail sale of precision instruments
 - (7) F219010 Retail sale of electronic materials
 - (8) F401010 International trade
 - (9) IZ99990 Other industry and commerce services
 - (10) ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.
2. Total Sales

Unit: NT\$ thousand

Main products	Sales amount in 2024	Operating proportion (%)
Copper clad laminate (CCL)	14,534,228	63.00
Prepreg	7,518,462	32.59
Mass lam	779,396	3.38
Others	238,339	1.03
Total	23,070,425	100.00

3. Current products (services)
 - (1) Copper Clad Laminate (CCL)
 - (2) Prepreg (PP)
 - (3) Mass Lamination (Mass Lam)
4. New products (services) in development
 - (1) Research and development of next-generation materials over the next 5 to 10 years.
 - (2) Research, development, and promotion of high-end, high-speed digital materials with low loss and low CTE.
 - (3) Research, development, and promotion of extremely low-loss, 224G halogen-free materials.
 - (4) Promotion of extremely low-loss, 112G halogen-free materials.
 - (5) Research, development, and promotion of RCC materials.
 - (6) Research, development, and promotion of high-voltage, thick-copper materials for specialized applications.

(II) Overview of the Industry

1. Current state and development of the industry

Prismark has forecasted a compound annual growth rate (CAGR) of 3.7% for the global electronics industry from 2022 to 2027. The PCB industry has recently benefited from the transition between 4G and 5G generations, as well as the accelerated digitization driven by the pandemic in recent years. This has fueled the wave of smart manufacturing and increased terminal demand, resulting in impressive performance. However, due to the impact of international geopolitical conflicts and the market instability caused by the Russia-Ukraine war, the demand landscape for 2024 has begun to show different conditions. Corresponding to the global PCB market value, the demand for AI application servers, such as deep learning and inference, continues to surge, while the demand for traditional GPU and ASIC dedicated chips is also experiencing explosive growth.

The long-term trade war between US-China has created a lot of uncertainty to the global supply chain. In the future, "binary" supply chains may become a trend,

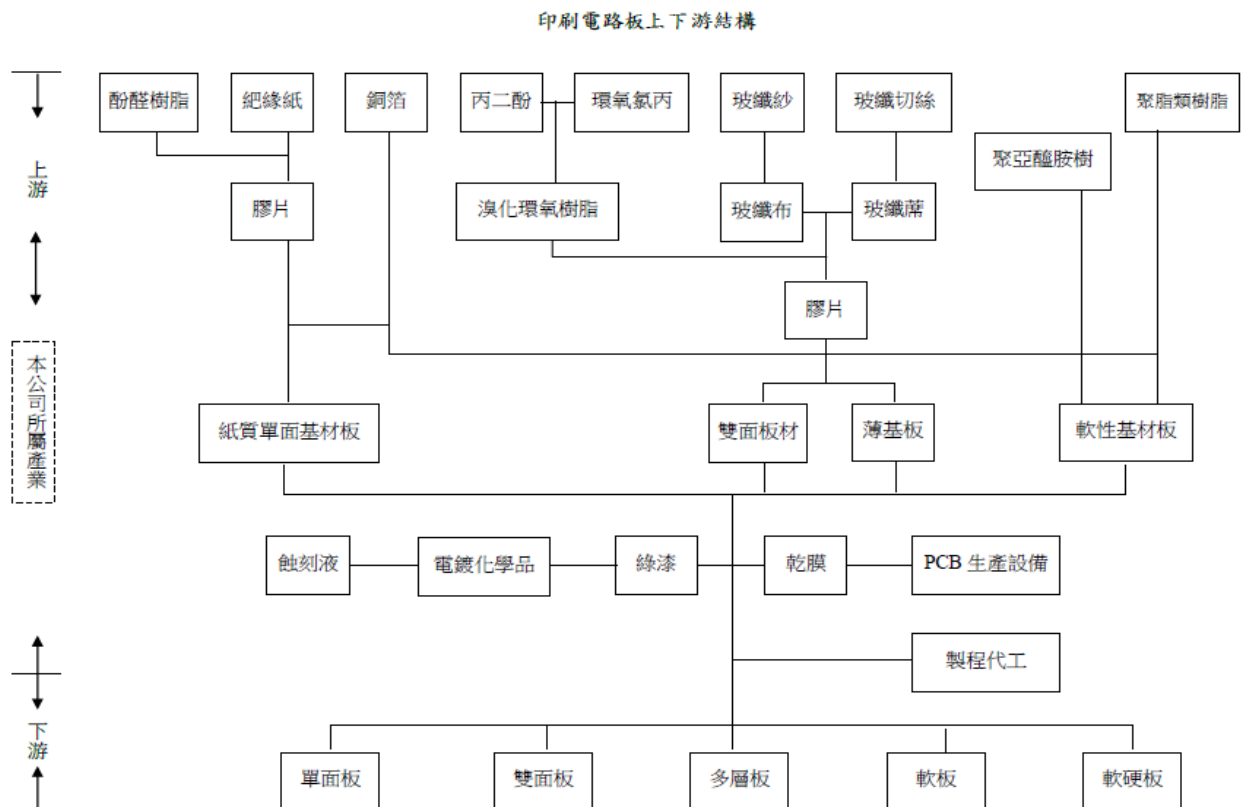
especially in Europe and the US, where end-users are also accelerating their decentralized supply chain production locations. The electronic components industry is under pressure to take sides, and the diversification of overseas production locations is a factor for suppliers to consider in their investment decisions.

In 2024, the market scale of PCB applications for Taiwanese businesses is primarily distributed across the following sectors: communications (37.0%), computers (21.8%), semiconductors (17.7%), automotive (11.4%), consumer electronics (8.0%), and others (4.1%). Notably, the application of generative AI has experienced explosive growth, alongside the sustained upward trend of AI PC terminal products following the rise of AI applications. Furthermore, there has been a rapid increase in the number of low Earth orbit satellite operators, resulting in a significant growth trend for related satellites and ground equipment.

Looking ahead to 2025, the Taiwan Printed Circuit Association (TPCA) estimates that the global production scale of printed circuit boards by Taiwanese companies will continue to expand at a growth rate of 5.7%. The global computing power industry, internet bandwidth, and satellite communication terminal products are all anticipated to experience growth.

Due to geopolitical factors, end-user companies are accelerating their global expansion. The pace of global expansion for PCB supply chain manufacturers is clearly accelerating. In terms of investment regions, Southeast Asia is undoubtedly the target for most companies, with Thailand, Vietnam, and Malaysia being the most popular destinations. It is estimated that by 2025, several PCB and CCL manufacturers will begin mass production in Thailand.

- Links between the upstream, midstream, and downstream segments of the industry
TUC's main products are CCL, prepreg and mass lam, which are the main raw materials for and used in the front-end process of manufacturing PCBs. The upstream and downstream of PCBs cover a wide range of products, and the chart for its correlation in the industry is presented below:



資料來源：工研院 IT IS 計劃

3. Product development trends and competition status:

The year 2024 is regarded as the beginning of AI development at the Edge. The enhancement of Edge performance will reduce reliance on the cloud. With the advancement of AI Edge specifications in 2025, more companies within the related supply chain will benefit. The current status of the major application markets is as follows:

- (1) AI server application is the fastest-growing market in 2023 and 2024, with an expected annual doubling of demand in the AI server market in recent years. However, it still represents a small portion of the overall server market, indicating a continuous potential for stable growth. This growth is influenced by upgrades in copper foil substrate material grades, which affect supply bottlenecks and the stability of low Dk glass cloth used in PCBs. The new generation server products (EGS & Genoa) from AMD and Intel, which were launched with a delay of nearly a year, are only expected to significantly upgrade to the Eagle Stream level platform in 2024. However, the market demand is slowly recovering due to the funding squeeze effect caused by the demand for AI servers.
- (2) 800G switch for network applications will start replacing the 400G products and is expected to be shipped in increasing volumes starting in the first half of 2024. The penetration rate of the 800G switch will continue to increase in 2024, leading to significant growth in the demand for the second and third-generation low Dk glass cloth required for Extreme low loss materials. Currently, the supply of the main low Dk glass cloth is affected by the production capacity planning and expansion progress of glass cloth suppliers, which will impact the delivery schedule of the 800G switch.
- (3) In the LEO market, companies such as OneWeb, Telesat, Viasat, and Amazon, in addition to SpaceX, are expanding their commercial operations. Currently, there are still issues with PCB supply chains outside of China and Taiwan that need to be adjusted. Overall, demand is expected to continue growing, with business opportunities expanding through 2024 to 2026.
- (4) In 2024, the PCB industry saw relatively stable growth in demand for niche products such as AI servers, next-generation servers, electric vehicles, advanced networking, and LEO. Looking ahead, 2025 is expected to maintain the demand and momentum for niche products seen in 2024. Additionally, the upgrade in AI applications/devices for consumer applications in 2025, such as AI laptops, desktops, and smartphones, will significantly increase penetration rates. Market forecasts indicate that by 2027, AI PC penetration rates could reach up to 70%.

(III) Overview of technology, research and development:

1. R&D expenses invested in the most recent year as of the publication date of the Annual Report

Unit: NT\$ thousand

Item	2023	2024	March 31, 2025
R&D expense	310,463	359,018	128,172
Ratio of R&D expense in total operating revenue	1.94%	1.56%	2.01%

2. Technologies or products developed successfully

After years of research and development, TUC has made considerable achievements, whether in terms of capacity or equipment improvement or products; the results are respectively specified below:

Year	Technologies or products developed successfully
2024	<ol style="list-style-type: none"> 1. Research and development of high-end, high-speed digital materials with low loss and low CTE 2. Development of extremely low-loss, 224G halogen-free materials 3. Development of extremely low-loss, 112G halogen-free materials completed 4. Research and development of RCC materials.
2023	<ol style="list-style-type: none"> 1. Development of extremely low-loss, 112G materials completed 2. Research and development of high-voltage, thick-copper materials for specialized applications completed
2022	<ol style="list-style-type: none"> 1. Sub6GHz/mmWave Antenna Application Material Technology 2. Ultra-low-loss substrate materials for HDI applications. 3. Non-fluorinated 77G automotive radar material technology

(IV) Long-term and short-term business development plans

Short-term business development plans	Long-term business development plans
<p>(1) Marketing strategies</p> <ol style="list-style-type: none"> 1) Meet customer demands for product quality and delivery schedules 2) To address customers' one-stop shopping needs while delivering high-quality and timely services. 3) Conduct a customer satisfaction analysis to enhance customer satisfaction. 4) Conduct regular SWOT analyses and provide feedback on marketing strategies. 5) Monitor market and product trends to enhance the ability to seize high-end market opportunities. 	<p>(1) Marketing strategies</p> <ol style="list-style-type: none"> 1) Build relationships with end customers, foster awareness and trust in the materials, and capitalize on the advantages of design integration. 2) Understand the direction of high-end product design and development, and propose feasible and cost-effective solutions in a timely manner. 3) Build long-term partnerships with clients to jointly develop markets, enhance overall competitiveness, and increase market share. 4) Feedback on market design and development trends enables more precise and effective direction for product research and development.
<p>(2) Production Policies</p> <ol style="list-style-type: none"> 1) The expansion plan for the Thailand factory is underway. Upon completion of the first phase, the Group's production capacity is expected to increase by 300,000 sheets per month. 2) Optimize raw material resource planning to enhance operational efficiency. 3) Enhance production management to provide delivery schedules that meet customer requirements. 4) Strictly implement quality operating procedures to enhance customer satisfaction. 	<p>(2) Production Policies</p> <ol style="list-style-type: none"> 1) The Group's production capacity is strategically balanced and distributed to mitigate geopolitical risks. 2) Collaborate with leading key raw material manufacturers to continuously enhance in-house production technologies. 3) Cultivate management and technical talents necessary for future development. 4) Implement the quality policies that are improved constantly. 5) Improve the efficiency and productivity of employee teamwork continuously.

Short-term business development plans	Long-term business development plans
(3) Direction for development of products 1) Promote the adoption of Extreme Low Loss 112G halogen-free materials to gain recognition and approval from downstream PCB customers and end users. 2) Promote high-end, high-speed digital products with low loss and low CTE to expand the product portfolio and strengthen the product positioning in the high-end HDI application sector. 3) Promote high-voltage, thick-copper materials for specialized applications to further expand our leading position in this niche market.	(3) Direction for development of products 1) Research and development of next-generation materials over the next 5 to 10 years. 2) Positioning high-end materials required for AI-related infrastructure as a key target market, covering critical areas such as AI accelerator cards and high-end switches. 3) We are committed to achieving successful certification of Extreme Low Loss 224G halogen-free materials, laying the foundation for next-generation material advantages and strengthening customer recognition.

II Market, Production, and Sales Overview

(I) Market Analysis:

1. Sales (provision) regions and market share of major commodities (services)

Unit: NT\$ thousand

Year		2023		2024	
Item		Sales Amount	%	Sales Amount	%
Region	Domestic Sales	3,965,886	25	4,972,556	22
	Foreign Sales	12,036,651	75	18,097,869	78
	Asia	11,792,125	74	17,852,830	77
	Other region	244,526	1	245,039	1
	Total	16,002,537	100	23,070,425	100

2. Current market conditions, future supply and demand of the market and its growth

(1) Current market conditions:

CCLs are the key and basic materials of PCBs and are used in servers, network and storage equipment, and other basic equipment. In terms of their costs and structure, electronic copper foil accounts for about 35% of CCL costs, fiberglass cloth accounts for approximately 25%, and resin accounts for about 25%. Their physical characteristics, such as Df (dielectric loss), and Dk (dielectric constant), are the key to determining the high-frequency and high-speed performance of PCBs. The higher the level of high-speed CCLs is, the smaller the Df will be; the Dk and Df of high-frequency CCLs should be as small as possible. Therefore, there's a high technology barrier for the industry, and there are few manufacturers that can provide them in the market.

At present, major CCL manufacturers include Kingboard Holdings Limited, SYTECH, Shanghai Nanya Copper Clad Laminate Co., Ltd. and Wazam from mainland China, Nan Ya Electronic Materials, Elite Material, ITEQ and TUC from Taiwan, Panasonic and MGC from Japan, Isola from US, and Doosan from South Korea, etc. Previously, the special application and high-end materials market was dominated by major American and Japanese manufacturers like Isola and Panasonic. However, in recent years, Taiwanese material suppliers have gradually gained market share, surpassing the United States, Japan, and South Korea. TUC is a leading global manufacturer of copper foil substrates for high-speed, network, communication, and server applications.

According to data from Prismark, the overall electronics industry has been experiencing a growth trend since 2023. This expansion is evident across

various sectors, including computers, communications, consumer products, and automotive products. Notably, in the primary product areas of the Company, such as servers and data storage, the growth rates are particularly high, aligning with the significant improvement in the Company's operational results in recent years.

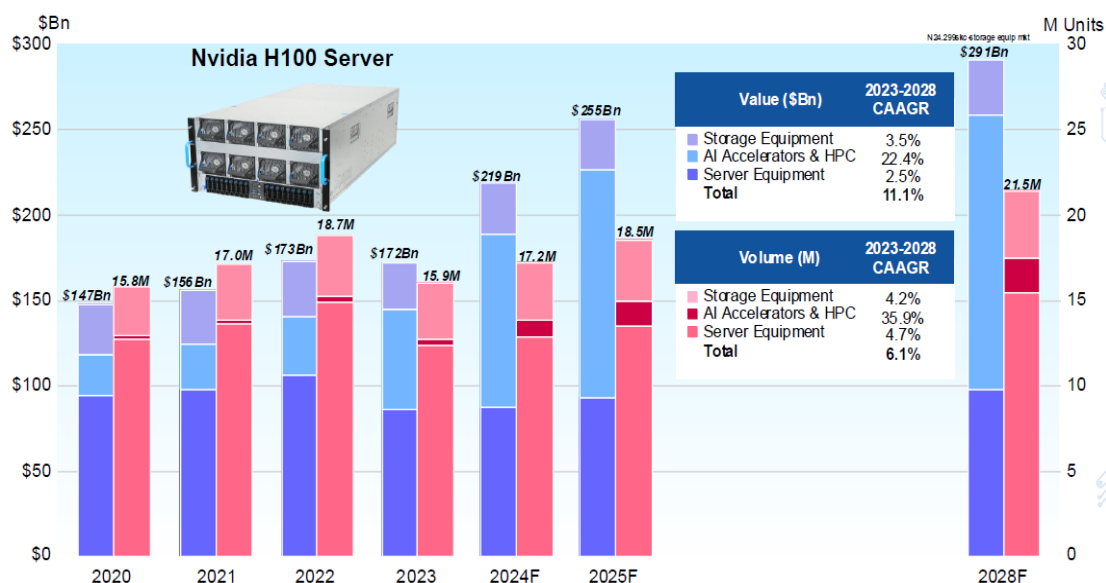
	\$Bn	2022	'23/'22	2023	'24F/'23	2024F	'25F/'24F	2025F	2028F	CAAGR '23-'28'
Computers	PC	269	-16.0%	226	6.7%	241	2.5%	247		262	3.0%
	Server/Data Storage	210	-4.8%	200	24%	248	15%	286		325	10%
	Other Computer	151	-2.5%	147	2.5%	151	3.5%	156		176	3.7%
Communication	Mobile Phones	392	-0.7%	390	6.6%	415	8.1%	449		515	5.7%
	Wired Infrastructure	150	7.3%	161	-3.1%	156	5.8%	165		200	4.4%
	Wireless Infrastructure	86	-5.8%	81	-7.4%	75	5.1%	79		93	2.7%
Consumer	TV	94	-7.9%	87	0.8%	87	-3.3%	84		81	-1.3%
	Audio/Video/Personal	142	0.6%	143	1.9%	145	5.4%	153		173	4.0%
	Other Consumer	101	-1.6%	99	-1.0%	98	2.5%	101		116	3.1%
Automotive		252	11.8%	282	-4.0%	271	7.2%	290		346	4.2%
Industrial		290	5.9%	307	3.1%	316	5.3%	333		398	5.4%
Medical		131	5.1%	138	5.2%	145	4.5%	151		170	4.3%
Military/Aerospace		161	6.8%	172	8.1%	186	6.5%	198		224	5.4%
Total		\$2,428	0.1%	\$2,431	4.3%	\$2,534	6.2%	\$2,692		\$3,079	4.8%

(2) Future supply and demand in market and its growth:

Due to the rapid development of the AI industry and the continuous evolution of large language models, the overall demand for computing power for training and inference has grown significantly. To deliver a high-speed, low-latency AI experience, the networking industry—including switches—has undergone generational advancements. As a result, the demand for advanced materials that offer ultra-high speed and ultra-low loss is growing rapidly.

Looking ahead, with the continued rapid development of the AI industry, a wide range of AI and high-speed networking solutions are emerging. Capital expenditures by major cloud service providers continue to rise, and national-level AI infrastructure initiatives are being announced one after another. As next-generation solutions increasingly demand higher-grade materials, this creates a favorable environment for the Company, which is positioned in the high-end product segment.

According to data from Prismark, the compound annual growth rate (CAGR) for our company's primary product areas—storage devices, AI accelerators, high-performance computing, and general-purpose servers—is projected to reach 11.1% from 2023 to 2028. Notably, the CAGR for AI accelerators and high-performance computing is even higher, at 22.4%.



3. Competitive advantages, favorable and unfavorable factors for future development, and countermeasures

(1) Competitive advantages

Advantages	Note
Continuous innovation and strong product R&D ability	<p>The Company has a longstanding commitment to the research and development of upstream materials science for printed circuit boards (PCBs). We are recognized as one of the leading manufacturers in the global market for high-speed, low-loss, and highly reliable substrate materials.</p> <p>In recent years, we have developed halogen-free (Very Low Loss) ultra-low loss substrate materials and new ultra-low signal attenuation (Super & Extreme Low Loss) materials. These materials have consistently received certification and mass production approval from end customers for applications in AI servers, 800G, and 1600G networking. We are also committed to ongoing research and development in low Earth orbit satellite applications, AI cloud computing, AI edge computing, AI PCs, and electric vehicle technologies.</p> <p>The continuous improvement of material development, with a focus on being halogen-free, Low CTE and ESG low-carbon orientation, is a crucial aspect of TUC's competitiveness.</p>
Technology for manufacturing good quality products	<p>The core operations of the Company primarily focus on high-end substrate materials, which are characterized by low volume, high variety, and a higher level of production complexity. With decades of experience in this field, the Company has developed extensive expertise in advanced production technology, allowing us to uphold a high standard of stability and reliability in product quality. Consequently, we have garnered excellent evaluations and a strong reputation in the market and among our clients.</p>
Diversified Production Capacity Layout	<p>The Company takes into account geopolitical risk factors and places significant emphasis on risk diversification in its capacity layout strategy. In addition to the existing factories in Changshu, Zhongshan, and Taiwan, the Company has started expanding production capacity at its factory in Thailand, ensuring it can adequately meet the demands of end customers.</p>
Supply, quality guarantee and	<p>The Company employs advanced automation in production and logistics management to serve our clients, allowing us to offer</p>

Advantages	Note
customer service system with high customer satisfaction	optimal delivery times. In addition, a dedicated and professional quality assurance and customer service system regularly reviews and provides feedback on customer demands. Therefore, we have received significant praise from our customers regarding our adherence to delivery schedules and the quality of our after-sales service.
Global and quality customers	The Company's primary clientele consists of globally renowned companies, many of which are well-established enterprises listed on stock exchanges worldwide. Growing and prospering alongside a high-quality, global customer base is a crucial cornerstone for maintaining our company's long-term competitiveness.
Professional and experienced management team	The management team of the Company consists of professional managers, each possessing substantial experience in their respective areas of expertise. The Company places great emphasis on talent development and the cultivation of cohesion, which provides a continuous source of creativity and vitality for the long-term development of the Company.

(2) Favorable and unfavorable factors for future development, and countermeasures

Future development	Note
Favorable factors	<p>(A) Large space for industry development:</p> <ol style="list-style-type: none"> The application of artificial intelligence (AI) is propelling a new generation of industrial revolution, positioning it as the most promising industry. The proportion of smart mobile devices in life and business is increasing, and it develops from smart phones and tablets, along with AI technology, towards smart TVs, as well as vehicle and wearable devices. The use of enterprise hybrid cloud will be key to moving towards cloud integration, with hybrid cloud and cross-platform solutions becoming increasingly important. The demand for computing power in core networks, edge computing, and AI PCs continues to rise. <p>(B) The industrial supply chain is fully intact, with a stable and reliable upstream supply. The downstream customer base is shifting towards a high-quality, well-structured industry. Upstream raw material supply is secure, and except for key raw materials, there is an oversupply of production capacity. TUC's downstream customers have experienced years of fierce competition and elimination in the industry, and all of its surviving manufacturers have good quality and technical ability.</p> <p>(C) The high-end market is trending towards an oligopoly: Due to the relatively limited competition in the high-end market and constraints on the supply of upstream high-end raw materials, the high-end market remains relatively healthy, creating favorable conditions for in-depth research and development of advanced technologies.</p>
Unfavorable factors and countermeasures	<p>(A) International geopolitical instability and the prevalence of unilateralism:</p> <ol style="list-style-type: none"> Political instability has led to a reconfiguration of the supply chain. The rise of unilateral national mercantilism has led to the quiet emergence of tariff barriers.

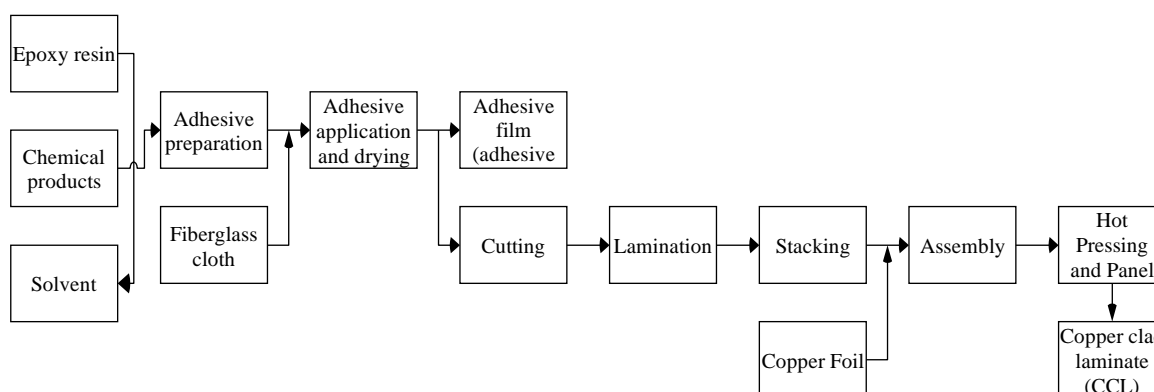
Future development	Note
	<p><u>Countermeasures:</u></p> <ul style="list-style-type: none"> a. Dispersed production capacity leverages the advantages of diverse production locations to expand market reach. b. Overall supply chain strategy collaboration to create the most cost-effective supply chain model. <p>(B) The competition in the mid- to low-end product market is intense:</p> <ul style="list-style-type: none"> a. Mid- to low-end products are currently oversupplied, leading industry peers to reduce production capacity, which in turn increases competitive pressure. b. The number of competitors in the mid- to low-end product segment has increased, leading to greater selectivity. <p><u>Countermeasures:</u></p> <ul style="list-style-type: none"> a. Expand the high-end product market and optimize the product portfolio. b. Certify and develop niche markets, such as high-voltage thick copper, low Earth orbit satellites, and high-end mobile electronic products, which have high entry barriers. This strategy will differentiate us from competitors and enhance profitability. <p>(C) The increase in international environmental awareness and regulatory requirements, as well as a shortage of skilled technical labor internally:</p> <ul style="list-style-type: none"> a. Taiwan's environmental awareness is on the rise, environmental standards are strict, and pollution prevention is a necessary issue. b. The long-term vision and goal is to achieve global net zero emissions by 2050. <p><u>Countermeasures:</u></p> <ul style="list-style-type: none"> a. The Company not only continues to invest in relevant prevention and control equipment to ensure compliance with environmental regulations on noise, exhaust emissions, and wastewater discharge, but also manages both general and hazardous industrial waste in accordance with legal requirements. Additionally, we are actively engaged in the research and development of environmentally friendly raw materials to further enhance our corporate social responsibility. b. TUC introduces automated production equipment, energy-efficient equipment, and automatic warehousing systems, and promotes computerized management to reduce the demand for human resources and improve TUC's competitiveness. c. Researching and developing low-carbon products and technologies. d. TUC strengthens multi-functional training for employees to improve the quality and productivity of personnel. e. TUC improves employee benefits, unites employees, and reduces employee turnover rate.

(II) Major Products, Their Main Uses and Processes
1. Important Use

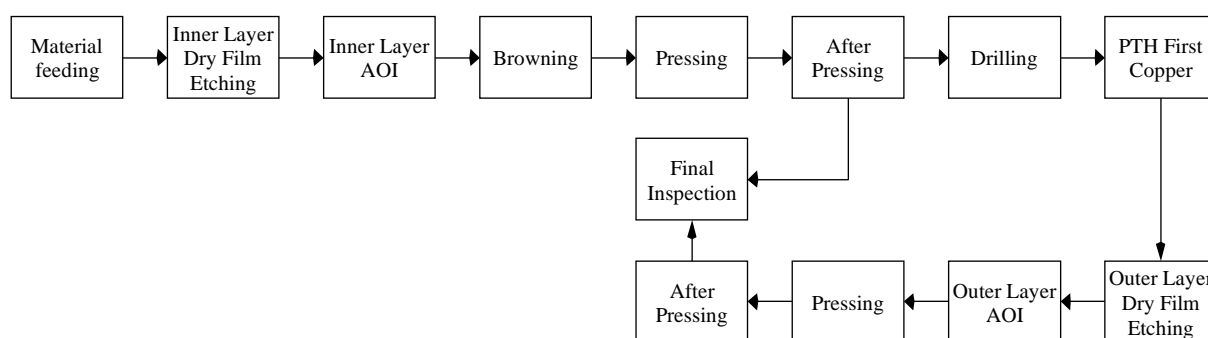
Product	Important use or function
Copper clad laminate (CCL)	It is the main raw material of PCBs. The internal structure of PCB is mainly composed of the CCL in the inner layer and the copper foil in the outer layer. The CCLs must have not only the mechanical processing strength and electrical insulation performance required for the manufacture of PCB, but also the good thermal conductivity, chemical resistance, high temperature resistance or other special performances according to the requirements for PCBs with different functions. Prepregs are used as insulating materials between CCLs and copper foil.
Prepreg	
Mass lam	It is the front-end process for multi-layered PCB, and it is manufactured from internal dry film and then pressed to form.

2. Production process

Manufacturing process of CCLs and prepregs:



Manufacturing process of Mass lam:



(III) Supply of major raw materials

TUC's major raw materials are fiberglass cloth, copper foil and chemicals. Most of its suppliers are well-known manufacturers at home and abroad, and it has a large number of raw material suppliers in upstream, and it purchases raw materials from suppliers by considering market supply and demand, quality, supplier's capacity and product combination etc., and decides the optimal volume. In order to adjust purchase source and volume flexibly, TUC does not sign any long-term supply contract with suppliers and, in order to spread the risks which may be brought by excessive concentrated purchase, it maintains two or more suppliers for purchasing major raw materials, and there has no supply shortage or suspension occurred in the past.

- (IV) The names of customers who accounted for more than 10% of purchases (sales) in any given year within the past two years, their purchases (sales) amount and proportion, and reasons for any increase or decrease:

- Information on suppliers that accounted for more than 10% of total supply in either of the most recent two years

Unit: NT\$ thousand

2023					2024				2025 as of the End of the Previous Quarter			
Item	Name	Amount	Ratio of net annual purchase amount (%)	Relation with issuer	Name	Amount	Ratio of net annual purchase amount (%)	Relation with issuer	Name	Amount	Ratio of net purchase amount (%) of current year as of the previous quarter	Relation with issuer
1	C	1,258,606	11	None	C	1,714,997	10	None	D	406,426	8	None
	Others	10,050,722	89	None	Others	14,876,971	90	None	Others	4,632,417	92	None
	Net purchase	11,309,328	100	None	Net purchase	16,591,968	100	None	Net purchase	5,038,843	100	None

Reasons for the increase and decrease: TUC's main raw materials are fiberglass cloth, copper foil and chemicals, and most of the chemicals are resin. TUC's suppliers mainly are well-known manufacturers at home and abroad. The suppliers' capacity, supply stability and quality are unlikely to change.

- Information of the customers contributed to more than 10% percent of TUC's total sales volume in either of the most recent two years.

The Group is principally engaged in the production and sale of CCLs, prepregs, and mass lams. It is the upstream of PCBs, and its customers are PCB manufacturers spread at home and abroad. There's no customer contributed to more than 10% of its total sales volume in the most recent two years.

Unit: NT\$ thousand

2023					2024				2025 as of the End of the Previous Quarter			
Item	Name	Amount	Ratio of net annual sales amount (%)	Relation with issuer	Name	Amount	Ratio of net annual sales amount (%)	Relation with issuer	Name	Amount	Ratio of net sales amount (%) of current year as of the previous quarter	Relation with issuer
1	Others	16,002,537	100	None	Others	23,070,425	100	None	Others	6,372,144	100	None
	Net Sales	16,002,537	100	None	Net Sales	23,070,425	100	None	Net Sales	6,372,144	100	None

III Information about Employees: The number, average service time, average age, and educational background of the employees in the most recent two years as of the publication date of the annual report.

Human Resources in the Previous Two Years Before the Publication of the Annual Report April 30, 2025

Year		2023	2024	Current year as of April 30, 2025
Number of employees	Direct personal	1,400	1,627	1,609
	Indirect personal	512	548	553

Year		2023	2024	Current year as of April 30, 2025
	Total	1,912	2,175	2,162
Average age		37.9	37.2	37.8
Average Years of Service		8.3	7.8	8.0
Educational distribution	Ph.D.	0.4	0.5	0.4
	Master	5.4	5.4	5.5
	Bachelor/College	41.9	39.7	42.4
	Senior high school	46.7	46.5	44.0
	Below senior high school	5.6	7.9	7.7

IV Environmental protection expenditure:

- (I) In the most recent years as of the publication date of the Annual Report, the losses suffered due to the environment pollution (including indemnity and environmental protection audit results that violate environmental protection laws and regulations, specifying the date, document number and contents of punishment, as well as the article and contents of the laws or regulations violated), current and future estimated amounts that may occur and responding measures shall be disclosed:

In 2024, a violation of environmental protection regulations occurred, resulting in a penalty of NT\$100,000.

Date of Penalty: March 15, 2024

Penalty Official Document No.: FSHKZ No. 1138654090

Violation of legal provisions: Article 24, Paragraph 2 of the Air Pollution Control Act

Violation Details:

1. The pressure differential value of the scrubber tower (A028) is outside the permitted range.
2. The scrubber tower (A008) of the control equipment was not activated.

Contents of Penalties: A fine of NT\$100,000 has been imposed.

- (II) Countermeasures in future (including improvement measures) and possible expenditures

1. Establish periodic inspections and checks of the differential pressure gauges for all prevention and control equipment throughout the plant. Immediately replace any differential pressure gauges that do not meet the permitted standards or are damaged, and display the permitted range on the gauges.
2. All plant prevention and control equipment shall operate in accordance with the permitted content. The permitted content shall be modified or adjusted promptly in accordance with the group's energy-saving and carbon reduction plans to ensure compliance with regulatory requirements and carbon reduction targets.
3. Strengthen air emission reduction and control, promote recycling and resource utilization for environmental protection, and enhance the updating of pollution control equipment, along with improving the replacement and maintenance of consumables.

In 2024, TUC invested approximately NT\$9.36 million for the repair and improvement of pollution prevention equipment. In 2025, it budgeted NT\$12 million for the repair and improvement of pollution prevention equipment.

V Labor Management Relations:

- (I) TUC's employee benefit policies, further education, training, retirement system and implementation status thereof, agreement between employees and employers, and measures for protecting employees' rights and interests:

1. Employee benefit policies

- (1) Employee Welfare Committee was established to deal with the affairs related to employee welfare. Holiday trips for staff and various recreational activities and are organized from time to time, as well as individual subsidies for domestic and overseas trips.
 - (2) Bonuses are paid for three major festivals (Spring Festival, Dragon Boat Festival, Mid-Autumn Festival), birthday, marriage, funeral, and Labor Day.
 - (3) Staff trainings are provided regularly according to TUC's training system and training blueprint to improve enterprise competitiveness.
 - (4) Employees are provided with regular health examination, labor insurance, National Health Insurance, and group insurance.
 - (5) Allowances are provided for departmental meals in the first/second half of each year, and annual year-end lottery activities takes place at the year-end party.
 - (6) Employee remuneration system; to establish a system of joint participation by employees in the management of the company.
2. TUC's further education and training system and their implementation
TUC's courses are provided by two means, i.e., outsourced training and self-provided training. After training is completed, experience report shall be written separately. In addition to full implementation of various training policies, TUC attaches importance to the feedback from trainees during training period, combines training and promotion, and refers to employee's information about the individual education and training for future promotion and transfer.
In 2024, TUC spent NT\$1,333,351 on education and training, and provided a total of 9,947 hours of internal and external training, over 9 hours of average training time per employee, to improve professionalism and quality of our workforce.
3. Retirement system and its implementation status
- (1) Subject to Labor Pension Act (new system): 6% of pension shall be appropriated and transferred to the individual pension account kept by Bureau of Labor Insurance every month.
 - (2) Subject to the Labor Standards Act (old system): TUC has currently has 189 persons who are entitled to seniority under the old-system, and it has held labor retirement committee meetings on a quarterly basis mainly to ensure TUC allocates retirement allowance for seniority under the old system in full amount. In addition, an actuary is hired to calculate if the pension is sufficiently allocated.
 - (3) There were ` employees who retired in 2024.
4. Agreement between the employer and the employees
- (1) At present, the labor-management meetings between the employer and the employees are held regularly every quarter for bilateral communication and exchange of opinions.
 - (2) The rights and obligations of employers and employees shall be governed by the provisions of TUC's employee manual. Since the establishment of TUC, a harmonious labor-management relation is being maintained, so there is no loss caused by labor dispute. In order to continue to maintain a harmonious labor-management relation, TUC's management will pay more attention to the communication channels between the employer and the employees, and implement people-oriented management system to create a better future.
5. Measures for protecting employee's rights and interests:
- (1) TUC has formulated complete operating procedures for all departments, and staff rights and duties are exercised and fulfilled in accordance with relevant laws and internal control stipulations; in addition, it has a good communication system, attaches importance to exchange of opinions between employees and supervisors, and TUC can handle issues appropriately based on

communications to safeguard the rights and interests of both the employees and the company.

- (2) Established a personal data protection committee and formulated relevant procedures to implement the protection of employees' personal data.

(II) In the most recent year and up to the publication date of the annual report, the losses suffered as a result of labour disputes (including labour inspection results in violation of the Labour Standards Law, and state the date of the penalty, the number of the penalty, the provisions of the law violated, the content of the law violated, and the content of the penalty), and disclose the current and probable future estimated amounts and response measures. If it cannot be estimated reasonably, state the fact that it cannot be estimated reasonably:

1. The Group has not experienced any labor dispute in the most recent year as of the publication date of the Annual Report.
2. The Group has not violated labor laws in the most recent year as of the publication date of the Annual Report.
3. Disclose current and future possible estimated amount as well as countermeasures; if it cannot be estimated reasonably, state the fact that it cannot be estimated reasonably: in most recent year and as of the publish date of annual report, TUC has not suffered from any labor disputes, and it is estimated that the possibility of any loss arising from labor disputes is extremely slim.

Besides, TUC has realized deeply the importance of harmony between the employers and the employees since it was founded, so in addition to promotion of employee treatment, benefits, capacity and improvement of working environment, it has also regularly held labor-management meeting, department meeting, maintained open communication channel, understood employee difficulties and demands, and for various problems. The supervisors at different levels have paid attention to them and helped solve problems.

VI Information Security Management:

(I) Describe the information security risk management structure, information security policies, specific management solutions, and resources invested in information security management.

1. Information Security Risk Management Structure

In order to achieve a good governance of the Company's information security, TUC established the Enterprise Information Security Organization "TUC Information Security Management Committee" in May 2014, which is responsible for formulating and planning TUC's information security policy and implementation methods, continuously reviewing the effectiveness of the information security risk control mechanism through policy enforcement and compliance review, strengthening TUC's information security, and reporting to the Board of Directors on the implementation plan and results every year.

"TUC Information Security Management Committee" is an organization where senior executives participate in the direction planning and execution of information security strategy to achieve good information security management. The President serves as the Chairman of the "TUC Information Security Management Committee" and as the Information Security Management Representative, with senior executives of all departments serving as committee members. The Committee holds meetings regularly and according to actual needs every year to review and decide important information security and information protection policies, so as to ensure the realization of TUC's information security policy objectives.

2. Information Security Policy and Objectives for Management

In order to ensure the confidentiality, integrity, availability, and legality of company information, as well as to prevent unauthorized use, leakage, tampering, damage, or loss of information and assets due to human error, intentional destruction, or natural

disasters, which could adversely affect the Company's operations and lead to financial loss.

Information Security and Objectives for Management:

- (1) Maintaining the continuous operation of various information-related systems
- (2) Preventing invasion and destruction of hackers, viruses, etc.
- (3) Restricting improper personal intentions and illegal use
- (4) Avoiding incidents caused by human error
- (5) Maintaining the physical safety of the information environment

3. Specific management plan

- (1) TUC has established the Information Security Office, with the President serving as the information security manager. Furthermore, specialized personnel have been appointed to strengthen the protection and management mechanisms for information and communication security.
- (2) In December 2023, TUC joined the Taiwan CERT/CSIRT to gain access to international information security intelligence and contribute to collaborative information security defense.
- (3) In order to improve our ability to respond to information security incidents and safeguard the Company's assets and those of our customers, we intend to implement the ISO 27001 Information Security Management System and obtain third-party verification.
- (4) TUC regularly performs information security risk assessment, sets priorities based on the magnitude and probability of the risk impact and the cost to improve the risk, adopts a planning, execution, verification and action (Plan-Do-Check-Act, PDCA) approach, structures a multi-layered information security defense, and establishes information security key performance indicators.
- (5) TUC establishes information security management practices to reduce system damage caused by information security events, and can restore operations and business as quickly and smoothly as possible to reduce possible losses and risks.
- (6) TUC carries out continuous education, training and advocacy to enhance employees' awareness of asset safety.

4. Resources invested in information security management

TUC has set up an Information Security Committee, with the company's President serving as the Chairman. The committee meets regularly every year and, if necessary, on an ad hoc basis. The agenda includes information security risk management, the establishment of various information security control measures and the promotion of information security matters such as server rooms, operating computers, mobile devices, access control and network security.

Daily system data is backed up off-site; confidential information is encrypted and anti-virus software is updated in real-time; DDoS attack traffic cleaning protection mechanism is implemented; network security is provided by an advanced firewall on the intranet and extranet; the firewall is updated in a timely manner with virus databases and intrusion detection and identification; the Security Information and Event Management (SIEM) system, along with the Managed Detection and Response (MDR) service, provides real-time monitoring of corporate networks and systems; regular vulnerability scans of company information equipment and social engineering drills are conducted, along with annual disaster recovery drills. Cybersecurity education and training are regularly provided through the internal e-learning training system, supplemented by irregular information security advocacy efforts. An annual information security audit is performed. The information security supervisor and responsible personnel participate in external information security education and training courses. The continuing education courses for 2024 include: Data Protection and Governance, Practical Training on Information Security

Protection, Guidelines for Reporting and Responding to Information Security Incidents, and Practical Training on Social Engineering Protection, totaling 20 hours. The personnel responsible for information security within the Company hold relevant professional certifications in the field.

- (II) The loss, potential impact and countermeasures caused by significant information security incidents during the latest year and up to the printing date of this annual report. If it cannot be reasonably estimated, the reasons for not being able to estimate shall also be specified: None.

VII Important Contracts and Agreements: The parties to, main contents of, restrictions specified in, and the effectiveness and termination/cancellation dates of such supply and sales contracts, technical cooperation contracts, construction contracts, long-term loan contracts and other important contracts that affect the shareholders' equity which were in force as of the publication date of the annual report shall be specified:

Nature of contract	The Party	Effectiveness & termination/cancellation date	Major contents	Restrictive Clause
Technical contract	Hitachi Chemical Co.,Ltd	2017.07.14-2027.07.13	Technical licensing	Hitachi Chemical authorizes Taiwan Union Technology Corporation to conduct manufacturing in Taiwan by using 679FG substrate-related technologies.
Joint loan contract	Eight banks including E.SUN Commercial Bank	2023.01.03-2028.07.03	Credit loan	None

Chapter 5 Review and Analysis of the Financial Condition and Performance, and Assessment of Risks

- I Financial Status:** The annual report shall list the main reasons for any material change in the company's assets, liabilities, or equity during the most recent two fiscal years, and describe the effect thereof. Where the effect is of material significance, the annual report shall describe the measures to be taken in response.

Unit: NT\$ thousand

Item \ Year	Year		Difference	
	2023	2024	Amount	%
Current Assets	14,618,475	20,264,168	5,645,693	39%
Property, Plant and Equipment	4,520,052	4,338,681	(181,371)	(4%)
Other Assets	281,105	1,275,034	993,929	354%
Total Assets	19,419,632	25,877,883	6,458,251	33%
Current Liabilities	5,547,622	7,872,504	2,324,882	42%
Long-term liabilities	2,292,488	3,668,351	1,375,863	60%
Total Liabilities	7,840,110	11,540,855	3,700,745	47%
Capital Stock	2,715,072	2,759,942	44,870	2%
Capital Surplus	2,222,119	2,930,218	708,099	32%
Retained Earnings	6,946,521	8,466,872	1,520,351	22%
Other Equity	(304,190)	179,996	484,186	159%
Total Shareholders' Equity	11,579,522	14,337,028	2,757,506	24%

- List the main reasons for any material change in the company's assets, liabilities, or equity during the most recent two fiscal years (should the variation exceed 10% of the numbers in the previous year and the dollar amount difference exceed NT\$10 million), and describe the effect thereof:
 - Increase in total current assets and assets: mainly due to the increase in cash and cash equivalents, accounts receivable and inventories at the end of 2024 compared with the end of 2023.
 - Increase in other assets and total assets: This is primarily attributed to an increase in prepaid equipment payments at the end of 2024 in comparison to the end of 2023.
 - Increase in current liabilities and total liabilities: This is primarily due to an increase in payables for the fiscal year 2024.
 - Increase in non-current liabilities and total liabilities: This is primarily due to the issuance of convertible corporate bonds in 2024.
 - Increase in capital surplus and equity: This increase is primarily attributable to the exercise of employee warrants and the conversion of convertible bonds into ordinary shares during fiscal year 2024.
 - Increase in retained earnings and equity: This increase is primarily attributed to the favorable operational performance of high-end products during fiscal year 2024.
 - Increase in other equity: Mainly due to exchange rate changes in 2024 resulting in exchange differences in the conversion of financial statements of foreign operating agencies.
- Where the effect is of material significance, the annual report shall describe the measures to be taken in response: No material significance.

II Financial Performance: The annual report shall list the main reasons for any material change in operating revenues, operating income, or income before tax during the most recent two fiscal years, provide a sales volume forecast and its basis, and describe the effect upon the company's financial operations as well as measures to be taken in response.

(I) Comparison analysis of business results Unit: NT\$ thousand

Item \ Year	2023	2024	Increased (Decreased) amount	Percentage of Change %
Sales Revenue	16,002,537	23,070,425	7,067,888	44%
Cost of Goods Sold	12,843,562	17,728,872	4,885,310	38%
Gross Profit	3,158,975	5,341,553	2,182,578	69%
Operating Expenses	1,734,648	2,009,683	275,035	16%
Net Operating Profit	1,424,327	3,331,870	1,907,543	134%
Non-Operating Income and Expenses	125,578	45,764	(79,814)	(64%)
Pre-tax Profit from Continuing Operation	1,549,905	3,377,634	1,827,729	118%
Income Tax Expense	726,470	773,266	46,796	6%
Net Profit After Tax from Continuing Operation	823,435	2,604,368	1,780,933	216%
Loss From Discontinued Operations	—	—	—	0%
Net Profit of Current Term	823,435	2,604,368	1,780,933	216%
Other comprehensive income (net)	(185,432)	490,169	675,601	364%
Total Comprehensive Income of Current Term	638,003	3,094,537	2,456,534	385%

1. Analysis for the variation exceeding 10% of the numbers in the previous year, and the dollar amount difference exceeds NT\$10 million:

- (1) Increase in sales revenue, cost of goods sold, gross profit, net operating profit, pre-tax profit from continuing operations, net profit after-tax from continuing operations, net profit of current term, and total comprehensive income of current term: this is primarily due to the favorable operational performance of high-end products during fiscal year 2024.
- (2) Decrease in non-operating income and expenses: This decline is primarily due to losses from financial instruments measured at fair value through profit or loss in fiscal year 2024.
- (3) Increase in consolidated profit or loss (net) in the current period: mainly due to the exchange rate changes in 2023, resulting in an increase in the exchange difference of the financial statements of foreign operating agencies.

(II) Sales volume forecast and its basis, and describe the effect upon the company's financial operations as well as response measures to be taken:

According to IEK data, high-frequency and high-speed CCLs use PTFE to replace traditional FR4 for low signal loss. It is expected that 5G-related demands will drive the increase in the overall demand for rigid CCLs. The output value will increase from US\$11.1 billion in 2018 to US\$18.1 billion in 2025, with an average annual compound growth rate of 7.3%. The high-frequency and high-speed CCLs will be the main growth momentum and will contribute to 46% of the output value in 2025. Since the Group's CCLs are used in basic equipment such as servers, network communication equipment and storage equipment and the products are mainly high-frequency, high-speed and low-loss CCLs, it is expected that the sales volume of the Group's high-end products will continue to grow in the future as the growth of high-frequency and high-speed CCLs.

III Cash flow:

(I) Analysis and explanations of cash flow changes during the most recent fiscal year

Cash and cash equivalents at beginning of year (2023.12.31)	Annual net cash flow from operating activities	Cash inflow (outflow) of the entire year	Cash Surplus (Deficit)	Remedial Measures for Cash Deficit	
				Investment Plan	Financing Plan
4,958,245	653,179	1,321,758	6,280,003	None	None

1. Analysis of cash flow changes during the most recent fiscal year

- (1) Cash inflow from operating activities is approximately NT\$653 million. The pre-tax net profit for the 2024 fiscal year is NT\$3.378 billion. The favorable operational performance of high-end product fermentation led to an increase of NT\$2.995 billion in receivables, NT\$1.146 billion in inventory, and NT\$1.712 billion in accounts payable.
- (2) Cash outflows from investment activities were approximately NT\$1.106 billion: Due to an increase of NT\$1.047 billion in prepaid equipment expenses in 2024 and an increase of NT\$126 million for the purchase of property, plant, and equipment.
- (3) Cash inflow from financing activities amounted to approximately NT\$1.376 billion: This includes NT\$2.114 billion from the issuance of corporate bonds in 2024, a cash dividend distribution of NT\$1.09 billion for 2023, and NT\$239 million in cash inflows from short- and long-term borrowings.

(II) Corrective measures to be taken in response to lack of liquidity: No circumstances of lacking liquidity.

(III) Liquidity analysis for the coming year: Not applicable

IV Impact of Major Capital Expenditures on the Company's Finances and Business for the Most Recent Year:

In recent years, the emergence of applications such as 5G communication and high-performance computing has resulted in a continuous increase in the shipment of materials for servers and high-end switches, as well as a heightened structural demand from the semiconductor industry. This trend has driven the demand for advanced substrates. In response to the operational growth needs of the Company, our subsidiary, TUC (Thailand), has established a local office and acquired the necessary equipment to enhance production capacity, which is expected to positively impact the company's future financial and business performance.

V Reinvestment Policy in the Most Recent Year, Main Causes for Profits or Losses, Improvement Plans, and the Investment Plans for the Coming Year.

(I) Reinvestment Policy:

TUC's reinvestment policy is carried out by the relevant responsible departments in accordance with the Rules for Long-term and Short-term Investment Management, Rules for Reinvesting in Companies, and Procedures Governing Acquisition and Disposal of Assets. The aforementioned rules or procedures have been discussed and approved by the Board of Directors or the shareholders' meeting.

- (II) The main reasons for the profits/losses generated in the Company's reinvestment, the plan for improving investment profitability, and investment plans for the coming year:

Item \ Note	Amount of investment (NT\$ thousand)	Policy	Investment (loss) gain (NT\$ thousand)	Main Reason for Profits or Losses	Improvement Plans	Investment Plans for the Next Year
Taiwan Union Holding Corporation	2,047,229	Holding and Re-investment	1,666,693	Reinvestment Income	Maintain the Original Investment Plan	None
Taiwan Union Technology (Thailand) Co., Ltd.	1,370,430	Production and operation of CCL, fiberglass prepreg, and flexible prepreg	(26,075)	Not officially operational	Maintain the Original Investment Plan	None
Taiwan Union (Samoa) Corporation	1,004,502	Holding and Re-investment	802,400	Recognize the investment income of TUC (ChangShu)	Maintain the Original Investment Plan	None
Taiwan Union Investment Corporation	975,993	Holding and Re-investment	859,687	Recognize the investment income of TUC (ZhongShan)	Maintain the Original Investment Plan	None
TUC (ChangShu)	997,031	Production and operation of CCL, fiberglass prepreg, and flexible prepreg	800,424	Operating Gain	Maintain the Original Investment Plan	None
TUC (ZhongShan)	966,580	Production and operation of CCL, fiberglass prepreg, and flexible prepreg	859,172	Operating Gain	Maintain the Original Investment Plan	None

VI Risk Analysis and Assessment for the Most Recent Fiscal Year and as of the Publication Date of the Annual Report:

- (I) The Impacts of interest rates, exchange rate fluctuation and inflation situation on the company's profit and loss, and the future countermeasures:
1. Interest rate: financial costs of 2024 were NT\$51,584 thousand, and after deducting NT\$14,746 thousand of interest expense amortized for the third and fourth unsecured convertible corporate bonds, actual bank interest expense was NT\$36,838 thousand, accounting for 5.23% in current net operating profit, and the proportion was not large. Based on stable and conservative financial management, the Group refers to the research reports of economic research institutions and banks at home and abroad to grasp the future trend of interest rates and keep track of the current interest rate with the banks. TUC hopes to obtain lower cost funds at the right time in the capital market.
 2. Exchange rate: In terms of sales, most of TUC's customers pay in US dollars, while the customers of the subsidiaries TUC (ZhongShan) and TUC (ChangShu) in Mainland China mainly pay in RMB and USD. In order to reduce the impacts of exchange rates, the Group will achieve write-offs by changing the payment currency when paying the suppliers. If the impacts of exchange rates are not reduced through write-offs, derivative commodity transactions such as forward foreign exchange and exchange will be used to reduce the impact of exchange rates on the Company. With foreign currency assets less than foreign currency liabilities, TUC (ZhongShan) and TUC (ChangShu) convert RMB into USD in order to hedge, so that foreign currency assets and foreign currency liabilities can be balanced. The specific measures regarding the Group's response to exchange rate changes are as follows:

- (1) Collect relevant information on exchange rate changes at any time, and maintain close contact with banks, fully grasp the exchange rate trend, and timely pre-sale (purchase) forward foreign exchange contracts or swap contracts with banks.
 - (2) With the increase in export sales, negotiate with the suppliers to pay in foreign currency to reduce the exposure.
 - (3) Open a foreign currency deposit account, keep abreast of foreign currency demand and income, and trade foreign currency promptly for balance.
 - (4) When purchasing raw materials from abroad, consider the exchange rate fluctuations of each currency and choose the currency quoted in favor of the Company to avoid the risks caused by the fluctuation of foreign exchange.
 - (5) Sign the purchase financing contract and export financing contract with the bank, and choose the appropriate time to borrow or repay, reducing the risk of exchange rate changes.
 - (6) When the sales personnel quotes in foreign currency, consider the expected exchange rate changes to reasonably protect the Company's profits.
3. Inflation: As the international copper price rises, the cost of the Group's main raw material copper foil has also increased. In order to reflect the cost, the general product will be increased in price; although the price of primary raw materials rises or falls in price, the selling price will be adjusted to reflect the cost reasonably. Therefore, the increase in the price of raw materials has no significant impact on the Group.
- (II) Policies on high risk, highly leveraged investments, loans to other parties, endorsements/guarantees, and derivatives transactions, main reasons for the profits or losses generated thereby, and future response measures to be undertaken.
1. The Group has not engaged in high risk and high leverage investment.
 2. The Group has established a "Procedures for Lending of Funds to Others." Our wholly-owned subsidiary requires funding for capital expenditures and operational capital needs; therefore, we provide financial assistance to the subsidiary. However, the amount lent to each subsidiary shall not exceed 40% of the lending company's net worth, and the total amount lent shall not exceed 100% of the lending company's net worth.
 3. The Group has an "Operating Procedure for Endorsement of Guarantees". The Group has an endorsement guarantee, which is an endorsement guarantee provided by TUC for the amount of financing applied to banks by each subsidiary for business needs. The companies that are provided with endorsement guarantees by TUC are all subsidiaries of the Company, which are 100% reinvested. Therefore, TUC has absolute control over the operations of the endorsement target, which can fully control the operation of the subsidiaries and reduce the risk of TUC's endorsement guarantees. In addition, TUC regularly acquires the financial statements and business information of the subsidiaries to assess the risk of the Company's endorsement guarantees, and plan the risk reduction plan in advance.
 4. The Group's hedging strategy is to use derivative financial instruments that are highly negatively correlated with changes in the fair value of the hedged items as hedging instruments with the aim of achieving a level of hedging that avoids most market price risks, and evaluations are made regularly.
- (III) Research and development work to be carried out in the future, and further expenditures expected for research and development work:
1. Products and Items under R&D
 - (1) Material development for 5G communication application. Application areas: Communication industry, base station, and other composite multilayer boards.
 - (2) Extreme low loss CCLs material development for multilayer applications for ultra high-speed transmission. Application areas: Ultra high-speed transmission cloud server and AIoT Network.

- (3) Development of ultra-low-loss environmental-friendly high-thermal-conductivity laminate materials. Fields of applications: integrated applications of mixed-pressure multi-layer, high-reliability, RF-power amplifier.
 - (4) Development of a new generation of substrate materials for low-orbit satellite communications applications.
 - (5) Development of carrier materials for high-speed transmission applications. Applications: High transmission smart handheld device.
 - (6) HDI technology for new generation of smartphones.
 - (7) Development of a new generation of high reliability automotive substrate materials; high voltage/high current insulation substrate, electric vehicle.
2. Further expenditures expected for research and development work: NT\$376,969.
- (IV) Effect on the Company's financial operations of important policies adopted and changes in the legal environment at home and abroad, and measures to be taken in response:
The Group pays close attention to important policy or legal changes both domestically and internationally and consults legal and financial related professionals from time to time to plan relevant measures promptly. In 2024 and the current year up to the publication date of the annual report, the Group has not been subject to significant domestic or external policy and legal changes that would have a material impact on its financial operations.
- (V) Impacts of technological changes (including information security risks) and industry changes on company financial and response measures:
1. Risk assessment and analysis of technological change and industrial change and corresponding measures:
At present, the global technological innovation is developing towards nanotechnology and reducing the impact on the environment. The products produced by the Group are mostly the laminate materials required for information and electronics products. As the products have gradually matured, the current development direction is to improve and strengthen the existing function with more versatility and better characteristics. Therefore, the Group has continued to develop new products that are more practical and convenient. The technological changes in the recent year have not yet had a significant impact on the Group's operations.
 2. Analysis of information security risk assessment and its responding measures:
 - (1) Risk of external network attacks
TUC has established a comprehensive network and computer security protection system to control or maintain the functions of the Company's manufacturing operations, accounting, and other essential business operations. However, there is still no guarantee that its computer system can ultimately be free from any third-party cyberattack that causes system paralysis. These cyberattacks may illegally breach into the Company's internal network systems, and carry out activities that damage its operations and goodwill. In the case of a severe cyberattack, the Company's system may lose important information of the Company, and the production line may also be temporarily shut down due to unresolved problems caused by the cyberattacks.
By reviewing and evaluating rules and procedures annually, TUC ensures appropriateness and effectiveness of its network security. However, it is still unable to fully guarantee the exemption from the risks and attacks which are subject to ever-changing innovation in cybersecurity threats.
In 2024 and the current year up to the publication date of the Annual Report, TUC did not find any significant cyberattacks or events that have or may have a material adverse impact on the business and operations of the Company nor is there any litigation or regulatory investigation that involved TUC.
 - (2) The impact of information system damage caused by external network attacks on TUC's finance and business, and the responding measures:

TUC continues to improve its ability to protect information network security, and to ensure the minimization of the probability of network attacks and intrusions. Its information system is structured with highly-available remote host backup and data backup mechanism based on its risk level to ensure the continuous service. And it uploads the backup media to a cloud database certified by an international organization for storage, and strengthens various simulation tests and emergency response exercises in the computer room to ensure the normal operation of the information system and data preservation, which can reduce system outages caused by unwarned natural disasters and human negligence Risks, to ensure that the expected system recovery target time is met.

The Information Security Office of TUC is the dedicated unit responsible for ensuring information security. It is comprised of an information security manager and an information security officer who is responsible for the planning, monitoring, and implementation of information security systems. The TUC Information Security Management Committee was established in March 2016 and holds Information Security Management Committee Meetings regularly every year or contingently according to actual needs, responsible for reviewing TUC's information security management policy and monitoring its information security management operation. The 2024 Information Security Management Committee Meeting was held on September 3, 2024.

To ensure prompt and smooth business recovery in the event of information security incidents causing system damage, and to reduce potential losses and risks, TUC has established information security management practices. TUC also handles Business Continuity Management, through the analysis of operational impact, internal units differentiate each business key process and corresponding supported information system services, assess the volume of transactions, the importance of business functions, and the operational risks and impacts on the financial aspects, laws and regulations, customers, etc., calculate the risk value, and plan the design and upgrade appropriate software and hardware equipment resources, improve operational processes and other response measures according to the risk level.

- (VI) Impacts of corporate image change on risk management and response measures:
The Group has good corporate image, and there has been no significant change resulting in corporate crisis management in 2024 and the current year as of the date of publication of this annual report.
- (VII) Expected benefits and possible risks associated with any merger and acquisitions, and mitigation measures being or to be taken: No merger and acquisitions.
The Group did not conduct mergers and acquisitions in the most recent year and the current year as of the date of publication of the Annual Report.
- (VIII) Expected Benefits and Possible Risks Associated with Any Plant Expansion, and Measures to Be Taken in Response: None.
- (IX) The Risks Faced with Concentrated Procurement and Sales, and the Countermeasures:
The Group's sales to the largest customer in 2024 did not exceed 10%; hence, there is no risk of concentrated sales. Also, the Group's purchases from the single-supplier in 2024 did not exceed 11%; hence, there is no risk of concentrated purchase.
- (X) The impacts and risks arising from major exchange or transfer of shares by Directors, Supervisors or shareholders with over 10% of stake in TUC and the countermeasures:
In the most recent year and up to the date of publication of the Annual Report, the Group did not see a significant transfer of Directors' equity. At present, the number of shares held by the Directors and Supervisors complies with the regulations of the competent authorities.

- (XI) The effect upon and risk to TUC associated with any change in governance personnel or top management, and responding measures: No change in governance personnel or top management.
- (XII) Litigious and non-litigious matters. List major litigious, non-litigious or administrative disputes that involve TUC's and affiliated companies' Director, Supervisor, the General Manager, de facto person in charge, any substantial shareholder of more than 10%, whose cases 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 TUC's securities, the annual report shall disclose the facts of the dispute, amount of money at stake in the dispute, the date of commencement of litigation, the main parties involved in the dispute, and the status of the dispute up to the date of publication of the Annual Report: No items listed above has taken place in recent years, and thus not applicable.
- (XIII) Other material risks and responding measures:
 Climate change risk assessment and the responding measures
 The increasing frequency of extreme weather due to climate change and the heightened awareness of the global climate crisis has a direct or indirect impact on business operations and consumer behavior. Therefore, reference is made to the Task Force on Climate-Related Financial Disclosures (TCFD), in accordance with governance, strategy, risk management, metrics and targets. The four cores are managed and presented in the Sustainability Report. Stakeholders are expected to understand the impacts of the risks and opportunities associated with climate change and how to mitigate their risks.
1. Countermeasures for Climate Change Risks

Countermeasures for Climate Change Risks	Target	Plans
1. Reducing the resources and energies consumed for products and services.	Reduce energy consumption in the plant	Installation of an inverter to adjust to on-site start-up and shutdown conditions to reduce operational power requirements.
2. Reduce emission of pollutants, toxins and waste, and dispose of waste properly.	Reducing the generation of waste	Realizing the classification and recycling ratio of waste of income category of each unit
3. Increasing the recyclability and reusability of raw materials or products.	Reducing and reusing solvent process	Improving solvent efficiency and reducing new solvent purchases
4. Maximizing the sustainability of renewable resources.	Planning to set up solar power.	Increase solar power generation in response to government green electricity requirements to avoid high energy charges
5. Extend the durability of products.	Product testing	High voltage, physical temperature testing, increasing product reliability
6. Improving the efficiency of products and services.	Continue to develop low-loss materials	Continue to develop new products to reduce the loss of material transmission signals

2. Implementation in 2024

Countermeasures for Climate Change Risks	Plans	Status of Execution
1. Reducing the resources and energies consumed for products and services.	Reduction of cooling water conductivity, replacement of #1 air compressor dryer, and replacement of the chiller pump with a high-efficiency motor	1. Reduction of cooling water conductivity Reduction Project at Plant 1, with an annual electricity cost savings of approximately NT\$143,000. 2. Replacement of #1 Air Compressor Dryer at Plant 1, with an annual electricity cost savings of approximately NT\$184,000 3. Replaced chilled water pump motors in Plant 1 with high-efficiency models, resulting in annual electricity cost savings of approximately NT\$27,000
2. Reduce emission of pollutants, toxins and waste, and dispose of waste properly.	Realizing the classification and recycling ratio of waste of income category of each unit	Classification of waste and proper disposal of waste
3. Increasing the recyclability and reusability of raw materials or products.	Improving solvent efficiency and reducing new solvent purchases	Solvent recovery efficiency of about 75.99%, recycling capacity of 570.9 metric tons, solvent recovery of 433.8 metric tons.
4. Maximizing the sustainability of renewable resources.	Setting up solar power	In compliance with government green electricity regulations, solar power generation equipment has been installed. The second phase was completed in 2023, and the third phase in 2024. The total power generation from the first, second, and third phases amounts to approximately 232.96 thousand kWh, which corresponds to a reduction of 561 metric tons of carbon emissions.
5. Extend the durability of products.	Product testing	Continuous development of new products to increase product reliability through high voltage, temperature physical testing, etc.
6. Improving the efficiency of products and services.	Continue to develop low-loss materials	Continue to develop new products to reduce the loss of material transmission signals

VII Other Material Matters: None.

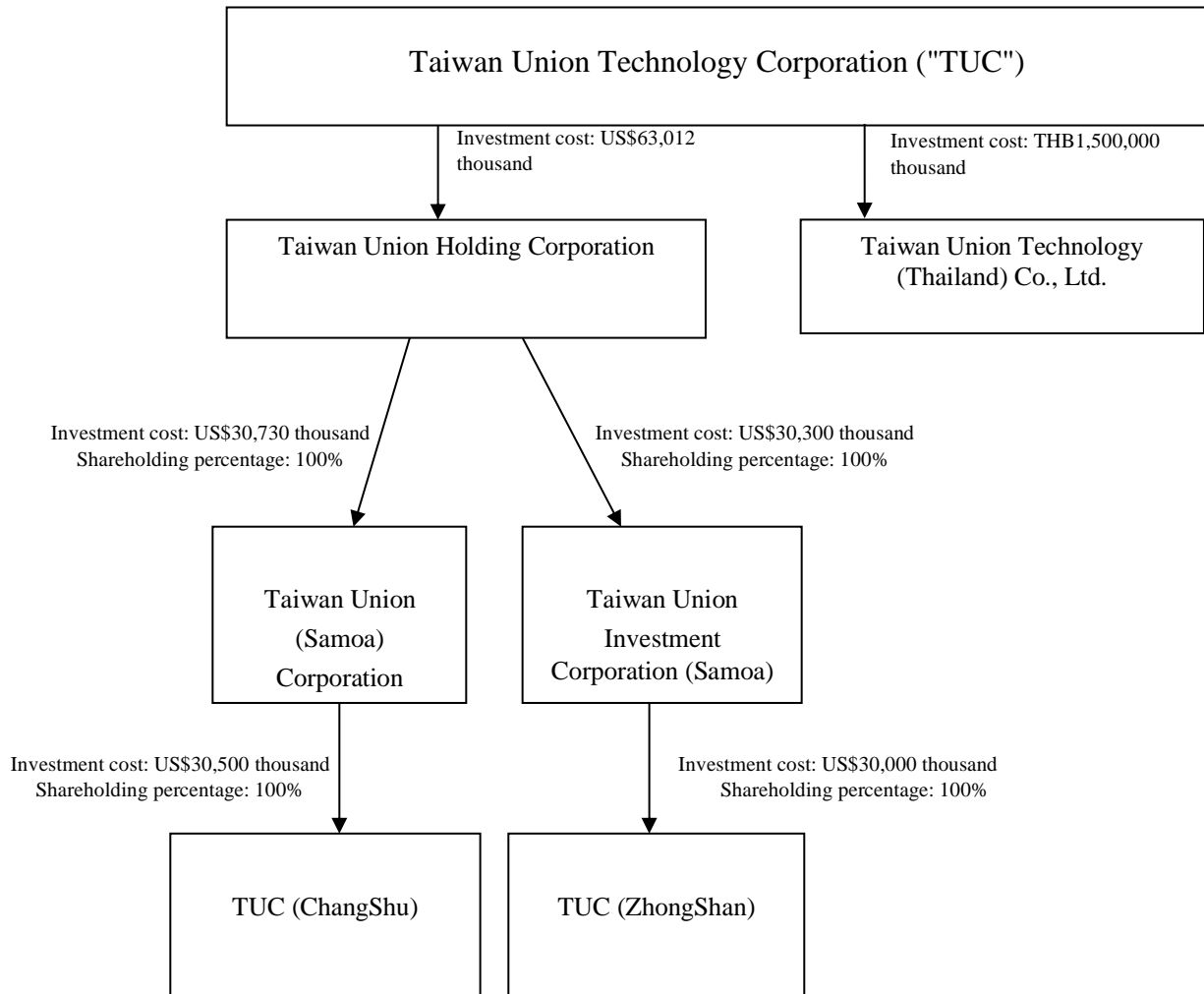
Chapter 6 Special Disclosure

I Relevant Information on Affiliated Companies:

(I) Consolidated Operation Report of Affiliated Companies

1. Company overview

(1) Organization chart of affiliated companies (December 31, 2024)



- (2) Name of the affiliated companies, date of incorporation, address, paid-in capital, and main business activities:

A. Reinvested company of the parent company

Unit: thousand

Name of Company	Date of Incorporation	Address	Actual paid-in capital	Main Business or Products
TAIWAN UNION HOLDING CORP.	2001.03.22	TRUSTENT CHAMBERS P.O. BOX 3444 ROAD , TOWN TOROLA , BRITISH VIRGIN ISLANDS	USD 63,012	Holding and Re-investment
Taiwan Union Technology (Thailand) Co., Ltd.	2022.12.06	No. 168 Moo 4 Tambol Bowin, Amphur Siracha, Chonburi Province	THB 1,500,000	Production and operation of CCL, fiberglass prepreg, and flexible prepreg

B. Companies invested by the reinvested company of the parent company

Unit: USD thousand

Name of Company	Date of Incorporation	Address	Actual paid-in capital	Main Business or Products
Taiwan Union (Samoa) Corporation	2004.05.28	TrustNet Chambers Lotemau Centre,P.O.Box 1225,Apia,Samoa	USD 30,730	Holding and Re-investment
Taiwan Union Investment Corporation	2006.10.19	TRUSTENT CHAMBERS P.O. BOX 1225, Apia,Samoa	USD 30,300	Holding and Re-investment
TUC (ChangShu)	2004.08.16	Dongnan Ave., Dongnan Economic Development Zone, Changshu, Jiangsu	USD 30,500	Production and operation of CCL, fiberglass prepreg, and flexible prepreg
TUC (ZhongShan)	2006.12.12	Yanjiang Ave. Huoju Development Zone, Zhongshan, Guangdong	USD 30,000	Production and operation of CCL, fiberglass prepreg, and flexible prepreg

- (3) Companies presumed to have a relationship of control and subordination under Article 369-3 of the Company Act: None.
- (4) Industries and businesses covered by all affiliated companies: Please refer to the section "Name of the affiliated companies, date of incorporation, address, paid-in capital, and main business category" above.

- (5) Information on the Directors, Supervisors, and the President at each affiliate and their shareholding or capital contribution to the affiliated company:

A. Reinvested company of the parent company December 31, 2024

Name of Company	Job Title	Name or Representative	Shareholding	
			Number of Shares	Shareholding ratio
TAIWAN UNION HOLDING CORP.	Chairman	Hsin, Chung-Herng (Representative of Taiwan Union Technology Corporation)	63,012,000	100%
Taiwan Union Technology (Thailand) Co., Ltd.	Director	Hu, Kuei-Chin (Representative of Taiwan Union Technology Corporation)	150,000,000	100%

B. Companies invested by the reinvested company of the parent company December 31, 2024

Name of Company	Job Title	Name or Representative	Shareholding	
			Number of Shares	Shareholding ratio
Taiwan Union (Samoa) Corporation	Chairman	Huang, Wen-Hsu (Representative of Taiwan Union Holding Corp.)	30,730,000	100%
Taiwan Union Investment Corporation	Chairman	Huang, Wen-Hsu (Representative of Taiwan Union Holding Corp.)	30,300,000	100%
TUC (ChangShu)	Chairman	Hu, Kuei-Chin (Representative of Taiwan Union (Samoa) Corporation)	30,500,000	100%
TUC (ZhongShan)	Chairman	Hu, Kuei-Chin (Representative of Taiwan Union Investment Corporation)	30,000,000	100%

2. Operation Overview

(1) Reinvested company of the parent company 2024

Unit: NT\$ thousand, except for NT\$ for earnings per share

Name of Company	Capital	Total Assets	Total Liabilities	Net Worth	Operating Revenue	Operating Profit	Current profit or loss (after tax)	Earnings per share (after tax)
TAIWAN UNION HOLDING CORP.	2,047,229	9,228,550	-	9,228,550	1,662,087	1,659,434	1,666,693	-
Taiwan Union Technology (Thailand) Co., Ltd.	1,370,430	2,426,105	1,010,333	1,415,772	-	(26,068)	(26,075)	-

(2) Companies invested by the reinvested company of the parent company 2024

Unit: NT\$ thousand.

Name of Company	Capital	Total Assets	Total Liabilities	Net Worth	Operating Revenue	Operating Profit	Current profit or loss (after tax)	Earnings per share (after tax)
Taiwan Union (Samoa) Corporation	1,004,502	4,303,448	-	4,303,448	800,423	800,403	802,400	-
Taiwan Union Investment Corporation	975,993	4,760,395	-	4,760,395	859,172	859,152	859,687	-
TUC (ChangShu)	997,031	6,524,351	2,271,572	4,252,779	8,242,779	1,056,058	800,424	-
TUC (ZhongShan)	966,580	6,709,957	1,963,871	4,746,086	6,904,775	1,126,895	859,172	-

(II) Consolidated financial statements covering affiliated enterprises and report on affiliations

Declaration of Consolidated Financial Statements of Affiliated Companies

In 2024 (from January 1, 2024, to December 31, 2024), in accordance with Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises, the companies required to be included in the consolidated financial statements of affiliates of the Company under these Criteria are all the same companies required to be included in the consolidated financial statements of parent and subsidiary companies for the Company as provided in International Accounting Standard 10; all relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiary companies. Therefore, separate consolidated financial statements of affiliates are not prepared.

Hereby declared by

Company name: Taiwan Union Technology Corporation

Representative: Hsin, Chung-Herng

Republic of China, March 12, 2025

- II** Where the company has carried out a private placement securities during the most recent fiscal year and during the current fiscal year up to the date of publication of the annual report, disclose the date on which the placement was approved by the Board of Directors or by the shareholders' meeting, the amount thus approved, the basis for and reasonableness of the pricing, the manner in which the specified persons were selected, the reasons why the private placement method was necessary, the targets of the private placement, their qualifications, subscription amounts, subscription price, relationship with the company, participation in the operations of the company, actual subscription (or conversion) price, the difference between the actual subscription (or conversion) price and the reference price, the effect of the private placement on shareholders' equity, and, for the period from receipt of payment in full to the completion of the related capital allocation plan, the status of use of the capital raised through the private placement securities, the implementation progress of the plan, and the realization of the benefits of the plan: No private placement securities has been carried out.
- III** Other Supplementary Information: None.

Chapter 7 In the Most Recent Fiscal Year and the Current Fiscal Year up to the Date of Publication of the Annual Report, If Any of the Situations Stated in Article 36, Paragraph 3, Subparagraph 2 of the Securities and Exchange Act Takes Place, Which Materially Affect Shareholders' Equity or the Price of the Company's Securities, Such Situations Shall Be Specified One by One: None.

Taiwan Union Technology Corporation ("TUC")

Chairman: Hsin, Chung-Herng