

Stock code: 5483



Sino-American Silicon Products Inc.

2024 Annual Report

Issue Date: March 31, 2025

Information website: <http://mops.twse.com.tw>

<http://www.saswafer.com>

Translation - In case of any discrepancy between Chinese and English versions,
the Chinese version shall prevail.

I. Spokesperson of the Company

Name: Chung-Wei Lee
Title: Vice President of Corporate Development
Tel: 886-3-577-2233
E-mail: CWLee@saswafer.com

Acting Spokesperson

Name: Pei-yi Chen
Title: Vice President, Marketing
Tel: 886-3-577-2233
E-mail: JenniferChen@saswafer.com

II. Address and Telephone Number of The Company Headquarter, Subsidiaries, and Plants

Headquarters and Plant

Address: 4F, No.8, Industrial East Road 2,
Hsinchu Science Park, Hsinchu, Taiwan, R.O.C.
Tel: 886-3-577-2233

Chunan Branch and Plant

Address: No. 6, Kezhong Road, Chunan Town,
Miaoli County, Hsinchu Science Park
Tel: 886-37-582-533

Yilan Branch and Plant

Address: No. 1, Section 2, Ligong First Road,
Wujie Township, Yilan County
Telephone: 886-990-5511

Hsu-Hsin Branch and Plant

Address: No. 6, No. 6, Kezhong Rd., Chunan
Township, Miaoli County
Tel: 886-37-582-533

Subsidiaries and Plants

Globalwafer Co., Ltd.
Address: No. 8, Industrial East Road 2,
Hsinchu Science Park, Hsinchu, Taiwan, R.O.C.
Tel : 886-3-577-2255

Taiwan Speciality Chemicals Co., Ltd.
Address: No.1, Zhangbin W. 3rd Rd.,
Xianxi Township, Changhua County, Taiwan,
R.O.C
Tel : 886-4-791-1072

Advanced Wireless Semiconductor Company
Address: No.6, Da-Li 1st Rd, Hsin-Shi, Tainan
City, Taiwan, R.O.C
Tel : 886-6-505-0999

Actron Technology Corporation
Address: No. 22, Section 2, Nankan Road,
Luzhu District, Taoyuan City, Taiwan, R.O.C
Tel : 886-3-311-5555

III. Stock Transfer Agent

Name: Stock Agency Department, Yuanta Securities Co., Ltd.
Address: B1, No. 67, Section 2, Dunhua South Road, Da'an District, Taipei City
Tel: 886-2 - 2586-5859
Website: <http://www.yuanta.com.tw>

IV. External Auditor

Name of Accounting Firm: KPMG Taiwan
Name of CPAs: Yung-Hua Huang, Chun-Yuan Wu
Address: 68F, No. 7, Section 5, Xinyi Road, Taipei City
Tel: 886-2-8101-6666
Website: <http://www.kpmg.com>

V. Global Depositary Receipt (GDR) Agency

Luxembourg Stock Exchange
Method of inquiring about overseas securities information: <http://www.bourse.lu>

VI. Company Website

<http://www.saswafer.com>

Table of Contents

ONE. LETTER TO SHAREHOLDERS	1
TWO. CORPORATE GOVERNANCE REPORT	7
I. Information on the Company's Directors, Supervisors, President, Vice President, Assistant Vice President, and The Supervisors of All the Company's Divisions and Branch Units	7
II. Implementation of Corporate Governance	23
III. Service Fees of Accountants.....	72
IV. Information on Replacement of Independent Auditors: The Company has replaced its CPA in cooperation with KPMG's internal business adjustment the last two fiscal years. The Company did not change its accounting firm.	72
V. Name, professional title and employment in the firm of CPA or his/her related enterprise of the Chairperson, President, Finance or Accounting Manager Who Has Worked in the Accounting Firm or Affiliates in the Most Recent Year, the Name, Position and the Service Period Shall Be Disclosed: None.	72
VI. Share Transfers and Share Pledging by Directors, Supervisors, Managers and Shareholders Holding More than 10% Equity in the Past Year and Up to the Printing Date of This Annual Report.....	72
VII. Information Regarding the Relationship among the Top Ten Shareholders Who are Related Parties or a Relative within Second Degree of Kinship	73
VIII. Total Numbers and Equity of Shares Held in any Single Enterprise by the Company, Directors, Supervisors, Managers and Any Companies Controlled Either Directly or Indirectly by the Company.....	74
THREE. CAPITAL OVERVIEW.....	76
I. Capital and Shares	76
II. Status of Corporate Bonds.....	84
III. Status of Preferred Stocks	84
IV. GDR Issuance.....	84
V. Employee Stock Options	85
VI. Status of New Shares Issuance of Limited Stocks for Employees.....	85
VII. Status of New Shares Issuance in Connection with Mergers and Acquisitions ..	85
VIII. Financing Plans and Implementation	85
FOUR. OPERATIONAL HIGHLIGHTS.....	87
I. Business Activities	87
II. Market and Sales Overview	95
III. Employee information in the recent two years.....	102
IV. Environmental Protection Expenditures.....	102
V. Labor Relations	103
VI. Cyber Security Management	109
VII. Important Contracts.....	114
FIVE. REVIEW OF FINANCIAL CONDITIONS, OPERATING RESULTS, AND RISK MANAGEMENT.....	115
I. Analysis of Financial Status	115
II. Analysis of Operation Results	116
III. Analysis of Cash Flow	117
IV. Impact of Major Capital Expenditures on Financial Business in the Recent Years	

.....	117
V. Investment Policy in the Recent Years, Main Causes for Profits or Losses, Improvement Plans and the Investment Plans for the Coming Year	118
VI. Risk Management and Assessment	121
VII. Other Important Matters:.....	126
SIX. SPECIAL DISCLOSURES	129
I. Profiles of affiliates and subsidiaries.....	129
II. Private placement of securities in the last year up to the date of this annual report	129
III. Other supplemental information.....	129
IV. Corporate events with material impact on shareholders' equity or stock prices set forth in Subparagraph 2, Paragraph 3, Article 36 of Securities and Exchange Act in the past year and up to the date of report	129

One. Letter to Shareholders

Dear Shareholders,

Thank you for attending the 2025 Shareholders' Meeting of Sino-American Silicon Products Inc. (SAS) and for your support and love for the Company.

In 2024, the solar energy market encountered excessive expansion of production capacity throughout the industry chain in mainland China, resulting in oversupply, price collapse, and a large number of modules being dumped on various solar energy markets. Solar modules from third countries were also imported into Taiwan's market in large quantities at low prices, putting local manufacturers at a disadvantage with tremendous challenges in business. The preparation for projects in various parts of the country was suspended or slowed down, and the development of the third phase of domestic offshore wind power zones has been affected and delayed by inflation, geopolitical, exchange rate, interest rate, and other factors. The changes in many markets have once again posed severe challenges to domestic renewable energy businesses.

Sino-American Silicon has diversified development in the semiconductor, automotive components, special gas, compound materials, and chemical materials, and renewable energy fields. Even though the overall environment in 2024 was in a headwind, the Group's affiliates, i.e. Advanced Wireless Semiconductor, Actron Technology, and Taiwan Specialty Chemicals Corporation, delivered outstanding revenue performance and continued to exert their core competitiveness in their respective fields, as an important cornerstone for Sino-American Silicon to diversify its business. The Group's electronics sales subsidiary, SES (Sustainable Energy Solution Co.,Ltd), has successfully entered the green energy market by leveraging the Group's long-term industry experience and excellent reputation. In addition to solar photovoltaics, SES has actively invested in offshore wind power purchase matching to help businesses achieve their carbon reduction targets. In 2024, we further expanded our green electricity market share by integrating potential electricity retailer, Anneal Energy, to provide customers with more complete green electricity solutions.

The full year consolidated revenue for 2024 of Sino-American Silicon is NT\$79.679 billion, a year-on-year decrease of 2.79%; the operating gross profit is NT\$24.275 billion, and the operating net profit is NT\$16.114 billion; the profit before tax is NT\$14.732 billion, and the net profit is NT\$11.609 billion, the net profit attributable to the parent company is NT\$5.346 billion, with an after-tax EPS of NT\$9.24.

The operating results in 2024 and the business plan in 2025 are reported as follows:

I. Operating Results in 2024

(I) Operational Performance

Unit: NT\$ Thousand

Item \ Year	2024	2023	Increase/decrease (%)
Operating Revenue	79,678,547	81,965,952	-2.79
Operating Costs	55,403,820	55,279,360	0.23
Gross Profit from Operations	24,274,727	26,686,592	-9.04
Operating Expense	8,161,164	8,079,809	1.01
Net Operating Income	16,113,563	18,606,783	-13.40
Income before income tax	14,732,313	24,549,412	-39.99
Net Income	11,609,483	17,778,912	-34.70
Net Income (Attributed to the parent company)	5,346,259	9,843,820	-45.69

(II) Budget Implementation: The Company did not announce the financial forecast for 2024.

(III) Profitability Analysis

Item			2024	2023
Finance Structure	Debt to Asset Ratio (%)		57.41	63.64
	Long-term funds to PPE (%) (PPE-plant, property, equipment)		141.24	153.90
Profitability Analysis	Return on Assets (%)		5.03	8.72
	Return on Equity (%)		11.75	23.69
	Percentage in Paid-up Capital (%)	Operating Profit	251.29	433.28
		Profit Before Tax	229.75	355.30
	Net profit Margin (%)		14.57	21.69
	Earnings per share (NT\$)		9.24	16.99

(IV) Financial Income and Expenditure

The Company's 2024 operating revenue is NT\$79,678,547 thousand, with the cost of goods sold at NT\$55,403,820 thousand, and operating expenses at NT\$8,161,164 thousand. The net non-operating income and expenses amounted to net expenditure is NT\$1,381,250 thousand. The net profit before tax is NT\$14,732,313 thousand, net

profit is NT\$11,609,483 thousand. The company's financial revenue and expenditure are normal.

(V) Research and Development

1. 2024 Research and Development Expenditure

Unit: NT\$ Thousand		
Item/Year	2024	2023
Research and Development Expenses	3,385,490	2,958,105
Operating Revenue	79,678,547	81,965,952
R&D expenses as a percentage of revenue (%)	4.25	3.61

2. 2024 Achievement

Technology or product

- (1) High Quality Silicon Materials
- (2) Large-Sized Ultra-High-Efficiency N-type Mono-Si Bi-facial Solar Cells

3. Future R&D plan:

- (1) Development of Large-Sized Ultra-High-Efficiency N-type Mono-Si Bi-facial Solar Cell Technology

II. Summary of the Business Plan for 2025

(I) Business Guideline

- (1) Expanding diverse energy applications and services suppliers, including energy storage and exploration of green power business opportunities.
- (2) Collaborating strategically with customers to accelerate the launch of new generation large-size products and provide highly customized products and services to strengthen and enhance product competitiveness.
- (3) Actively develop growth momentum and expanding into compound semiconductor opportunities.
- (4) Monitor environment, social, and governance (ESG) issues, and enhance energy utilization efficiency by using renewable energies, to achieve the goal of net-zero emission by 2050.
- (5) Utilize the Group's resources for vertical integration to expand the market and make profitable investment plans for power plants.

(II) Sales Forecast and its Basis

With the global green deal, and the adoption of acts or actions by various countries to encourage the development of renewable energies and stabilization of the energy

supply, the demand for solar energy around the world has increased steadily. PV InfoLink analysts estimate that the annual installation volume in 2025 will be up to 568 GW. The high-efficiency single-crystal N-type products have become the mainstream trend. Therefore, the Company closely monitors market trends and industry pulse, making timely adjustments to its management strategies to improve the efficiency of new-generation products to strengthen the Company's business competitiveness. In 2024, the scale of the domestic green electricity open market continued to grow, with a growth rate of about 62.5% compared to 2023 (2.6 billion kWh vs. 1.6 billion kWh). Green electricity was still in short supply. With the implementation of carbon levies in 2025, the green electricity market is expected to grow steadily.

(III) Important Production and Marketing Policies:

- (1) Continuously developing the regional markets to seize trading opportunities arising from the trade war and new green policies.
- (2) Strengthen R&D links with downstream customers, combining both parties' core technological capabilities to develop highly efficient niche and customized products to enhance added value. Actively reduce manufacturing costs to increase profit margins.
- (3) Explore the downstream system business, strengthen vertical integration and global footprint, further expand the product market, and increase operating profit margin.
- (4) Expanding collaboration with different types of renewable energy power generators, to satisfy the self and supply chain demands.

(IV) Future Strategy

- (1) Leverage the Group's synergies to develop the compound semiconductor platform.
- (2) Continuously develop and enhance the cost-performance ratio of solar products through technology and product differentiation strategies to solidify the competitive position.
- (3) In response to energy policies in various countries, the Company actively seeks overseas opportunities for sample testing and expansion into international markets.
- (4) Actively leverage the strategic layout of solar power plants, develop new investment partners for solar energy system, and create the Group's terminal market to secure long-term stable returns.
- (5) Establish a fully integrated supply chain across the upstream, midstream, and downstream sectors, mitigate operational risks through vertical integration and diversified business strategies, and become a global provider of green energy solutions with leading technologies.
- (6) Seize the solution opportunities arising from climate change and become a

sustainable operation partner of our customers.

(7) Develop overseas green power opportunities and related service markets.

(V) Impact on External Competition, Regulatory Environment and Macroeconomic

- (1) In response to a number of competitors, the Company has accelerated the development of strategic customers and continued to develop high-cost-performance niche products. Meanwhile, we actively integrate downstream power plants and strategic alliances to strengthen and expand green energy application opportunities.
- (2) Uncertainties of geopolitics: The competition between China and the U.S. in the new energy, along with uncertainties surrounding tariff barrier policies, presents both challenges and opportunities. The Company aims to leverage this competition to expand sales opportunities in the U.S. market.
- (3) To align with the liberalization of the green power transaction market, Taipower's ancillary services, and the corporate demand for green power, the Company has established a new energy strategy and business opportunity to create synergies. Through internal transformation, we meet the customer's new needs.
- (4) The implementation of domestic carbon taxation will have a long-term positive impact on the business development of the renewable energy industry.
- (5) Strengthen confidentiality control and establish a global core patent strategy to enhance international competitiveness and adapt to market changes.

The 29th Conference of the Parties (COP29) of the United Nations built on the conclusion of the COP28 and remained focus on tripling the renewable energy by 2030. It also proposed three major energy initiatives, including commitments to global energy storage and grid, green energy, and hydrogen energy. In response to the global trend of green transition, Taiwan's National Climate Change Policy Committee has also set more ambitious carbon dioxide emission reduction targets. By 2030, carbon emissions will be reduced by 28±2% compared with the baseline year, 2005; the solar power capacity will reach 31.2GW, and offshore wind power will be expanded to 10.9GW, equivalent to an annual average increase of 2.82GW and 1.17GW in renewable energy capacity respectively, between 2025 and 2030, providing stable policy support for renewable energy demand. As the Taiwanese government simplifies the procedures for the public-to-public coordination mechanism, tightens the import policy, and enterprises fulfill their own ESG commitments, Taiwan's renewable energy market is expected to grow steadily. Looking ahead, with the government's clear carbon reduction targets and optimization policies, Sino-American Silicon will continue to leveraging its diverse and flexible value chain strategy to seize growth opportunities in renewable energy. In addition, the Group's affiliates are experiencing stable growth with great development potential. By forging alliances with upstream and downstream companies, Sino-

American Silicon is building a competitive industry chain layout, utilizing its global resources and semiconductor network to drive the Group's continued growth.

Finally, I would like express my deepest gratitude to all shareholders for their long-term support and encouragement. We sincerely hope that all shareholders will continue to support and stand by the Company. On behalf of all our colleagues and the Board of Directors, I would like to offer our sincerest gratitude.

Wishing you good health and all the best.

Chairperson Hsiu-Lan Hsu

Two. Corporate Governance Report

I. Information on the Company's Directors, Supervisors, President, Vice President, Assistant Vice President, and The Supervisors of All the Company's Divisions and Branch Units

A. Directors' Information

1. Directors' Information

March 28, 2025, Unit: share%

Title	Nationality or Place of Registration	Name	Gender Age	Date Elected (Inaugurated)	Duration	Date First Elected	Shareholding When Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding in Other Persons' Names		Education/work experience	Positions Held Concurrently in The Company and/or in Any Other Company	Other executives, Directors and supervisors who are spouses or within second-degree relative of consanguinity			Note
							Number of Shares	Shareholdin g Ratio	Number of Shares	Shareholdin g Ratio	Number of Shares	Shareholdin g Ratio	Number of Shares	Shareholdin g Ratio			Title	Name	Relation	
Chairperson	Republic of China	Hsiu-Lan Hsu	Female 61-70 years old	2023.06.21	Three years	1998.09.07	2,971,085	0.51%	2,971,085	0.46%	0	0	0	0	Master of Computer Science, University of Illinois/President of the Company	Note 1	None	None	None	Note 12
Vice Chairperson	Republic of China	Tang-Liang Yao	Male 61-70 years old	2023.06.21	Three years	1998.11.06	3,090,395	0.53%	2,830,395	0.44%	14,413	0	0	0	Master of Management and Research Institute of Tamkang University/ Assistant Manager of Manufacturing Department of Xuxing Technology Corporation/ President of the Company	Note 2	None	None	None	None
Director	Republic of China	Ming-Kuang Lu	Male 71-80 years old	2023.06.21	Three years	1998.09.07	11,225,000	1.91%	11,100,000	1.73%	2,221,685	0.35%	0	0	Honorary Doctor of Engineering of National Chiao Tung University/ Honorary Doctor of Engineering of Tatung University/ Academician of Industrial Technology Research Institute/ President of Lite-On Semiconductor Corporation/ President of Xuxing Science and	Note 3	None	None	None	None

Title	Nationality or Place of Registration	Name	Gender Age	Date Elected (Inaugurated)	Duration	Date First Elected	Shareholding When Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding in Other Persons' Names		Education/work experience	Positions Held Concurrently in The Company and/or in Any Other Company	Other executives, Directors and supervisors who are spouses or within second-degree relative of consanguinity			Note
							Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio			Title	Name	Relation	
															Technology Corporation/ Vice President of Xuli Corporation/ Chairperson and CEO of Actron Tecnology Corporation/ Chairperson and CEO of the Company					
Director	Republic of China	Wen-Huei Tsai	Male 71-80 years old	2023.06.21	Three years	2006.06.08	3,006,191	0.51%	3,036,191	0.47%	30,490	0	0	0	Department of Accounting, National Chengchi University/ Director of Hongdian Medical Science and Technology Corporation/ Director of ENE Technology Inc.	Note 4	None	None	None	None
Director	Republic of China	Feng-Ming Chang	Male 61-70 years old	2023.06.21	Three years	2020.06.24	6,000,000	1.02%	6,000,000	0.94%	0	0	0	0	Master of Computer Science, University of Southern California/ Master of Economics, Texas A&M University/ Director of TECO Corporation/ Director of Syntec Scientific Corporation	Note 5	None	None	None	None
Director	Republic of China	Kai Jiang Co., Ltd Representative: Hau Fang	Male 41-50 years old	2023.06.21 2023.06.21	Three years Three years	2014.06.26 2017.06.27	2,130,000 0	0.36% 0	2,460,000 0	0.38% 0	0 0	0 0	0 0	0 0	Master of International Business Administration, National ChengChi University / Chairperson, Taiwan Insulation Applied Technology Comapny c.	Note 6	None	None	None	None
Director	United States of America	Kun Chang Investment Co., Ltd Representative: Edward Andrew Ow	Male 31-40 years old	2023.06.21 2023.06.21	Three years Three years	2011.06.17 2020.06.24	2,202,100 0	0.38% 0	2,202,100 0	0.34% 0	0 0	0 0	0 0	0 0	Department of Energy Economics, University of California, Berkeley/ Chairperson of Edison's Co., Ltd./ Director of VIA Faith and Love Charity Foundation/ Director of Chinese Christian Faith and Love Foundation	Note 7	None	None	None	None
Independent Director	Republic of China	Jin-Tang Liu	Male 61-70 years old	2023.06.21	Three years	2020.06.24	0	0	0	0	0	0	0	0	Bachelor, Department of Accounting, Tamkang University/ CPA, KPMG/ Governor of 21th Term, Taiwan Provincial CPA Association/ Independent	Note 8	None	None	None	None

Title	Nationality or Place of Registration	Name	Gender Age	Date Elected (Inaugurated)	Duration	Date First Elected	Shareholding When Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding in Other Persons' Names		Education/work experience	Positions Held Concurrently in The Company and/or in Any Other Company	Other executives, Directors and supervisors who are spouses or within second-degree relative of consanguinity			Note
							Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio			Title	Name	Relation	
															Director of Min Aik Precision Industrial Co., Ltd.					
Independent Director	Republic of China	Hou-Chung Kuo	Male 51-60 years old	2023.06.21	Three years	2020.06.24	0	0	0	0	0	0	0	0	PhD, Electrical Engineering and Computer Science, University of Illinois, Urbana-Champaign	Note 9	None	None	None	None
Independent Director	Republic of China	Shao-Lun Li	Male 71~80 years old	2023.06.21	Three years	2020.06.24	0	0	0	0	0	0	0	0	PhD of Material Science, University of California/ Executive VP, Lam Research Corporation/ Director of TVBS Media Inc./ Supervisor of HTC Corporation/ President of Chander Electronics Corporation	Note 10	None	None	None	None
Independent Director	Republic of China	Chien-Yong Ma	Male 61-70 years old	2023.06.21	Three years	2023.06.21	0	0	0	0	0	0	0	0	PhD., Institute of Metallurgy, University of Stuttgart/ Master of Material Engineering, National Taiwan University/ President of Solar Applied Materials Technology Corp./ Chairperson of Solar Applied Materials Technology Corp.	Note 11	None	None	None	None

Note 1: At present, she is also the Chairperson and CEO of GlobalWafers Co., Ltd., Representative of Institutional Director of Actron Technology Corporation, Representative of Institutional Director of Advanced Wireless Semiconductor Company, Chairperson of Taiwan Specialty Chemicals Corporation, Representative of Institutional Director of SAS Sunrise Inc., Chairperson of Sunrise PV Three Co., Ltd., Chairperson of Sunrise PV Four Co., Ltd., Chairperson of SAS Capital Co., Ltd., Chairperson of GWC Capital Co., Ltd., Director of GlobalSemiconductor Inc., Chairperson & CEO of GlobiTech Incorporated, Chairperson of GlobalWafers Japan Co., Ltd., Chairperson of MEMC Japan Ltd., Vice Chairperson of Kunshan Sino Silicon Technology Co., Ltd., Chairperson of Topsil GlobalWafers A/S, Director of GlobalWafers Singapore Pte., Ltd., Director of GlobalWafers B.V., Chairperson of MEMC Japan Limited, Director of MEMC Korea Company, Chairperson of GlobalWafers America LLC. Chairperson of Crystalwise Technology Inc., Director of Crystalwise Technology (HK) Limited, Chairperson of GlobalWafers Capital Co., Ltd., and Independent Director of Delta Electronics, Inc.

Note 2: At present, the Director concurrently serves as Representative of Institutional Director of GlobalWafers Co., Ltd., Chairperson and CEO of Actron Technology Corporation, Representative of Institutional Director of Advanced Wireless Semiconductor Company, Representative of Institutional Director of Sunrise PV Three Co., Ltd., Representative of Institutional Director of SAS Capital Co., Ltd., Representative of Institutional Director of GWC Capital Co., Ltd., Representative of Institutional Director of REC Technology Corporation, Representative of Institutional Director of Ding-Wei Technology Co., Ltd., Representative of Institutional Director of Mosel Vitelic Inc., Chairperson of Kunshan Sino Silicon Technology, Director of GlobiTech Incorporated, Director of GlobalWafers Japan Co., Ltd., Director of GlobalWafers Singapore Pte.Ltd., Director of GlobalWafers America, LLC, and Director of Yuan Hong (Shandong) Photoelectric Material Co., Ltd.

- Note 3: At present, the Director concurrently serves as Honorary Chairperson of Sino-American Silicon Products Inc., Representative of Institutional Director of Actron Technology Corporation, Representative of Institutional Director of GlobalWafers Co., Ltd., Director of Actron Technology Corporation, Representative of Institutional Director of SAS Capital Co., Ltd., Representative of Institutional Director of GWC Capital Co., Ltd., Independent Director of LITE-ON Technology Corporation, Representative of Institutional Director of Formerica Optoelectronics Inc., Chairperson of REC Technology Corporation, and Chairperson of Biggest Solutions Inc.
- Note 4: Currently he serves as the director of Advanced Wireless Semiconductor Company concurrently
- Note 5: At present, he is concurrently Chairperson of Merle Co., Ltd, Chairperson of Song Luo Co., Ltd., General Affair Governor of The Wings of Hope, and Vice Chairperson of Grand World Compassion.
- Note 6: At present, he is concurrently Representative of Institutional Director of Actron Technology Corporation, and Representative of Institutional Director of FOCI Fiber Optic Communications, Inc.
- Note 7: At present, he is concurrently Chairperson of Edison's Co., Ltd., Vice President of Investment Department of CW & ET Link Inc., Director of VIA Faith and Love Charity Foundation, Director of Chinese Christian Faith and Love Foundation, and Director of Intumit, Inc.
- Note 8: At present, he is concurrently Independent Director of Prolific Technology Inc., Independent Director of Zyxel Group Corporation, and Director of Hospice Foundation of Taiwan.
- Note 9: At present he is concurrently Professor of Department of Photonics, National Yang Ming Chiao Tung University.
- Note 10: At present, he concurrently serves as Director of TVBS Faith, Hope and Love Sustainability Foundation, Vice President of VIA Technologies, Director of Cross-Strait Peace Taiwan Trust, Hope and Love Culture and Education Foundation, Chairperson of VTron Technology Consultancy Co., Ltd., and President of Net-Winner Technology Inc.
- Note 11: At present, he is concurrently serves as Chairperson of Forcera Materials Co., Ltd., Chairperson of Openness Specialty Materials Corp. Ltd., Independent Director of Advanced Wireless Semiconductor Company, Independent Director of Gallant Precision Machining Co., Ltd., Director of Yu Tay Vacuum Co., Ltd, and Director of Highlight Tech. Corporation
- Note 12: Where the chairperson of the board of directors and the president or person of an equivalent post (the highest level manager) of a company are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto:
Under the consideration of the operating scale and in order to improve overall operating efficiency, the chairperson of the Company is also the CEO. Other than the positions mentioned, the Company also has a position of the President, which is having different authorities. The CEO is more focused on the planning aspect (Responsible to develop the Company's business strategy, annual budget plan, important customer relationship maintenance, strategic alliance planning, investment layout planning and annual achievement tracking, etc.) and the President is responsible for the execution aspect of the Company's operation (Focus on coordination and supervision to achieve operational objectives, while implementing the Company's policies and the business strategy and related operational matters planned by the CEO), which complements on another. By having the Chairperson also working as the CEO, the board of directors can plan the Company's development blueprint much practical for operating and managing as well as to have more clarity to the operating status of the Company. More than half of the Board members of the Company are not being employees or managers at the same time, and the Board of Directors has four independent directors. The functional committee members are chaired by independent directors to make recommendations to the Board after full discussion of important issues, which strengthens the supervisory functions of the Board of Directors and implements corporate governance.

2. Major shareholders of the institutional shareholders:

April 22, 2024

Name of Institutional Shareholders	Major shareholders of the institutional` shareholders
Kai Jiang Co., Ltd.	Ling-Ling Sun (69.72%), Kai-Jiang Fang (4.20%), Hao Fang (5.88%) and Hua Fang (4.20%)
Kun Chang Investment Co., Ltd.	Christian Chinese Trust, Hope and Love Foundation (16.42%), Cross-Strait Peace Taiwan Trust, Hope and Love Culture and Education Foundation (16.42%), Social Welfare Charitable Trust Social Welfare Foundation (16.42%) and Weisheng Trust, Hope and Love Charity Foundation (16.42%).

3. The Main shareholders are institutional shareholders: None

4. Information disclosure for professional qualification and experience of directors, and independent directors' independence:

Conditions Name	Professional qualification and experience	Independence status of independent directors	Number of Other Public Issuing Companies in Which the Individual is Concurrently Serving as an Independent Director
Chairperson Hsiu-Lan Hsu	<ul style="list-style-type: none"> Served as Sales Assistant President, Vice President and President of Sino-American Silicon; currently serves as Chairperson of GlobalWafers, Chairperson of Crystalwise Technology Inc. and Director of Actron Technology Corporation. Possessing more the three decades of industrial experience. As an executive, she has rich experience in commerce, legal affairs, finance, and accounting fields required for the Company's operation, with abundant experience, as well as the expertise and ability of decision-making required for the Company's operation. None of the circumstances in the subparagraphs of Article 30 of the Company Act. 	N/A.	1
Vice Chairperson Tang-Liang Yao	<ul style="list-style-type: none"> Served as President of Sino-American Silicon, Assistant President of Xuxing Science and Technology Corporation; Chairperson of Crystalwise Technology Inc. and Assistant Vice President of Xuxing Science and Technology Corporation; currently serves as Director of GlobalWafers Co., Ltd. and Chairperson of Actron Technology Corporation. Spent 40 years in the industry, with rich knowledge about production, manufacturing, and management. He has multiple-year experience as an executive as well as rich cross-field experience in operation and management of a company, with abundant cross-discipline corporate experience, to furnish unique insights and advice depending on different macroeconomic and industrial scenarios. None of the circumstances in the subparagraphs of Article 30 of the Company Act. 	N/A.	None
Director Ming-Kuang Lu	<ul style="list-style-type: none"> Serves as President of Lite-On Semiconductor Corp., President of Xuxing Science and Technology Corporation; Chairperson of Sino-American Silicon, Director of GlobalWafers; currently serves as Director of Actron Technology Corporation, Independent Director of Lite-On Technology Corporation. and Honorary Chairperson of SAS and Actron Technology Corporation. Has worked in the semiconductor industry for more the four decades. He had frequently outperformed in terms of corroborate management, with excellent management ability, unique forward-looking vision, commercial negotiation skills, and deep knowledge of finance and accounting, with sufficient intelligence and expertise required for the Company's operation. None of the circumstances in the subparagraphs of Article 30 of the Company Act. 	N/A.	1

Director Wen-Huei Tsai	<ul style="list-style-type: none"> Served as Director of Hongdian Medical Science and Technology Corporation; currently serving as Director of Advanced Wireless Semiconductor Company. Very familiar with the capital market and financial system, and sensitive to the industrial environment. He is able to offer real-time perspectives and insights of the Company's operation directions and strategies, and provide the direction of adjustment and advices. None of the circumstances in the subparagraphs of Article 30 of the Company Act. 	N/A.	None
Director Feng-Ming Chang	<ul style="list-style-type: none"> Served as Director of TECO Corporation and Chairperson of Syntec Scientific Corporation; currently serves as Chairperson of Merle Co., Ltd. Possessing abundant industrial experience, with experience of operation and management, as well as abilities of crisis management, leadership and decision making. None of the circumstances in the subparagraphs of Article 30 of the Company Act. 	N/A.	None
Director Kai Jiang Co., Ltd Representative: Hau Fang	<ul style="list-style-type: none"> Served as Vice President of Asia Carbons & Technology Inc. and Chairperson of Taiwan Insulation Material Industrial Co., Ltd.; currently serving as Director of Actron Technology Corporation. Possessing expertise in investment management, operation and management, and strategic planning. None of the circumstances in the subparagraphs of Article 30 of the Company Act. 	N/A.	None
Director Kun Chang Investment Co., Ltd Representative: Edward Andrew Ow	<ul style="list-style-type: none"> Currently serves as Chairperson of Edison Opto Corp., and Vice President of Investment Department, CW & ET Link Inc. Possessing expertise in investment management, operation and management, and strategic planning. None of the circumstances in the subparagraphs of Article 30 of the Company Act. 	N/A.	None
Independent Director Jin-Tang Liu	<ul style="list-style-type: none"> Holding CPA qualification, and served as CPA in KPMG Taiwan; currently serves as Independent Director of Prolific Technology Inc. and Independent Director of Unizyx Holding Corporation. Possessing accounting and finance professional knowledges and abundant industrial experience; his professionalism, knowledge, and expertise in accounting and finance enable him to provide the immediate perspectives and insights to the Company's direction and strategies of operation, as well as the direction of adjustment and advices. None of the circumstances in the subparagraphs of Article 30 of the Company Act, and qualified for the requirements of the professional qualification in Article 2 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies." 	Qualified for the requirements of the independence in Article 3, and restriction of current positions held in Article 4 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies." (1) Himself, spouse, or relative within the second degree of kinship not a director, supervisor, or employee of the company or any of its affiliates. (2) None of the Company's share is held by him/herself, spouse, or relative within the second degree of kinship (including held by the person under others' names) (3) Not a director, supervisor, or employee of the companies with certain relationships with the Company. (4) No compensation is received by providing commercial, legal,	2
Independent Director Hou-Chung Kuo	<ul style="list-style-type: none"> Professor, Department of Photonics, National Yang Ming Chiao Tung University Kuo has more than 20 years of experience in application research and semiconductor, and is invariably committed to researching compound semiconductor. He was honored as the 2021 "Excellent Engineer/Professor" by Chinese Institute of Engineers. His broad knowledge is greatly beneficial to the Company and the Group's R&D direction and IP management. None of the circumstances in the subparagraphs of Article 30 of the Company Act, and qualified for the requirements of the professional qualification in Article 2 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies." 	(1) Himself, spouse, or relative within the second degree of kinship (including held by the person under others' names) (2) None of the Company's share is held by him/herself, spouse, or relative within the second degree of kinship (including held by the person under others' names) (3) Not a director, supervisor, or employee of the companies with certain relationships with the Company. (4) No compensation is received by providing commercial, legal,	None

Independent Director Shao-Lun Li	<ul style="list-style-type: none"> Served as Executive VP, Lam Research Corporation, Supervisor of HTC Corporation, President of Chander Electronics corp.; currently serves as Vice President of VIA Technologies and Chairperson of VIA Venture Technology Consultancy Co., Ltd. Possessing abundant industrial experience, with experience of operation and management, as well as abilities of crisis management, leadership and decision making. None of the circumstances in the subparagraphs of Article 30 of the Company Act, and qualified for the requirements of the professional qualification in Article 2 of the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.” 	financial, accounting or related services to the company or any affiliate of the company in the past 2 years.	None
Independent Director Chien-Yong Ma	<ul style="list-style-type: none"> Served as team leader of Materials and Electro-Optics Research Division, National Chung Shan Institute of Science & Technology; President of Touch Micro-system Tech. (MEMS BU); President and Chairperson of Solar Applied Materials Technology Corp. He currently serves as Chairperson of Forcera Materials Co., Ltd., Chairperson of Openness Specialty Materials Corp. Ltd., Independent Director of Advanced Wireless Semiconductor Company, Independent Director of Gallant Precision Machining Co., Ltd. Possessing abundant industrial experience, with experience of operation and management, as well as abilities of crisis management, leadership and decision making. None of the circumstances in the subparagraphs of Article 30 of the Company Act, and complying with the requirements of Article 2, the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.” 		2

5. The board of directors’ diversity and independence:

a. The board of directors’ diversity:

The Company’s “Corporate Governance Best-Practice Principles” has expressly defined the formation of the Board members and ability to be held by the members. The Company has also established the diversified policy for the Board members. The composition of the board of directors has been determined by taking diversity into consideration, and appropriate policy on diversity based on the Company’s business operations, operating dynamics, and development has been formulated, as the following two general standards:

1. Basic requirements and values: Gender, age, nationality, and culture.
2. Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, or technology), professional skills, and industry experience.

All members of the board shall have the knowledge, skills, and experience necessary to perform their duties. To achieve the ideal goal of corporate governance, the board of directors shall possess the following abilities:

1. Operational Judgment Ability
2. Accounting and Financial Analysis Ability
3. Business Management Ability
4. Ability to conduct crisis management.
5. Industrial Knowledge
6. International Market Perspective
7. Leadership Ability
8. Decision-making Ability

The implementation of diversity by board members is illustrated as follows:

Of the eleven current directors of the Company, four are independent directors (accounting 36%); one is female director (9%), and two are directors with employee status (18%); Among four independent directors, one has the tenure under three years, the other three’s tenure are three to six years. The Company emphasizes the gender equality among the board members, and the target is at least one seat of female director. In the future, the Company will actively plan to increase the seats of female directors, and the plan will be at least one third of the board members for either gender.

The board members possess the work experience and expertise in operation and management, industrial knowledge, finance and strategic management; the implementation of the board members' diversity are as following table:

Diversified Core Items Name of Directors	Nationality	Gender	Concurrently serving as an employee	Age					Term of office for independent director		Operational Judgment Ability	Accounting and Financial Analysis Ability	Business Management Ability	Crisis Handling Procedures	Industrial Knowledge	International Market Perspective	Leadership Ability	Decision-making Ability
				31-40 years old	41-50 years old	51-60 years old	61-70 years old	71-80 years old	Below 3 years	3-6 years								
Hsiu-Lan Hsu	Republic of China	Female	✓				✓				✓	✓	✓	✓	✓	✓	✓	✓
Tang-Liang Yao	Republic of China	Male	✓				✓				✓	✓	✓	✓	✓	✓	✓	✓
Ming-Kuang Lu	Republic of China	Male						✓			✓	✓	✓	✓	✓	✓	✓	✓
Feng-Ming Chang	Republic of China	Male					✓				✓	✓	✓	✓	✓	✓	✓	✓
Wen-Huei Tsai	Republic of China	Male						✓			✓	✓	✓	✓	✓	✓	✓	✓
Kun Chang Investment Co., Ltd. Representative: Edward Andrew Ow	United States of America	Male		✓							✓		✓	✓	✓	✓	✓	✓
Kai Jiang Co., Ltd. Representative: Hau Fang	Republic of China	Male			✓						✓	✓	✓	✓	✓	✓	✓	✓
Jin-Tang Liu (independent director)	Republic of China	Male					✓			✓	✓	✓	✓	✓	✓	✓	✓	✓
Hou-Chung Kuo (independent director)	Republic of China	Male					✓			✓	✓		✓	✓	✓	✓	✓	✓
Shao-Lun Li (independent director)	Republic of China	Male						✓		✓	✓	✓	✓	✓	✓	✓	✓	✓
Chien-Yong Ma (Independent Director)	Republic of China	Male					✓		✓		✓	✓	✓	✓	✓	✓	✓	✓

The current board comprises 9% female directors, and neither gender accounts for at least one-third of the board seats. This is primarily due to the Company prioritizing professional experience and industry expertise in its director nomination process. While the Company values gender equality and aims to maintain at least one female director on the board, it does not impose a mandatory gender diversity quota as a selection criterion.

To enhance the diversity of the Board of Directors, gender diversity will be taken into account in future director nominations and elections. Candidates of different genders with strong professional backgrounds will be prioritized, aiming to enhance Board diversity and create a more inclusive and professional governance structure.

b. The board of directors' independence

The Company's Board of Directors consists of eleven directors, including three independent directors, which account for 36% of the board composition and all of whom meet the independence criteria set forth in Article 3 of and the concurrent position restriction set forth in Article 4 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies." The composition of the board has no circumstances provided in paragraph 3 and 4 of Article 26-3, the Securities and Exchange Act (spouses or relatives within the second degree of kinship among directors). The composition of the board meets the independence requirement.

B. Information on the Company's President, Vice President, Assistant Vice President, and the supervisors of all the Company's Divisions and Branch Units as follows

March 28, 2025, Unit: share; %

Title	Nationality	Name	Gender	Date Elected (Inaugurated)	Current Shareholding		Spouse & Minor Shareholding		Shareholding in Other Persons' Names		Education/work experience	Positions Held Concurrently in The Company and/or in Any Other Company	Other executives, Directors and supervisors who are spouses or within second-degree relative of consanguinity			Note
					Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio			Title	Name	Relationship	
CEO	Republic of China	Hsiu-Lan Hsu	Female	2008.02.01	2,971,085	0.46%	0	0	0	0	Master of Computer Science, University of Illinois/ President of Creative Sensors Inc./ President of the Company	Note 1	None	None	None	Note 7
Deputy CEO	Republic of China	Tang-Liang Yao	Male	1998.10.01	2,830,395	0.44%	14,413	0	0	0	Master of Management and Research Institute of Tamkang University/ Assistant Manager of Manufacturing Department of Xuxing Technology Corporation/ President of the Company	Note 2	None	None	None	None
President	Republic of China	Chen-Chien Chen	Male	2023.04.03	0	0	0	0	0	0	M.B.A., National Taiwan University /Executive Director, Senior Partner, and Chief Operating Officer of Audit Department, KPMG United Accounting Firm/ Director and CEO of KPMG Research Foundation (currently KPMG Education Foundation).	Note 3	None	None	None	None
Executive Vice President	Republic of China	Hau-Chun Shih	Male	2014.08.01	264,000	0.04%	0	0	0	0	Engineering Science Department of National Cheng Kung University/ Vice President of SIBOND Science and Technology Manufacturing Center/ Senior Vice President of Sunrise Global Solar Energy Co., Ltd.	None	None	None	None	None
Vice President of Marketing	Republic of China	Pei-Yi Chen	Female	2017.08.01	256,035	0.04%	1,000	0	0	0	Department of Geopolitics, National ChengChi University/ Director of Business of Sunrise Global Solar Energy Co., Ltd.	Note 4	None	None	None	None
Vice President of Corporate Development	Republic of China	Chung-Wei Lee	Male	2017.03.21	30,000	0	0	0	0	0	Master of Business Administration, Meiji University, Japan/ Executive Vice President and President of Covalent Materials Taiwan/ Associate Manager of MITSUI & CO. (Taiwan), LTD.	Note 5	None	None	None	None
Assistant Vice President of Accounting and Finance	Republic of China	Hsiu-Ling Hsu	Female	2018.03.23	0	0	0	0	0	0	Enterprise Management Research Institute of Taipei University/ Director of PwC Taiwan/ Accounting Manager of Sunrise Global Solar Energy Co., Ltd./ Accounting Manager of Globalwafers Corporation	Note 6	None	None	None	None

Note 1: At present, she is also the Chairperson and CEO of GlobalWafers Co., Ltd., Representative of Institutional Director of Actron Technology Corporation, Representative of Institutional Director of Advanced Wireless Semiconductor Company, Chairperson of Taiwan Specialty Chemicals Corporation, Representative of Institutional Director of SAS Sunrise Inc., Chairperson of Sunrise PV Three Co., Ltd., Chairperson of SAS Capital Co., Ltd., Chairperson of Sustainable Energy Solution Co., Ltd., Chairperson of Sunrise PV Four Co., Ltd., Chairperson of GWC Capital Co., Ltd., Director of GlobalSemiconductor Inc., Chairperson & CEO of GlobiTech Incorporated, Chairperson of GlobalWafers Japan Co., Ltd., Chairperson of MEMC Japan Limited, Vice Chairperson of Kunshan Sino Silicon Technology Co., Ltd., Chairperson of Topsil GlobalWafers A/S, Director of GlobalWafers Singapore Pte., Ltd., Director of GlobalWafers B.V., Director of MEMC Korea Company, Chairperson of GlobalWafers America LLC., Chairperson of Crystalwise Technology Inc., Director of Crystalwise Technology (HK) Limited, Chairperson of GlobalWafers Capital Co., Ltd., and Independent Director of Delta Electronics, Inc.

Note 2: At present, the Director concurrently serves as Representative of Institutional Director of GlobalWafers Co., Ltd., Chairperson and CEO of Actron Technology Corporation, Representative of Institutional Director of Advanced Wireless Semiconductor Company, Representative of Institutional Director of Sunrise PV Three Co., Ltd., Representative

of Institutional Director of SAS Capital Co., Ltd., Representative of Institutional Director of GWC Capital Co., Ltd., Representative of Institutional Director of REC Technology Corporation, Representative of Institutional Director of Ding-Wei Technology Co., Ltd., Representative of Institutional Director of Mosel Vitelic Inc., Chairperson of Kunshan Sino Silicon Technology, Director of GlobiTech Incorporated, Director of GlobalWafers Japan Co., Ltd., Director of GlobalWafers America, LLC, and Director of Yuan Hong (Shandong) Photoelectric Material Co., Ltd.

Note 3: At present, the Director concurrently serves as Representative of Industrial Director of Advanced Wireless Semiconductor Company, Vice Chairperson of Taiwan Specialty Chemicals Corporation, Representative of Institutional Director of Sunrise PV Three Co., Ltd., Representative of Institutional Director of Sunrise PV Four Co., Ltd., Representative of Institutional Director of Sustainable Energy Solution Co., Ltd., Chairperson of Sustainable Hydropower Energy Co., Ltd., Representative of Institutional Director of Accusolarpower Co., Ltd., Chairperson of Billion Electric Co. Ltd., Chairperson of Billion Watts Technologies Co., Ltd., Chairperson of Sunrise Intelligent Energy CO., LTD., Representative of Institutional Director of Mosel Vitelic Inc., Chairperson of Anneal Energy Co., Ltd., Chairperson of WaferChem Technology Corporation, and Director of MEMC Electronic Materials S.p.A.

Note 4: Currently serving as the Representative of Institutional Director of Sustainable Hydropower Energy Co., Ltd., and Representative of Institutional Director of Anneal Energy Co., Ltd.

Note 5: At present, the Director concurrently serves as Vice President of Corporate Development of GlobalWafers Co., Ltd.

Note 6: At present concurrently serving as Representative of Institutional Director of Taiwan Specialty Chemicals Corporation, Representative of Institutional Director of Sino Silicon Technology Inc., Supervisor of Sustainable Hydropower Energy Co., Ltd., Representative of Institutional Director of Crystalwise Technology Inc., Supervisor of Shanghai Sawyer Shenkai Technology Material Co., Ltd. (SSKT), Supervisor of Yuan Hong Technical Materials Ltd. (MHTM), Supervisor of Yuan Hong Technical Materials Ltd.(YHTM), and Supervisor of Anneal Energy Co., Ltd.

Note 7: Where the Chairperson of the Board of Directors and the president or person of an equivalent post (the highest level manager) of a company are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto: Under the consideration of the operating scale and in order to improve overall operating efficiency, the chairperson of the Company is also the CEO. Other than the positions mentioned, the Company also has a position of the President, which is having different authorities. The CEO is more focused on the planning aspect (Responsible to develop the Company's business strategy, annual budget plan, important customer relationship maintenance, strategic alliance planning, investment layout planning and annual achievement tracking, etc.) and the President is responsible for the execution aspect of the Company's operation (Focus on coordination and supervision to achieve operational objectives, while implementing the Company's policies and the business strategy and related operational matters planned by the CEO), which complements on another. By having the Chairperson also working as the CEO, the board of directors can plan the Company's development blueprint much practical for operating and managing as well as to have more clarity to the operating status of the Company. More than half of the Board members of the Company are not being employees or managers at the same time, and the Board of Directors has four independent directors. The functional committee members are chaired by independent directors to make recommendations to the Board after full discussion of important issues, which strengthens the supervisory functions of the Board of Directors and implements corporate governance.

C. Compensation Paid to CEO, President and Vice Presidents

1. Remuneration Paid to Directors (Independent Directors included): 2024

December 31, 2024, Unit: NT\$ thousands

Title	Name	Remuneration of Directors								Ratio of total compensation (A+B+C+D) to net income		Relevant Remuneration Received by Directors Who are Also Employees								Ratio of the Sum of Items A, B, C, D, E, F, and G to Net Income After Tax (%)		Compensation paid to directors from an invested company other than the company's subsidiary or from the parent company
		Remuneration (A)		Severance Pay (B)		Director Remuneration (C) (Note 1)		Business Execution Cost (D)				Salary, Bonuses, and Allowances (E)		Severance Pay (F)		Employee remuneration (G) (Note 2)						
		The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company		Companies in the consolidated financial statements		The Company	Companies in the consolidated financial statements	
																Employee Bonus-in Cash	Stock	Employee Bonus-in Cash	Stock			
General Directors	Hsiu-Lan Hsu	16,365	16,395	0	0	19,600	40,551	290	790	36,255 0.68%	57,736 1.08%	6,681	14,099	0	0	18,000	0	62,500	0	60,936 1.14%	134,335 2.51%	None
	Tang-Liang Yao																					
	Ming-Kuang Lu																					
	Wen-Huei Tsai																					
	Feng-Ming Chang																					
	Kai Jiang Co., Ltd. Representative: Hau Fang																					
	Kun Chang Investment Co., Ltd Representative: Edward Andrew Ow																					
Independent Directors	Jin-Tang Liu	2,920	3,280	0	0	1,900	1,900	180	200	5,000 0.09%	5,380 0.10%	0	0	0	0	0	0	0	0	5,000 0.09%	5,380 0.10%	None
	Hou-Chung Kuo																					
	Shao-Lun Li																					
	Chien-Yong Ma																					

1. Please specify the remuneration policies, standards, and packages, the procedure for determining remuneration for independent directors, and its linkage to operating performance and future risk exposure:
In addition to the monthly fixed remuneration for independent directors and the transportation subsidies for attending the Board of Directors, the Company may consider the degree of participation and contribution of independent directors to the Company's operations, and take into account the results of the director's performance appraisal, to decide the distribution of director's remuneration to the independent directors from the director's remuneration appropriated from the annual profit, if any. The aforesaid remuneration allocated to the independent directors, shall be deliberated and approved by the Remuneration Committee, and submitted to the Board of Directors for approval.

2. Except as disclosed in the preceding table, the remuneration received by the directors of the Company in recent years for the services provided to all companies in the financial statements (e.g. as non-employee consultant in parent/ all companies in the financial statements/ investees): None.

Note 1: As of the publication date of the annual report, the amount of remuneration to each director for 2024 has not yet been resolved by the Board of Directors, and the amounts in the table are only estimates.

Note 2: As of the publication date of the annual report, the amount of remuneration to employees for 2024 has not yet been resolved by the Board of Directors, and the amounts in the table are only estimates.

Range of Remuneration

Range of Remuneration Paid to Each Director of the Company	Name of Directors			
	Total of (A+B+C+D)		Total of (A+B+C+D+E+F+G)	
	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements
Below NT\$ 1,000,000	—	—	—	—
NT\$ 1,000,000 ~ NT\$ 1,999,999	Independent Director: Jin-Tang Liu, Hou-Chung Kuo, Shao-Lun Li, Chien-Yung Ma	Independent Director: Jin-Tang Liu, Hou-Chung Kuo, Shao-Lun Li, Chien-Yung Ma	Independent Director: Jin-Tang Liu, Hou-Chung Kuo, Shao-Lun Li, Chien-Yung Ma	Independent Director: Jin-Tang Liu, Hou-Chung Kuo, Shao-Lun Li, Chien-Yung Ma
NT\$ 2,000,000 ~ NT\$ 3,499,999,	General Director: Hsiu-Lan Hsu, Wen-Huei Tsai, Feng-Ming Chang, Representative of Kai Jiang Corporation: Hau Fang, Representative of Kun Chang Investment Co., Ltd: Edward Andrew Ow	General Director: Feng-Ming Chang, Representative of Kai Jiang Corporation: Hau Fang, Representative of Kun Chang Investment Co., Ltd: Edward Andrew Ow	General Director: Wen-Huei Tsai, Feng-Ming Chang, Representative of Kai Jiang Corporation: Hau Fang, Representative of Kun Chang Investment Co., Ltd: Edward Andrew Ow	General Director: Feng-Ming Chang, Representative of Kaijiang Corporation: Hau Fang, Representative of Kun Chang Investment Co., Ltd: Edward Andrew Ow
NT\$ 3,500,000 ~ NT\$ 4,999,999	—	General Director: Wen-Huei Tsai	—	General Director: Wen-Huei Tsai
NT\$ 5,000,000 ~ NT\$ 9,999,999	—	—	—	—
NT\$ 10,000,000 ~ NT\$ 14,999,999	General Director: Tang-Liang Yao, Ming-Kuang Lu	General Director: Hsiu-Lan Hsu	General Director: Hsiu-Lan Hsu, Ming-Kuang Lu	—
NT\$ 15,000,000 ~ NT\$ 29,999,999	—	General Director: Tang-Liang Yao, Ming-Kuang Lu	General Director: Tang-Liang Yao	General Director: Ming-Kuang Lu
NT\$ 30,000,000 ~ NT\$ 49,999,999	—	—	—	General Director: Tang-Liang Yao
NT\$ 50,000,000 ~ NT\$ 99,999,999	—	—	—	General Director: Hsiu-Lan Hsu
More than NT\$ 100,000,000	—	—	—	—
Total	A total of 11 persons	A total of 11 persons	A total of 11 persons	A total of 11 persons

2. Remuneration of supervisors: The Company has changed its Audit Committee, so there is no remuneration of supervisors.
3. Remuneration of President and Vice President

December 31, 2024, Unit: NT\$ thousands

Title	Name	Salary (A)		Severance Pay (B)		Bonuses and Allowances (C)		Profit Sharing- Employee Bonus (D)				Ratio of total compensation (A+B+C+D) to net income (%)		Compensation paid to directors from an invested company other than the company's subsidiary or from the parent company
		The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company		Companies in the consolidated financial statements		The Company	Companies in the consolidated financial statements	
								Cash	Stock	Cash	Stock			
CEO	Hsiu-Lan Hsu	20,118	23,536	324	324	2,937	3,507	31,000	0	68,100	0	54,479 1.02%	95,467 1.79%	None
Vice CEO	Tang-Liang Yao													
President	Chen-Chien Chen													
Executive Vice President	Hau-Chun Shih													
Vice President	Chung-Wei Lee													
Vice President	Pei-Yi Chen													

Note: 1. The actual amount of Severance Pay paid in 2024: NT\$0.

2. The amount of withdrawal or funding of Severance Pay: NT\$ 324 thousand.

3. As of the publication date of the annual report, the amount of remuneration to employees of managerial officers for 2024 has not yet been resolved by the Board of Directors, and the amounts in the table are only estimates.

Range of Remuneration

Range of Remuneration of Presidents and Vice President of the Company	Name of Presidents and Vice President	
	The Company	Companies in the consolidated financial statements
Under NT\$ 1,000,000	-	-
NT\$ 1,000,000 ~ NT\$ 1,999,999	-	-
NT\$ 2,000,000 ~ NT\$ 3,499,999	Chung-Wei Lee	-
NT\$ 3,500,000 ~ NT\$ 4,999,999	Pei-Yi Chen	Pei-Yi Chen
NT\$ 5,000,000 ~NT\$ 9,999,999	Hau-Chun Shih	Chung-Wei Lee, Hau-Chun Shih,
NT\$ 10,000,000 ~ NT\$ 14,999,999	Hsiu-Lan Hsu, Tang-Liang Yao	Tang-Liang Yao
NT\$ 15,000,000 ~ NT\$ 29,999,999	Chen-Chien Chen	Chen-Chien Chen
NT\$ 30,000,000 ~ NT\$ 49,999,999	-	-
NT\$ 50,000,000 ~ NT\$ 99,999,999	-	Hsiu-Lan Hsu
More than NT\$ 100,000,000	-	-
Total	6	6

4. Employee Profit Sharing Granted to Management Team

December 31, 2024, Unit: NT\$ thousands

	Title	Name	Stock	Employee Bonus-in Cash	Total	Ratio of Total Amount to Net Income (%)
Manager	CEO	Hsiu-Lan Hsu	0	33,100	33,100	0.62%
	Vice CEO and President	Tang-Liang Yao				
	President	Chen-Chien Chen				
	Executive Vice President	Hau-Chun Shih				
	Vice President	Chung-Wei Lee				
	Vice President	Pei-Yi Chen				
	Accounting Department Chief	Hsiu-Lin Hsu				

Note: As of the publication date of the annual report, the amount of remuneration to employees of managerial officers for 2024 has not yet been resolved by the Board of Directors, and the amounts in the table are only estimates.

- D. The proportions of total remuneration paid to Directors, Supervisors, Presidents and Vice President of the Company in net income after tax in the last two years are compared and explained. The policies, standards and combination of remuneration payment, the procedure of remuneration setting, the relationship between remuneration and operating performance, and the relationship between remuneration and future risks are explained.

1. Total Remuneration to Net Income

Title	The ratio of total remuneration of 2024 to net income after tax (%)		The ratio of total remuneration of 2023 to net income after tax (%)	
	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements
Director	0.77%	1.18%	0.94%	1.21%
President and Vice President	1.02%	1.79%	0.74%	1.41%

2. The policies, standards, and portfolios for the payment of remuneration, the procedures for determining remuneration, and the correlation with business performance
- The policies, standards, and portfolios for the payment of remuneration:
The Company's remuneration for Directors is handled in accordance with the Company's Articles of Incorporation and the allocation rules of Directors' remuneration, which can be divided into three categories: Directors' compensation, Directors' remuneration and operating expenses; and the remuneration for Presidents and Vice President of the Company can be divided into three categories: salary, bonus and car allotment, employee remuneration, which are authorized by the Board of Directors to be verified based on the relevant provisions of the Company's salary verification.
 - Procedures of Remuneration:
According to the Company's Articles of Incorporation, if the Company is profitable during the year, it shall allocate 3–15% as employee remuneration in shares or cash upon the resolution of the Board of Directors. Employees of subsidiaries of the company meeting certain specific requirements shall be entitled to receive remuneration. The Company may allocate at most 3% of the aforementioned profit as directors' remuneration upon the resolution of the Board of Directors. The distribution proposal of remuneration of employees and Directors should be submitted and reported to the shareholders' meeting.
If it has accumulative losses, the Company should reserve and make up the amount before distributing remuneration to the employees and Directors according to the percentage mentioned in the preceding paragraph. In addition, in the business execution cost, only the traffic allowance for each Directors' meeting is distributed. The procedures for determining Directors' remuneration should be based on the performance evaluation method of the Board of Directors of the Company, the participation in and contribution to the Company's operation should be considered, and reasonable remuneration should be given. The part of remuneration received by the President and Vice President of the Company is based on the operating performance quota of

the annual budget approved by the Board of Directors each year. The payment method is based on “Measures for the Administration of Wages and Remuneration of the Company’s Managers” and “Measures for Employee Remuneration Distribution.”

The Company established Remuneration Committee at the end of 2011, which periodically examines performance of Directors and managers, as well as remuneration policy, system, standard and structure. Report if above-mentioned will be discussed in the Board of Directors.

c. Connection between operation performance and future risk:

Performance evaluation and remuneration of Directors and managers are measured based on market average, operating results, degree of participation (including the attendance rate, the frequency of communication, the suggestions provided, etc.) and contribution to the Company’s performance (including financial indicators such as revenue and profit achievement rate, and non-financial indicators such as law and internal control compliance, or special achievements, etc.), and comprehensively consider the monetary amount, distribution method and future risk of the Company. It has a positive correlation with the performance and responsibility of the Company’s business.

In terms of non-financial indicators, to fulfill the Company’s commitment to sustainable development, non-financial performance aspects such as ESG (environmental, social and governance) have also been included in the performance evaluation of the Company’s senior managerial officers (senior managerial officers include president, vice president, plant chiefs etc.). The ESG performance indicators and weights are determined individually based on their duties, including domestic and international ESG evaluations, climate change mitigation and the adaption actions (e.g. GHG reduction, achievement rate of energy-saving and carbon reduction, the percentage of renewable energy use, etc.), and the promotion of occupational health and safety, among other things, and the achievements of ESG performance indicators are included in the calculation to determine remunerations.

II. Implementation of Corporate Governance

A. Operations of the Board of Directors

The Board of Directors was held for 9 sessions in 2024. The Attendance of Directors was as follows:

Title	Name	Attendance in Person	By Proxy	Attendance Rate in Person (%)	Note
Chairperson	Hsiu-Lan Hsu	9	0	100%	Reappointed on June 21, 2023
Vice Chairperson	Tang-Liang Yao	9	0	100%	Reappointed on June 21, 2023
Director	Ming-Kuang Lu	8	1	89%	Reappointed on June 21, 2023
Director	Wen-Huei Tsai	9	0	100%	Reappointed on June 21, 2023
Director	Feng-Ming Chang	8	1	89%	Reappointed on June 21, 2023
Director	Kai Jiang Co., Ltd. Representative: Hau Fang	9	0	100%	Reappointed on June 21, 2023
Director	Kun Chang Investment Co., Ltd. Representative: Edward Andrew Ow	6	3	67%	Reappointed on June 21, 2023
Independent Director	Jin-Tang Liu	9	0	100%	Reappointed on June 21, 2023
Independent Director	Hou-Chung Kuo	9	0	100%	Reappointed on June 21, 2023
Independent Director	Shao-Lun Li	9	0	100%	Reappointed on June 21, 2023
Independent Director	Chien-Yong Ma	9	0	100%	Elected on June 21, 2023

Other mentionable items

- I. If there are any of below circumstances, the dates of meetings, sessions, contents of motions, all Independent Directors' opinion and the Company's response to Independent Directors' opinion should be specified:
 - A. Matters listed in Article 14-3 of the Securities and Exchange Act:
Not applicable. The Company has set up an Audit Committee, which is governed by Article 14-5 of the Securities and Exchange Act.
 - B. Despite issues previously mentioned, other resolutions of the Directors' meetings objected by Independent Directors or subject to qualified opinion and recorded or declared in writing: No such matter has occurred in the Company.
- II. If there is Directors' avoidance of motions in conflict of interest, the Directors' names, contents of motions, causes for avoidance and voting should be specified:
 1. On May 10, 2024, the Board meeting discussed the distribution of directors' remuneration for 2023. The proposal is voted one by one for each individual director; and each director recused him/herself from discussion and voting for his/her own remuneration due to conflict of interest.
 2. On May 10, 2024, the Board of Directors discussed the distribution of remuneration to managerial officers for 2023. Because Chairperson Hsiu-Lan Hsu and Vice Chairperson Tang-Liang Yao are subject to the distributions, they recused themselves from discussion and voting on the proposal due to conflict of interest.
 3. On August 9, 2024, the Board of Directors proposed increasing the Company's shareholdings in its subsidiaries: Advanced Wireless Semiconductor Company, Actron Technology Corporation, and Taiwan Speciality Chemicals Corporation. As Chairperson Hsiu-Lan Hsu, Vice Chairperson Tang-Liang Yao, Director Ming-Kuang Lu, Director Hau Fang, Director Wen-Huei Tsai, and Independent Director Chien-Yung Ma concurrently serve as directors of the aforementioned three companies, they recused themselves from discussion and voting on the proposal due to conflict of interest.

III. Implementation of the evaluations of the Board of Directors and functional committees:

Assessing Cycle	Assessing Period	Assessing Scope	Assessing Method	Content of the Assessment
Once A Year	January 1, 2024 to December 31, 2024	<ul style="list-style-type: none"> Board of Directors Individual Members of the 	<ul style="list-style-type: none"> Self-assessment from the Board of Directors 	Self-assessment from the Board of Directors: 1. Level of involvement in the Company's operations.

		Board of Directors • Functional Committee (Including the Audit Committee, the Remuneration Committee, and the Nomination Committee)	• Self-assessment from Individual Members of the Board of Directors • Self-assessment from the Functional Committee	2. Promoted the quality of the resolution from the Board of Directors. 3. The composition and structure of the Board of Directors. 4. The election and advanced studies of Directors. 5. Internal control. 6. Emphasis on ESG Self-assessment from Individual Members of the Board of Directors: 1. Mastering the company's goals and tasks and emphasis on ESG. 2. The cognition to the responsibility of a Director 3. Level of involvement in the Company's operations. 4. Internal relationship management and communication. 5. Director's personal business and advanced studies. 6. Internal control. Self-assessment from the Functional Committee: 1. Level of involvement in the Company's operations. 2. The cognition to the responsibility of Functional Committee. 3. Promoted the quality of the resolution from the Functional Committee. 4. The composition and structure of the Functional Committee. 5. Internal control.
--	--	--	--	---

IV. Functional objectives (e.g. setting up Audit Committee, improving information transparency, etc.) and implementation evaluation:

Strengthen functional objectives of the Board of Directors	Implementation evaluation
Establish Independent Directors	Strengthen the independence and objective functions of Directors and supervise the operation of the Board of Directors.
Establish the Remuneration Committee	Assist the Board of Directors in implementing and evaluating the Company's overall compensation and benefits system, and regularly review the appropriateness of remuneration for Directors, Supervisors and managers.
Establish the Audit Committee	Exercise the functions and powers stipulated in the Securities and Exchange Law, Company Law and other relevant laws.
Establish the Nomination Committee	Improve the nomination system of the Company's Directors and senior managers.
Continuously improve the information transparency	The Company appointed a special person to be responsible for the disclosure of Company information and updating information on the Company website.
Actively make communication with stakeholders	The Company has spokespersons and acting spokespersons, and stakeholders can use them as channels of communication. Every year, the shareholder's meeting accepts the shareholders' proposals according to the schedule. The shareholders who have the right to submit proposals can apply to the Company during the period of acceptance. The Company will convene the meeting of Board of Directors to examine the proposals in accordance with the relevant provisions.
Improve the operational efficiency and decision-making ability of the Board of Directors	The Company has formulated "the Meeting Standards of Board of Directors" to strengthen the implementation of the functions of the Board of Directors, and promote the healthy development of the Board of Directors' participation in decision-making.
Strengthen professional knowledge	The Directors and Supervisors of the Company should study for a number of hours per year as prescribed by the competent authority, the relevant members of the Board of Directors should be encouraged to participate in various professional courses, and the relevant decrees should be promulgated at the meeting of the Board of Directors to comply with the provisions of the decree.
Appoint Corporate Governance Officer	In order to implement corporate governance and enhance the effectiveness of the Board of Directors, on May 9, 2019, the Board of Directors set the position of Corporate Governance Supervisor to provide Directors with relevant information to perform their duties and other necessary assistance.

B. The Operation of the Audit Committee:

A total of 9 Audit Committee meetings were held in 2024. The attendance of the Independent Directors was as follows:

Title	Name	Attendance in Person	By Proxy	Attendance Rate (%)	Note
Independent Director	Jin-Tang Liu	9	0	100%	Reappointed on June 21, 2023
Independent Director	Hou-Chung Kuo	8	1	89%	Reappointed on June 21, 2023
Independent Director	Shao-Lun Li	9	0	100%	Reappointed on June 21, 2023
Independent Director	Chien-Yong Ma	9	0	100%	Elected on June 21, 2023

For the professional qualifications and experience of members of the Audit Committee, please refer to the relevant content of this annual report “Two. Corporate Governance Report / I. Directors’ Information / 4. Directors’ Professional Qualifications and Information Disclosure of Independent Directors’ Independence”.

Formation and operations of Audit Committee:

The Company’s Audit Committee consists of three independent directors, and operates primarily in order to supervise the following matters:

- I. The fair expression of the Company’s financial statements
- II. Selection (dismissal) of certification accountants and their capability, credentials, independence and performance.
- III. Effective implementation of the Company’s internal control
- IV. Company compliance with laws and regulations.
- V. Control and management of the company’s potential or existing risks.

Other mentionable items

- I. Where the operation of the Audit Committee meets any of the following circumstances, the minutes concerned shall clearly state the meeting date, term, contents of motions, independent directors’ dissent, qualified opinion, or material recommendations, resolution of the Audit Committee and the Company’s handling of said resolution.

- A. Items specified in Article 14-5 of the Securities and Exchange Act:

The motions of 2024 were approved by all the members present in the Audit Committee and all the directors present in the Board of Directors. The operation of the Audit Committee in 2024 was as follows.

Audit Committee Session/Date	Content of motion	Matters listed in Article 14-5 of Securities and Exchange Law	Resolution results of the Audit Committee and the Company’s Treatment of the Audit Committee’s Opinions
2024.02.29 2024, the 4th term, 1st meeting	Internal audit business report	V	Adopted with the consent of all the members present in the Audit Committee
	The Company’s Business Report and Financial Statements for 2023	V	
	Proposal for change of independent auditors due to internal business adjustments within the CPA firm	V	
	Declaration of Internal Control System of 2023	V	
	The amendments to the Company’s “Procedures for Financial Derivative Transactions”	V	
	The amendments to the Company’s “General Principles on Pre-Approval Policy for Non-Assurance Services”	V	
	The amendments to the Company’s “Audit Committee Charter.”	V	
	To meet the Company’s capital needs, it is intended to conduct public or private placements of securities	V	
	Loan of funds to subsidiaries	V	
	Serving as guarantor for loan of subsidiaries from financial institutions	V	
	The Company and the subsidiaries’ receivables that are 3 months overdue were all actual transactions; therefore, such receivables are not recognized as fund loans to others.	V	
2024.05.10 2024, the 4th term, 2nd meeting	Appointment of company representatives for transactions with affiliated enterprises.	V	Adopted with the consent of all the members present in the Audit Committee
	Internal audit business report	V	
	The Company’s consolidated financial statements of Q1 2024.	V	
	The 2023 earning distribution table and the proposal of earning distribution for the second half of 2023	V	
	Amendment to the Company’s “Internal Control System”	V	
	Serving as guarantor for loan of subsidiaries from financial institutions	V	

	Loan of funds to subsidiaries	V	
	The Company and the subsidiaries' receivables that are 3 months overdue were all actual transactions; therefore, such receivables are not recognized as fund loans to others.	V	
	Proposal to jointly procure offshore wind power in collaboration with subsidiary Sustainable Energy Solution Co., Ltd.	V	
2024.08.09 2024, the 4th term, 3rd meeting	Internal audit business report	V	Adopted with the consent of all the members present in the Audit Committee
	The Company's consolidated financial statements of Q2 2024.	V	
	Serving as guarantor for loan of subsidiaries from financial institutions	V	
	Proposal to terminate the Company's role as a joint guarantor for its subsidiary	V	
	Proposal to issue the Letter of Support by the Company for its subsidiary.	V	
	Amendments to the Company's "Procedures for Ethical Management and Guidelines for Conduct"	V	
	Proposal to increase shareholdings in subsidiaries	V	
2024.08.27 2024, the 4th term, 4th meeting	Proposal to increase cash capital, issue new shares, and participate in the issuance of overseas depositary receipts	V	Adopted with the consent of all the members present in the Audit Committee
	Proposal for the early termination of the land and building lease agreement of the Yilan Branch, and the gratuitous transfer of the buildings.	V	
2024.09.30 2024, the 4th term, 5th meeting	The Company's reinvestment	V	Adopted with the consent of all the members present in the Audit Committee
2024.11.05 2024, the 4th term, 6th meeting	Proposal to jointly procure offshore wind power in collaboration with subsidiary Sustainable Energy Solution Co., Ltd.	V	Adopted with the consent of all the members present in the Audit Committee
	Proposal for subsidiary Sustainable Energy Solution Co., Ltd. to sign a corporate power purchase agreement with Winbond Electronics Corporation	V	
2024.11.08 2024, the 4th term, 7th meeting	Internal audit business report	V	Adopted with the consent of all the members present in the Audit Committee
	The Company's consolidated financial statements of Q3 2024.	V	
	Amendment to the Company's "Internal Control System"	V	
	2025 internal audit plan	V	
	Amendment to the Company's "General Principles on Pre-Approval Policy for Non-Assurance Services."	V	
	The Company's reinvestment	V	
2024.11.27 2024, the 4th term, 8th meeting	Proposal to jointly procure offshore wind power in collaboration with subsidiary Sustainable Energy Solution Co., Ltd.	V	Adopted with the consent of all the members present in the Audit Committee
2024.12.13 2024, the 4th term, 9th meeting	Proposal of earning distribution for the first half of 2024	V	
	Loan of funds to power plant subsidiaries	V	
	Proposal for cash capital increase of the subsidiary, Sustainable Energy Solution Co., Ltd.	V	

- B. Other resolutions which were not approved by the Audit Committee but were approved by two thirds or more of all directors: No such situation.
- II. If there are independent directors' avoidance of motions in conflict of interest, the directors' names, contents of motion, causes for avoidance and voting should be specified: No such matter has occurred in the Company.
- III. Communications between the independent directors, the Company's chief internal auditor and CPAs (e.g. the items, methods and results of audits of corporate finance or operations, etc.).
- A. Other than regularly participating the meetings of the Audit Committee to report the execution the internal audits, the internal audit officer communicates and discusses with the independent directors in person, via phone or emails; every year at least one communication meeting is held with the Audit Committee without the general directors and management.
- B. Other than communicating with the independent directors via the communication meetings with independent directors only, the CPAs also participate the quarterly meetings of the Audit Committee and the board of directors, to communicate with the independent directors regarding the audit or review results of financial statements, advices to the internal controls, and other matters required to be communicated by related laws and regulations.

The summary of the communication between independent directors and internal auditing officers in 2024

Date	Focus of communication	Recommendations and results
2024/02/29 Audit Committee	Chief internal auditor made the Internal Audit Business Report Issued a declaration on the internal control system.	No opinion
2024/05/10 Audit Committee	Chief internal auditor made the Internal Audit Business Report Proposal to amend the Company's "Internal Control System"	No opinion
2024/08/09 Audit Committee	Chief internal auditor made the Internal Audit Business Report	No opinion
2024/11/08 Audit Committee	Chief internal auditor made the Internal Audit Business Report Internal audit plan Proposal to amend the Company's "Internal Control System"	No opinion

2024/12/13 Communication meetings between independent directors and audit officers	1. Personnel under the audit organization and arrangements pertaining to auditor training 2. Implementation status of the 2024 audit plan, and the 2025 audit plan 3. The self-evaluation plan of internal control for 2024 4. Establishment of internal control for sustainable development operations in 2024 5. Enhanced information security review	No opinion
--	---	------------

The summary of the communication between independent directors and CPAs in 2024

Date	Focus of communication	Recommendations and results
2024/02/29 Audit Committee	CPAs explained the audit of 2023 financial statements and its results, and discussed about the application of some accounting principles and the impact of the newly revised decree.	No opinion
2024/05/10 Audit Committee	CPAs explained the audit of Q1 2024 financial statements and its results, and discussed about the application of some accounting principles and the impact of the newly revised decree.	No opinion
2024/08/09 Audit Committee	CPAs explained the audit of Q2 2024 financial statements and its results, and discussed about the application of some accounting principles and the impact of the newly revised decree.	No opinion
2024/11/08 Audit Committee	CPAs explained the audit of Q3 2024 financial statements and its results, and discussed about the application of some accounting principles and the impact of the newly revised decree. Annual audit planning: scope and key points	No opinion

IV. Summarization of the annual major tasks of Audit Committee

The Audit Committee held a total of nine meetings in 2024 to review the following motions:

- A. The fair expression of the Company's financial statements
Review on the 2023 financial statements, and Q1 to Q3 financial statements of 2024.
- B. Selection (dismissal) of CPAs and their competence, independence, performance and professional fees
Review the suitability, independence and performance of CPAs;
Review the service fees of CPAs.
- C. Effective implementation of the Company's internal control
Review of internal audit report, 2023 Statement of Internal Control System, and revision of internal control system
- D. Major assets, derivatives, capital loans and endorsements or guaranteed transactions:
Reviewed the proposals of endorsements/guarantees, loaning of funds, reinvestment related matters, and proposal to increase capital through cash issuance of new shares for participation in overseas depository receipt issuance
- E. Review and amend various regulations and procedures:
Review and amendments to regulations, including Procedures for Financial Derivative Transactions, Internal Audit System, and Internal Control System; amendment to the Company's "General Principles on Pre-Approval Policy for Non-Assurance Services"

C. Corporate Governance Implementation Status, Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
I. Does the Company establish and disclose the Corporate Governance Best-Practice Principles based on “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies”?	V		The Company has established the Corporate Governance Best-Practice Principles based on “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies. The information has been disclosed on the Company’s website and Corporate Governance Area of MOPS (http://mops.twse.com.tw/).	No significant difference
II. Shareholding structure & shareholders’ rights				
(I) Does the Company establish an internal operating procedure to deal with shareholders’ suggestions, doubts, disputes and litigations, and implement based on the procedure?	V		(I) The Company has a spokesperson, stock affairs supervisor, and associated person assigned to effectively handle shareholder’s suggestions or disputes. Legal issues, if any, will be handled with the assistance of legal affairs personnel and a professional lawyer.	No significant difference
(II) Does the Company possess the list of its major shareholders as well as the ultimate owners of those shares?	V		(II) The Company keeps abreast of the shareholding status of directors, managerial officers, and major shareholders holding more than 5% shareholding. The Company discloses relevant information on the Market Observation Post System (MPOS) each month.	No significant difference
(III) Does the company establish and execute the risk management and firewall system within its conglomerate structure?	V		(III) The Company’s internal control covers the corporate risk management activities and operating activities. The Company establishes the “Regulations Governing Supervision on Subsidiaries” to fulfill the risk control mechanism against subsidiaries. The Company also establishes “Regulations Governing Management of Investment”, “Rules Governing Financial and Business Matters Between this Corporation and its Affiliated Enterprises”, and “Operating Procedure for Transactions of Group Members and Specific Companies with Related Parties” to stipulate rules for transactions with affiliated enterprises, including purchases/sales, acquisition or disposition of assets, endorsements/guarantees, and lending of funds.	No significant difference
(IV) Does the company establish internal rules against insiders trading with undisclosed information?	V		(IV) The Company establishes the “Operating Procedure for Prevention of Insider Trading” to prohibit insiders from trading securities based on non-public information.	No significant difference
III. Formation and responsibilities of Board of Directors				
(I) Has the board of director formulated the diversity policy, concrete management targets, and implemented fully?	V		(I) The Company’s “Corporate Governance Best-Practice Principles” has expressly defined the formation of the Board members and ability to be held by the members. The Company has also established the diversified policy for the Board members. For the education and experience, professional quality, independence, and diversity of each director, please refer to “Two. Corporate Governance Report/I. Director’s Information” in the annual report. The information above is also disclosed in the Company’s website.	No significant difference

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
(II) Whether the Company, in addition to establishing the Remuneration Committee and Audit Committee, pursuant to laws, is willing to establish any other functional committees voluntarily?	V		(II) The Commission for Sustainable Development of Enterprises was established in 2016. It is composed of management teams and reports the implementation status and results to the Board of Directors every year. The Company established the Nomination Committee in 2020, to assist in the search, review, and nomination of candidates for directors and senior managerial officers, construct and develop the organizational structure of the Board of Directors and various committees, conduct performance evaluations of the Board of Directors, committees, and directors, evaluate the independence of independent directors, establish and review of directors’ continuing education as well as succession planning for senior managerial officers.	No significant difference
(III) Whether the Company has defined the regulations governing appraisal on performance of the Board of Directors and the approach to conduct the appraisal, whether it conducts the performance appraisal periodically each year, submit the results to BoD and apply as reference for remuneration evaluation of each director and nomination for term renewal?	V		(III) The Company has established the “Regulations Governing the Performance Evaluation of the Board of Directors and Functional Committees” upon the approval of the Board of Directors. The performance evaluation of the Board of Directors and functional committees (including the Remuneration Committee, the Audit Committee and the Nomination Committee) are conducted at least once a year, and the evaluation results are submitted to the Board of Directors. Regarding the evaluation procedures, the President’s Office is responsible for executing and coordinating at the end of each year. Internal questionnaires are adopted, to conduct the evaluation through internal self-evaluation, self-evaluations of board member and functional committee members. The evaluation scope includes the overall board, individual board member, and functional committee’s performance evaluation. The performance evaluation standards of the Board of Directors and the functional committees of the Company mainly include participation in the operation of the Company, improvement of the decision-making quality of the Board of Directors and functional committees, composition and structure of the Board of Directors and functional committees, selection and continuing education of the Board of Directors and functional members, internal control, etc. Furthermore, indicators focusing on sustainable operations (ESG) are also incorporated to strengthen the alignment between board performance and the Company’s ESG goals. The evaluation results are submitted to the Board of Directors for reference in determining individual directors’ remuneration and in the selection or nomination of directors. The Company has completed the performance evaluation for 2024, and all aspects of the evaluation results have met all established benchmark, indicating that the overall operation of the board of directors and committees is in perfect condition. The performance evaluation results were reported to the Board of Directors and disclosed on the Company’s website on February 27, 2025.	No significant difference

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
(IV) Whether the Company assesses the independence of the external auditor periodically?	V		<p>In addition to self-evaluations, the performance evaluation of the Board of Directors is performed by external professional independent institutions or external expert teams at least once every three years, with the evaluation results submitted to the Board of Directors. In October 2024, the Company engaged Taiwan Corporate Governance Association, an external independent institution, to conduct a performance evaluation of the Board of Directors. Taiwan Corporate Governance Association evaluated five aspects: board composition and division of responsibilities, guidance and oversight, authorization and risk management, communication and collaboration, self-control and continuing education. The assessment was carried out through questionnaires and on-site visits, and the Association provided overall evaluation results along with recommendations for improvement. The performance evaluation results were submitted to the Board of Directors and disclosed on the Company’s website on February 27, 2025.</p> <p>(IV) The Company has established “Regulations Governing Appraisal on Independence and Performance of CPAs” to conduct yearly evaluation on CPAs’ independence, competence, and performance. In addition to obtaining Declaration of Independence from the CPA each year, the Company will incorporate Audit Quality Indicators (AQIs) into such evaluation and submit the evaluation report to the Audit Committee and Board of Directors for approval. The Company has completed the 2024 appraisal on the independence and competency of CPAs. The appraisal report has been presented to the Audit Committee and the Board of Directors on February 27, 2025 for review and approval.</p> <p>There are 15 indicators of CPA independence, including: a CPA has not served as directors, managers or positions that have significant influence on audit works; the CPA has no direct or significant indirect financial interest relationship with the Company; the CPA has no close business relationship and potential client and commission relationship with the Company; the CPA does not advertise or mediate stocks or other securities issued by the Company. The competence and performance indicators include service quality, professionalism, and timeliness. There are 13 AQIs covering five scopes of professionalism, quality control, independence, monitoring, and creativity. Examples of AQIs include audit experience and training hours, engagement quality control review (EQCR), non-audit service (NAS), external inspection results & enforcement, and innovative planning or initiatives.</p>	No significant difference
IV. Where the Company is a TWSE/TPEX listed company, has the Company designated a department or personnel that specializes (or is involved) in	V		In order to implement corporate governance and strengthen the function of director, the Company has appointed a dedicated corporate governance officer, who has more	No significant difference

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
corporate governance affairs (including but not limited to, providing directors/supervisors with the information needed to perform their duties, convention of board meetings and shareholders’ meetings under laws, company registration and registration of changes, preparation of board meeting and shareholders’ meeting minutes, etc)?			<p>than three years of experience in the management of finance, shareholder service, and meeting agenda in public companies. The corporate governance officer and the staff of the President’s Office are responsible for corporate governance-related affairs and act as the secretary of the Board of Directors. The main responsibilities of the corporate governance officer include providing directors with the information needed to conduct their business, assisting directors in complying with laws and regulations, assisting directors in taking office and the continuing education, handling matters related to the Board, committee and shareholders’ meetings, and preparing meeting minutes. The implementation of corporate governance in 2024 was as follows:</p> <ol style="list-style-type: none"> 1. Formulated and planned relevant measures for corporate governance, and implemented laws and regulations. 2. Provided the information needed by directors to carry out their business and assisted directors in complying with the decrees. 3. Planned the meeting of Board of Directors, notified all directors at least 7 days before the meeting, provided sufficient information for the meeting, and sent the minutes of the meeting of Board of Directors within 20 days after the meeting. 4. Registered the date of the shareholders’ meeting in advance according to law, prepared the notice of meeting, meeting handbook and meeting records within the legal time limit, and changed the registration after amending of the articles of association or re-election of directors. 5. Provided directors’ refresher courses and purchased liability insurance for directors and key employees. 6. Report to the Board of Directors on whether the qualification of independent directors complies with relevant laws and regulations at the time of nomination, election, and during the term of office. <p>Corporate Governance Officer shall complete at least twelve hours of continuing education courses per year. Please refer to (IX) Continuing Education of Corporate Governance Officer for details on the implementation status of continuing education.</p>	
V. Does the company establish a communication channel and build a designated section on its website for stakeholders (including but not limited to shareholders, employees, customers and suppliers), as well as handle all the issues they care for in terms of corporate social responsibilities?	V		<p>(I) The Company has spokespersons, stock managers and business undertakers, establishes smooth communication channels, and respects and safeguards the legal rights and interests of all stakeholders.</p> <p>(II) The Company has a corporate ESG area and a stakeholder area on its website. It also has established contact telephone and e-mail boxes for business personnel, investors, suppliers and employees’ welfare. All stakeholders can communicate with each other by telephone or e-mail when necessary. In addition, in the corporate ESG area, the Company discloses information about stakeholders’ concerns, communication channels and so on. Every year, the Board of Directors reports on the promotion and implementation of social responsibility of enterprise</p>	No significant difference

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
			and the communication with stakeholders. The most recent report to the Board of Directors was made on May 10, 2024.	
VI. Does the company appoint a professional shareholder service agency to deal with shareholder affairs?	V		The Company designates the professional Yuanta Securities Co., Ltd. to deal with shareholder affairs.	No significant difference
VII. Information Disclosure				
(I) Does the company have a corporate website to disclose both financial standings and the status of corporate governance?	V		(I) The Company has set up a website to disclose information regarding the Company’s financials, business and corporate governance status.	No significant difference
(II) Has the company established other information disclosure channels (e.g., maintaining an English-language website, appointing responsible people to handle information collection and disclosure, appointing spokespersons, or webcasting investor conferences on the company website)?	V		(II) The Company has set up an English website and assigned an appropriate person to handle information collection and disclosure, as well as webcasting investor conferences (http:// www.saswafer.com), to fully disclose company information and implement the spokesperson system in accordance with the regulations.	No significant difference
(III) Whether the Company announces and declare the annual financial statements within two months after the end of the fiscal year, and announce and declare the first, second, and third quarter financial statements and the monthly revenue ahead of the prescribed period?	V		(III) In order to improve the transparency and timeliness of the Company’s information disclosure, starting from the financial statements for 2023, the Company has announced the annual financial report within two months upon the end of the fiscal year, and announced and reported the financial reports for the first, second, and third quarters and monthly operation status well in advance.	No significant difference
VIII. Does the Company have other information that contributes to better understanding of its corporate governance standing (including but not limited to employee rights, employee care, investor relations, supplier relations, stakeholder rights, training completed by directors and supervisors, implementation of risk management policies and risk evaluation criteria, implementation of customer policies, liability insurance policies purchased for directors and supervisors)?	V		(1) Status of employee rights: The Company has always treated its employees in good faith, focused on rational and human-based management, established smooth communication channels, maintained good relations between employer and employees, and safeguarded the legal rights and interests of employees in accordance with the Labor Standard Act and the Company’s personnel regulations. (2) Status of employee wellness: The Company establishes a good relationship of mutual trust with employees through its welfare system and education and training system, such as establishing the Staff Welfare Committee, and providing staff travel, employee insurance, various subsidies and benefits and free annual regular health examination, etc. (3) Investor relations: The Company fully discloses information through MOPS and its website, enables investors to fully understand the Company’s operating conditions, and communicates with investors through shareholders’ meetings and spokespersons. (4) Supplier relations: The Company has formulated “Supplier Evaluation and Management process” to carefully define suppliers’ quality, service level, green products, environmental safety risks, ethics and social responsibility, and select qualified suppliers. The Company deals with suppliers in accordance with its “Ethical Corporate Management Best-Practice Principles”, maintains a good interactive relationship, and audits regularly to ensure supplier quality.	No significant difference

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
			<p>(5) Rights of stakeholders: The Company has contact telephone and e-mail boxes for spokespersons and acting spokespersons, business personnel, investment relations, supplier relations and employee welfare relations, and can communicate directly with stakeholders. It has set up a company website (http:// www.saswafer.com) to disclose its information about finance, business, corporate governance and stock agency.</p> <p>(6) Directors’ continuing education:</p> <ol style="list-style-type: none"> 1. See (IX) Status of Directors’ Training. 2. Disclosed in the Corporate Governance Area of MOPS (http://mops.twse.com.tw). <p>(7) Implementation of risk management policies and risk measurement standards: The Company has formulated “Risk Management Policies” and “Measures for Risk Management” in accordance with the law for various risk management and evaluation. Please refer to this annual report, FIVE. Review of Financial Condition, Operating Results and Risk Management.</p> <p>(8) Implementation of customer policies: The Company always keeps close contact with customers and maintains stable and good relations to ensure the expected reliability and quality of products and create company profits.</p> <p>(9) Purchased liability insurance for directors: The Company has purchased liability insurance for directors to strengthen the protection of shareholders’ rights and interests. It is also disclosed in the Corporate Governance Area of MOPS (http://mops.twse.com.tw).</p>	
<p>IX. Please state the improvement according to the corporate governance evaluation results issued by the Corporate Governance Center of Taiwan Stock Exchange Co., Ltd. in recent years, and put forward priority items to be improved and measures for those which have not yet been improved.</p> <p>The Company has been consistently recognized among the top 5% of TPEX listed companies in the Corporate Governance Evaluation Rankings over the past years. The Company continues to review and enhance the corporate governance. Here are some improvements and possible improvements of this year.</p> <p>(I) Improvements</p> <ol style="list-style-type: none"> 1. The Company has introduced the ISO27001 information security management system and obtained third-party certification. 2. The Sustainability Report was submitted to the Board of Directors for approval. 3. To enhance corporate governance and board performance, the Company amended the “Regulations Governing the Performance Evaluation of Board of Directors and Functional Committee” to incorporate provisions requiring an external evaluation of board performance conducted at least once every three years and engaged Taiwan Corporate Governance Association to conduct the evaluation in 2024. <p>(II) Possible improvements in the future</p> <ol style="list-style-type: none"> 1. Plan to increase the seats of female directors. 2. The general shareholders’ meeting is scheduled to be held by the end of May. 				

D. Operations of the Remuneration Committee:

1. Information of Remuneration Committee Members

March 31, 2025

Identity	Name	Conditions	Professional qualification and experience	Independence status	Number of Other Public Issuing Companies in Which the Individual is Concurrently Serving as an Remuneration Committee Member
Independent Director (Convener)	Jin-Tang Liu	Please refer to the contents of “Two.Corporate Governance Report / I. Directors’ Information / 4. Directors’ Professional Qualifications and Information Disclosure of Independent Directors’ Independence”.	Please refer to the contents of “Two. Corporate Governance Report / I. Directors’ Information / 4. Directors’ Professional Qualifications and Information Disclosure of Independent Directors’ Independence”.	2	
Independent Director	Hou-Chung Kuo			0	
Independent Director	Shao-Lun Li			0	
Independent Director	Chien-Yong Ma			2	

2. Duties of Remuneration Committee:

The Committee shall perform the following duties loyally with due diligence as a good administrator, and submit its suggestions to the Board of Directors for discussion.

- Periodically review the performance appraisal on the Company’s directors and managers, and remuneration policy, system, standard and structure.
- Periodically evaluate and review the contents and amount of the Company’s remuneration to directors and managerial officers.

3. Operations of the Remuneration Committee

- The Company’s Remuneration Committee consists of 4 members and all Independent Directors.
- Term of office of the current members: from June 21, 2023 to June 20, 2026. In the most recent year (2024), the Remuneration Committee held meetings for 3 times (A). Membership and attendance were as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) (B/A)	Note
Convener	Jin-Tang Liu	3	0	100%	Reappointed on June 21, 2023
Member	Hou-Chung Kuo	3	0	100%	Reappointed on June 21, 2023
Member	Shao-Lun Li	3	0	100%	Reappointed on June 21, 2023
Member	Chien-Yong Ma	3	0	100%	Elected on June 21, 2023

Other mentionable items

- If the board of directors declines to adopt or modifies a recommendation of the Remuneration Committee, it should specify the date of the meeting, session, content of the motion, resolution by the board of directors, and the Company’s response to the Remuneration Committee’s opinion (e.g., if the remuneration passed by the Board of Directors exceeds the recommendation of the Remuneration Committee, the circumstances and cause for the difference shall be specified): None.
- Resolutions of the Remuneration Committee objected to by members or subject to a qualified opinion and recorded or declared in writing, the date of the meeting, session, content of the motion, all members’ opinions and the response to members’ opinion should be specified: No such situation.
- The operation of the Remuneration Committee was as follows:

Compensation Committee Session/Date	Content of motion	Resolution results	The Company’s response to the Remuneration Committee’s opinion
5th term 1st meeting, 2024 2024.02.29	Proposal for the distribution of employees’ remuneration and directors’ remuneration for 2023	Agreed and approved by all the members present	
	Amendments to the Company’s “Regulations Governing the Remuneration of Managerial Officers”		
5th term 2nd meeting, 2024 2024.05.10	Amendments to the Company’s “Regulations Governing the Remuneration of Managerial Officers”	Agreed and approved by all the members present	Submitted to the Board meeting and passed upon approval of the whole present directors unanimously.
	Amendment to the Company’s “Measures for Performance”		
	Proposal for the distribution of directors’ remuneration for 2023		
	Proposal for the distribution of managerial officers’ and employees’ remuneration for 2023		
5th term	Amendments to the Company’s “Regulations	Agreed and approved by all	

3rd meeting, 2024 2024.08.09	Governing the Remuneration of Managerial Officers”	the members present		
------------------------------------	--	---------------------	--	--

E. Information of members, and operation of the Nomination Committee

1. Specify the qualification, criteria, and duties of the Nomination Committee members

Qualifications and criteria of the Nomination Committee members:

The Nomination Committee consists of at least three directors elected by the board of directors, and the majority of members shall be independent directors; one convener and chair are elected by members among themselves.

Functions of Nomination Committee:

The Committee shall perform the following duties loyally with due diligence as a good administrator, and submit its suggestions to the Board of Directors for discussion:

- Identify, review and nominate candidates for directors and senior managers based on the professional knowledge, skills, experience, gender and other diversified backgrounds and independence needs of the Company’s Board members and senior managers.
- Construct and develop the organizational structure of the Board of Directors and committees, conduct performance appraisals of the Board of Directors, committees, and directors, and assess the independence of independent directors.
- Formulate and review directors’ continuing education plans and succession plans for directors and senior managers.
- Other matters resolved by the Board of Directors to be handled by the committee.

2. The professional and experience of members, and operation of the Nomination Committee:

- There are six members in the Nomination Committee, and three of them are independent directors; the former convener is Director, Hsiu-Lan Hsu; she has the expertise of operation and management, M&A, and corporate governance, meeting the professional ability required by the Committee. To foster sound corporate governance, the Company’s second Nomination Committee elected Independent Director Jin-Tang Liu among themselves to serve as the convener and meeting chair of the Committee during its 1st meeting held on February 27, 2025. Independent Director Jin-Tang Liu possesses expertise in financial management, business management, and corporate governance, meeting the professional ability required by the Nomination Committee.
- Term of office of the current members: From June 21, 2023 to June 20, 2026. In the most recent year (2024), the Nomination Committee convened one meeting (A); the professional qualifications and experience of independent directors, attendance, and matters discussed during the meeting are as follows:

Title	Name	Professional qualification and experience	Attendance in Person (B)	By Proxy	Actual attendance rate (B/A)	Note
Convener	Jin-Tang Liu	Please refer to the contents of “Two. Corporate Governance Report / I. Directors’ Information / 4. Directors’ Professional Qualifications and Information Disclosure of Independent Directors’ Independence”.	1	0	100%	Reappointed on June 21, 2023
Member	Hsiu-Lan Hsu		1	0	100%	
Member	Tang-Liang Yao		1	0	100%	
Member	Hou-Chung Kuo		1	0	100%	
Member	Shao-Lun Li		1	0	100%	
Member	Chien-Yong Ma		1	0	100%	Elected on June 21, 2023

Note: In FY2024, Director Hsiu-Lan Hsu served as the convener of the Nomination Committee. Starting from February 27, 2025, Independent Director Jin-Tang Liu succeeded her as the convener of the current term of the Nomination Committee.

Other mentionable items

Specify the meeting date, session, proposal description, advice or dissent by the Nomination Committee members, the resolution of the Nomination Committee, and the Company’s treatment of the Nomination Committee’s opinions.

Nominating Committee Session/Date	Content of motion	Resolution results	The Company’s response to the Nomination Committee’s opinion
2nd term 2024 1st meeting 2024.02.29	Performance evaluation of the Company’s Board of Directors and Functional Committees	Agreed and approved by all the members present	Submitted to the Board meeting and passed upon approval of the whole present directors unanimously.

F. Promotion of sustainable development, and variance from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies, and the reasons for any such variance:

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
I. Has the Company established a governance framework to promote sustainable development and a dedicated department (or have another department be responsible for related efforts) for fulfilling sustainable development, with the board of directors authorizing high-level managers to handle such efforts, and having relevant progress be supervised by the board of directors?	V		<p>The Company has established the “Sustainability Development Committee” in 2016 as the Company’s highest-level organization for promoting and implementing corporate social responsibility and sustainability development. The Committee is responsible for coordinating the Company’s ESG (Environmental, Social, and Governance) development direction and setting relevant goals. The Sustainability Development Committee is chaired by Chairperson of the Board, with President serving as Vice Chair, and the Board appointing the Chief Sustainability Officer. This structure is intended to enhance the promotion and implementation of sustainability goals.</p> <p>In order to strengthen sustainable governance, the Board of Directors established the Sustainability Development Charter. In addition, to enhance the disclosure of sustainability information, it also established the Measures for Sustainability Information Management, which clearly define the procedures for preparing the sustainability report as well as compliance requirements for related business activities. These Measures are designed to ensure the integrity, accuracy, and reliability of sustainability information in data sourcing, collection, recording, processing, preparation, approval, and disclosure. This, in turn, enhances the credibility and consistency of sustainability information.</p> <p>Under the Sustainability Development Committee, five sub-committees have been established: Sustainable Operation, Green Manufacturing, Sustainable Supply Chain, Social and Corporate Care, and Corporate Governance and Risk Management. Each sub-committee is composed of the heads of related business and appoints representatives to form implementation taskforces to execute various sustainability projects, in order to implement environmental, social and governance activities.</p> <p>The Sustainability Development Committee reports to the Board of Directors on a quarterly basis, providing information on the key implementation activities, annual goals, the outcomes for the year. Key implementation matters in 2024 include: the greenhouse gas inventory and verification progress of the Group’s branches and subsidiaries; the FSC requirements for ESG disclosure by TWSE/TPEX-listed companies; the preparation and verification of the 2023 sustainability report; the impact of carbon fees, progress on the adoption of IFRS S1/S2; the establishment and submission of SBT; and the organization reform towards sustainability. In the event of a significant issue, an extraordinary motion may be proposed to the Board of Directors.</p> <p>The Board of Directors supervises the goal-setting for sustainable development and reviews the implementation (including the preparation and verification of sustainability report), while giving relevant advice and guidance based on the content of the report of the Sustainability Development Committee.</p>	No significant difference

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
II. Whether the company conducts business operations in accordance with the principle of materiality risk assessment of environmental, social and corporate governance issues, and formulates relevant risk management policies or strategies?	V		<p>The Company has prescribed the “Risk Management Policy and Procedures” approved by the board of directors. The board of directors is the highest risk management unit, based on the overall operating strategies and operating environment, aims to comply with laws and regulations, promote and implement the Company’s holistic risk management, and bear the ultimate responsibility for risk management; the senior management is responsible for planning, commanding, and deploying the implementation of risk management decisions by the board of directors, and coordinating interaction and communication; each functional unit is responsible for analyzing, managing and monitoring related risks within their respective units to ensure the effective implementation of risk control mechanisms and procedures; the internal audit is an independent unit that assists the board of directors to monitor the implementation of the risk management mechanism, audits the implementation status of risk response and control by each functional unit, and provides the improvement advice of risk monitoring. The implementation of the above risk management is reported to the Audit Committee and the Board of Directors annually, and the implementation of which is supervised by the Audit Committee to ensure the effective operation and implementation of risk management.</p> <p>The scope of risk management includes hazard risk, operational risk, financial risk, strategic risk, compliance risk/contract risk, environmental risk and other risks. Through the effective implementation of risk management processes (including risk identification, risk measurement, risk monitoring, risk reporting, and risk response), the Company’s risk management mechanism is realized.</p> <p>The Company conducts risk identification and assessment of environmental, social, and governance issues related to its operations based on the principle of materiality, and formulates relevant risk management strategies. Through engagement with both internal and external stakeholders and by referencing global risk reports, the Company has identified, in addition to extreme weather events, two top short-term high-risk issues: fraudulent and fake information, and information security. In response to the potential impact of these risks on various aspects of operations, the Company has developed corresponding risk strategies and execution mechanisms to ensure that risks have been effectively controlled. For the information about each risk and corresponding risk management strategies, please refer to the “Sustainability Management,” “Governance and Operations,” and “Climate Change Risks and Actions” sections of the Company’s Sustainability Report.</p> <p>The Company regularly assesses risks every year. The risk assessment boundary covers all the Company’s operations and production bases, and the assessment is reported to the board of directors annually. The latest report was made to the board of directors on May 10, 2024.</p>	No significant difference
III. Environmental issues			The Company continuously incorporates environmental management into its daily operations and has established environmental and energy management systems in	No significant difference

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
(I) Whether the Company establishes an appropriate environmental management system which suits its industrial characteristics?	V		<p>accordance with relevant environmental protection laws and regulations. These systems cover areas such as energy use, water resource management, pollution prevention, and waste disposal, etc. Each factory site implements various management plans based on the issues of concern and actual operational needs, progressively carrying out measures for energy conservation, carbon reduction, resource efficiency improvement, and risk prevention.</p> <p>Among factory sites, Zhunan and Yilan Branches have implemented the ISO 14001 Environmental Management System and ISO 50001 Energy Management System, and have passed third-party verification. Information regarding the verification of the Company’s environmental, occupational safety and health, energy, and water resources policies and their respective management systems, including the validity periods of such verification, has been disclosed on the Company’s website. The Company has also continued to implement pollution prevention and resource protection through a systematic management framework and internal audit mechanism, aiming to reduce the potential impact of operating activities on the environment and enhance the sustainability and resilience of operations. Information on the Company’s latest renewed certifications of ISO 14001 and ISO 50001 is as below:</p> <p>ISO 14001: 2015 Expiry: March 12, 2025 - March 11, 2028 Certificate No.: 196463-2016-AE-RGC-RvA</p> <p>ISO 50001: 2018 Expiry: February 22, 2025 - February 21, 2028 Certificate No.: 00001-2022-AN-TWN-TAF</p> <p>ISO 50001: 2018 Expiry: January 10, 2023 - January 9, 2026 Certificate No.: 00004-2023-AN-TWN-TAF</p>	
(II) Whether the Company is committed to improving the utilization efficiency of various resources and using recycled materials with low impact on environmental?	V		<p>Since 2021, the Company has implemented the Energy Management System (ISO 50001:2018) across its manufacturing facilities. Currently, both the Zhunan and Yilan branches have established a systematic PDCA management cycle. This includes conducting inventories of equipment energy consumption within the factory to identify major energy-consuming devices and those requiring priority improvements. These are then subject to monitoring, measurement, and targeted action plans for improvement. Moreover, corresponding energy baselines and energy performance indicators are defined based on each plant’s characteristics and the results of energy use identification. These indicators are updated, monitored, and reviewed for reasonableness on a monthly basis to support continuous improvement in energy efficiency.</p> <p>To mitigate environmental impacts, the Company’s waste management strategy prioritizes reducing raw material usage at the source by improving process design to</p>	No significant difference

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
			<p>minimize waste output. The second priority is in-factory recycling and reuse, with efforts focused on increasing the recycling and reuse rate of process materials. These initiatives not only reduce waste output but also decrease the consumption of raw materials and purchased semi-finished products, thereby lowering the use of consumables and reducing energy consumption related to transportation. The third priority is off-site resource recycling and reuse, while the final approach is outsourcing waste treatment through commissioned services. In terms of actual implementation, the Company reduces the use of limited raw materials by using recycled materials. In addition to utilizing in-factory recycled materials, the Company began sourcing recycled materials externally in 2022 to gradually increase the proportion of recycled materials used.</p> <p>For the Company’s energy management and waste reduction status, please refer to “Chapter 3: Management of Energy and Pollutant Emissions” in the Company’s Sustainability Report.</p>	
(III) Whether the Company assesses the potential risks and opportunities of climate change to the company now and in the future, and takes measures to deal with climate-related issues?	V		<p>The Board of Directors is the Company’s highest governing body for climate change-related matters. The Corporate Sustainability Development Committee was established to review the Company’s climate change-related strategies and goals, manage climate change risks and opportunities, discuss future plans, and report to the Board of Directors.</p> <p>The Company has adopted the Task Force on Climate-related Financial Disclosures (TCFD) framework issued by the Financial Stability Board (FSB) and has developed its own procedures for assessing climate risks and opportunities. It also conducts risk analysis based on different scenarios with potential operational and financial impacts of climate risks and opportunities over the short, medium, and long term (evaluated every two years). The Company focused on 8 risks and 7 opportunities identified from a pool of 13 transitional risks, 3 physical risks, and 20 transitional opportunity issues. Additionally, it gains an understanding of the entire climate change trends to develop corresponding actions.</p> <p>For detailed information on the climate change risks and opportunities, as well as responsive measures, please refer to “Climate Change Risks and Actions” section in the Company’s Sustainability Report.</p>	No significant difference
(IV) Whether the company counts greenhouse gas emissions, water consumption and total weight of waste in the past two years, and formulates policies for energy, carbon, greenhouse gas and water use reduction, or other waste management?	V		<p>1. Since 2021, the Company has progressively implemented and completed a systematic greenhouse gas emissions inventory (ISO 14064-1: 2018) and established an inventory list database. The reporting boundary initially covered Chunan and Yilan Branches in 2021, and was expanded in 2022 to include the headquarters, Chunan, Yilan, and Hsu-Hsin Branches. Due to the changes in the reporting boundary for greenhouse gas inventory, 2022 was designated as the new base year. The Company has obtained third-party declaration of verification. The greenhouse gas emissions attributed to organizational operations include Scope 1 direct emissions (Category 1, direct greenhouse gas emissions), Scope 2 energy</p>	No significant difference

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
			<p>indirect emissions (category 2, indirect greenhouse gas emissions from input energy), and Scope 3 other indirect emissions (Categories 3 to 6, with Category 4 covering emissions from upstream tap water usage and waste treatment). For information on greenhouse gas emissions, water consumption, and total waste weight, as well as the coverage of relevant inventory and data verification, please refer to “Climate Change Risks and Actions” section and “Chapter 3. Management of Energy and Pollutant Emissions” in the Company’s Sustainability Report. For the declaration of verification, please visit the Company’s website.</p> <p>2. According to results of the organizational examination of greenhouse gas emissions, the main source of greenhouse gas emissions of the Company is electricity (Scope 2). Therefore, the reduction of electricity use and the improvement of energy efficiency are the top priorities of the Company at present. Starting from the corporate core of the Company, by introducing the environmental management system and the energy management system, the Company promotes various energy-saving improvement measures to achieve the goal of energy saving and carbon reduction. Each plant develops annual energy-conservation plans, with a short-term target of achieving a power-saving rate of more than 1% per plant area each year. In 2024, Chunan and Yilan Branches conserved 939,869 kWh of electricity (3,384 GJ), which is equivalent to reducing approximately 464.3 metric tons of carbon dioxide emissions compared to the previous year. Including the energy-conservation performance of GlobalWafers - Taiwan, the total energy electricity conserved in 2024 reached 4,766,711 kWh (17,160 GJ), which is equivalent to reducing approximately 2,354.8 metric tons of carbon dioxide emissions. For the energy management and achievements of energy conservation measures, please refer to “Chapter 3: Management of Energy and Pollutant Emissions” in the Company’s Sustainability Report.</p> <p>3. In addition to energy saving and carbon reduction, by promoting ISO 14001 Environment Management System, the Company has introduced the concept of product life cycle through the promotion of the new ISO 14001 environmental management system in other parts of environmental protection improvement, such as water saving and waste reduction, so that the reduction of raw materials at the source can be achieved from the improvement of process and product design stages. With respect to prevention of air pollution and water pollution, the company also works with the promulgation of the environment management system. Each year, goals for energy conservation, water conservation, waste reduction and resource saving are established in order to lower energy resource consumption while achieving results of reducing greenhouse gas emission. In the aspect of waste management, the traditional concept of clean-up and disposal is transformed into the concept of effective management of resources, so as to reduce the output of waste. The second priority is in-factory recycling and reuse, with efforts focused on increasing the recycling and reuse rate of process materials. These initiatives not</p>	

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
			<p>only reduce waste output but also decrease the consumption of raw materials and purchased semi-finished products, thereby lowering the use of consumables and reducing energy consumption related to transportation. The third priority is off-site resource recycling and reuse, while the final approach is outsourcing waste treatment through commissioned services.</p> <p>For the information above, please refer to the Section “Climate Change Risks and Actions” and “Chapter 3. Management of Energy and Pollutant Emissions” in the Company’s Sustainability Report</p>	
<p>IV. Society issues</p> <p>(I) Whether the Company establishes the related management policies and procedures in accordance with the relevant laws and international human rights conventions?</p>	V		<p>The Company upholds the core value of respecting employees and putting people first. We observe and support the local laws and regulations of our business locations around the world; safeguard the legal rights and interests of full-time employees, contract workers and part-time staff, interns, and job seekers; and are committed to promoting cooperation and encouraging our partnering suppliers to adopt the same standard in their operating activities.</p> <p>The Company recognizes and supports the spirit and basic principles of human rights protection mandated in international human rights conventions such as the “Universal Declaration of Human Rights,” the “United Nations Global Compact,” and the “International Labor Conventions,” and abide by relevant labor laws and above international human rights regulations, setting a “Human Rights Policy”, in an effort to create an equal, safe, and dignified workplace environment.</p> <p>The five policy guidelines and related implementation status of the Company “Human Rights Policy” are as below:</p> <ol style="list-style-type: none"> 1. Continuing to create opportunities for achieving diversity, inclusiveness, and equality and prohibit any forms of discrimination (including on the basis of gender, sexual orientation, race, class, age, marital status, language, thought, religion, nationality, political party, place of origin, place of birth, appearance, facial features, disability, etc.) <p>The Company continues to promote the prohibition of all inappropriate discrimination in recruitment, appointment, and operating processes. To fulfill the responsibility of caring for migrant workers, we not only organize Christmas parties or prepare Christmas gifts for Filipino workers every year, but also commit to improving their overseas living conditions.</p> <ol style="list-style-type: none"> 2. Prohibition of human trafficking, forced labor, and child labor <p>During the recruitment process, we ensure that all labor is obtained through direct employment or provided by legal human resources dispatch services and staffing agencies. No illegal methods are used to compel employees to perform work that violates laws or regulations, or that is unfairly compensated relative to their performance.</p> <p>The Company complies with all labor-related laws and respects the wishes of all</p>	No significant difference

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
			<p>employees. The “Personnel Employment Rule” clearly prohibits the recruitment of forced, coerced, or involuntary labor. The Company compiles a monthly analysis of employee attendance as a reference for working hour management, and encourages work-life balance.</p> <p>In addition, the Company rigorously verifies candidates’ identity documents during the recruitment stage, and ensures that no child labor under the age of 16 is employed based on interviews and observations. In addition, methods of detecting child labor and remedial measures are clearly stipulated in the “Personnel Employment Rules.” If use of child labor in operational processes is found, relevant remedial plans will be enforced for six months or until the child reaches the age of 16 in order to protect the rights of the child.</p> <p>3. Creating a safe and healthy work environment. Any form of harassment and inhumane treatment is prohibited.</p> <p>The Company continues to provide free health examinations, free influenza vaccination, arrange on-premise medical services, organizes health promotion activities, and keep track of specific populations to raise employees’ awareness of self-health management. In 2024, the Company organized various health promotion activities, including health lectures, first-aid training, cancer prevention screening, a “7,000 Steps a Day” walking challenge, and fitness classes, with a total of 3,278 participants. The Company also establishes various work safety and self-health management procedures and operating standards, and implements special hazardous operation control, chemical management, and environmental monitoring to prevent occupational injuries, eliminate hazards, and reduce environmental safety and health risks, thereby creating a safe operating environment for employees.</p> <p>The Company has established the “Regulations for the Prevention of Unlawful Infringement in the Workplace” and the “Measures for the Prevention of Sexual Harassment in the Workplace” to prevent any physical or mental illegal infringement caused by others during the performance of duties. Multiple reporting channels are available to employees, and dedicated personnel are assigned to handle all reports and complaints.</p> <p>4. Providing fair and reasonable salaries and working conditions</p> <p>Each year, the Company determines industry salary standards through salary surveys, and appropriately adjusts employee salaries with reference to objective data such as overall economic indicators and price indexes. For the purpose of fairness, employee remuneration standards are based on job position, seniority, and professional skills to ensure equal pay for equal work and avoid discrimination and differential treatment on the basis of gender, age, or other conditions. In addition, the Company also strictly controls working hours to meet the legal limit, and actively prevents burnout through regular working hour analysis reports and an abnormal attendance management system.</p>	

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons								
	Yes	No	Abstract Explanation									
			<p>5. Providing avenues and environment for freedom of expression and respecting employees’ freedom of association.</p> <p>The Company has established multiple communication channels and holds labor-employee meetings quarterly to discuss labor-management relations, labor conditions, labor benefits, and other matters to foster harmonious labor-management relationship. The Company has also set up email, hotline, and physical suggestion boxes to provide employees with whistleblowing and grievance channels, so that their dissatisfaction and concerns can be expressed and resolved.</p> <p><u>Employee Satisfaction Survey</u></p> <p>The Company conducts annual employee satisfaction surveys organized by the Human Resources Department to comprehensively understand employees’ working experiences and gather their feedback. The survey covers six key aspects: engagement, leadership and communication, rewards and recognition, career development, work environment, and work-life balance. Through in-depth analysis, the Company identifies organizational strengths and areas for improvement. Specific improvement actions are then developed based on the survey results to continuously enhance the workplace environment, employee satisfaction, and overall corporate competitiveness.</p> <p>In 2024, the overall employee satisfaction score was 3.89 out of 5, with a participation rate of 63.45%. The satisfaction score of the Headquarters, Zhunan Branch, and Hsu-Hsin Branch reached 3.99, while the Yilan Branch recorded a score of 3.81.</p> <p>To further improve employee satisfaction, the Company will implement training initiatives that promote positive leadership across generations, increase awareness of labor laws, and prevent unlawful conduct in the workplace. Additionally, in response to employee feedback from the 2024 survey, the Company has optimized its uniform and workwear policy by allowing employees to decide whether or not to wear company uniforms during work hours, thereby enhancing their comfort and autonomy.</p> <table><tr><td>Survey Scope</td><td>2024 Overall Satisfaction (Max: 5)</td></tr><tr><td>Headquarters, Chunan Branch, and Hsu-Hsin Branch</td><td>3.99</td></tr><tr><td>Yilan Branch</td><td>3.81</td></tr><tr><td>Sino-American Silicon Products Inc. – Overall</td><td>3.89</td></tr></table> <p>The Company upholds the principles of diversity, inclusion, and equality. In addition to formulating the “Human Rights Policy,” it has also issued the “Diversity, Equity, and Inclusion (DEI) Workplace Statement.” Both documents are endorsed by senior</p>	Survey Scope	2024 Overall Satisfaction (Max: 5)	Headquarters, Chunan Branch, and Hsu-Hsin Branch	3.99	Yilan Branch	3.81	Sino-American Silicon Products Inc. – Overall	3.89	
Survey Scope	2024 Overall Satisfaction (Max: 5)											
Headquarters, Chunan Branch, and Hsu-Hsin Branch	3.99											
Yilan Branch	3.81											
Sino-American Silicon Products Inc. – Overall	3.89											

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
			<p>executives and publicly disclosed on the Company’s official website. Regular human rights due diligence is conducted. The Company conducts risk identification and assessment through human rights-related assessment tools, and adopts mitigation measures and remedial measures for various risk issues. When facing unlawful infringement or any related concerns, individuals may file a report, either anonymously or under their real name, through various channels such as email, a dedicated hotline, or physical suggestion boxes. Relevant committees will keep the entire handling process confidential. Meeting outcomes will be used to actively track, monitor, and provide necessary support to the parties involved so as to safeguard human rights and avoid recurrence. The Company has not been the subject of any complaints for violation of human rights (forced labor, child labor, discrimination, harassment, and infringement of freedom of association) at all operating locations in the past three years.</p> <p>Regarding training, new recruits receive human rights training upon onboarding; existing employees are periodically assigned to attend courses on prevention of unlawful infringement and sexual harassment in the workplace. In 2024, a total of 1,072 employees participated in human rights education and training, accumulating 1,342 training hours. The Company continuously promotes concepts associated with human rights.</p> <p>The Headquarters and Zhunan Branch of Sino-American Silicon Products Inc. were jointly awarded the Excellence Award in the “2024 Hsinchu Science Park Outstanding Unit for the Promotion of Workplace Equality Evaluation,” reflecting the Company’s commitment to becoming a model of a happy and healthy workplace. In 2024, Yilan Branch successfully passed the RBA VAP audit and was honored with the Silver Award. These recognitions demonstrate its strong dedication and attitude to employees, human rights, and social responsibility, as well as its efforts to create a safe and friendly working environment for all employees.</p>	
(II) Whether the Company legislates and implements reasonable employee welfare measures (including compensation, vacations and other benefits), and appropriately reflect operating performance or results in employee compensation?	V		<p>The Company fairly decides and distributes employees’ remunerations from the annual profit, if any, for 3% to 15%, as set forth in the Articles of Incorporation, and the performance of individual employee pursuant to the “Employee Remuneration Distribution Procedures.” It seeks to properly reflect the operating performance or results in the employees’ remunerations.</p> <p>The Company establishes attendance rules in accordance with the Labor Standards Act. The attendance rules specify paid leaves to which employees are entitled. In addition to the general benefits such as labor insurance, health insurance, group insurance, and pension payment, the benefits provided by the Company to the employees include year-end bonus, birthday and festival gift money, year-end banquet, wedding and funeral subsidies, childbirth subsidies, annual travel subsidies, employee health checkup, employee meal subsidies, emergency relief,</p>	No significant difference

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
			<p>employee/children scholarship, on-the-job training subsidies, club activity subsidies, education and training subsidies, among other things.</p> <p>Since 2021, the Company has introduced the Employee Assistance Program (EAP) to provide comprehensive employee care. The program offers a wide range of consultation services, including emotional management, interpersonal relationships, legal matters, career development, family and parent-child issues, finance, and more, aiming to help employees work with peace of mind.</p> <p>Since 2021, the trust of employee shareholding was also added. Employees may evaluate on their own whether to join or not, and participants are given rewards equal to 100% of the amount contributed by themselves.</p>	
(III) Whether the Company provides its employees with a safe and healthy work environment, and regularly implements employee safety and health education measures?	V		<p>1. The Company is committed to creating a safe and healthy working environment. A health center has been established in the plant site, staffed with full-time nurses and regularly visiting occupational physicians who provide clinic services and professional health education consultations.</p> <p>Employee healthcare is evolving toward greater diversity. The Company provides annual health examinations that exceed regulatory requirements. Every year, based on the analysis of the test data collected from the overall health examination report of the employees, an annual health management plan with improvement planning that meets the health needs is formulated to maintain the physical health of the employees. Additionally, the Company provides free influenza vaccinations to employees each year to help strengthen their immunity and reduce the risk of cluster infections in the workplace.</p> <p>The Company is committed to implementing maternal protection program and proactively enhancing workplace-friendly measures that go beyond legal requirements. Since 2021, the Company has arranged the “Good Maternity Pack” program, where each expecting mother will be given a good maternity pack, i.e. a breastfeeding pillow. Dedicated parking spaces and identification armband are also available for these employees. Pregnant employees are encouraged to report their pregnancy early to receive workplace maternal health assessments and initiate protective measures as soon as possible. Through these initiatives, the Company aims to create a mother-friendly workplace where employees can feel secure at work while nurturing a new life.</p> <p>In 2024, the Company organized a variety of health promotion activities, with a total of 3,278 participants. These activities included cancer screening, health seminars (such as “Building a Friendly Workplace,” “Healthy Living with Strong Bones and Osteoarthritis Awareness,” and “Atopic Dermatitis: The Itchy Monster Within”), the “7,000 Steps a Day” walking challenge, and fitness courses. These efforts aim to help employees develop regular exercise habits. In addition, the Company has introduced the Employee Assistance Program (EAP) services provided by the Hsinchu Life Line Association, offering each employee 2 free one-</p>	No significant difference

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
			<p>to-one consultation sessions per year to protect their physical and mental health. To ensure workplace environment safety, the Company has not only assigned first-aid personnel for each shift in accordance with legal requirements but also designated emergency response staff. Each factory is equipped with automatic external defibrillator (AED) connected 24/7 and is staffed with AED managers. The Company also holds annual CPR+AED practical operation skills courses. In 2024, a total of 23 sessions were held, with 276 employees participating. Regular “In-plant Emergency Rescue Response Measures and Chemical Splash Cleanup Course” is arranged for first-aid personnel and other staff based on business needs. These efforts aim to ensure that appropriate emergency response and first-aid measures can be taken effectively and promptly in the event of an incident within the factory.</p> <p>2. The Company’s Chunan and Yilan Plants (coverage of verification) have passed ISO 45001 occupational safety management system verification to provide employees with a healthy and safe working environment. Certificate information is updated as follows: ISO 45001: 2018 Expiry: March 12, 2025 - March 11, 2028 Certificate No.: 196466-2016-ASA-RGC-JAS-ANZ For more information on the aforementioned management system certifications and the Company’s environmental, safety, and health policies, please visit the Company’s website.</p> <p>3. The Company fully recognizes that a safe and healthy working environment not only enables employees to work with peace of mind, but also provides a foundation for the Company’s sustainable development. Therefore, we established an occupational health and safety management system based on the ISO 45001 standard to integrate health and safety into daily operations. We believe that workplace safety is not achieved through a single system or regulation, but through the collective efforts of all employees and management. The occupational health and safety management system covers the Company’s main operational sites, extending from in-plant employees to contractors. We are committed to providing a healthy and safe working environment for everyone. Regarding safety and health education and training, in order to enhance the occupational safety and health awareness and responsiveness of workers, the Company develops environmental, safety, and health education and training programs annually based on internal management needs, employee feedback, and external issues. The training covers new recruits, in-service employees, managers at all levels, and contractors. The courses focus on understanding of relevant regulations, occupational safety management, and emergency response and rescue, aims to strengthen workers’ safety awareness and risk responsiveness in the workplace. Additionally, the Company is committed to creating a safe and comfortable working environment,</p>	

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
			<p>recognizing employee health as a key element of its success and sustainable development. A health center has been established in the plant site, staffed with full-time nurses and regularly visiting occupational physicians who provide clinic services. Long-term cooperated occupational physicians offers in-depth health education consultations, guidance on how employees can adjust their lifestyle and exercise routines, and professional health guidance. Moreover, the Company organizes internal Employee Caring Program (ECP) built around five pillars: maternity protection, prevention of excessive workloads, middle-aged and elderly employee health protection, prevention of unlawful infringement in the workplace, and ergonomic hazard prevention. This program offers comprehensive care for employees, including introducing Employee Assistance Program (EAP) services provided by the Hsinchu Life Line Association. To safeguard employees’ physical and mental well-being, the Company also hosts diversified health care programs, health seminars (such as “Building a Friendly Workplace,” “Healthy Living with Strong Bones and Osteoarthritis Awareness,” and “Atopic Dermatitis: The Itchy Monster Within”), and a variety of health promotion activities. In 2024, the Headquarters and Zhunan Branch of Sino-American Silicon Products Inc. were awarded the Excellence Award in the 2024 Hsinchu Science Park Outstanding Unit for the Promotion of Workplace Equality Evaluation, reflecting the Company’s commitment to becoming a model of a happy and healthy workplace. To ensure safety in workplace environment, the Company holds annual CPR+AED practical operation skills courses and arranges regular “In-plant Emergency Rescue Response Measures and Chemical Splash Cleanup Course” for first-aid personnel and other staff based on business needs. These efforts aim to ensure that appropriate emergency response and first-aid measures can be taken effectively and promptly in the event of an incident within the factory, thereby creating a safe working environment. For detailed information on the number of participants and training hours related to occupational safety and health education and training, as well as aforementioned information, please refer to “Chapter 5: Occupational Health and Safety” in the Company’s Sustainability Report.</p> <p>4. Working environment monitoring: To protect workers from exposure to hazardous substances in the workplace and to provide them with a healthy and comfortable working environment, the working environment monitoring is held twice a year to gradually gain understanding of employees’ exposure levels.</p> <p>5. Occupational safety and health inspection: In addition to the irregular inspections of work operations and contractor safety, as well as regular internal audit of the management system, the Company promotes safety culture and occupational safety activities to enhance the employees’ attention on safety. This includes training safety seed personnel, strengthening the voluntary inspection of the operating environment safety, and expanding and deepening the scope and content of safety inspection. For detailed implementation of these initiatives, please refer</p>	

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
			<p>to “Chapter 5: Occupational Health and Safety” in the Company’s Sustainable Report.</p> <p>6. Equipment safety management: Hazardous machines and equipment are managed and regularly inspected in accordance with the “Regulations for Safety Inspection of Hazardous Machines and Equipment” to ensure their safe operation.</p> <p>7. There were no fatalities, work-related illnesses, or significant occupational incidents arising from work in 2024. In terms of employees, a total of 10 work-related injuries (excluding commuting incidents) and 1 false alarm were reported. Based on the disabling injury indicators defined by the Ministry of Labor, the disabling injury frequency rate (FR) was 7.66, and the disabling injury severity rate (SR) was 46. These figures indicate room for improvement compared to the industry averages in the electronics components manufacturing and semiconductor manufacturing sectors. We have conducted dedicated investigations for each occupational disaster incident, and taken improvement measures (such as improving facilities/equipment, establishing systematic document specifications, or strengthening personnel education and training) based on the root cause of the incident, and provided training to other departments to prevent similar incidents from occurring again.</p> <p>8. The number of fire incidents, fatalities, and ratio of fatalities to total employees of the Company in 2024 were all 0. In order to avoid disasters, improve safety management (including fire safety), and effectively respond to disasters and correct/prevent recurrences, the Company has established “Management Procedures for Incident Reporting, Handling, and Investigation,” “Emergency Preparation and Response Management Procedures,” and “Nonconformity and Corrective Action Management Procedures,” and conduct contingency drills for possible emergencies.</p>	
(IV) Whether the Company establishes an effective career development training plan for employees?	V		<p>The Company prepares the annual education and training program based on its operating strategies, and short-, medium-, and long-term goals, while valuing the talent cultivation and technology inheritance. A variety of training courses, industry-academia collaborations, and research projects are offered to help employees stay aligned with real-time global market trends and technology updates. These trainings are supported by job substitution, job rotation, and on-the-job training to strengthen employees’ different competencies. We provide diverse training resources, encompassing the following six categories: the New Recruit Academy, General Competency Academy for Support Staff, Business Management Academy, Professional Competency Academy, Environmental Safety and Health Academy, and Health Promotion Academy. This system provides suitable training courses for employees in their different stages of career development, so that the Company and employees will be adaptive to the ever evolving world, and possess the knowledge, skills, and capabilities to keep up with the times.</p>	No significant difference

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
			<p>The Company’s learning culture is promoted to encourage colleagues to contribute their expertise and make full use of training resources, and has establish “Regulations for Internal Lecturer Management” for implementing the Company’s knowledge management, technology inheritance, and consolidate core competitiveness.</p> <p>In order to help managers enhance their leadership and decision-making capabilities, as well as effectively lead and inspire teams to achieve the Company’s goals, the Company provides not only internal departmental training but also systematic training for potential senior managers through external training institutions, such as the Chinese Professional Management Association (CPMA), offering opportunities for exchange with other industry participants and jointly promote industrial development. In 2024, three managers participated in the external senior manager training. At present, a total of seven managers have completed the training.</p> <p>As a high-quality green energy solution provider, SAS organized 3 ESG training sessions in 2024 to promote environmental protection, social responsibility, and corporate governance. The aim was to enhance the Group’s employees’ understanding of the importance of ESG and corporate sustainability goals. A total of 328 employees participated in the sessions, accumulating 886 training hours.</p> <p>In 2024, a total of 38 sessions of functional training for new recruits were conducted, attended by 43 participants, with total 215.5 hours; 784 sessions of professional function training were conducted, attended by 10,887 persons, with total 2,002.5 hours; 305 sessions of general function training were conducted, attended by 3,277 persons, with total 481.5 hours.</p>	
(V) With regard to customer health and safety, customer privacy, marketing and labeling of products and services, has the company followed relevant regulations and international standards, and formulated relevant consumer protection policies and appeal procedures?	V		<p>The Company’s products and services comply with the relevant regulations and standards applicable to the Company’s industry; through supplier management, it is ensured that the products from the supply chain fully conform to the industrial standards and policies like RoHS, REACH, WEEE, among other things, to fulfill its social and environmental responsibilities; the Company is also committed to comply with product standards and operational regulations in plants required by customers, to fully deliver on its commitments, and maintain quality relationships. The Company also has a legal compliance unit in place, to ensure that commercial conditions, products, processes and services meet the requirements of competition laws and relevant export control regulations with jurisdiction.</p> <p>Before working with any customer, the Company signs a non-disclosure agreement (NDA) approved by the legal department, and personnel shall not breach the contracts entered with the Company by disclosing the known trade secrets to others, nor shall they inquire or collect trade secrets not related to their duties, in order to fully protect the confidential and sensitive information of both parties. With regard to the protection of customers’ personal information, the Company’s Compliance Unit</p>	No significant difference

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
			<p>charges the unit in charge of data with conducting regular inventory of personal data involved in business operations to ensure that the unit in charge of data observes the Personal Information Protection Act when collecting, processing, and using personal data. The Company has established the “Procedures of Customer Complaints Management” to maintain good communications with its customers, as well as effective appealing procedures regarding products and service.</p> <p>The Company has formulated the “Privacy Policy” to protect the personal information of the customers. The policy specifies the regulations and procedures that should be followed in the collection, processing, use, access, and disclosure of information that may be used to identify a natural person (personal information). It covers three aspects: “privacy protection,” “personal information collection, processing, and use,” and “safety measures.” The specific contents have been disclosed on the Company’s website for stakeholders reference. In addition to the above-mentioned “Privacy Policy,” the Company has also established “Regulations for Personal Information Protection Management” to manage data and regulate employees’ collection, processing, and use of personal information in business operations. The Company’s Compliance Unit conducts regular audits and organizes “Personal Information Protection Education and Training.” Each data responsible unit is required to conduct inventory of personal information involved in business operations, to ensure compliance with the Personal Data Protection Act in the collection, processing, and use of personal information.</p>	
(VI) Whether the company formulates supplier management policies that require suppliers to follow relevant regulations on environmental protection, occupational safety and health or labor human rights, and their implementation?	V		<p>The Company emphasizes the sustainable management of suppliers. For the requirements of sustainability, we focus on the requirements under the supplier’s environmental, social and corporate governance aspects.</p> <p>To cope with operating system for the supplier management, the Company has established the “Supplier Evaluation and Appraisal Mechanism,” to regularly manage, evaluate, appraise, coach, and track the improvement of suppliers. Meanwhile, based on the supply chain management policy, the Company requires suppliers to sign the “Statement of Commitment to Supplier’s Code of Conduct” and to comply with the Responsible Business Alliance (RBA) Code of Conduct, to ensure that suppliers adopt the same standards as the Company with respect to anti-bribery and corruption, social and environmental responsibility, conflict-free minerals, trade compliance, non-infringement, prohibition of silicon materials linked to forced labor, and green procurement (RoHS, REACH and WEEE), while promoting the cooperation to join the engagement in green procurement, and enforcing policies and regulations related to environmental protection, occupational safety and health, intellectual property rights, labor rights, and human rights.</p> <ul style="list-style-type: none"> ● Supplier Management Strategy <ol style="list-style-type: none"> 1. Establish a green supply chain, emphasize environmental issues, and 	No significant difference

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
			<p>implement sustainable risk management.</p> <p>(1) Building a Green Supply Chain, Emphasizing Environmental Issues, and Implementing Sustainable Risk Management</p> <ul style="list-style-type: none"> • Actively promote green procurement to pursue economic benefits while ensuring environmental friendliness. • Encourage suppliers to transition from energy saving and carbon reduction to circular economy practices. • Require suppliers to commit to supplying products that comply with both domestic and international regulations (RoHS, REACH, and WEEE). • Strengthen waste resource reuse and strive to reduce environmental pollution. <p>(2) Enhancing Supply Chain Capacity Continue to assist in the localization of the supply chain and enhance the industry’s cost competitiveness.</p> <ul style="list-style-type: none"> • A total of 545 suppliers are engaged, of which 507 are located in Taiwan, accounting for 93% of the overall supply base. <p>(3) Conflict Minerals Policy Do not procure raw materials sourced from conflict-affected areas.</p> <ul style="list-style-type: none"> • Suppliers are required to commit that the products provided are free of conflict minerals. <p>(4) Enhancing Cost Leadership Capabilities Integrate group resources and establish strategic cooperation to obtain the most competitive supply chain value.</p> <p>(5) Commitment to Social Responsibility</p> <ul style="list-style-type: none"> • Suppliers shall thoroughly understand, adopt, and commit to complying with the Responsible Business Alliance (RBA) Code of Conduct. This ensures that labor safety and the standards related to environmental protection and ethical business practices in the electronics industry—or industries where electronic components are essential—are upheld and recognized, including standards regarding labor, health and safety, environment, and business ethics. <ul style="list-style-type: none"> ● Operation of Evaluation and Appraisal: Suppliers must pass the supplier evaluation process and comply with the Supplier Code of Conduct. <p>1. Evaluation process</p> <p>(1) Domestic and foreign suppliers that have valid certifications such as ISO 9001:2015, IATF 16949:2016 and ISO 14001:2015, proving their quality systems have been reviewed and certified as qualified by a recognized institution or equivalent international standards.</p>	

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
			<p>(2) For the domestic suppliers of raw materials and major consumables without ISO 9001:2015, IATF 16949:2016, or ISO 14001:2015 quality certification, the on-site appraisal will be conducted to see whether the vendor is qualified as supplier. The foreign suppliers must conduct a self-assessment with the “Survey of Suppliers’ Quality Management System” and “Survey Related to the Suppliers’ Environment.” If the self-assessment result is 70 points or above, such vendors are subject to the approval by the Company’s internal quality assurance, R&D and procurement personnel.</p> <p>2. Status of implementation:</p> <p>(1) Statement of Commitment to Supplier’s Code of Conduct signed by suppliers</p> <p>(2) Supplier quality certification management system</p> <p>9. On-site audit</p> <p>An annual supplier audit plan is formulated, and regular audits are conducted once a year to ensure that suppliers continue to maintain their supply and service quality.</p> <p>Implementation status: No supplier scored less than 70 points in 2024.</p> <p>10. Coaching the Improvement and Tracking</p> <p>During the audit process, the Company provides counseling and advice for improvement, and tracks the improvement status.</p> <p>Implementation status: In 2024, no vendor was listed to be tracked for counseling improvement.</p>	
V. Does the company prepare sustainability reports and other reports that disclose non-financial information by following international reporting standards or guidelines? Does the company obtain third-party assurance or guarantees for the reports above?	V		<p>1. The Company prepares Sustainability Reports in alignment with the “GRI Standards: 2021” issued by the Global Reporting Initiative (GRI), the “Semiconductors Sustainability Accounting Standard 2023” issued by the Sustainability Accounting Standards Board (SASB), and the “Rules Governing the Preparation and Filing of Corporate Social Responsibility Reports by TPEX Listed Companies.”</p> <p>2. The Company’s 2024 Sustainability Report was verified by DQS Taiwan Inc. It complies with the requirements of GRI Standards:2021 and the AA1000 AS v.3 2020 for Type 1 moderate assurance. Both the Sustainability Report and the declaration of verification are disclosed on the Company’s website and the MOPS.</p>	No significant difference
VI. If the Company has established the corporate social responsibility principles based on “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies”, please describe any discrepancy between the Principles and their implementation: The Company has established the “Sustainable Development Best-Practice Principles” and devoted to promoting the sustainable development, with no significant differences from the aforementioned Principles.				
VII. Other important information to facilitate better understanding of the Company’s promotion of sustainability development:				

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
<p>1. Environmental protection: It is everyone’s responsibility to promote environmental protection and low-carbon activities. In addition to strengthening energy-saving management and control of the process, the Company actively implements waste classification and resource recovery, promotes energy saving and carbon reduction, and has energy-saving and carbon-reduction equipment expenditure.</p> <p>2. Social welfare: The Company continues to assess risks and opportunities in its place of business operations (locations in Taiwan include Hsinchu, Miaoli, and Yilan). We are committed to taking care of disadvantaged individuals in rural areas, such as economically disadvantaged families, children, and those with physical and mental disabilities, expecting through the charity donation activity support to improve their life and education condition. In addition, implement specific action plans for environmental protection in the place of operation through local volunteer services. To encourage employee participation in charity and welfare, the Company will match employee’s contribution at a 1: 1 ratio (i.e., the Company will donate the exact same amount of donation made by employees), thereby increasing the size of donation to help more places that are in need of assistance. The Company invested resources in the following social welfare activities in 2024:</p> <p>(1) “Post-Disaster Reconstruction for the Hualien 0403 Earthquake” in which we donated a total of NT\$3 million to the “Hualien County Government’s Major Disaster Social Assistance Fund.”</p> <p>(2) “Teenager Development and Service Program” in which we donated a total of NT\$300,000 to the Miaobin Center of World Vision Taiwan.</p> <p>(3) “Art Appreciation Program for People with Mental or Physical Disabilities” in which we donated a total of NT\$30,000 to the Yilan Abao Foundation.</p> <p>(4) “Renovation Project for Nursing Homes for Underprivileged Individuals in a Vegetative State” in which we donated a total of NT\$397,000 to the Miaoli Branch of the Genesis Social Welfare Foundation.</p> <p>(5) “Red Nose Doctor Hospital Performance Program” in which we donated a total of NT\$312,800 to the Dr. RedNose Association.</p> <p>(6) “Mid-Autumn Festival Moon Cake Donation Charity Event” in which we donated NT\$12,000 and NT\$15,000 to Holy Family for Special Education and Yilan Hsing-Fu Social Welfare Charity Foundation, respectively. In addition, the Company donated 5 secondhand monitors to Yilan Hsing-Fu Social Welfare Charity Foundation, 10 to World Vision Taiwan, and 3 to Abo Foundation, promoting the recycling and reuse of the Company’s secondhand equipment.</p> <p>(7) The Company’s health center organized the “Let’s Walk Together – 7,000 Steps a Day for Rewards and Charity” event, which rewards participants for every 7,000 steps of walking. For every day an employee met the goal, the Group will donate NT\$1 as charity. The event will last for 13 weeks, aiming to help employees develop healthy exercise habits while contributing to a public welfare. A total of 401 employees participated in the event, with 253 successfully completing the challenge. Together, they accumulated a total of 16,451 goal-achievement days. The event raised NT\$16,451, and with an additional contribution from the Company, the total reached NT\$20,000. All proceeds were donated to the Hsinchu City Early Child Development Therapy Center under the Syin-Lu Social Welfare Foundation, creating a win-win outcome for both health and compassion.</p> <p>(8) SAS and GlobalWafers’ plants in Taiwan jointly organized the “Earth-Friendly Beach Cleanup Event” at Longfeng Fishing Port, Zhunan, Miaoli, with a total of 119 participants, an increase of 30% compared to the previous year. The cleaning area expanded by 5%, and the weight of garbage removed rose by 3%, with the total weight exceeding 100 kg. The event also promoted the importance of “plastic reduction” and encouraged participants to pay special attention to marine plastic waste, aiming to raise more people’s awareness towards plastic reduction and waste reduction.</p> <p>(9) The Company advocates blood donation activities, continues to support the service mission of the blood donation center, “donation of blood, saves a life,” to help solve the blood shortage problem of the blood bank. Two blood donation activities are organized in each plant every year. In 2024, a total of 83 employees donated 128 bags of blood, amounting to 32,000 c.c. SAS has been actively responding to social needs by encouraging employees to roll up their sleeves and help address blood shortages, embodying the spirit of charity and passing on the love.</p> <p>(10) SAS and GlobalWafers jointly responded to the “Earth Hour 60” initiative by turning off unnecessary lights and power-consuming equipment for one hour at 8:30 pm on March 23, 2024, within the extent not affecting normal production, including the office area, parking lot, and outdoor lighting power supply in the plants. A plant-wide promotional event was also conducted before taking action, to encourage employees to turn off unnecessary lights. This year, we also invited Group affiliates, Advanced Wireless Semiconductor Company, Taiwan Speciality Chemicals Corporation, and Actron Technology Corporation, to join the effort in reducing carbon emissions. It is hoped to protect our future and that of the next generation with concrete actions by deepening the awareness of employees in climate changes via the light turning-off action.</p> <p>(11) To fulfill its social responsibilities and support the cultural development in Taiwan, the Company has collaborated with the Alliance Cultural Foundation and Paul Chiang Arts and Cultural Foundation. In both 2023 and 2024, the Company invested NT\$5 million annually, totaling NT\$10 million over two consecutive years, to support the Paul Chiang Art Promotion Project and the construction of “Paul Chiang Art Park.” By allocating resources to promote the arts in rural communities, the Company aims to foster the growth of cultural and artistic development in the Hualien and Taitung regions. To encourage greater public participation in arts and cultural events, the Company sponsored the “Paul Chiang 2023 Solo Exhibition” at the Kaohsiung Museum of Fine Art, held from December 2, 2023, to March 10, 2024. The exhibition attracted a total of 72,006 visitors during its run.</p>				

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
<p>(12) SAS and GlobalWafers partnered with IC Broadcasting Company, the IShare Community Development Association, and Hsuan Chuang University to co-host the “Pioneer of the Future” Summer Science Camp in July 2024. Designed as a two-day, one-night camp, the program provided students in under-resourced areas with an innovative educational experience that bridged the urban-rural divide. By combining knowledge-sharing with hands-on activities, the camp transformed complex technological and humanistic concepts into engaging, interactive experiences. Employees from the Company participated as instructors and helped plan the “Solar Energy Classroom” segment of the camp. Leveraging the Group’s expertise in renewable energy, this session introduced students to the knowledge of green energy and applications of solar energy. The initiative aimed to inspire students to become future advocates for concepts of “energy conservation, carbon reduction, and caring for the Earth” and spread these values to those around them.</p> <p>3. Consumer rights: The Company has internally established the “Customer Complaint Management Procedure” to provide customers with a channel to express their complaints, and signed contracts such as supply contracts and quality contracts with its customers, in order to fully ensure customer’s rights and interests.</p> <p>4. Human rights: The Company attaches great importance to human rights. Regardless of race, gender and age, employees enjoy the same right to work, and the Company also provides opportunities for free expression and development to stand alone, in order to achieve respect for personal dignity.</p> <p>5. Safety and health: With zero disaster as the goal, the Company is committed to the promotion of safety and health policy and the continuous improvement of process and working environment. Through the joint efforts of all staffs, we continuously improve the occupational safety and health performance.</p> <p>6. Employee health care: The Company carries out health examination for employees each year to let them know their health status each ear, and then care for and strengthen their health. We also arrange professional medical specialists to visit our plant every month for consulting services. In the workplace, in order to grasp the status of employees’ working environment and assess the exposure status of hazard factors, besides setting detection and alarm equipments at appropriate positions, work environment test is also done regularly as a basis for improving the workplace environment.</p> <p>7. Human capital development: The Company identifies, cultivates, and rewards talented employees by adopting a sound performance-based reward system, fostering professionals who are still studying, subsidizing continuing education for in-house employees, or signing contracts with a cadre of key employees, so as to facilitate talent retention. In addition, we motivate employees to stay with the company by issuing employee stock ownership trust and awarding medals to senior employees.</p> <p>(1) PhD and Masters scholarships: The Company has Rules on Applying for PhD and Masters Scholarships in place to continue to support the education of professionals and secure a pool of talents for the company after they graduate.</p> <p>(2) Funding for on-the-job continuing education: The Company has “On-the-Job Continuing Education Rules” in place to fully subsidize the continuing education of in-house employees who demonstrate excellent performance and willingness to pursue further studies, thereby encouraging employees to advance their career.</p> <p>(3) Signing contracts with a cadre of key employees: The Company enters a contractual relationship with a cadre of key employees in managerial roles who possess strategic planning capabilities or irreplaceable skills, so as to achieve talent retention and ensure the sustainable development of the Company’s human capitals.</p> <p>8. Pandemic containment in Plants: The post-pandemic era has come. The global outbreak of COVID-19 has changed the work and lifestyle significantly. Some of the changes will normalize immediately once the pandemic is under control, but some of the changes will be permanent. Even though long-term social distancing is not required, some behaviors will continue to exist, such as increased frequency of hand-washing, and maintaining personal hygiene, to reduce the risk of the spread of infectious diseases. The Company will regularly adjust its pandemic containment measures in accordance with changes in the global pandemic. Not only the Company implement high-standard corporate pandemic containment mechanisms to ensure uninterrupted production line operations, it also continuously promotes diverse care measures, ensure the safety of all employees, and exert a positive corporate influence to ensure the safety of healthy workplace.</p> <p>(1) Pandemic containment information: to enable employees to grasp the real-time information on pandemic containment, the health management center gathers the latest domestic and international pandemic information from time to time, and adjusts the real-time announcement of pandemic containment measures in the plant on a rolling basis, depending on the pandemic level, so that employees can receive accurate pandemic containment information quickly.</p> <p>(2) Care for health: cares are given to employees with fever symptoms and suspected contact history, regular follow-up and care are provided to strengthen the physical health of all employees.</p> <p>(3) Disinfection of the Plants: The disinfection and cleaning measures for public areas are formulated, the frequency of environmental disinfection is adjusted, with the supply of alcohol-based sanitizer in public areas and additional partitions in the cafeteria, posters of correct hand-washing slogans in each restroom, and regularly check of the pandemic containment materials, to ensure that the Company has sufficient pandemic containment materials.</p> <p>(4) Physical and mental care: To help employees monitor their physical and mental health and become more aware of their needs for balance, SAS has introduced the EAP since 2021. The program provides each employee with 2 free one-to-one consultation services every year. SAS has also regularly passed out psychological growth promotion materials to help employees resolve negative emotions and stress.</p>				

G. Implementation of climate-related information

Item	Status of implementation																																									
1. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.	<p>The Board of Directors is the Company's highest governing body for risk management, responsible for setting climate-related policies, strategies, and goals. The Audit Committee assists in supervising risk management-related matters.</p> <p>The Corporate Sustainability Development Committee is the Company's highest internal sustainability management and supervision organization. The Committee regularly tracks and inspects the implementation of the progress of targets related to climate change risks and opportunities. The Chief Sustainability Officer reports quarterly to the Board of Directors on sustainability management issues and action plans in response to climate changes, and report at least once a year to the Board of Directors on key points of implementation and achievement for the year. The Board of Directors provides relevant advice and guidance based on the reports.</p>																																									
2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	<p>● Physical risks and transition risks: The Company evaluates the potential operational and financial impact of climate-related risks and opportunities on the Company in the short-term (≤ 3 years), medium-term (4-6 years), and long-term (≥ 7 years), as well as conducts risk analysis under different climate scenarios to understand how the overall climate trend will develop and evolve, and formulate corresponding actions.</p> <p>We identified the transitional risk events that are of particular concern to the manufacturing industry by referencing the World Energy Outlook (WEO) 2021 published by the International Energy Agency (IEA), Energy Technology Perspectives (ETP) 2021, as well as research reports from other institutions. In response to the extreme weather (physical risks) and low-carbon transformation related trends and requirements that may be caused by climate change, the Company also assessed their impacts on its operations. This enables us to clarify the short-, medium-, and long-term implications of various climate-related issues.</p> <p>With reference to risks related to policy/regulation, technology, market, and reputation, we collected 13 transition risk issues and 3 acute physical risk events. Among them, 7 transition risks and 1 material acute physical risk issue (event) were identified.</p> <p>●Climate change risks, potential financial impacts, response strategies, and financial impacts</p> <table><tr><th colspan="2">Type</th><th>Risks</th><th>Potential financial impact</th><th>Time scale</th><th>Degree of correlation (influence)</th><th>Countermeasure</th><th>Financial impact of such measure</th></tr><tr><td rowspan="2">Physical risk</td><td rowspan="2">Immediacy</td><td>High temperature (production)</td><td>High temperatures will reduce the cooling capacity of air-conditioning equipment, increase the load factor of the air-conditioning system, and thus increase the electricity load (electricity consumption cost).</td><td>Long</td><td>Medium</td><td>1. Setting up backup devices for major energy equipment; 2. Implement an energy management system, supervise and measure the energy efficiency of major energy-consuming equipment, while planning various energy-saving programs.</td><td>Invest in various energy-saving measures and equipment, resulting in increasing operating costs.</td></tr><tr><td rowspan="3">Transition risks</td><td rowspan="3">Policies and regulations</td><td>Carbon tax</td><td>Subject to domestic and foreign carbon emission regulations and controls, the carbon fees (tariff) may be paid, resulting in an increase in operating costs.</td><td>Medium</td><td>High</td><td rowspan="2">1. Low-carbon technology transition 2. Replace corporate vehicles with EVs 3. Purchase of renewable energy</td><td rowspan="2">Invest in various low-carbon measures (technology transformation, replacement of energy-consuming equipment, purchase of renewable energy), resulting in increasing operating costs.</td></tr><tr><td>Carbon emission control</td><td>Carbon fees will be levied if the carbon emission control quota is exceeded, resulting in an increase in operating costs.</td><td>Medium</td><td>High</td></tr><tr><td></td><td>Requirements for the percentage of renewable energy</td><td>Add renewable energy facilities or purchase green electricity, resulting in the higher unit price of renewable energy consumption than the unit price of power purchase from Taipower, thereby increasing the cost of electricity consumption.</td><td>Short</td><td>High</td><td>Purchase green power and certificates for renewable energy power generation sites</td><td>Invest in renewable energy power generation projects, resulting in an increase in operating costs.</td></tr></table>							Type		Risks	Potential financial impact	Time scale	Degree of correlation (influence)	Countermeasure	Financial impact of such measure	Physical risk	Immediacy	High temperature (production)	High temperatures will reduce the cooling capacity of air-conditioning equipment, increase the load factor of the air-conditioning system, and thus increase the electricity load (electricity consumption cost).	Long	Medium	1. Setting up backup devices for major energy equipment; 2. Implement an energy management system, supervise and measure the energy efficiency of major energy-consuming equipment, while planning various energy-saving programs.	Invest in various energy-saving measures and equipment, resulting in increasing operating costs.	Transition risks	Policies and regulations	Carbon tax	Subject to domestic and foreign carbon emission regulations and controls, the carbon fees (tariff) may be paid, resulting in an increase in operating costs.	Medium	High	1. Low-carbon technology transition 2. Replace corporate vehicles with EVs 3. Purchase of renewable energy	Invest in various low-carbon measures (technology transformation, replacement of energy-consuming equipment, purchase of renewable energy), resulting in increasing operating costs.	Carbon emission control	Carbon fees will be levied if the carbon emission control quota is exceeded, resulting in an increase in operating costs.	Medium	High		Requirements for the percentage of renewable energy	Add renewable energy facilities or purchase green electricity, resulting in the higher unit price of renewable energy consumption than the unit price of power purchase from Taipower, thereby increasing the cost of electricity consumption.	Short	High	Purchase green power and certificates for renewable energy power generation sites	Invest in renewable energy power generation projects, resulting in an increase in operating costs.
Type		Risks	Potential financial impact	Time scale	Degree of correlation (influence)	Countermeasure	Financial impact of such measure																																			
Physical risk	Immediacy	High temperature (production)	High temperatures will reduce the cooling capacity of air-conditioning equipment, increase the load factor of the air-conditioning system, and thus increase the electricity load (electricity consumption cost).	Long	Medium	1. Setting up backup devices for major energy equipment; 2. Implement an energy management system, supervise and measure the energy efficiency of major energy-consuming equipment, while planning various energy-saving programs.	Invest in various energy-saving measures and equipment, resulting in increasing operating costs.																																			
		Transition risks	Policies and regulations	Carbon tax	Subject to domestic and foreign carbon emission regulations and controls, the carbon fees (tariff) may be paid, resulting in an increase in operating costs.	Medium	High	1. Low-carbon technology transition 2. Replace corporate vehicles with EVs 3. Purchase of renewable energy	Invest in various low-carbon measures (technology transformation, replacement of energy-consuming equipment, purchase of renewable energy), resulting in increasing operating costs.																																	
Carbon emission control	Carbon fees will be levied if the carbon emission control quota is exceeded, resulting in an increase in operating costs.			Medium	High																																					
	Requirements for the percentage of renewable energy			Add renewable energy facilities or purchase green electricity, resulting in the higher unit price of renewable energy consumption than the unit price of power purchase from Taipower, thereby increasing the cost of electricity consumption.	Short	High	Purchase green power and certificates for renewable energy power generation sites	Invest in renewable energy power generation projects, resulting in an increase in operating costs.																																		

Item	Status of implementation							
<ul style="list-style-type: none"> ● Opportunities for transition: In order to reduce the impact of transition risks on the Company's operations, and in response to the development and demand trends of renewable energy in Taiwan in recent years, the rise of international standards (such as RE100), and supply chain requirements, among other things, the demand for renewable energy has increased, and the Company can expect the growth of solar energy construction business and renewable energy electricity sales business. The Company gathered input on 20 topics, including resource efficiency, energy sources, products and services, markets, and resilience, from representatives across various departments and identified 7 transition opportunities derived from climate changes. ● Climate change opportunities, potential financial impacts, response strategies, and financial impacts 			Increased requirement for disclosure of corporate climate information	External stakeholders are concerned about the Company's climate actions. Failure to disclose relevant information will affect the corporate image and hinder the Company's related investments and loans.	Short	High	Expand and improve the information related to sustainable development on the Company's official website	Increase spending on optimization and maintenance of the Company's official website.
		Reputation	Customers demand more for third-party sustainability testing of products in the future	According to customer requirements, the relevant sustainability projects are implemented and verified (verified) by a third party. If the projects are not implemented, there is a fear of reduced orders (revenue reduction).	Short	High	In order to meet customer needs and expectations, relevant projects are implemented and third-party inspection (verification) is carried out to increase external stakeholders' trust in the information disclosed by the Company.	Promotion of relevant projects and inspection (verification) by a third party, with expenditure on consulting and inspection (verification), resulting in an increase in operating costs.
		Technology	Increased penetration of electric vehicles	In order to mitigate the impact of carbon regulations, it is necessary to implement low-carbon measures, resulting in related investment expenditures and increased operating costs.	Medium	High	Replace corporate vehicles with electric vehicles or hybrid vehicles to reduce carbon emissions	Procurement of electric vehicles/ hybrid vehicles to increase management costs.
			Low-carbon technology transformation	The development of new technologies and the introduction of mass production take time to achieve the optimization of production capacity and quality. The Company may not be able to break even at the initial stage of product development and may cause financial burdens.	Short	High	Integrate internal and external resources to accelerate the development of new technologies to optimize cost control	Develop low-carbon products resulting in an increase in R&D expenditures and management costs for resource integration.
	Resource efficiency	Use of production and distribution processes more efficient	The Company develops low-carbon transition or energy-saving technologies to reduce electricity expenditure.	Continue to promote the energy management system, replace outdated energy-consuming equipment, and invest in R&D of low-carbon technologies.	Invest in various energy-saving improvements and low-carbon technologies to increase capital expenditure.			
		Recycle and reuse	Increase the percentage of silicon recycled materials used, reduce the consumption of virgin silicon materials, reduce direct costs, and reduce indirect greenhouse gas emissions.	Based on the quality acceptable to customers, continue to increase the proportion of auxiliary materials used to reduce the demand for pure materials.	Increase in the purchase expense of silicon auxiliary materials			

Item	Status of implementation				
		Reduction of water usage and consumption	Recycle and reuse water resources to reduce water costs.	1. The Company sets an improvement proposal system, where each department finds opportunities for improvement, and manage and track the reported benefits of improvement projects. 2. Regularly collect statistics, review and disclose water resource information in plants	Invest in water recycling equipment, resulting in an increase in capital expenditure.
	Source of energy	Adoption of incentive policies	Plan an incentive mechanism for supplier's sustainability action, to enhance the Company's greenhouse gas reduction effect, in order to meet customer expectations, and thereby increase the Company's revenue.	By increasing the procurement volume of suppliers or provide other incentives, achieve the effect of carbon management and reduction in the supply chain.	By increasing the procurement ratio of low-carbon raw materials, indirectly result in an increase in raw material procurement costs (carbon reduction costs are passed on to suppliers)
	Products and services	Develop and/or add low-carbon products and services	Increase the solar energy construction business to increase revenue.	Increase the number of construction sites year by year as a business goal.	Increase the construction expenditure and maintenance and operation expenses of the project sites.
		Develop and innovate new products and services	The technological innovation of solar cells and the additional demand for the sales thereof increase the revenue.	Deploy the production capacity according to the market conditions as the operating target.	Increase the R&D expenditure of solar cell technology.
	Market	Entrance into new markets	Based on the renewable energy trend and policy forecast in recent years, it is estimated a market demand for green power, which will help the Company's renewable energy electricity sales business and thus increase revenue.	Increase the sale of renewable energy electricity based on the market trend and the installation of renewable energy year by year.	Implement policies and plans, resulting in increases in manpower and management costs.
	For the information above, please refer to the Section "Climate Change Risks and Actions" in the Company's Sustainability Report.				
3. Describe the financial impact of extreme weather events and transformative actions.	1. The financial impacts of extreme climate and transition actions are described in the Table of Item 2, under "Potential Financial Impacts" and "Financial Impacts of Strategies." 2. To properly manage the risks associated with extreme weather events and the transition to a low-carbon economy, the Company has incorporated climate change risks into its operational decisions, to identify and manage risks; meanwhile, it faces the crises of global warming and resource depletion, and spare no effort in supporting the trend of energy-saving and carbon reduction, for mitigation and adaptation actions.				
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	The Company adopts the TCFD framework to promote low-carbon transformation and climate adaptation through the four major aspects: governance, strategy, risk management, indicators and goals. The Corporate Sustainability Development Committee integrates the management process into the Company's existing management system. The climate change governance and operation system is implemented through interaction between the management and individual departments. The Company's climate risk management process is mainly divided into four major steps, from risk identification, assessment, monitoring to reporting, as follows:				
	Management process	Content			
	Risk Identification	(1) Identify climate risks and opportunities every two years in line with the Company's annual plan and schedule. (2) Identify physical/transition risks and opportunities, and clarify the distribution of short-, medium-, and long-term impacts from various climate-related issues, to screen out medium-high potential risks for quantitative measurement.			
	Risk assessment	(1) Assess (measure) the severity, vulnerability, and exposure of medium and high-level potential risks. (2) The scope of measurement includes the path of impact, the time and geographical scope of the impact, the position in the value chain subject to the impact, and the financial impact.			
	Risk monitoring	(1) Develop an adaptation action plan for the risks (2) Supervise the climate risk monitoring indicators to control the value loss caused by the climate risk.			
	Risk report	Report various climate risk-related information in board meetings on a regular basis (quarterly).			
For the information above, please refer to the Section "Climate Change Risks and Actions" in the Company's Sustainability Report.					
5. If scenario analysis is used to assess resilience to climate	The scenarios, parameters, assumptions and analysis factors used in the scenario analysis are listed in the table below. For the financial impacts, please refer to the "Potential Financial Impacts" and "Financial Impacts of Strategies" in the Table of item 2 above.				

Item	Status of implementation				
change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.	Analysis Content	Subject of Evaluation	Evaluation Method	Climate Scenarios	Evaluation Results
	Physical risk	The Company's production/operation bases in Taiwan	Disaster risk model	The AR5 RCP8.5 of IPCC was adopted as the basis (the most severe climate disaster scenario that may occur in the future if almost no climate policy), to set three future climate scenarios including flooding, drought, and high temperature in 2035. Through collecting the disaster potential diagrams and relevant research data published by the National Science & Technology Center for Disaster Reduction, the probability of occurrence and the disaster potential scale of the three types of climate disasters under the RCP 8.5 scenario are estimated, and the possible scenarios of occurrences in the plants are proposed as the future scenario hypotheses of the physical risk based on the scale of the climate disaster potential	<ul style="list-style-type: none"> • Flooding: When the 4-hour duration of rainfall reaches 650mm, there is no flooding in the plant area. • Drought: There is a 33.5% chance of no rainfall for 51 consecutive days in Miaoli by 2035, reaching a drought level • High temperature: There is a 9.6% chance of a high temperature of 37.25°C occurring in the Hsinchu area in 2035
	Transition risks	The Company's production/operation bases in Taiwan	Qualitative and quantitative risk assessment of low-carbon transition	The transition risk refers to the future scenario established by the International Energy Agency (IEA) as "the future global temperature rises by 1.5°C," and the future time scale is set as 2030 or 2050. Subsequently, the detailed future climate scenarios are set based on the attributes of each transition risk event.	<ol style="list-style-type: none"> 1. Aspect of policies and regulations <ul style="list-style-type: none"> • Carbon tax: the carbon price is US\$120/t in 2030 under the IEA WEO 2021 APS scenario • Carbon emission control: Nationally Determined Contributions (NDCs) • Establishment of renewable energy: The Group's goal at the RE stage, i.e. reaching RE20 by 2030 2. Aspect of technology <ul style="list-style-type: none"> • Low-carbon technology transition: Conduct linear regression with reference to the average carbon reduction cost of reduction-voluntary companies. The estimated carbon reduction cost for enterprises in 2030 is about NT\$9,000/tonne CO₂ • The Company's future operation strategy
	Transition opportunities	The Company's production/operation bases in Taiwan	Qualitative and quantitative risk assessment of low-carbon transition	With reference to the future domestic and international policy development trends and the Company's current status and future operation strategies	<ul style="list-style-type: none"> • Nationally Determined Contributions (NDCs) • The national renewable energy development policies and goals
For the information above, please refer to the Section "Climate Change Risks and Actions" in the Company's Sustainability Report.					
6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.	<p>With the frequent occurrence of extreme climate events, governments around the world have successively promulgated increasingly stringent sustainable development policies. "Net zero" has become the ultimate carbon reduction goal for governments around the world, and the support of enterprises and the realization of net zero transformation are inevitable. The Company has changed its role from a regulated emitter to a proactive provider of climate solutions. We have followed the Science-Based Targets (SBT) and internal business strategies to map out the pathway blueprint for net zero transition.</p> <p>The Company achieves its carbon reduction goal through four main pillars of reduction actions: optimizing production processes to improve product efficiency, improving equipment energy efficiency, replacing old equipment, maintaining and optimizing existing equipment and facilities, and purchasing renewable energy. In addition, to enhance the internalization of carbon management and promote low-carbon decision-making the Company plans to implement an internal carbon pricing mechanism starting in 2024, which will serve as a reference for investment and equipment replacement evaluations.</p> <p>The Company continues to track climate-related management indicators, including</p> <ul style="list-style-type: none"> • setting up the key climate targets such as greenhouse gas, renewable energy, water and power reduction, and product optimization • SAS carbon reduction targets and paths are set with reference to SBT standards <p>For the information above, please refer to the Section "Climate Change Risks and Actions" in the Company's Sustainability Report.</p>				
7. If internal carbon pricing is used as a planning tool, the basis for setting the	<p>Since 2024, the Company has implemented an internal carbon pricing mechanism as a reference tool to support decision-making in investment planning and equipment replacement. The Company's carbon rate is based on the price design of the carbon border adjustment mechanism (CBAM) and is adjusted annually according to international trends. The internal carbon fee is calculated based on the greenhouse gas emissions of Category 1 and Category 2. By simulating the financial impact of carbon costs, the mechanism guides each department to incorporate low-carbon considerations into</p>				

Item	Status of implementation																																					
price should be stated.	energy use and equipment planning. Through the implementation of this mechanism, the Company aims to enhance its sensitivity to climate risks and drive internal behavioral transformation, thereby strengthening preparedness for increasingly stringent carbon regulation in the future.																																					
8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.	<p>The Company’s climate goals and the activities and scopes covered are as follows:</p> <p>(1) <u>Scope 1 & Scope 2</u> Our goal is to reduce Scope 1 and Scope 2 carbon emissions by 42% by 2030 from the base year (2022). As the main source of our greenhouse gas emissions is electricity (scope 2), the reduction in electricity consumption and improvement of energy efficiency is our top priority for carbon reduction. We will reduce carbon through four main pillars of reduction actions: optimizing production processes to improve product efficiency, improving equipment energy efficiency, replacing old equipment and maintaining and optimizing existing equipment and facilities, and purchasing renewable energy to achieve the goal of carbon reduction.</p> <p>(2) <u>Category 3 to Category 6</u> The Company has set a target to reduce other indirect greenhouse gas emissions by 25% by 2030, compared to the base year of 2022. Our indirect emissions are primarily concentrated in upstream purchased goods and services, particularly from key raw materials such as polys and wafers, which account for over 95% of emissions from purchased goods and over 90% of other indirect emissions. Therefore, we will prioritize the management of carbon emissions from these key materials and will progressively require suppliers to conduct carbon inventories and emission reduction. Preference will be given to suppliers that demonstrate more significant carbon reduction performance.</p> <p>(3) <u>Target planning schedule:</u></p> <table><tr><th>Target scope</th><th>Short-term (1 - 3 years)</th><th>Mid-term (3 - 10 years)</th><th>Long-term (over 10 years)</th></tr><tr><td>Scope 1 and 2 reduction targets</td><td><ul style="list-style-type: none">More than 2% power saved year-on-year</td><td><ul style="list-style-type: none">More than 2% power saved year-on-year2030 : RE202030: Scope 1 + Scope 2 emissions reduced by 42% compared to the base year</td><td><ul style="list-style-type: none">2035 : RE352040 : RE502050 : RE100</td></tr><tr><td>Scope 3-6 Reduction Target</td><td><ul style="list-style-type: none">Ratio of pure silicon used in ingot < 50%</td><td><ul style="list-style-type: none">2030: Scope 3 emissions reduced by 25% compared to the base year</td><td>-</td></tr><tr><td>Reduction target Phased progress</td><td colspan="3">2024<ul style="list-style-type: none">Annual energy saving rate: A 1.8% reduction compared to the previous year (falling short of the 2% target). *Reasons for shortfall: The thermal field of the crystal growth furnace was damaged during the earthquake. After repairs, its heat retention capacity did not fully return to the optimal state, which impacted energy efficiency.Ratio of pure silicon used in ingot: 36.8% (meeting <50% target)Category 1 and Category 2 emissions: A 48% reduction compared to the base yearCategory 3 to Category 6 emissions: A 65% reduction compared to the base year</td></tr></table> <p>(4) <u>Emission sources of Scope 1 and Scope 2 (covered activities)</u></p> <table><tr><th colspan="4">Type of emission</th><th>Emission source</th></tr><tr><td rowspan="3">Scope 1</td><td rowspan="3">Direct greenhouse gas emissions</td><td>1.1</td><td>Direct emissions from stationary combustion</td><td>Fuel for generators, boilers and weeding machines</td></tr><tr><td>1.2</td><td>Direct emissions from mobile combustion</td><td>Fuel for mobile devices (office vehicles, fork-lifts)</td></tr><tr><td>1.4</td><td>Direct fugitive emissions from GHG released from manual systems.</td><td>Greenhouse gas emitted from septic tanks, stationary pollution source discharge pipes (VOCs), wastewater with anaerobic treatment, fire-fighting equipment, refrigerants, etc.</td></tr><tr><td>Scope 2</td><td>Indirect GHG emissions from imported energy</td><td>2.1</td><td>Indirect emissions from imported electricity</td><td>Purchased electricity</td></tr></table>	Target scope	Short-term (1 - 3 years)	Mid-term (3 - 10 years)	Long-term (over 10 years)	Scope 1 and 2 reduction targets	<ul style="list-style-type: none">More than 2% power saved year-on-year	<ul style="list-style-type: none">More than 2% power saved year-on-year2030 : RE202030: Scope 1 + Scope 2 emissions reduced by 42% compared to the base year	<ul style="list-style-type: none">2035 : RE352040 : RE502050 : RE100	Scope 3-6 Reduction Target	<ul style="list-style-type: none">Ratio of pure silicon used in ingot < 50%	<ul style="list-style-type: none">2030: Scope 3 emissions reduced by 25% compared to the base year	-	Reduction target Phased progress	2024 <ul style="list-style-type: none">Annual energy saving rate: A 1.8% reduction compared to the previous year (falling short of the 2% target). *Reasons for shortfall: The thermal field of the crystal growth furnace was damaged during the earthquake. After repairs, its heat retention capacity did not fully return to the optimal state, which impacted energy efficiency.Ratio of pure silicon used in ingot: 36.8% (meeting <50% target)Category 1 and Category 2 emissions: A 48% reduction compared to the base yearCategory 3 to Category 6 emissions: A 65% reduction compared to the base year			Type of emission				Emission source	Scope 1	Direct greenhouse gas emissions	1.1	Direct emissions from stationary combustion	Fuel for generators, boilers and weeding machines	1.2	Direct emissions from mobile combustion	Fuel for mobile devices (office vehicles, fork-lifts)	1.4	Direct fugitive emissions from GHG released from manual systems.	Greenhouse gas emitted from septic tanks, stationary pollution source discharge pipes (VOCs), wastewater with anaerobic treatment, fire-fighting equipment, refrigerants, etc.	Scope 2	Indirect GHG emissions from imported energy	2.1	Indirect emissions from imported electricity	Purchased electricity
Target scope	Short-term (1 - 3 years)	Mid-term (3 - 10 years)	Long-term (over 10 years)																																			
Scope 1 and 2 reduction targets	<ul style="list-style-type: none">More than 2% power saved year-on-year	<ul style="list-style-type: none">More than 2% power saved year-on-year2030 : RE202030: Scope 1 + Scope 2 emissions reduced by 42% compared to the base year	<ul style="list-style-type: none">2035 : RE352040 : RE502050 : RE100																																			
Scope 3-6 Reduction Target	<ul style="list-style-type: none">Ratio of pure silicon used in ingot < 50%	<ul style="list-style-type: none">2030: Scope 3 emissions reduced by 25% compared to the base year	-																																			
Reduction target Phased progress	2024 <ul style="list-style-type: none">Annual energy saving rate: A 1.8% reduction compared to the previous year (falling short of the 2% target). *Reasons for shortfall: The thermal field of the crystal growth furnace was damaged during the earthquake. After repairs, its heat retention capacity did not fully return to the optimal state, which impacted energy efficiency.Ratio of pure silicon used in ingot: 36.8% (meeting <50% target)Category 1 and Category 2 emissions: A 48% reduction compared to the base yearCategory 3 to Category 6 emissions: A 65% reduction compared to the base year																																					
Type of emission				Emission source																																		
Scope 1	Direct greenhouse gas emissions	1.1	Direct emissions from stationary combustion	Fuel for generators, boilers and weeding machines																																		
		1.2	Direct emissions from mobile combustion	Fuel for mobile devices (office vehicles, fork-lifts)																																		
		1.4	Direct fugitive emissions from GHG released from manual systems.	Greenhouse gas emitted from septic tanks, stationary pollution source discharge pipes (VOCs), wastewater with anaerobic treatment, fire-fighting equipment, refrigerants, etc.																																		
Scope 2	Indirect GHG emissions from imported energy	2.1	Indirect emissions from imported electricity	Purchased electricity																																		
9. Greenhouse gas inventory and assurance status, as	Table 1-1 shows the status of greenhouse gas inventory and assurance, and table 1-2 is the reduction goals, strategies and specific action plans.																																					

Item	Status of implementation
well as reduction targets, strategies and concrete action plans (please fill in 1-1 and 1-2 separately)	

1-1 Greenhouse Gas Inventory and Assurance Status for the Most Recent 2 Fiscal Years

1-1-1 Greenhouse Gas Inventory Information

Describe the emission volume (metric tons CO2e), intensity (metric tons CO2e/NT\$ million), and data coverage of greenhouse gases in the most recent 2 fiscal years.			
The emission per unit of revenue in 2024 was 4.85 tons CO2e/MNTD, representing a 15% increase compared to the previous year. This rise was primarily due to market changes, which slowed industrial demand and impacted revenue performance. However, when compared with the base year (2022), the emission intensity still decreased by 2.6%, reflecting the long-term effectiveness of the Company's carbon reduction actions and demonstrating its efforts to continuously reduce carbon emission intensity.			
Year	Scope	Total emissions (tons CO2e)	Intensity (tons CO2e/MNTD)
2023 (verification)	Scope 1 (Category 1)	551	4.21
	Scope 2 (Category 2)	28,268.7	
2024 (verification)	Scope 1 (Category 1)	561.3	4.85
	Scope 2 (Category 2)	25,920.6	
Scope of the above information covered: SAS Headquarters, Chunan Branch (Chunan Plant 、Plant II), Yilan Branch (Plant I and III), Hsu-Hsin Branch.			

1-1-2 Greenhouse Gas Assurance Information

Describe the status of assurance for the most recent 2 fiscal years as of the printing date of the annual report, including the scope of assurance, assurance institutions, assurance standards, and assurance opinion.

Year	Assurance scope	Assurance body	Assurance criteria	Assurance opinion
2023	SAS Headquarters, Chunan Branch, Chunan Plant, Hsu-Hsin Branch.	DNV GL Business Assurance Co., Ltd.	ISO 14064-1: 2018	Verified with reasonable level of assurance
	Plant I and III of Yilan Branch and Sustainable Energy Solution Co., Ltd. (subsidiary)	DNV GL Business Assurance Co., Ltd.	ISO 14064-1: 2018	Verified with reasonable level of assurance
2024	SAS Headquarters, Chunan Branch, Chunan Plant, Hsu-Hsin Branch.	DNV GL Business Assurance Co., Ltd.	ISO 14064-1 : 2018	Verified with reasonable level of assurance
	Plant I and III of Yilan Branch and Sustainable Energy Solution Co., Ltd. (subsidiary)	DNV GL Business Assurance Co., Ltd.	ISO 14064-1 : 2018	Verified with reasonable level of assurance

1-2 Greenhouse Gas Reduction Targets, Strategy, and Concrete Action Plan

Specify the greenhouse gas reduction base year and its data, the reduction targets, strategy and concrete action plan, and the status of achievement of the reduction targets.
<ol style="list-style-type: none"> Base year and data of greenhouse gas reduction: 2022; based on declaration of verification Reduction target: Achieve a 42% reduction in Scope 1 and Scope 2 greenhouse gas emissions by 2030 compared to the base year, and reach net zero emission by 2050 Strategy: (1) voluntary inventory; (2) regular disclosure; (3) voluntary reduction Concrete action plans: (1) Process improvement and product innovation; (2) Energy conservation improvement (2% per year); (3) Use of renewable energy; (4) Supply chain management; (5) Introduction of new recycling technology; (6) Purchase of carbon rights Achievement of reduction target: The target year has not yet been achieved, and currently it is still in progress as planned (in line with expectations). For detailed data and information, please refer to "Climate Change Risks and Actions" section of the Company's Sustainability Report.

H. The Company's Performance of Ethical Corporate Management and the Measures Taken

Evaluation Item	Implementation Status (Note 1)			Deviations from "the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
I. Establishment of ethical corporate management policies and programs				
(I) Has the Company formulated the ethical corporate management policy approved by the Board of Directors, and stated in the regulations and external documents the policies and practices of ethical corporate management, as well as the Board and senior management's commitment to actively implement the management policy?	V		(I) The Company has the "Ethical Corporate Management Best-Practice Principles," "Procedures for Ethical Management and Guidelines for Conduct", "the Code of Ethical Conduct", and "Measures for the Report on Illegal, Unethical and Dishonest Conducts" to pursue ethical operation. The Company's standard contracts and external documents have informed the transaction counterparts to abide by the integrity management policy; the Board of Directors and senior management have signed a written statement to actively implement the commitment of the integrity management policy, and the Company has indeed implemented in internal management and business activities, including employment by specifying conditions to require employees to abide by the integrity management policy.	No significant difference
(II) Whether the Company has established an assessment mechanism for the risk of dishonesty, regularly analyzes and evaluates business activities with a high risk of dishonesty in the business scope, and accordingly formulates a plan to prevent dishonesty, and at least covers the "the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies "Article 7, paragraph 2 of the prevention measures?	V		(II) In the "Procedures for Ethical Management and Guidelines for Conduct", the Company has established a risk assessment mechanism for unethical conducts that are prescribed in Article 7, Paragraph 2 of the "the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies". This mechanism involves collecting data by using departmental compliance checklist, qualitative interviews, and tracking of emails by the IT department, to regularly analyze, assess, and identify high-risk individuals, and conducting individual investigation if required, with the assistance of internal audit unit. Based on these results, prevention programs are established, including preventive measures against offering and acceptance of bribes, illegal political donations, improper benefits, infringement of intellectual property rights, and engaging in unfair competitive practices, among other unethical conducts, to ensure a corporate culture of ethical management. Within the scope of business activities, all employees are obliged to cooperate with the compliance office for the investigation related to the said unethical conducts.	No significant difference
(III) Whether the Company specify the operating procedures, behavior guidelines, disciplinary penalties and grievance system in the plan to prevent dishonesty, and implement it, and regularly review and revise the pre-disclosure plan?	V		(III) The Company's plan for preventing dishonesty in accordance with "the Ethical Corporate Management Best-Practice Principle" includes "Codes of Ethical Conduct ", "Procedures for Ethical Management and Guidelines for Conduct", and "Measures for the Report on Illegal, Unethical or Dishonest Conducts" which clearly regulate no acceptance to any unrightful benefits, or to commit behaviors that violate integrity, and to encourage the reporting of any illegal or ethical conduct violations, the Company also stipulates the	No significant difference

Evaluation Item	Implementation Status (Note 1)			Deviations from “the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
			importance of integrity should be regularly announced to directors and employees. The above plan regularly reviews the appropriateness and effectiveness of the prevention plan according to the method set by the risk assessment mechanism of dishonesty behavior, and makes appropriate adjustments or amendments. In 2024, in alignment with the RBA Code of Conduct 8.0 adopted by the electronics industry, the Company amended its “Procedures for Ethical Management and Guidelines for Conduct.” The revision introduced specific regulations governing the cost and frequency of giving or receiving gifts from suppliers or customers.	
II. Fulfill operations integrity policy				
(I) Does the Company evaluate business partners’ ethical records and include ethics-related clauses in business contracts?	V		(I) The Company’s “Ethical Corporate Management Best-Practice Principles” has clearly stated that before business transactions, the legality of business transactions and whether there is dishonesty should be considered. Transactions with parties suspected of engaging in dishonesty should be avoided. In addition, according to the Company’s “Procedures for Ethical Management and Guidelines for Conducts”, it is necessary to undergo an integrity operation evaluation before establishing a business relationship with others. The customers evaluation (and its distributors/agents) is conducted by sales department; The suppliers’ evaluation (and its distributors/agents) is conducted by purchase department. The integrity management evaluation form is written and quantified; the contract signed with the business transaction partners should specify the integrity management clauses to ensure that the counterparty abides by the company’s integrity management policy.	No significant difference
(II) Does the Company set up a special unit for promoting corporate integrity management under the Board of Directors, and regularly (at least once a year) report to the Board of Directors on its integrity management policies and plans to prevent dishonesty, and monitor implementation?	V		(II) The Company has established a Legal Compliance Division in the Legal Department. The division is responsible for overseeing the promotion of ethical management policies and development and supervision of unethical conduct prevention programs. The Compliance Officer reports implementation status to the Board of Directors once a year, with the most recent report given on November 8, 2024. Auditors also supervise the progress of daily audits, and report to the Board of Directors at any time if any irregularities are found. Implementation Status of Current Year: A. Establishing and reviewing policies related to ethical corporate management. The Company has set up the “Ethical Corporate Management Best-Practice Principles”, “Code of Ethical Conduct”, “Procedures for Ethical Management and Guidelines for Conduct” and “Measures for the Report on Illegal, Unethical or Dishonest Conducts”, which clearly stipulates no acceptance to unlawful benefit, or violate integrity or dishonesty; the above internal regulations are examined by the legal compliance	No significant difference

Evaluation Item	Implementation Status (Note 1)			Deviations from “the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
			<p>department with reference of changes in external regulations and the internal implementation, and are adjusted and revised from time to time. In 2024, in alignment with the RBA Code of Conduct 8.0 adopted by the electronics industry, the Company amended its “Procedures for Ethical Management and Guidelines for Conducts” The revision introduced specific regulations governing the cost and frequency of giving or receiving gifts from suppliers or customers.</p> <p>B. Internal and external advocacy of Company policies Relevant important internal regulations such as the “Ethical Corporate Management Best-Practice Principles”, “Code of Ethical Conduct”, “Procedures for Ethical Management and Guidelines for Conducts” and “Measures for Report on Illegal, Unethical and Dishonest Conduct” have been announced on the Company’s official website and internal websites for inquiries from external and parties. In addition, the company requires suppliers to sign the “Supplier Code of Conduct and Supplier Declaration” which request suppliers to act in compliance with legal, ethical, environmental and quality standards, and the content of the standard contract signed with business partners also includes the relevant provisions for compliance with honest business practices.</p> <p>C. Reporting channel and whistleblower protection The company has set up the “Measures for Report on Illegal, Unethical and Dishonest Conduct”, established a disciplinary and appeal system for violations of the integrity management regulations, and set up and announced employee suggestion boxes, electronic mailboxes and complaint hotline to encourage internal and external personnel to report dishonesty or misconduct. The company allows anonymous reports. The identity and content of the reporter will be kept confidential, and the human resource department will be responsible for verification and handling. Anyone who violates the integrity management regulations will be punished based on the seriousness of the circumstances, and if necessary, the matter shall be reported to the competent authority or transferred to the judicial bureaus for investigation.</p> <p>D. Education and training The Company formulates and conducts training regularly. The attendees and hours of trainings in 2024 are listed as the following: 1. A 1-hour “Insider Education and Training” session was held for all new recruits. The content covered insider trading law analysis (constitutive elements, methods and timing of material information disclosure, judicial interpretations) and insider equity transfer law analysis (pre-/post-event filing obligations and minimum shareholding requirements</p>	

Evaluation Item	Implementation Status (Note 1)			Deviations from “the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
(III) Does the company establish policies to prevent conflicts of interest and provide appropriate communication channels, and implement it?	V		<p>for directors and supervisors). A total of 18 participants attended the session.</p> <p>2. A 1.5-hour “Ethical Management Training” session was held for all new recruits. The content covered trade secret protection, competition law, anti-corruption, conflict of interest prevention, export control, and other material legal compliance issues closely related to the technology industries. A total of 18 participants attended the session.</p> <p>(III) In our Code of Ethical Conduct, the Company stipulates that employees shall perform their duties in an objective and efficient manner, avoid taking advantage of their position in the company to obtain improper benefits for themselves, others, or other companies. Our “Procedures for Ethical Management and Guidelines for Conduct” also state that stakeholders attending or present at a board meeting shall recuse themselves from any discussion and voting when there is a conflict of interest. In addition, the conflict of interest channels provided by the company are different according to the subjects as follows: Directors or Independent Directors should do so to the president’s office or the chief of corporate governance; managers should do so to the legal compliance department; other employees shall report to the line manager and compliance, and follow the line manager’s proper instruction. In 2024, the Company introduced the “Employee Conflict of Interest Awareness and Confirmation Letter”, which is distributed to all new recruits for signing upon onboarding. This initiative aims to communicate key points regarding conflicts of interest and related management measures, confirm that employees are free from any conflicts of interest, and reinforce employees’ understanding of their obligation to report any such situations.</p>	No significant difference
(IV) Whether the Company has established an effective accounting system and internal control system for the implementation of integrity management, and the internal audit unit has formulated relevant audit plans based on the results of the assessment of the risk of dishonesty, and checked the compliance with the plan to prevent dishonesty, or entrust an accountant to perform the audit?	V		<p>(IV) The Company has established an accounting system and internal control system, and implements both systems accordingly. Internal auditors draw up an audit plan including the subject, scope, items, and frequency of audit based on the assessment results of risks of unethical conducts, so as to inspect compliance with the prevention programs. The results shall be notified to the senior management team and the responsible department of ethical operation and be submitted to the Board of Directors in the form of audit report. In addition, the Company conducts inspections and revisions every year to ensure the effectiveness on the design and implementation of the system, and establish good corporate governance and risk management control mechanisms to serve as the basis on evaluating the overall efficacy of all internal control systems and for producing Internal Control System Statements.</p>	No significant difference
(V) Does the company regularly hold internal and external educational trainings on operational integrity?	V		<p>(V) The Company regularly formulate and conduct trainings, including laws and regulations related to corporate governance, ethical management, and</p>	No significant difference

Evaluation Item	Implementation Status (Note 1)			Deviations from “the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
			business conducts. For “ethical management” and “prevention of insider trading” courses, the current directors, managerial officers, or other employees deemed in need of such trainings shall attend at least every two years. New directors and managerial officers shall attend within three months upon taking positions. New recruits shall attend in the consolidated orientation prepared by the human resources. In addition, pursuant to the “Procedures for Ethical Management and Guidelines for Conducts,” the Chairperson and the corporate governance supervisors are arranged to communicate the importance of ethics to directors, managerial officers, and supervisors in the Board meetings or supervisors’ meetings. The relevant training courses offered in 2024 included “Insider Education and Training” and “Ethical Management Education and Training.” For concrete content of the courses, please refer to the description in (II)(4) above. The cumulative number of participants was 36.	
III. Operation of the integrity channel				
(I) Does the company establish both a reward/punishment system and an integrity hotline? Can the accused be reached by an appropriate person for follow-up?	V		(I) The Company has established the “Measures for the Report on Illegal, Unethical and Dishonest Conduct”, set up an employee suggestion box and email, complaint hotline, principles in handling such matter and channel for external whistleblowing in order to fulfill good faith practice. Whistleblower cases are handled by the company’s spokesperson, HR manager, legal officers, or independent directors, and forwarded to relevant departments for investigation and processing in accordance with the Company’s “Measures for the Report on Illegal, Unethical and Dishonest Conduct”. Appropriate rewards will be given to whistleblowers depending on the severity of the case.	No significant difference
(II) Does the company establish standard operating procedures for confidential reporting on investigating accusation cases?	V		(II) The Company stipulates “Measures for the Report on Illegal, Unethical and Dishonest Conduct” and specifies different investigation, procedure based on different cases and the accused. Handlers shall recuse themselves if they have conflict of interest in a case and its investigation process. The whistleblowing case will be processed in the principles of confidentiality, full protection of the whistleblower, offering defense chance for the accused, etc to secure the rights of both whistleblowers and the accused. If the whistleblowing case is verified to be true, the whistleblower will be immediately required to stop and impose appropriate countermeasures, and instruct the relevant departments to review and propose improvement measures to prevent the same behavior from happening again; the legal department will separately report the whistleblowing case, handling and follow-up to the board of directors.	No significant difference
(III) Does the Company provide proper whistleblower protection?	V		(III) The Company handles whistle-blowing cases in a confidential manner in accordance with the “Measures for the Report on Illegal, Unethical and Dishonest Conduct”, and offers full protection to the whistleblowers. Their	No significant difference

Evaluation Item	Implementation Status (Note 1)			Deviations from “the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
			identity will be kept absolutely confidential and will not face mistreatment due to the whistleblowing. Case handlers shall also indicate in writing that whistleblower’s identity and any details of the report will be kept confidential.	
IV. Enhanced information disclosure (I) Does the Company disclose its ethical corporate management policies and the results of its implementation on the Company’s website and MOPS?	V		(I) The Company has an official website that disclose relevant information such as corporate culture, business policies and the “Ethical Corporate Management Best-Practice Principles”, “Code of Ethical Conduct”, “Procedures for Ethical Management and Guidelines for Conduct”, “Measures for the Report on Illegal, Unethical and Dishonest Conduct” and the Company’s implementation on good faith management.	No significant difference
V. If the company has established the ethical corporate management policies based on the “Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies”, please describe any discrepancy between the policies and their implementation: The Company has established the “Ethical Corporate Management Best-Practice Principles” which clearly regulates the matters to be followed by the Company’s staff. Other accusation cases and penalties are also clearly set out in relevant measures. There is no significant difference between the policies and the “Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies.”				
VI. Other important information to facilitate a better understanding of the company’s ethical corporate management policies: (Such as reviewing and revising its ethical business codes, etc.) 1. The Company complies with Company Act, Securities and Exchange Act, Business Entity Accounting Act, Political Donations Act, Anti-Corruption Act, Government Procurement Act, Act on Recusal of Public Servants Due to Conflicts of Interest as well as relevant regulations for the listed companies or other business entities as basic premise for fulfilling good faith management. The Company also fully dedicates in environmental and quality policies by adopting high standards. 2. The Company has set up the “Regulations Governing the Prevention of Insider Trading” which stipulated that directors, supervisors, managers and employees must not disclose any material information to others. They must not inquire or collect undisclosed material information within the Company that are not related to personal duties, and shall not disclose to others any undisclosed material insider information that is not obtained from the execution of business activities during discussion and voting on that item and may not act as another director’s proxy to exercise voting rights on that matter. 3. The Company has set up the “Regulations Governing the Prevention of Insider Trading” which stipulates that upon actually knowing of any material information, the insiders, quasi-insiders and tippees shall not purchase or sell shares of the company that are listed on an exchange or an over-the-counter market, or any other equity-type security of the company after the information is precise, and prior to the public disclosure of such information or within 18 hours after its public disclosure in case accidentally violate insider trading because they are not familiar with the regulations. In addition, the “Procedure for Insider Trading Prevention” stipulates that directors, managerial officers, and natural persons designated as their proxy specified in Paragraph 1, Article 27 of the Company Act, shall not trade their shares during the closed period of 30 days prior to the publication of the annual financial reports and 15 days prior to the publication of the quarterly financial reports. The Company requested the President Office to inform the persons subject to the provisions the lock period forbidding trading after arranging dates of board meetings; the President Office also review the compliance of the concerned persons when reporting the equity every month. 4. The Company stipulates “Procedures for Handling Material Inside Information” to establish sound mechanisms for the handling and disclosure of material inside information in order to prevent improper information disclosures and to ensure the consistency and accuracy of information released by this Corporation to the public. The procedure regulates that no director, supervisor, managerial officer, or employee with knowledge of material inside information of the Company may divulge the information to others, nor inquire about or collect any non-public material inside information of this Company not related to their individual duties from a person with knowledge of such information, nor may they disclose to others any non-public material inside information of this Corporation of which they become aware for reasons other than the performance of their duties. 5. On August 9, 2024, the Company’s Board of Directors approved the fifth amendment to the “Procedures for Ethical Management Guidelines for Conduct.” In line with the responsibility of the RBA Code of Conduct 8.0 adopted by electronic industry, the revision introduced specific regulations governing the cost and frequency of giving or receiving gifts from suppliers or customers. Gifts given or received must be based on business needs and should conform to local courtesy, custom, or practice during domestic and foreign visits, reception of guests, promotion of business, communication, and coordination activities. The market value of a single gift is capped at NT\$800, and the total value of benefits received from the same party is limited to NT\$2,000 per year.				

I. Other important information sufficient to enhance understanding of the operation of corporate governance should be disclosed together:

1. MOPS: <http://mops.twse.com.tw>
2. Website of the Company: <https://www.saswafer.com> “Investor section” and “ESG section”
3. Directors’ continuing education:

The Board of Directors of the Company had all complete their further education according to the “Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies” specification

Title	Name	Training date	Hosting institution	Training course	Training hours
Chairperson	Hsiu-Lan Hsu	2024/02/19	Taiwan Corporate Governance Association	How Companies Implement Energy Conservation and Carbon Emissions Reduction to Improve Profits	3
		2024/03/25	Taiwan Corporate Governance Association	Corporate Governance and Securities Regulations	3
		2024/07/03	Taiwan Stock Exchange	2024 Cathay Sustainable Finance and Climate Change Summit	6
		2024/10/29	Taiwan Corporate Governance Association	Global and Taiwan Economic Outlook 2024	3
Director	Ming-Kuang Lu	2024/04/30	Taiwan Corporate Governance Association	The development trend of the TCFD & SBTi and the authority of the board of directors	3
		2024/10/30	Taiwan Corporate Governance Association	Cybersecurity Governance Practices: Analysis of Critical Management Issues	3
Director	Tang-Liang Yao	2024/02/19	Taiwan Corporate Governance Association	How Companies Implement Energy Conservation and Carbon Emissions Reduction to Improve Profits	3
		2024/03/25	Taiwan Corporate Governance Association	Corporate Governance and Securities Regulations	3
Director	Wen-Huei Tsai	2024/07/03	Taiwan Stock Exchange	2024 Cathay Sustainable Finance and Climate Change Summit	6
Director	Feng-Ming Chang	2024/07/03	Taiwan Stock Exchange	2024 Cathay Sustainable Finance and Climate Change Summit	6
Director	Kai Jiang Co., Ltd Representative: Hau Fang	2024/07/01	Taiwan Corporate Governance Association	Legal Issues Relating to ESG for Consideration by the Board of Directors	3
		2024/07/03	Taiwan Stock Exchange	2024 Cathay Sustainable Finance and Climate Change Summit	6
Director	Kun Chang Investment Co., Ltd Representative: Edward Andrew Ow	2024/07/03	Taiwan Stock Exchange	2024 Cathay Sustainable Finance and Climate Change Summit	6
Independent Director	Jin-Tang Liu	2024/03/06	Greater China Financial and Economic Development Association	Global Economic Outlook 2024	1
		2024/04/10	Taiwan Institute of Directors	Steering the ship of corporate wisdom, corporate governance leads the way forward	3
		2024/05/22	Taiwan Corporate Governance Association	Co-Creating the Green Ecosystem: Megatrend and Vision - TCX Operations and Prospects	1
		2024/07/03	Taiwan Stock Exchange	2024 Cathay Sustainable Finance and Climate Change Summit	6
		2024/07/30	Taiwan Corporate Governance Association	Vision and Trend of ESG Evaluation	1
		2024/12/19	Taiwan Corporate	Activating Asia: Key Trends in	1

Title	Name	Training date	Hosting institution	Training course	Training hours
			Governance Association	Corporate Governance across Asia	
Independent Director	Hou-Chung Kuo	2024/07/03	Taiwan Stock Exchange	2024 Cathay Sustainable Finance and Climate Change Summit	6
Independent Director	Shao-Lun Li	2024/07/03	Taiwan Stock Exchange	2024 Cathay Sustainable Finance and Climate Change Summit	6
Independent Director	Chien-Yong Ma	2024/07/03	Taiwan Stock Exchange	2024 Cathay Sustainable Finance and Climate Change Summit	6

4. Continuing education for corporate governance:

Title	Name	Training date	Hosting institution	Course name	Training hours
Corporate Governance Supervisor	Shu-Ching Shen	2024/03/25	Taiwan Corporate Governance Association	Corporate Governance and Securities Regulations	3
		2024/06/24	Taiwan Corporate Governance Association	Information Security Governance Strategy of TWSE- and TPEx- Listed Companies from the Aspect of ESG Corporate Sustainable Development	3
		2024/07/01	Taiwan Corporate Governance Association	Legal Issues Relating to ESG for Consideration by the Board of Directors	3
		2024/07/03	Taiwan Stock Exchange	2024 Cathay Sustainable Finance and Climate Change Summit	6
		2024/09/11	Taipei Exchange	Awareness-Raising Event for the Equity of Insiders at Companies Listed on Taipei Exchange and Emerging Stock Market	3

J. Internal Control System Execution Status

1. Statement of Internal Control System

Please visit the MOPS (<https://mops.twse.com.tw/mops/#/web/t06sg20>)

Home> Individual Company> Corporate Governance> Corporate Regulations/Internal Control> Announcement of Declaration of Internal Control (stock market: TPEx-listed; stock code: 5483).

2. Internal audit organization and operation

The auditing unit of the Company is affiliated to the Board of Directors, and the appointment or removal of the chief internal auditor must be examined by the Audit Committee and sent to the Board of Directors for approval. The Company should report by the Internet Information System for reference in accordance with the provisions of the Financial Regulatory Commission 10 days in the next month after the approval of the Board of Directors. There is currently one chief internal auditor (department manager) and two auditors.

The auditing unit makes an annual audit plan based on the results of risk evaluation, including items to be audited each month. It does carry out audit operations in accordance with the annual audit plan, so as to check the internal control system of the Company.

The Company has set up an Audit Committee, all of which are composed of independent Directors. When submitting the annual audit plan to the Audit Committee for discussion according to regulations, the opinions of independent Directors have been fully taken into account. After each audit, the audit report is made, and the working manuscript and related information are attached. The deficiencies and improvement suggestions will be reported to the management. The audit findings are disclosed in the audit report according to the facts and tracked after the report has been audited at least on a quarterly basis. A tracking report is made until improvement, in order to confirm that the relevant units have taken appropriate improvement measures in time. Members of the Company's Audit Committee communicate well with the chief internal auditor.

The Company's CPAs report the results of the audit or review of the current quarter's financial statements at quarterly meetings of the Audit Committee, as well as other communication matters required by relevant laws and regulations. Members of the Company's Audit Committee communicate well with CPAs.

3. CPA audit report should be disclosed If CPA is entrusted to perform internal audit: Not applicable.

K. As of the date of this Annual Report, the following resolutions are adopted regarding annual shareholders' meeting and Board of Directors Meeting:

1. Important resolutions and implementation of 2024 Shareholders' Meeting (June 20, 2024):

Important resolutions	Implementation
1. Approved the amendments to the "Policies and Procedures for Financial Derivative Transactions"	Implemented as the latest amended provisions upon the resolution of the shareholders' meeting.
2. Approved the proposal for the issuance of securities, either through public or private offerings, to meet the Company's financial needs	On February 27, 2025, the Board of Directors resolved not to proceed with the planned issuance, as the Company had already issued 55,000,000 new shares in the form of global depository receipt on October 2, 2024.
3. Approved the ratification of the 2023 business report, financial statements, and earnings distribution table	Resolved by the General Shareholders' Meeting

2. Important resolutions of the Board of Directors:

Date	Important resolutions
2024.02.29	1. 2023 distribution of remunerations to employees and directors 2. The Company's 2023 business report and financial statements 3. Replacement of CPAs to cope with the internal business adjustment of the accounting firm 4. Proposal of the Company's 2023 "Statement of the Internal Control System" 5. Amendments to the Company's "Operational Procedures for Engaging in Derivative Trading" 6. Amendments to the Company's "Rules of Procedure for Board of Directors Meetings" 7. Amendments to the Company's "Audit Committee Charter" 8. Proposal to amend the Company's "General Principles and Methods for

	<p>Preapproving Non-assurance Service Policy"</p> <p>9. Proposal to terminate the private placement of new shares for capital increase at the expiration</p> <p>10. To meet the Company's capital needs, it is intended to conduct public or private placements of securities</p> <p>11. Relevant Matters concerning the agenda of the 2024 regular shareholders' meeting and the acceptance of proposals from shareholders</p> <p>12. Proposal of loaning of funds to subsidiaries</p> <p>13. Serving as Guarantor for loans of 100%-owned subsidiaries from financial institutions</p> <p>14. Provision of credit and foreign exchange facilities by financial institutions</p> <p>15. Provision of mid-term credit facilities by financial institutions</p> <p>16. The overdue payment for more than three months of the Company and its subsidiaries are actual transactions, and thus not required to transferred to as loaning of funds to others.</p> <p>17. Amendments to the Company's "Regulations Governing the Remuneration of Managerial Officers"</p> <p>18. Establishment of branches and appointment of branch managers</p> <p>19. Proposal for employees' promotion</p> <p>20. Proposal of appointments of employees</p>
2024.05.10	<p>1. The Company's consolidated financial statements of Q1 2024</p> <p>2. The 2023 earning distribution table and the proposed earning distribution for the second half of 2023</p> <p>3. Amendment to the Company's "Internal Control System"</p> <p>4. Amendments to the Company's "Regulations Governing the Remuneration of Managerial Officers"</p> <p>5. Amendment to the Company's "Measures for Performance"</p> <p>6. Serving as Guarantor for Loan of 100%-owned Subsidiaries from a Financial Institution</p> <p>7. Loan of Funds to 100%-owned Subsidiaries</p> <p>8. Provision of Credit Quota and Foreign Exchange Quota by Financial Institution.</p> <p>9. The Company and the subsidiaries' receivables that are 3 months overdue were all actual transactions; therefore, such receivables are not recognized as fund loans to others.</p> <p>10. Report on the promotion and implementation of the Company's "Sustainability Report" and "ESG Committee" for 2023</p> <p>11. Released the Company's managerial officers from the non-competition restrictions</p> <p>12. Proposal to jointly procure offshore wind power in collaboration with subsidiary Sustainable Energy Solution Co., Ltd.</p> <p>13. Proposal for employees' promotion</p> <p>14. Proposal for the distribution of directors' remuneration for 2023</p> <p>15. Proposal for the distribution of managerial officers' and employees' remuneration for 2023</p>
2024.08.09	<p>1. The Company's consolidated financial statements of Q2 2024.</p> <p>2. Provision of Credit Quota and Foreign Exchange Quota by Financial Institution.</p> <p>3. Serving as guarantor for loan of subsidiaries from a financial institution</p> <p>4. Proposal to terminate the Company's role as a joint guarantor for its subsidiary under a lease agreement</p> <p>5. Proposal to issue a Letter of Support by the Company for its subsidiary.</p> <p>6. Amendments to the Company's "Procedures for Ethical Management and Guidelines for Conduct"</p> <p>7. Adoption of the Company's "Measures for Recognition of Allowance for Doubtful Accounts"</p> <p>8. Proposal to increase shareholdings in subsidiaries</p>
2024.08.27	<p>1. Proposal to increase capital through cash issuance of new shares for participation in overseas depository receipt issuance</p> <p>2. Proposal for the early termination of the land and building lease agreement of the Yilan Branch, and the gratuitous transfer of the buildings.</p>
2024.09.30	<p>1. Proposal to participate the subscription of shares issued by Anneal Energy Co., Ltd.pursuant to a cash capital increase</p>
2024.11.05	<p>1. Proposal to jointly procure offshore wind power in collaboration with subsidiary Sustainable Energy Solution Co., Ltd.</p> <p>2. Proposal for subsidiary Sustainable Energy Solution Co., Ltd. to sign a corporate power purchase agreement with Winbond Electronics Corporation</p>
2024.11.08	<p>1. The Company's consolidated financial statements of Q3 2024.</p> <p>2. Provision of Credit Quota and Foreign Exchange Quota by Financial Institution.</p> <p>3. Amendment to the Company's "Internal Control System"</p> <p>4. 2025 Internal Audit Plan</p>

	<ul style="list-style-type: none"> 5. Adoption of the Company's "Corporate Sustainability Development Committee Charter" and appointment of the Chief Sustainability Officer 6. Amendment to the Company's "General Principles on Pre-Approval Policy for Non-Assurance Services" 7. Amendments to the Company's "Board of Directors and Functional Committee Performance Evaluation Measures" 8. Amendments to the Company's "Regulations Governing the Remuneration of Managerial Officer" 9. Proposal to participate the subscription of shares issued by WaferChem Technology Corporation pursuant to a cash capital increase
2024.11.29	<ul style="list-style-type: none"> 1. Proposal to jointly procure offshore wind power in collaboration with subsidiary Sustainable Energy Solution Co., Ltd.
2024.12.13	<ul style="list-style-type: none"> 1. Proposal to develop the 2025 business plan 2. Proposed earning distribution for the first half of 2024 3. Provision of Credit Quota and Foreign Exchange Quota by Financial Institution. 4. Loan of funds to power plant subsidiaries 5. Proposal for cash capital increase of the subsidiary, Sustainable Energy Solution Co., Ltd.
2025.02.27	<ul style="list-style-type: none"> 1. 2024 Distribution of employees' remuneration and directors' remuneration 2. The Company's 2024 Business Report and Financial Statements 3. The 2024 earning distribution table and the proposed earning distribution for the second half of 2024 4. Evaluation of CPA independence and competence for CPA appointment. 5. Declaration of Internal Control System of 2024 6. Amendments to the Company's "Articles of Incorporation" 7. Definition of the Company's "grassroots employees" 8. Amendment to the Company's "Procedures for Endorsements and Guarantees" 9. Proposal not to proceed with the issuance of new shares through private offerings to increase capital 10. Proposal for the issuance of securities, either through public or private offerings, to meet the Company's financial needs 11. Relevant matters concerning the convening of the 2025 General Shareholders' Meeting and proposals submitted by shareholders 12. Loan of funds to subsidiaries 13. Proposal to cancel the loan of funds to subsidiaries 14. Proposal to terminate the Company's role as guarantor for loan of subsidiaries from a financial institution 15. Provision of Credit Quota and Foreign Exchange Quota by Financial Institution. 16. Loan of funds to subsidiaries

- L. The main content when Directors and supervisors disagree with the adoption of important resolutions by the Board of Directors in recent years and up to the date of publication of the annual report and have recorded or written statements: No such situation.

III. Service Fees of Accountants

Unit of amount: NT\$ thousands

Accounting Firm	Name of CPA	Period Covered by CPA's Audit	Audit Fee	Non-audit Fee	Total	Note
KPMG United Accounting Firm	Yung-Hua Huang	2024.01-2024.12	5,055	1,080	6,135	Non-audit fees are transfer pricing, industrial and business registration, and tax attestation services
	Chun-Yuan Wu	2024.01-2024.12				

- A. If the accounting firm is replaced and the audit fee paid in the replacement year is less than that paid in the previous year, the amount, reasons for the reduction before and after replacement should be disclosed: None.
- B. If the audit fees have decreased by more than 10% compared to the previous year, the amount, ratio, and reason for the reduction in audit expense should be disclosed: None.

IV. Information on Replacement of Independent Auditors: The Company has replaced its CPA in cooperation with KPMG's internal business adjustment the last two fiscal years. The Company did not change its accounting firm.

V. Name, professional title and employment in the firm of CPA or his/her related enterprise of the Chairperson, President, Finance or Accounting Manager Who Has Worked in the Accounting Firm or Affiliates in the Most Recent Year, the Name, Position and the Service Period Shall Be Disclosed: None.

VI. Share Transfers and Share Pledging by Directors, Supervisors, Managers and Shareholders Holding More than 10% Equity in the Past Year and Up to the Printing Date of This Annual Report

- A. Changes in shareholding rights of directors, supervisors, managers and shareholders with a shareholding ratio of more than 10%.

Share transfer : Please visit the MOPS

(https://mops.twse.com.tw/mops/#/web/query6_1)

MOPS> Single Company> Changes in Shareholding/Issuance of Securities> Statistics of Changes in Shareholding> Insider Shareholding Change Post-Filing Form (stock code: 5483).

Changes in Pledged Shareholding: Please visit the MOPS

(https://mopsov.twse.com.tw/mops/web/STAMAK03_1)

MOPS> Single Company> Shareholding Changes / Securities Issuance > Insider Pledge and Release of Pledge> Insider Pledge and Release of Pledge Announcements (stock code: 5483).

- B. Shares Trading with Related Parties: None.
- C. Shares Pledge with Related Parties: None.

VII.Information Regarding the Relationship among the Top Ten Shareholders Who are Related Parties or a Relative within Second Degree of Kinship

March 28, 2025

Name	Shares held by the shareholder		Shares held by spouse and minor children		Shares held in other person's name		Information on the relations among the top 10 shareholders if anyone is a related party, a spouse, or a relative within second degree of kinship of another and their names		Notes
	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Company name (or name)	Relationship	
Hongwang Investment Co., Ltd.	25,050,000	3.91%	-	-	-	-	None	None	
Representative of Hongwang Investment Co., Ltd.: Su-Lan Chiang	0	0	-	-	-	-	None	None	
Dedicated securities investment trust fund account for Yuanta Taiwan Value High Dividend ETF in the custody of Hua Nan Bank	22,890,000	3.57%	-	-	-	-	None	None	
Dedicated securities investment trust fund account for Fuh Hwa Taiwan Technology Dividend Highlight ETF in the custody of Taipei Fubon Commercial Bank Co., Ltd.	22,035,000	3.44%	-	-	-	-	None	None	
Taiwan Cooperative Bank	15,434,000	2.41%	-	-	-	-	None	None	
Representative of Taiwan Cooperative Bank: Yen-Mao Lin	0	0	-	-	-	-	None	None	
Nan Shan Life Insurance Co., Ltd.	14,988,000	2.34%	-	-	-	-	None	None	
Representatives of Nan Shan Life Insurance Co., Ltd.: Chung-Yao Yin	0	0	-	-	-	-	None	None	
Ching-Chao Chang	13,920,000	2.17%	-	-	-	-	None	None	
Dedicated securities investment trust fund account for United Taiwan High Dividend Recovery 30 ETF in the custody of Taiwan Business Bank	13,876,000	2.16%	-	-	-	-	None	None	
CW & ET Link Inc.	13,114,000	2.05%	-	-	-	-	None	None	
Representative of CW & ET Link Inc.: Su-Lan Chiang	0	0	-	-	-	-	None	None	
KGI Life Insurance Co., Ltd.	11,301,000	1.76%	-	-	-	-	None	None	
Representatives of KGI Life Insurance Co., Ltd.: Ming-Yang Wang	0	0	-	-	-	-	None	None	
Ming-Kuang Lu	11,100,000	1.73%	2,221,685	0.35%	0	0	None	None	

VIII.Total Numbers and Equity of Shares Held in any Single Enterprise by the Company, Directors, Supervisors, Managers and Any Companies Controlled Either Directly or Indirectly by the Company

December 31, 2024, Unit: thousand shares; %

Reinvestment (Note 1)	Investment of the Company		Investments directly or indirectly controlled by directors, supervisors and managers		Total investment	
	Number of Shares	Shareholding percentage	Number of Shares	Shareholding percentage	Number of Shares	Shareholding percentage
Sino Silicon Technology Inc.	48,526	100.00%	—	—	48,526	100.00%
GlobalWafers Co., Ltd.	223,008	46.64%	—	—	223,008	46.64%
AleoSolar GmbH	(Note 2)	100.00%	—	—	(Note 2)	100.00%
SAS Sunrise Inc.	24,500	100.00%	—	—	24,500	100.00%
SAS Capital Co., Ltd.	65,000	100.00%	—	—	65,000	100.00%
Accusolar Power Co., Ltd.	7,452	24.70%	—	—	7,452	24.70%
Taiwan Speciality Chemicals Corporation	42,123	28.52%	—	—	42,123	28.52%
Advanced Wireless Semiconductor Company	55,923	28.46%	—	—	55,923	28.46%
Actron Technology Corporation	25,933	25.56%	—	—	25,933	25.56%
Sunrise PV Three Co., Ltd.	1,500	100.00%	—	—	1,500	100.00%
Sustainable Energy Solution Co., Ltd.	2,000	100.00%	—	—	2,000	100.00%
Sustainable Hydropower Energy Co., Ltd	—	—	383	51.00%	383	51.00%
AMLED International Systems Inc.	—	—	—	—	-	-
Sulu Electric Power and Light Inc.	—	—	892,500	85.00%	892,500	85.00%
Aleo Solar Distribuzione Italia S.r.l	—	—	(Note 2)	100.00%	(Note 2)	100.00%
Anneal Energy Co., Ltd.	15,960,000	45.01%	—	—	15,960,000	45.01%
WaferChem Technology Corporation	—	—	14,363,265	51.00%	14,363,265	51.00%

Note 1: The Company's investment is based on equity method.

Note 2: Limited company, number of shares unavailable.

December 31, 2024, Unit: thousand shares; %

Reinvestment (Note 1)	Investment of the Company		Investments directly or indirectly controlled by directors, supervisors and managers		Total investment	
	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding percentage	Number of Shares	Shareholding Ratio
Global Semiconductor Inc.	-	-	23,000	100.00%	23,000	100.00%
GlobalWafers Japan Co., Ltd.	-	-	128	100.00%	128	100.00%
GlobalWafers GmbH			48,025	100.00%	48,025	100.00%
GlobalWafers Singapore Pte. Ltd.	-	-	41,674	100.00%	41,674	100.00%
GlobalWafers B.V.	-	-	0.1	100.00%	0.1	100.00%
Sunrise PV Four Co., Ltd.	-	-	104,500	100.00%	104,500	100.00%
Sunrise PV Electric Power Five Co., Ltd.	-	-	14,134	100.00%	14,134	100.00%
GWC Capital Co., Ltd.	-	-	25,000	100.00%	25,000	100.00%
GlobalWafers Capital Co., Ltd.	-	-	32,529	100.00%	32,529	100.00%
CRYSTALWISE TECHNOLOGY INC.	-	-	43,836	100.00%	43,836	100.00%
Crystalwise Technology (HK) Limited	-	-	47,650	100.00%	47,650	100.00%
Yuan Hong Technical Materials Ltd.	-	-	(Note 2)	100.00%	(Note 2)	100.00%
Kunshan Sino Silicon Technology Co., Ltd.	-	-	(Note 2)	100.00%	(Note 2)	100.00%
MEMC Electronic Materials Sdn.Bhd.	-	-	89,586	100.00%	89,586	100.00%
Kunshan Chenju Electronic Technology Co., Ltd.			(Note 2)	100.00%	(Note 2)	100.00%
Shanghai Sawyer Shenkai Technology Material Co., Ltd.	-	-	(Note 2)	100.00%	(Note 2)	100.00%
Yuan Hong Technical Materials Ltd.	-	-	(Note 2)	90.00%	(Note 2)	90.00%
MEMC Japan Ltd.	-	-	750	100.00%	750	100.00%
MEMC Electronic Materials S.p.A.	-	-	65,000	100.00%	65,000	100.00%
MEMC Electronic Materials France SarL	-	-	0.5	100.00%	0.5	100.00%
GlobiTech Incorporated.	-	-	1	100.00%	1	100.00%
MEMC LLC	-	-	-	100.00%	-	100.00%
GlobalWafers America, LLC			1	100.00%	1	100.00%
MEMC Korea Company	-	-	25,200	100.00%	25,200	100.00%
MEMC Ipoh Sdn.Bhd.			612,300	100.00%	612,300	100.00%
Topsil GlobalWafers A/S	-	-	1,000	100.00%	1,000	100.00%
Ding-Wei Technology Co., Ltd.	-	-	15,000	100.00%	15,000	100.00%
Smooth International Limited Corporation	-	-	12,000	100.00%	12,000	100.00%
Smooth Autocomponent Limited	-	-	12,000	100.00%	12,000	100.00%
Actron Technology (Qing Dao) Corporation	-	-	(Note 2)	100.00%	(Note 2)	100.00%
Rec Technology Corp.	-	-	8,488	49.35%	8,488	49.35%
Big best Solutions, Inc.	-	-	19,314	27.59%	19,314	27.59%
Mosel Vitelec Inc.	3	-	46,925	29.86%	46,928	29.81%
DENMOS TECHNOLOGY INC	-	-	9,114	80.24%	9,114	80.00%
Mao Fu Development Co. Ltd.	-	-	12,012	100.00%	12,012	100.00%
Baode Investment Co., Ltd.	-	-	6,400	46.71%	6,400	46.71%
Giant Haven Investments Limited	-	-	2	100.00%	2	100.00%
Hong-Wang Investment Company	-	-	60,976	60.98%	60,976	60.98%

Note 1: The Company's investment is based on equity method.

Note 2: Limited company, number of shares unavailable.

Three. Capital Overview

I. Capital and Shares

A. Source of Capital:

1. The formation of capital

Unit: NT\$/share

Month/ Year	Par Value	Authorized Capital		Paid-in Capital		Remarks		
		Number of Shares	Amount	Number of Shares	Amount	Sources of Capital	Capital Increased by Assets Other than Cash	Other
1981/01	10	10,800,000	108,000,000	6,044,663	60,446,630	Capital increased by cash 38,902,043	21,544,587	
1984/08	10	10,800,000	108,000,000	10,800,000	108,000,000	Capital increased by cash by 111,946	47,441,424	
1984/11	10	14,000,000	140,000,000	14,000,000	140,000,000	Capital increased by cash 32,000,000	None	
1990/04	10	30,000,000	300,000,000	30,000,000	300,000,000	Capital increased by cash 160,000,000	None	Note (1)
1995/11	10	60,000,000	600,000,000	40,000,000	400,000,000	Capital increased by cash 100,000,000	None	Note (2)
1998/02	10	60,000,000	600,000,000	60,000,000	600,000,000	Capital increased by cash 200,000,000	None	Note (3)
1998/08	10	63,000,000	630,000,000	63,000,000	630,000,000	Conversion of capital reserve 30,000,000	None	Note (4)
1999/12	10	78,000,000	780,000,000	78,000,000	780,000,000	Capital increased by cash 150,000,000	None	Note (5)
2000/10	10	86,421,000	864,210,000	86,421,000	864,210,000	Conversion of surplus, capital reserve and employee dividend to capital increase 84,210,000	None	Note (6)
2001/10	10	170,000,000	1,700,000,000	100,857,250	1,008,572,500	Conversion of surplus and employee dividend to capital increase 144,362,500	None	Note (7)
2002/10	10	170,000,000	1,700,000,000	105,350,000	1,053,500,000	Conversion of surplus and employee dividend to capital increase 44,927,500	None	Note (8)
2003/09	10	170,000,000	1,700,000,000	109,706,100	1,097,061,000	Conversion of surplus, capital reserve and employee dividend to capital increase 43,561,000	None	Note (9)
2004/09	10	170,000,000	1,700,000,000	114,593,000	1,145,930,000	Conversion of surplus and employee dividend to capital increase 48,869,000	None	Note (10)
2005/09	10	170,000,000	1,700,000,000	122,300,000	1,223,000,000	Conversion of surplus and employee dividend to capital increase 77,070,000	None	Note (11)
2005/10	10	170,000,000	1,700,000,000	152,300,000	1,523,000,000	Capital increased by cash 300,000,000	None	Note (12)
2006/09	10	250,000,000	2,500,000,000	161,000,000	1,610,000,000	Conversion of surplus, capital reserve and	None	Note (13)

						employee dividend to capital increase 87,000,000		
2006/10	10	250,000,000	2,500,000,000	181,000,000	1,810,000,000	Capital increased by cash 200,000,000	None	Note (14)
2006/10	10	250,000,000	2,500,000,000	183,289,000	1,832,890,000	Warrants Conversion stock 22,890,000	None	Note (15)
2007/03	10	250,000,000	2,500,000,000	183,692,000	1,836,920,000	Warrants Conversion stock 4,030,000	None	Note (16)
2007/05	10	250,000,000	2,500,000,000	186,506,000	1,865,060,000	Warrants Conversion stock 28,140,000	None	Note (17)
2007/09	10	250,000,000	2,500,000,000	186,831,000	1,868,310,000	Warrants Conversion stock 3,250,000	None	Note (18)
2007/09	10	250,000,000	2,500,000,000	197,241,300	1,972,413,000	Conversion of surplus and employee dividend to capital increase 104,103,000	None	Note (19)
2007/12	10	250,000,000	2,500,000,000	198,366,300	1,983,663,000	Warrants Conversion stock 11,250,000	None	Note (20)
2008/02	10	250,000,000	2,500,000,000	198,386,300	1,983,863,000	Warrants Conversion stock 200,000	None	Note (21)
2008/05	10	250,000,000	2,500,000,000	199,107,700	1,991,077,000	Warrants Conversion stock 7,214,000	None	Note (22)
2008/09	10	250,000,000	2,500,000,000	210,426,710	2,104,267,100	Conversion of surplus and employee dividend to capital increase 110,860,100 Warrants Conversion stock 2,330,000	None	Note (23)
2008/10	10	250,000,000	2,500,000,000	220,426,710	2,204,267,100	Capital increased by cash 100,000,000	None	Note (24)
2008/12	10	250,000,000	2,500,000,000	221,177,710	2,221,777,100	Warrants Conversion stock 7,510,000	None	Note (25)
2009/04	10	250,000,000	2,500,000,000	221,233,710	2,212,337,100	Warrants Conversion stock 560,000	None	Note (26)
2009/05	10	250,000,000	2,500,000,000	221,923,110	2,219,231,100	Warrants Conversion stock 6,894,000	None	Note (27)
2009/08	10	350,000,000	3,500,000,000	267,929,276	2,679,292,760	Conversion of surplus and employee dividend to capital increase 460,061,660	None	Note (28)
2009/08	10	350,000,000	3,500,000,000	299,179,276	2,991,792,760	Capital increased by cash 312,500,000	None	Note (29)
2009/09	10	350,000,000	3,500,000,000	299,317,276	2,993,172,760	Warrants Conversion stock 1,380,000	None	Note (30)
2009/11	10	350,000,000	3,500,000,000	299,441,276	2,994,412,760	Warrants Conversion stock 1,240,000	None	Note (31)
2010/03	10	350,000,000	3,500,000,000	299,479,276	2,994,792,760	Warrants Conversion stock 380,000	None	Note (32)
2010/04	10	350,000,000	3,500,000,000	299,626,276	2,996,262,760	Warrants Conversion stock 1,470,000	None	Note (33)

2010/07	10	350,000,000	3,500,000,000	321,025,580	3,210,255,800	Conversion of surplus and employee dividend to capital increase 213,993,040	None	Note (34)
2010/10	10	500,000,000	5,000,000,000	382,025,580	3,820,255,800	Capital increased by cash 610,000,000	None	Note (35)
2011/05	10	500,000,000	5,000,000,000	402,132,190	4,021,321,900	Stock exchange 201,066,100	None	Note (36)
2011/08	10	600,000,000	6,000,000,000	423,119,081	4,231,190,810	Conversion of surplus and employee dividend to capital increase 209,868,910	None	Note (37)
2011/11	10	600,000,000	6,000,000,000	443,119,081	4,431,190,810	Capital increased by cash 200,000,000	None	Note (38)
2012/08	10	800,000,000	8,000,000,000	523,119,081	5,231,190,810	Capital increased by cash 800,000,000	None	Note (39)
2014/05	10	800,000,000	8,000,000,000	523,143,081	5,231,430,810	Warrants Conversion stock 240,000	None	Note (40)
2014/08	10	800,000,000	8,000,000,000	580,031,151	5,800,311,510	Consolidated new issue of Sunriseglobal shares 568,880,700	None	Note (41)
2017/10	10	800,000,000	8,000,000,000	592,093,651	5,920,936,510	Warrants Conversion stock 60,625,000 Restricted stock awards 60,000,000	None	Note (42)
2018/01	10	800,000,000	8,000,000,000	592,058,651	5,920,586,510	Revoked 350,000 shares of restricted share awards	None	Note (43)
2018/10	10	800,000,000	8,000,000,000	586,503,651	5,865,036,510	Capital injection and reduction of treasury stock 55,550,000	None	Note (44)
2018/12	10	800,000,000	8,000,000,000	586,320,651	5,863,206,510	Revoked 1,830,000 shares of restricted share awards	None	Note (45)
2019/04	10	800,000,000	8,000,000,000	586,287,651	5,862,876,510	Revoked 330,000 shares of restricted share awards	None	Note (46)
2019/08	10	800,000,000	8,000,000,000	586,236,651	5,862,366,510	Revoked 510,000 shares of restricted share awards	None	Note (47)
2020/03	10	800,000,000	8,000,000,000	586,221,651	5,862,216,510	Revoked 150,000 shares of restricted share awards	None	Note (48)
2024/10	10	1,000,000,000	10,000,000,000	641,221,651	6,412,216,510	Capital increased by cash 550,000,000	None	Note (49)

Note (1) Tai Cai Zheng (1) Approval Letter No. 02824 of October 26th, 1990 (1990) of the Securities Management Committee, Ministry of Finance.

Note (2) Tai Cai Zheng (1) Approval Letter No. 39204 of December 4th, 1995 (1995) of the Securities Management Committee, Ministry of Finance.

Note (3) Tai Cai Zheng (1) Approval Letter No. 85459 of November 27th, 1997 (1997) of Securities and Futures Commission, Ministry of Finance.

Note (4) Tai Cai Zheng (1) Approval Letter No. 58663 of July 10th, 1998 (1998) of Securities and Futures Commission, Ministry of Finance.

Note (5) Tai Cai Zheng (1) Approval Letter No. 93634 of October 26th, 1999 (1999) of Securities and Futures Commission, Ministry of Finance.

Note (6) Tai Cai Zheng (1) Approval Letter No. 83396 of October 6th, 2000 (2000) of Securities and Futures Commission, Ministry of Finance.

Note (7) Tai Cai Zheng (1) Approval Letter No. 140364 of June 26th, 2001 (2001) of Securities and Futures Commission, Ministry of Finance.

Note (8) Tai Cai Zheng Yi Zi Approval Letter No. 0910144515 of August 9th, 2002 (2002) of Securities and Futures Commission, Ministry of Finance.

- Note (9) Tai Cai Zheng Yi Zi Approval Letter No. 0920133758 of July 25th, 2003 (2003) of Securities and Futures Commission, Ministry of Finance.
- Note (10) Tai Cai Zheng Yi Zi Approval Letter No. 0930132046 of July 19th, 2004 (2004) of Financial Supervisory Commission, Executive Yuan.
- Note (11) Tai Cai Zheng Yi Zi Approval Letter No. 0940126037 of June 29th, 2005 (2005) of Financial Supervisory Commission, Executive Yuan.
- Note (12) Tai Cai Zheng Yi Zi Approval Letter No. 0940125440 of July 1st, 2005 (2005) of Financial Supervisory Commission, Executive Yuan.
- Note (13) Tai Cai Zheng Yi Zi Approval Letter No. 0950128446 of July 10th, 2006 (2006) of Financial Supervisory Commission, Executive Yuan.
- Note (14) Tai Cai Zheng Yi Zi Approval Letter No. 0950128620 of July 12th, 2006 (2006) of Financial Supervisory Commission, Executive Yuan.
- Note (15) Yuan Shang Zi Approval Letter No. 0950028768 of October 27th, 2006 of Taiwan Science Park Administration.
- Note (16) Yuan Shang Zi Approval Letter No. 0960006570 of March 13th, 2007 of Taiwan Science Park Administration.
- Note (17) Yuan Shang Zi Approval Letter No. 0960011004 of May 1st, 2007 of Taiwan Science Park Administration.
- Note (18) Jin Guan Zheng Yi Zi Approval Letter No. 0960036973 of July 17th, 2007 of Financial Supervisory Commission, Executive Yuan.
- Note (19) Yuan Shang Zi Approval Letter No. 0960025181 of September 13th, 2007 of Taiwan Science Park Administration.
- Note (20) Yuan Shang Zi Approval Letter No. 0960033158 of December 5th, 2007 of Taiwan Science Park Administration.
- Note (21) Yuan Shang Zi Approval Letter No. 0970007484 of February 15th, 2008 of Taiwan Science Park Administration.
- Note (22) Yuan Shang Zi Approval Letter No. 0970012289 of May 14th, 2008 of Taiwan Science Park Administration.
- Note (23) Yuan Shang Zi Approval Letter No. 0970023820 of September 1st, 2008 of Taiwan Science Park Administration.
- Note (24) Yuan Shang Zi Approval Letter No. 0970031254 of November 5th, 2008 of Taiwan Science Park Administration.
- Note (25) Yuan Shang Zi Approval Letter No. 0970033918 of December 1st, 2008 of Taiwan Science Park Administration.
- Note (26) Yuan Shang Zi Approval Letter No. 0980010288 of April 13th, 2009 of Taiwan Science Park Administration.
- Note (27) Yuan Shang Zi Approval Letter No. 0980012552 of May 13th, 2009 of Taiwan Science Park Administration.
- Note (28) Yuan Shang Zi Approval Letter No. 0980021402 of August 14th, 2009 of Taiwan Science Park Administration.
- Note (29) Yuan Shang Zi Approval Letter No. 0980024305 of August 28th, 2009 of Taiwan Science Park Administration.
- Note (30) Yuan Shang Zi Approval Letter No. 0980027608 of September 28th, 2009 of Taiwan Science Park Administration.
- Note (31) Yuan Shang Zi Approval Letter No. 0980033989 of November 30th, 2009 of Taiwan Science Park Administration.
- Note (32) Yuan Shang Zi Approval Letter No. 0990012116 of April 29th, 2010 of Taiwan Science Park Administration.

- Note (33) Yuan Shang Zi Approval Letter No. 0990015583 of June 4th, 2010 of Taiwan Science Park Administration.
- Note (34) Yuan Shang Zi Approval Letter No. 0990018384 of July 2nd, 2010 of Taiwan Science Park Administration.
- Note (35) Yuan Shang Zi Approval Letter No. 0990031133 of October 15th, 2010 of Taiwan Science Park Administration.
- Note (36) Yuan Shang Zi Approval Letter No. 1000011943 of May 5th, 2011 of Taiwan Science Park Administration.
- Note (37) Yuan Shang Zi Approval Letter No. 1000025568 of August 31st, 2011 of Taiwan Science Park Administration.
- Note (38) Yuan Shang Zi Approval Letter No. 1000033672 of November 8th, 2011 of Taiwan Science Park Administration.
- Note (39) Yuan Shang Zi Approval Letter No. 1010024319 of August 7th, 2012 of Taiwan Science Park Administration.
- Note (40) Zhu Shang Zi Approval Letter No. 1030012459 of May 8th, 2014 of the Administration of Hsinchu Science Industrial Park, Ministry of Science and Technology.
- Note (41) Zhu Shang Zi Approval Letter No. 1030025712 of August 27th, 2014 of the Administration of Hsinchu Science Industrial Park, Ministry of Science and Technology.
- Note (42) Zhu Shang Zi Approval Letter No. 1060029808 of October 27th, 2017 of the Administration of Hsinchu Science Industrial Park, Ministry of Science and Technology.
- Note (43) Zhu Shang Zi Approval Letter No. 1070000085 of January 4th, 2018 of the Administration of Hsinchu Science Industrial Park, Ministry of Science and Technology.
- Note (44) Zhu Shang Zi Approval Letter No. 1070028752 of October 5th, 2018 of the Administration of Hsinchu Science Industrial Park, Ministry of Science and Technology.
- Note (45) Zhu Shang Zi Approval Letter No. 1070034774 of December 4th, 2018 of the Administration of Hsinchu Science Industrial Park, Ministry of Science and Technology.
- Note (46) Zhu Shang Zi Approval Letter No. 1080009195 of April 2nd, 2019 of the Administration of Hsinchu Science Industrial Park, Ministry of Science and Technology.
- Note (47) Zhu Shang Zi Approval Letter No. 1080024365 of August 22nd, 2019 of the Administration of Hsinchu Science Industrial Park, Ministry of Science and Technology.
- Note (48) Zhu Shang Zi Approval Letter No. 1090008694 of March 30th, 2020 of the Administration of Hsinchu Science Industrial Park, Ministry of Science and Technology.
- Note (49) Zhu Shang Zi Approval Letter No. 1130032632 of October 11th, 2024 of the Administration of Hsinchu Science Industrial Park, Ministry of Science and Technology.

2. Type of Stock

Share Type	Authorized Capital			Remarks
	Issued Shares	Un-issued Shares	Total	
Registered common stock	641,221,651	358,778,349	1,000,000,000	This stock belongs to TPEX listed stock.

3. Shelf Registration: Not applicable.

B. List of Major Shareholders

The name, amount and proportion of the major shareholders whose equity ratio is more than 5% or among top 10

March 28, 2025

Name of Major Shareholders	Shares	Shareholding (shares)	Shareholding ratio (%)
Hong-Wang Investment Company		25,050,000	3.91%
Dedicated securities investment trust fund account for Yuanta Taiwan Value High Dividend ETF in the custody of Hua Nan Bank		22,890,000	3.57%
Dedicated securities investment trust fund account for Fuh Hwa Taiwan Technology Dividend Highlight ETF in the custody of Taipei Fubon Commercial Bank Co., Ltd.		22,035,000	3.44%
Taiwan Cooperative Bank Ltd.		15,434,000	2.41%
Nan Shan Life Insurance Company, Ltd.		14,988,000	2.34%
Chang, Ching-Chao		13,920,000	2.17%
Dedicated securities investment trust fund account for United Taiwan High Dividend Recovery 30 ETF in the custody of Taiwan Business Bank		13,876,000	2.16%
CW & ET Link Inc		13,114,000	2.05%
KGI Life Insurance Co., Ltd.		11,301,000	1.76%
Ming-Kuang Lu		11,100,000	1.73%

C. Dividend Policy and Implementation Status

1. Dividend Policy

If there is surplus in the Company's annual final accounts, after paying taxes and making up for accumulated losses according to law, 10% shall be allocated as the statutory surplus reserve. However, once the statutory surplus reserve reaches the amount of the Company's paid-in capital, it is optional to be allocated, and the remaining amount should be allocated or turned back to the special surplus reserve according to the law. If there is still a surplus and the accumulated undistributed surplus, the Board of Directors should make a surplus allocation proposal, which should be submitted to shareholders' meeting for a decision on distribution dividends. According to the 5th Provision of Article 240 from the Company Act, the Board is authorized to distribute all or parts of dividends and bonuses in cash, subject to a resolution adopted by a majority vote at a meeting of the board 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. The distributable dividends and bonuses in whole or in part may be paid in new stock after a resolution has been adopted by the shareholders.

To maintain corporate sustainability and the steady growth of EPS, dividend for shareholders shall be more than 50% of net profit after deducting the appropriation of special reserve for the year pursuant to regulations, and the rate of shareholder dividend shall be no less than 50% of the cash dividend.

Regarding the cumulative net amount of other deductions from equity, allocate an amount of special reserve equal to the amount allocated to undistributed earnings for the preceding period. If there remains any insufficiency, allocate it from the amount of the after-tax net profit for the period, plus items other than after-tax net profit for the period, that are included in the undistributed earnings of the period.

2. Dividend allocation

Pursuant to the Articles of Incorporation of the Company, the Board is authorized to resolve the distribution of profits in cash upon the end of every six months. Regarding the semi-annual cash dividends resolved and approved by the Board for 2024, the amount and date of distribution are as the following:

2024	Date of approval (Year/ Month/Day)	Date of distribution (Year/ Month/Day)	Cash dividend per share (NT\$)			Total amount of cash dividends (NT\$)
			Earnings	Capital surplus	Total	
First half of the year	2024/12/13	2025/02/21	3.0	0	3.0	1,923,664,953
Latter half of the year	2025/02/27	2025/08/22	3.5	0	3.5	2,244,275,779
Total			6.5		6.5	4,167,940,732

3. Description of expected significant changes in dividend policy: None.

D. Impact of the Stock Dividend Proposal of this Shareholders meeting on Operational Performance and Earning per Share: not applicable.

E. Employee Bonus and Directors' and Supervisors' Remuneration

1. The percentage or scope of remuneration for employees and directors contained in the articles of association of the Company:

If the Company is profitable during the year, it shall allocate 3–15% of profits as employee remuneration in shares or cash upon the resolution of the Board of Directors. Employees of the Company's controlled or subsidiary entities who meet specific criteria shall be eligible for remuneration. The Company may allocate at most 3% of the aforementioned profit as directors' remuneration upon the resolution of the Board of Directors. The distribution proposal of remuneration of employees and directors should be submitted and reported to the shareholders' meeting.

If the Company has accumulative losses, it should reserve the amount to cover the losses before distributing remuneration to the employees and directors according to the percentage mentioned in the preceding paragraph.

2. The basis for estimating employee and director remuneration, the calculation method for the number of shares to be distributed as employee remuneration, and the accounting treatment for any the discrepancy between the actual distributed amount and the estimated figure for the current period:
 - a. Allocation for employee stock bonus and directors' remuneration: In compliance with Articles of Incorporation.
 - b. Basis for calculating the number of shares distributed as employee stock bonuses: If employee remuneration is granted in stock, the calculation is based on the total equity attributable to owners of parent in the latest financial statement audited by CPA. The Company does not distribute employee remuneration in stock this year.
 - c. Accounting treatment for discrepancies between the actual distribution and estimated amount: If shareholder resolution is different from the estimation, it will be deemed as changes in accounting estimates and recognized in current profit and loss.
3. Remuneration distribution approved by board meeting:
 - a. Employee, director, and supervisor remuneration will be distributed in cash or in shares. If the recommended distribution of employees' bonus and directors' remuneration has differences compared with estimation, the reason, variance and dealing should be disclosed.
 The Company's employee and directors' remuneration adopted by resolution of the Board of Directors on February 27, 2025 is as follows:
 Employees' bonus: NTD 215,360,000, all will be issued in cash
 Directors' remuneration: NTD 21,500,000, all will be issued in cash
 There is no difference in actual distribution of employee bonus and directors' remuneration with the recognition in 2024 financial statements.
 - b. Ratio of employee stock bonus to net income in the current standalone or consolidated financial statements, and the total amount of employees to remuneration: None.
4. The actual distribution of employee, director, and supervisor remuneration for the previous fiscal year (including the number of shares, monetary amount, and stock price, of the shares distributed). If there is any discrepancy between the actual distribution and the recognized employee, director, or supervisor remuneration, additionally the discrepancy, its cause, and how it was addressed should also be disclosed.:

Unit: NTD

Item	The Amount BoD Agreed to Distribute	The Amount that Actually Distribute	Quantity Variance	Explanation for the Variance
Employees' Bonus	550,000,000	550,000,000	None	Not applicable

Directors' Remuneration	55,000,000	55,000,000	None	Not applicable
-------------------------	------------	------------	------	----------------

F. Repurchase of Company Shares: None.

II. Status of Corporate Bonds

None.

III. Status of Preferred Stocks

None.

IV. GDR Issuance

March 31, 2024

Issue date		
Item		
September 8, 2010		September 26th, 2024
Issue date		September 8, 2010
Issuance and Listing		Luxembourg Stock Exchange
Total Amount		US\$177,192,800
Offering Price per GDS		US\$2.9048 per unit
Units Issued		61,000,000 units of GDR Issuance
Underlying Securities		Common shares of Sino-American Silicon Products Inc.
Common Shares Represented		61,000,000 shares
Rights and Obligations of GDS Holders		<p>1. An global depositary receipt holder exercises the voting rights of ordinary shares of Sino-American Silicon in the depositary receipt on the basis of depositary receipt agreement and the relevant provisions of the Law of the Republic of China.</p> <p>2. An global depositary receipt holder enjoys the same share allocation and other allotment rights as existing common shareholders in accordance with the Law of Republic of China and other relevant laws. If Sino-American Silicon issues stock dividends or shares for other reasons in the future, the depositary institution will issue the global depositary receipt to global depositary receipt holder in accordance with provisions of the depositary convention and relevant laws with the proportion of the original holding unit of the global depositary receipt, or increase the number of common shares of Sino-American Silicon for each unit of global depositary receipt. Or the depositary institution will sell the stock dividends and allocate the net income (deducting relevant taxes and fees) to the global depositary receipt holder on a pro rata basis.</p> <p>When Sino-American Silicon increases its capital by cash or other warrants, the global depositary receipt holder should have the same rights to subscribe for new shares and other rights as shareholders of ordinary shares in accordance with the Law of Republic of China and other relevant laws. The depositary institution should provide such rights to the global depositary receipt holder or sell them in accordance with the Law of the Republic of China and other relevant laws, and distribute the net income (after deduction of taxes and expenses) to the global depositary receipt holder according to the ratio.</p>
Trustee		Not applicable

Depository Bank			Citibank, N.A.
Custodian Bank			Citibank Taiwan Ltd.
GDSs Outstanding			0
Apportionment of expenses for the issuance and maintenance			<ol style="list-style-type: none"> 1. Costs related to the issuance of global depository receipts: The expenses incurred in connection with the issuance of global depository receipts, including legal fees, listing fees, financial consulting fees and any other related fees, should be borne by the issuing company and the selling shareholders unless otherwise stipulated by the law or agreed by the issuing company, sponsoring underwriter and depository institution. 2. Related expenses in the period of existence: Unless otherwise stipulated by the law or agreed by the issuing company, sponsoring underwriter and depository institution, related expenses in the period of existence, including disclosure of information and other expenses, should be borne by the issuing company.
Terms and Conditions in the Deposit Agreement and Custody Agreement			-
Closing Price per GDS	2024	Highest	US\$ 7.50
		Lowest	US\$ 4.08
		Average	US\$ 5.91
	As of March 31, 2025	Highest	US\$ 4.20
		Lowest	US\$ 3.38
		Average	US\$ 3.73

V. Employee Stock Options

None.

VI. Status of New Shares Issuance of Limited Stocks for Employees

None.

VII. Status of New Shares Issuance in Connection with Mergers and Acquisitions

None.

VIII. Financing Plans and Implementation

(I) Executed cash capital increase through new share issuance in 2024 to participate in the issuance of overseas depository receipts

1. Project description

- (1) Approval date and letter No. of the competent authority: Jin-Guan-Zheng-Fa-Zhi No.1130357062, dated September 23rd, 2024, by Financial Supervisory Commission.
- (2) Total funds required for the project: US\$284,350 thousand.
- (3) Source of capital for the project: It is from issuance of global depository receipts following a cash capital increase through new shares. The plan was completed on September 26th, 2024, raising US\$284,350 thousand; the information has been disclosed on the MOPS.
- (4) Purpose of capital: It is to raise the funds required for the purchasing materials in local currency.

(5) Plan content and expected execution progress:

Unit: Thousand

Project	Expected completion date	Total funds required		Expected funds utilization plan							
				2024	2025				2026		
				Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Material procurement in the local currency	3rd quarter of 2026	USD	284,350	26,522	32,512	35,862	31,662	35,462	42,542	45,672	34,116
		NTD	9,098,631	848,651	1,040,319	1,147,512	1,013,121	1,134,713	1,361,259	1,461,413	1,091,643

Note: The exchange rate between NTD and USD at the time of offering is estimated at 1 USD to 31.998 NTD.

(6) Expected benefits:

- (a) It is to increase working capital.
- (b) It is to save interest expense and increase profitability. Based on the interest rates of USD loans from the Company's correspondent banks, it is estimated that the company can save US\$18,903 thousand in interest expenses annually, approximately equivalent to NT\$604,896 thousand. This will moderately reduce the Company's financial burden and improve its debt repayment capacity, positively impacting the Company's future operations and profitability.

2. Implementation:

Please visit the MOPS (https://mopsov.twse.com.tw/mops/web/bfhtml_q2)

MOPS > Single Company > Shareholding Changes / Securities Issuance > Fundraising > Implementation of the capital increase plan (Ticker: 5483; Capital Increase Plan: 1130325 Approved Global Depositary Receipts) / Quarterly Report on Implementation.

Four. Operational Highlights

I. Business Activities

(I) Scopes of the business

1. Main areas of business operations:

CC01080 Electronics Components Manufacturing

C801990 Other Chemical Materials Manufacturing

IG03010 Energy Technical Services

F119010 Wholesale of Electronic Materials (for out of area operation only)

F219010 Retail Sale of Electronic Materials (for out of area operation only)

F401010 International Trade

Research, design, development and manufacturing and sales of the following products:

(1) Semiconductor silicon materials and components

(2) Rheostat

(3) Photoelectric and communication wafer materials

(4) Silicone compound

(5) The technical and management consulting services of the previous products.

(6) Photoelectric power generation system integration and installation technology services.

(7) Concurrently engaged in import and export related to our business.

2. Sales Proportion:

Unit: NT\$ thousands; %

Product name	2024 operating revenue, net	Weight of operating revenues
Renewable energy	3,493,863	4.38%
Semiconductor ingot	64,950,254	81.51%
Solar wafer	1,374,987	1.73%
Automotive components	7,582,182	9.52%
Other	2,277,261	2.86%
Total	79,678,547	100.00%

3. The Company's current products and service items:

- High quality multi-crystalline silicon materials, Semiconductor materials
- High Efficiency Mono-Si Solar Cell and Module
- High Efficiency P-type Mono-Si Bi-facial Solar Cell
- High Efficiency P-type Mono-Si Metal-Wrap-Through Back-Contact Solar Cell
- Ultra-High Efficiency N-type Mono-Si Bi-facial Solar Cell
- High-Efficiency Mono-Si Multi-Busbar Solar Cell
- High-Efficiency Mono-Si Busbar-less Solar Cell

- h. Customized Special Design High Efficiency Mono-Si Solar Cell
 - i. Construction, operation and maintenance of solar power generation equipment
 - j. Renewable energy power generation and certifications
4. New technologies and products planned for development
- a. Development of Ultra-High Efficiency N-type Mono-Si Bi-facial Solar Cell Technology
 - b. Development of Customized Special Design High Efficiency Mono-Si Solar Cell

For information on semiconductor business and automotive components business, please refer to the annual reports of GlobalWafers (stock code: 6488), Taiwan Specialty Chemicals Corporation (stock code: 4772), Advanced Wireless Semiconductor Company (stock code: 8086), and Actron Technology Corporation (stock code: 8255).

(II) Industry Overview

1. Present situation and development of the industry

(1) Renewable energy business

In 2024, the solar energy market was facing the excessively expanded capacity of all segments in the industrial chain of China, resulting in the oversupply and price collapse. Massive modules were dumped in various solar energy markets, resulting in the further difficulty in the development of the solar energy market. In the first half of 2024, the solar energy price continued to drop due to the oversupply, technological advancement and the intensified competition in the solar energy market. The price trend of the industrial chain continued to be weak in the second half of the year, as the oversupply continued, with relatively high inventory level. The stronger players are excluding weaker ones from the solar energy industry. Through capacity shuffling, size replacement, and technology transformation, the healthy and sustainable development will be facilitated in the industry.

In Europe, the Russia-Ukraine War has caused an energy crisis, bringing significant tactic and economic advantages for renewable energies, and accelerating the green energy transformation. In 2024, the solar power generation in Europe has exceeded coal for the first time, becoming an important milestone of energy transformation. The European Union's "Renewable Energy Directive" (RED) aims to account the renewable energies for 45% of final energy consumption by 2030. To accelerate the deployment of renewable energies, the guidelines related to the Renewable Energy Directive was announced in September 2024, to assist member countries to promote the integration of renewable energy power generation systems, which will accelerate the development of renewable energy sources such as solar photovoltaics and wind power.

India is the third largest greenhouse gases emission country in the world. As the global economy is transforming towards a low-carbon economy, India also continues to promote renewable energies, and promised that by 2030, the installation capacity of 500 GW of renewable energy will be achieved. As the policies and market demand continue to change, India will become an important force in the global solar energy industry, and continue to demonstrate strong growth momentum.

The Middle East countries are also actively promoting energy diversified transformation. To achieve goal of accumulated installation of 40 GW by 2030 set by the “Saudi Vision 2030,” Saudi Arabian government has successively launched a number of large-scale centralized tender projects, and it is expected that at least 20 GW of tenders will be launched every year, which is likely favorable for the development of solar energy. According to the statistics of PV Infolink, Saudi Arabia imports about 16.55 GW solar modules from China in 2024. It is estimated that the long-term solar energy demand in Saudi Arabia will continue to rise.

In terms of Taiwan, the estimated accumulated installed solar energy capacity in 2024 is about 14 GW, leaving about 6 GW away from the target of 2026. The average annual installation capacity between 2025 and 2026 must reach 3 GW, that is, the total demand in the module market in Taiwan in the next two years is about NT\$60 billion, with an annual average of NT\$30 billion. The governmental goal of solar PV installation capacity of 20 GW by 2026 (8 GW for roof-type and 12 GW for ground-type), while the roof-type has reached the goal, the ground-type is lagging behind. Therefore, the development of solar energy is still one of the indicators of the government's energy policy.

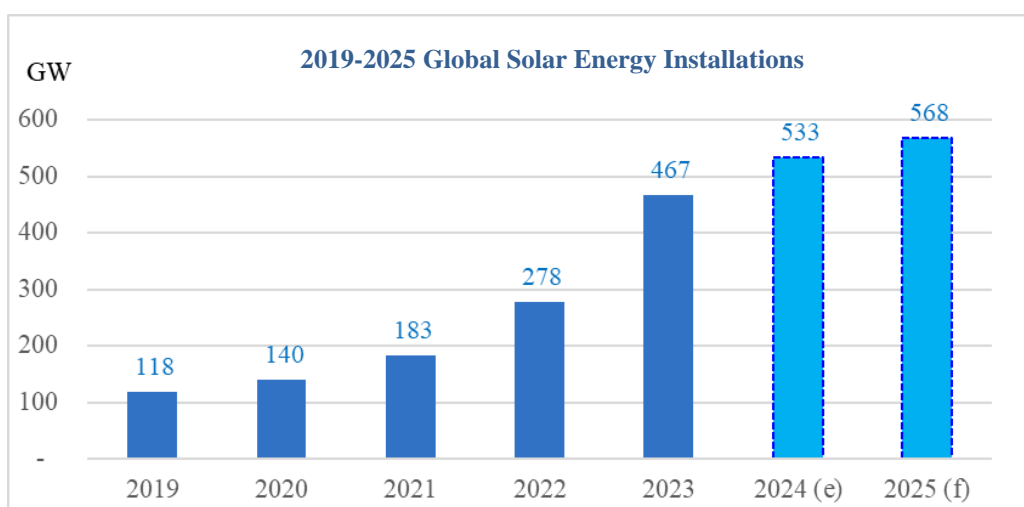
Looking ahead to 2025, the renewable energy market will continue to grow. The main factors are:

1. The 29th United Nations Climate Change Conferences(COP29) continued the conclusion of COP28, and constantly focused on tripling the renewable energies by 2030. Meanwhile, three major energy initiatives were proposed, including the global energy storage and power grid commitment, green energy commitment, and hydrogen energy statement. It is agreed that the amount of assistance will increase from US\$100 billion per year to US\$300 billion per year by 2035, to help developing countries to respond to the climate change, and demonstrate a significant increase in the climate financing commitment. Additionally, by enabling the non-member countries to participate in the global carbon market, more extensive international co-operations are promoted, to establish the global green energy trend, and to accelerate the promotion of global renewable energy development, for responding to the threat of climate change.

2. Countries around the world have greatly increased their attention on renewable energy, and have formulated green policies and climate goals to adopt renewable energy. The European Union's “Renewable Energy Directive” (RED) aims to achieve a goal of 45% renewable energy share by 2030. India's “National Energy Plan” (NEP 2023) plans to achieve a total accumulated installation capacity of 186 GW between 2026 and 2027. Most projects in India are based on the installation goal of 2026 as the policy node. With the continuous progress of tenders for the government-led projects, it is expected that a massive wave of large-scale installations will emerge in 2025, and the demand is expected to reach 25-35 GW by 2025.

3. Taiwan announced its energy transition policy in 2016, aiming to achieve a non-nuclear homeland and the renewable energy accounting for 20% of power generation by 2026. The government even further follow the international society by announcing that by 2050, net-zero carbon emissions will be achieved. At that time, the proportion of renewable energy will reach 60 ~ 70%. In addition, the carbon fee will be levied on the major carbon emitters since 2025, which will likely drives up the demand.

PV Infolink estimates that the global demand for solar modules will be 530 GW to 568 GW in 2025. Even though the growth of demand in the traditional mainstream market is slowing down, the rise of emerging markets is injecting new growth momentum to global solar energy installations. From the long-term perspective, the development of solar power is still promising. In addition, the upstream of the solar energy industry chain in China has implemented the “self-discipline convention” through production cuts, which is expected to help regulate the supply and demand of solar energy, bringing overall supply chain prices back to a stable level.



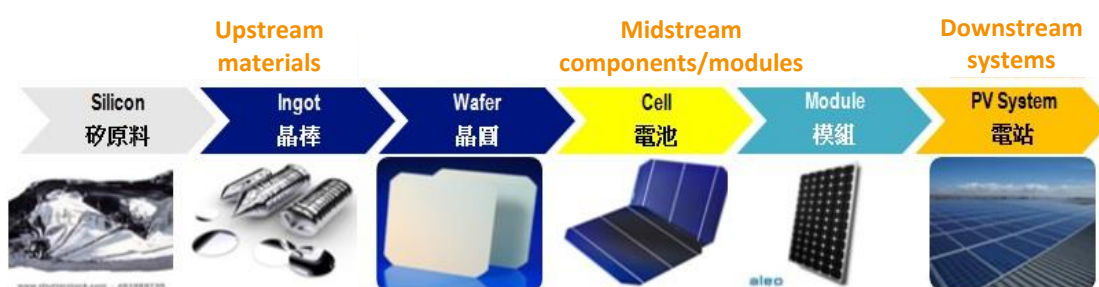
(Source: Rystad Research/PVInfolink/SAS)

The global cumulative installation capacity of solar PV continues to grow rapidly. It is expected that by 2030, the global renewable energy installation capacity will reach 9,763 GW, a 2.7-fold increase comparing to the 3,680 GW in 2022, which nearly 25% higher than the current target set by each country. In Taiwan market, the solar energy installations in 2024 reached only 1.6 GW~1.7 GW, a decline of more than 30% from 2023, which has caused direct impact on the local solar energy companies. The main reason for the decline is that many large-scale solar energy projects failed to be constructed on time due to administrative process obstacles. In recent years, the partnerships with farmers and fishermen for the “agrivoltaic (agriculture-power) and aquavoltaic (fishery-power)” models are seen recently. Take aquavoltaic as an example. While the solar photovoltaics vendors install the solar cells, they assist farmers to solidify the dikes and set up water quality monitoring facilities to improve the farming environment, and increase the revenue of these farmers, while promoting the national energy policy.

- (2) Semiconductor business: Please refer to the annual reports of the subsidiaries, GlobalWafers (stock code: 6488), Taiwan Specialty Chemicals Corporation (stock code: 4772), and Advanced Wireless Semiconductor Company (stock code: 8086)
- (3) Automotive components business: Please refer to the annual report of subsidiary Actron Technology Corporation (stock code: 8255)

2. Relevance of upper, middle and lower reaches of the industry

(1) Renewable energy business



Source: SAS Internal

- (2) Semiconductor business: Please refer to the annual reports of the subsidiaries, GlobalWafers (stock code: 6488), Taiwan Specialty Chemicals Corporation (stock code: 4772), and Advanced Wireless Semiconductor Company (stock code: 8086)
- (3) Automotive components business: Please refer to the annual report of subsidiary Actron Technology Corporation (stock code: 8255)

3. Industrial development trend and competition

(1) Renewable energy business

- As the global energy transition accelerates, the international supply chain enlarges the commitment to carbon reduction such as RE100/ESG/carbon neutral. In addition, the energy price rises due to the Russia-Ukraine war drove countries to formulate green policies and climate goals to adopt renewable energies, stimulating the stable growth of renewable energy.
 - The regional economic and trade barriers are getting stronger. China and the United States, against the backdrop of wrestling the dominant power of new energies, the Biden Administration introduced a bill to promote local manufacturing by U.S. Companies. This includes tax reductions and incentives aimed at encouraging the US manufacturers expand capacities across each segment. With the new administration of Trump in 2025, the energy policy focuses on supporting the fossil fuel industry as the first priority, and the “Inflation Reduction Act (IRA)” budget expenditure by the previous administration period is suspended. This action brings uncertainty to the solar energy manufacturers who rely on the preferential treatment of the IRA policy.
 - The Topcon products have gradually replace PERC as the international mainstream technology trend in Q4 2024, showing the demand for high voltage in the market.
 - In 2024, the solar energy market was facing the excessively expanded capacity of all segments in the industrial chain of China, resulting in the oversupply and price collapse. Massive modules were dumped in various solar energy markets, continuously affecting the demand and supply at the beginning of 2025.
 - The government is actively planning renewable energies and carefully advancing the construction of solar energy plants. It is expected that the market is expected to be positively impacted in 2025, and the demand are likely to emerge successively.
 - In the post-wholesales era, the electricity market is gradually liberalized. The source of the renewable energy market's activation will come from the green power demand, carbon reduction benefits, and energy storage market. As the green power supply chain has become the international mainstream, and green power has a geographical limitation, making the supply of renewable energies is short from demand, and securing the green power is equivalent to securing competitiveness.
 - The scale of the green power liberal market continued to grow in 2024, with a growth rate of about 62.5% (2.6 billion kWh vs. 1.6 billion kWh) from 2023. However, green power is still insufficient to meet the needs of most companies by 2030. It is estimated that the green power market will continue to grow steadily.
- (2) Semiconductor business: Please refer to the annual reports of the subsidiaries, GlobalWafers (stock code: 6488), Taiwan Specialty Chemicals Corporation (stock code: 4772), and Advanced Wireless Semiconductor Company (stock code: 8086)
- (3) Automotive components business: Please refer to the annual report of subsidiary Actron Technology Corporation (stock code: 8255)

(III) Overview of Technology and R&D

In recent years, the Company has devoted itself to improving the production of silicon wafer, precision processing and cell module. The increase of productivity of polycrystal wafer, the improvement of power consumption, the improvement of crystal quality, the improvement of the conversion efficiency of wafer and cell, etc. have delivered excellent performance. Many technical indicators have become international benchmarks. In addition, we have also actively deployed patent and business secret management to protect the company's intellectual property rights. In recent years, the Company exploits the deep technology foundation and rigorous process technologies to improve the crystalline quality continuously, and expands to the silicon material application products. Customization based on clients' need and expand product applications.

For information on semiconductor business and automotive components business, please refer to the annual reports of GlobalWafers (stock code: 6488), Taiwan Specialty Chemicals Corporation (stock code: 4772), AWSC (stock code: 8086), and Actron Technology Corporation (stock code: 8255).

1. The proportion of research and development expenditure in net operating income in the last two years is as follows:

Unit: NT\$ thousands

Year	2023	2024
R&D expenses	2,958,105	3,385,490
Net operating revenues	81,965,952	79,678,547
R&D expenses as a percentage of net revenue (%)	3.61%	4.25%

2. Technologies or products successfully developed in recent years and up to the date of publication of the annual report

Name of Program	Description of Program
Development of high quality silicon materials products for silicon-based application	Rigorous process technology is used to continuously improve the crystal quality and develop products that meet the specifications of various special polycrystalline silicon materials.
Development of Ultra-High Efficiency N-type Mono-Si Bi-facial Solar Cell Technology	Ultra-High Efficiency N-type Mono-Si Bi-facial Solar Cell Technology that can be mass-produced was successfully developed by purchasing advanced equipment, using processes developed by our R&D department, and combining rear-side polishing, advanced passivation methods, dual printing, and multi-busbar technologies

	Ultra-High Efficiency N-type Mono-Si bi-facial solar cells feature a front-side power that can be increased by 10% more than P-type solar cell, while backside generation power can be 10–20% of the front-side power according to environmental conditions.
--	--

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

1. Long-term plan

- (1) Utilize the Group's synergy to develop compound semiconductor platform.
- (2) Continue developing and enhancing the cost to price ratio of solar products. Through technologies and product size differentiation strategies, to solidify the competitive position.
- (3) Respond to the re-examination of energy policies in various countries, the Company actively strives for overseas opportunities to test samples and expand international markets.
- (4) Actively leverage the strategic deployment of solar power plants and develop new solar system investment partners to create the Group's downstream export channels, securing long-term, stable returns.
- (5) Establish a virtual supply chain integrating the up-stream, mid-stream and down-stream companies, adopting the leveraged and diversified business strategy to mitigate operational risks and become a leading global provider of green energy solutions.
- (6) Respond to the solution opportunities derived from climate change, and become a sustainable operation partner of our customers.
- (7) Develop the overseas green power opportunities and derivative service markets.

2. Short-term plan

- (1) Expanding diverse energy applications and services suppliers, including energy storage and exploration of green power business opportunities.
- (2) Strategic cooperation with customers to improve the efficiency of new-generation large-size products, and provide highly customized products and services to strengthen and enhance product competitiveness.
- (3) Actively develop the growth momentum and position the business opportunities of compound semiconductor.
- (4) Monitor the Environment, Social, and Governance (ESG) issues, and enhance the energy utilization efficiency by using renewable energies, to achieve the goal of net-zero emission by 2050.
- (5) Utilize the Group's resources for vertical integration to expand the market and make profitable investment plans for power plants.

II. Market and Sales Overview

(I) Market Analysis

1. Distribution areas of major commodities

Unit: NT\$ thousands

Region		2023		2024	
		Sales amount	Rate (%)	Sales amount	Rate (%)
Sales in domestic market		17,161,045	20.94%	17,078,396	21.44%
Export sales	Asia	36,372,853	44.38%	33,037,402	41.46%
	The Americas	11,155,405	13.61%	11,728,630	14.72%
	Europe	15,958,524	19.47%	16,294,565	20.45%
	Others	1,318,125	1.61%	1,539,554	1.93%
Total		81,965,952	100%	79,678,547	100%

2. Market share

(1) Renewable energy business

A. The Yilan Plant upgraded and launched the large-size N type Topcon high-efficiency single-crystal cell in 2024, becoming the leading plant of the high-efficiency single-crystal cell in Taiwan, and enjoying the 17.6% market share in the high-efficiency and large-size single-crystal cell market in Taiwan.

B. As of now, Sino-American Silicon Group has installed more than 143 MW solar power systems in Taiwan, with 116 MW already connected to the grid. Based on the cumulative installed capacity of 13.927 GW for solar power plants in Taiwan by end of November 2024, the Company holds the market share about 1.03%. In addition to the rooftops of industrial plants, the Company aims to continue actively participating in the public tenders of the municipal governments and state-owned lands. Project development will also focus on agrovoltatics, aquavoltatics, canal type, polluted lands, parking lots, and special-use factories.

C. The subsidiary, Sustainable Energy Solution, is the first renewable energy retailer purchasing offshore wind power in Taiwan. In 2024, the green power supply reached 39.6 GWh, a 5.85-fold increase from 2023, and ranked among the top five electricity retailer companies in Taiwan.

(2)Semiconductor business: Please refer to the annual reports of the subsidiaries, GlobalWafers (stock code: 6488), Taiwan Specialty Chemicals Corporation (stock code: 4772), and Advanced Wireless Semiconductor (stock code: 8086)

(3)Automotive components business: Please refer to the annual report of subsidiary Actron Technology (stock code: 8255)

3. Supply and Demand, and Growth in the Market of the Future

(1) Renewable energy business

- A. In response to global climate change and carbon neutrality movement, enterprises have increased the green transformation efforts, and promoted the adoption and development of renewable energies to maintain green competitiveness. With the global initiatives of carbon neutrality and voluntary sustainability of enterprises, solar energy has become an unanimously recognized alternative energy source in the world. As the price of solar modules declines, the demands around the global markets for solar power will continue to grow, and it is estimated that the global solar power demand in 2025 will be 530 GW to 568 GW (PV Infolink).
- B. As the solar energy supply chain continues to be deeply adjusted, the overall supply and demand is expected to be accelerated and re-balanced in 2025. Despite of the short-term supply and demand imbalance, the global renewable energy policy drives the market's long-term strong demand. It is expected that the supply and demand in the second half of 2025 will return to normal, prices will rise, and the medium and long-term growth can be expected.
- C. In 2024, the new installed capacity of solar PV was about 1.6 GW, with a gap of 6.3 GW from the goal of 20 GW set for 2025. The rooftop fields are saturated and lands resources in Taiwan are limited, further progress will require policy promotion and integration. Currently, Taiwan is still prioritizing the diverse uses of land, combining solar PV installations with existing land uses, including agrovoltatics, aquavoltatics, polluted lands, parking lots, and special-use factories, among other fields that have gradually become a battlefield for industrial players.
- D. Various major international businesses are in needs of green supply chain, and players also assess the energy solution investment from the viewpoint of green power. The main development directions:
- Direction 1: Enterprises' demand for green power and carbon reduction
- Since the introduction of the “Energy-Heavy Industries Provisions” in 2021, enterprises' investments in renewable energy have continued to increase. In addition, it is expected that the overall electricity tariff will be raised in April this year. This will make enterprises with land and factories consider to build the in-house solar power plant to mitigate the effects through self-generation and consumption. In 2025, the carbon fee will be imposed on 287 heavy carbon-emitting enterprises with annual emission of 25,000 ton or more, which are subject to report the carbon fee in 2025. Enterprises are facing unprecedented pressure to reduce carbon emissions, which will in turn drive the development of the green energy industry.
- Direction 2: The electronic market is liberalized, and the Corporate Power Purchase Agreements (CPPA) market is active
- The number of renewable energy certificates issued by the Bureau of Standards, Metrology and Inspection of the Ministry of Economic Affairs has exceeded 6.78 million, equivalent to 6700 GWh. As the green power trading mechanism is

gradually improved, the number of electricity retailers has reached 93. This shows the strong trend of the green power trading market in terms of the price and conditions of supply and demand.

Direction 3: Behind-the-Meter Energy Storage for Optimization of Plant Power Consumption

The peak and off-peak difference in the demand for power consumption is regulated depending on the energy storage technology. The excessive power storage in the off-peak time is stored to be used in the peak time, to strengthen the flexibility of power deployment. Or, the power converted from renewable energies is stored first, to reduce the intermittent impact of renewable energy power generation on the power system, to assist in improving the stability of power supply. In addition, the energy storage system features fast charging and discharging, in order to help the power grid to respond to the temporary frequency changes in the power system, strengthening the stability and reliability of power supply. The peak electricity tariff for high-voltage power is NTD9.39 /kWh, and the off-peak electricity tariff is NTD2.53 /kWh—a difference of NTD6.86 /kWh—the demand for behind-the-meter energy storage in factories rising. This allows for effective energy shifting between peak and off-peak periods, optimizing the plants' electricity consumption.

- (2) Semiconductor business: Please refer to the annual reports of the subsidiaries, GlobalWafers (stock code: 6488), Taiwan Specialty Chemicals Corporation (stock code: 4772), and Advanced Wireless Semiconductor (stock code: 8086)
- (3) Automotive components business: Please refer to the annual report of subsidiary Actron Technology (stock code: 8255)

4. Competitive advantages

- (1) Long-term R&D investment creates core competitive advantages and holds patents.
- (2) Extensive cooperation between industry, government and university has a high level of product innovation capability.
- (3) Work closely with downstream customers to stay attuned to market demands and development trend.
- (4) Long-term cooperation with raw material suppliers to secure the stable supply of key raw materials and cost advantages.
- (5) Abundant experience in establishment, maintenance, operation, and management of solar power plant.
- (6) The vertically integrated company with the most robust financial position in the solar energy industry.
- (7) Provide non-standardized niche products with its professional capabilities.
- (8) The Company is a practitioner of RE100 and is engaged in carbon reduction in

the supply chain; thereby offering services that meet customers' needs for sustainability.

5. Advantages and disadvantages of development prospect

(1) Renewable energy business

A. Favorable factors

- (a) Although the solar PV industry is still not completely separated from the stage of government subsidies, more and more renewable energy sources are entering the green power sales market, offering value of sustainable operation and long-term development.
- (b) The ability of R&D and process improvement meets international standard, which can help to improve product quality and competitiveness.
- (c) Vertical integration and layout of marine outfalls are complete. Combined with the government's vigorous promotion of green energy, it has comparative advantages.
- (d) Governments all over the world have attached great importance to energy independence, having launched the Green Deal, and vigorously promoted renewable energy.
- (e) As the nuclear power plants are decommissioned sequentially, under the net zero policy without nuclear energy, such vacancy will be filled by renewable energies.
- (f) With abundant experience in power plant management, the Company can accelerate the promotion of maintenance and operation business.
- (g) The international green movement and the Energy-Heavy Industries policy accelerate the green power industry's development.
- (h) The governmental energy transition policy remains the goal to achieve 20 GW of solar power by 2025 unchanged, and 40 GW~80 GW shall be reached by 2050.
- (i) The Legislative Yuan has approved that the some new, additional, or renovated buildings shall install solar energy systems with certain capacities on the roofs.

B. Unfavorable factors and the response

Unfavorable factors

- (a) The pricing power of the upstream materials is concentrated in very few manufacturers/single countries.
- (b) There are uncertain factors of the field constructions in Taiwan, encountering the issues such as environmental evaluation, grid connections, land availability, and slowing demand.
- (c) Uncertainties of geopolitics: China and the United States compete in the new energy industry, as well as the policy uncertainty of tariff barriers in various countries, will impact the global supply and demand, as well as price fluctuations.

- (d) In the short term, as the U.S. market has initiated investigations on third-party products, the third-party countries' modules are diverted to export to Taiwan.
- (e) The development of agrovoltatics and aquavoltatics involves two completely different fields—solar power and aquaculture. The feeders, land consolidation, and communication with fish farmers requires time and effort, and a balance among need to achieved among all parties involved.
- (f) The cost of construction continues to rise, and the building cost is soaring.
- (g) Most of the major power consumers opt to construction on their own, while the small construction companies are in price-cutting competitions.
- (h) The constructions of renewal energy fields are postponed, resulting in short supply of green power.

Coping measures

- (a) Actively develop new clients and new products with better price–performance ratio and large sizes.
 - (b) Strengthen R&D links with downstream customers, incorporating core technology capabilities of both parties to develop high-efficiency niche and customized products to increase added value, and actively reduce manufacturing costs to increase profitability.
 - (c) Establish the market value, expand the international market, while cultivating markets in Taiwan. Actively integrate with the downstream power stations with strategic partnership, to solidify and develop the green energy application opportunities.
 - (d) Expand cooperation with different types of renewable energy power generation vendors to satisfy the needs of the Group and the supply chain.
 - (e) Continue to communicate with landlords and fish farmers; select suitable species for farming, and the field design shall meet the farming demands. The existing farmers have the priority to lease first.
 - (f) Implement the construction period control and project management efficiency, and increase the selections of raw material or equipment suppliers.
 - (g) Strengthen self-development capabilities, and provide three-in-one service solutions of engineering, maintenance and operation, and green power to create market differentiation.
 - (h) Integrate the Group's resources to develop business opportunities for the green energy related products, including power storage, module sales, among other related businesses.
- (1) Semiconductor business: Please refer to the annual reports of the subsidiaries, GlobalWafers (stock code: 6488), Taiwan Specialty Chemicals Corporation (stock code: 4772), and Advanced Wireless Semiconductor Company (stock code: 8086)

- (2) Automotive components business: Please refer to the annual report of subsidiary Actron Technology Corporation (stock code: 8255)

(II) Important Uses and Production Processes of Major Products

1. Important uses of products

Product Name	Statement of Important Uses
High quality multi-crystalline silicon materials	Application of silicon material products and customized according to customer's needs.
High Efficiency P-type Mono-Si Bi-facial Solar Cell	1.The conversion efficiency of high-efficiency multi-busbar P-type mono-Si bifacial solar cells is higher than 23.40% and bifacility is higher than 65%. 2.The conversion efficiency of high-efficiency Metal-Wrap-Through back-contact P-type mono-Si solar cells are higher than 23.20%.
Ultra-High Efficiency N-type Mono-Si Bi-facial Solar Cell	1. The conversion efficiency of Ultra-high efficiency multi-busbar N-type mono-Si bifacial solar cells is higher than 25.40% and bifacility is higher than 70%.

2. Process

High quality multi-crystalline silicon materials

Silicon raw material → crystal growth → processing → crystal quality inspection → finished product inspection → packaging

Solar cells

Solar wafer input → Surface roughening → Surface diffusion layer formation → Surface cleaning and edge isolation → Formation of anti-reflection layer and passivation layer on the surface → Metallization and Co-firing → Solar cell efficiency measurement and classification

(III) The supply of key materials

Product Item	Main Raw Materials	Major Suppliers	Supply Situation
Silicon ingot	Polysilicon	Company A, Company B, Company C	Good

(IV) The names of the parties accounted for more than 10% of the total purchase (sale) in any of the last 2 years, the amount of purchase (sale) and proportion to the total amount of purchase (sale)

1. The names of the parties accounted for more than 10% of the total purchase in any of the last 2 years, the amount of purchase and proportion to the total amount of purchase, and explain the reason for the changes, where applicable.

Unit: NT\$ thousands

2023					2024			
Item	Company Name	Amount	Percent in the Total Annual Net Purchases (%)	Relation with Issuer	Company Name	Amount	Percent in the Total Annual Net Purchases (%)	Relation with Issuer
1	A	2,698,486	12.04	None	A	2,495,771	9.82	None
2	B	1,407,886	6.28	None	D	1,712,018	7.64	None
3	C	586,495	2.62	None	B	1,426,928	5.62	None
4	Other	17,717,114	79.06	None	Other	19,776,422	77.82	None
	Net purchase	22,406,981	100.00		Net purchase	25,401,139	100.00	

Note to the changes:

The Group deploys its procurement targets in line with long-term purchase contract performance and market price fluctuations, in order to optimize costs. The timing of procurement is also being deployed in consideration of global inflations and conflicts, and thus the number of purchases is increasing from the previous year.

2. The names of the parties accounted for more than 10% of the total sale in any of the last 2 years, the amount of sale and proportion to the total amount of sale, and explain the reason for the changes, where applicable.

Unit: NT\$ thousands

2023					2024			
Item	Company Name	Amount	Percent in the Total Annual Net Purchases (%)	Relation with Issuer	Company Name	Amount	Percent in the Total Annual Net Purchases (%)	Relation with Issuer
1	B	11,205,438	13.67	None	B	8,160,987	10.24	None
2	Other	70,760,514	86.33	None	Other	71,517,560	89.76	None
	Net purchase	81,965,952	100.00		Net purchase	79,678,547	100.00	

Explanation of Changes:

Regarding the overall market momentum the operating revenue was slightly reduced due to the adjustment of inventory by end-customers; Particularly, the sales of memory was weak, resulting in an operating revenue decline from customers accounted for over 10% of sales.

III. Employee information in the recent two years

Year		2023	2024	March 31, 2025
Number of employees	Direct	6,210	6,072	6,050
	Indirect	4,485	4,618	4,530
	Total	10,695	10,690	10,580
Average age		41	42	42
Average years of service		12	12	12
Education	Doctorate degree	0.83%	0.89%	0.90%
	Master degree	9.16%	10.02%	10.10%
	University/college	33.81%	38.22%	39.76%
	Senior high schools and below	56.19%	50.87%	49.24%

Note: Including all companies included in the consolidated financial statements

IV. Environmental Protection Expenditures

(I) According to provisions of the decree, if a permit for the establishment of pollution facilities or a permit for the discharge of pollutants should be applied for, the expenses for pollution prevention and control should be paid or a special unit for environmental protection should be established, description of the application, payment or establishment: The application for a permit for the establishment of pollution facilities has been specified, and personnel of the special unit for environmental protection has been set in accordance with the provisions.

(II) Investment in Major Equipments for the Prevention and Control of Environmental Pollution, its Use and Possible Benefits:

1. Pollution and its improvement

In order to prevent the occurrence of environmental pollution, we have successively carried out the renovation and improvement of old pollution prevention and control equipments in plants, and continuously strengthened the education and training of operators.

2. Environmental Protection Expenditure in the Recent Year

2024 Environmental Protection Expenditure

The expenses for the air pollution prevention and maintenance is totaled at NT\$12,843 thousand

The expense for the industrial waste water discharge treatment and maintenance is totaled at NT\$31,835 thousand

The expense for the industrial waste treatment and maintenance is totaled at NT\$19,979 thousand

Other environmental protection expenditure is totaled at NT\$723 thousand

3. Expected improvement

The investment of the above pollution prevention and control equipments can effectively respond to the amendment to environmental protection laws and regulations, and the environmental pollution of wastewater and waste gas can be more effectively treated and reduced to ensure its discharge quality.

- (III) In the last two years and up to the date of publication of the annual report, the Company's process of improving environmental pollution, and process of handling of pollution disputes:

No pollution dispute occurred in the most recent two years and up to the publication date of the annual report.

- (IV) In the last two years and up to the date of publication of the annual report, the total amount of losses (including compensation) and punishment suffered by the Company as a result of pollution of the environment, its possible future response measures (including improvement measures) and expenditures (including the estimated amount of losses, punishment and compensation that may occur if the response measures are not taken, and the facts that they cannot be reasonably estimated if so):

No penalty occurred during the most recent two years and up to the date of publication of the annual report.

- (V) The impact of current pollution situation and its improvement on company surplus, competitive position and capital expenditure, and the major environmental capital expenditure expected in the next two years: None.

- (VI) Relevant information of the Company complying with the Restriction of Hazardous Substances Directive (RoHS): Samples of banned and restricted substances of wafer based on RoHS were sent for testing in accordance with the business demands.

V. Labor Relations

- (I) The Company's employee welfare measures, further education, training, retirement system and its implementation, as well as labor agreements and various measures to safeguard employees' rights and interests

1. Employee welfare measures:

A. High-quality salary, and fair and just incentive and promotion methods are provided to recognize the contributions of all colleagues to the Company. In addition to the general benefits such as labor insurance, health insurance, group insurance, and pension payment, the benefits provided by the Company to the employees include year-end bonus, birthday and festival gift money, year-end banquet, wedding and funeral subsidies, childbirth subsidies, annual travel subsidies, employee health checkup, employee meal subsidies, emergency relief,

employee/children's scholarship, on-the-job training subsidies, club activity subsidies, education and training subsidies, among other things. Since 2021, the trust of employee shareholding was also added. Employees may evaluate on their own whether to join or not, and participants are given rewards equal to 100% of the amount contributed by themselves.

B. 0.1% of the monthly turnover and 40% of the sales income is allocated to the Employee Welfare Committee each month, which is operated by its members in accordance with relevant regulations.

C. The Company fully recognizes that the health of all employees is critical to work efficiency and morale, and seeks to create a safe working environment through the care of employees. Since 2020, the Employee Caring Program has been established. By forming a cross-departmental team to formulate an overall plan, the Company provides employees with sub-programs in four aspects: work, health, life, and welfare, to improve overall employee welfare.

2. Employees' further education and training and their implementation:

The Company provides diversified training courses and various professional on-the-job training and self-development courses, including new entrant training, on-the-job training courses, labor safety and health education training, professional courses and various post-related assignment training courses, in order to cultivate professionally competent and challenging talents.

3. Retirement system and its implementation:

A. There are two types of retirement: voluntary retirement and compulsory retirement.

Voluntary retirement: Those who have worked for more than 15 years and are over 55 years old, those who have worked for more than 25 years or those who have worked for more than 10 years and are over 60 years old.

Compulsory retirement: The Company may compel a person who is over 65 years old from May 14th, 2008 or who is mentally or physically disabled and incompetent to retire.

B. The calculation of seniority: Calculated from the date of arrival: The seniority in the period of leaving without pay should be deducted.

C. Standards of pension payment:

Old system: Two bases are given for each year of service. For over 15 years of service, a base is given every year, but the maximum is 45 bases. Less than half a year is counted as half a year, and more than half a year is counted as one year. If the mental or physical disability of a compulsorily retired worker is caused by the performance of his duties,

the base of his pension should be increased by 20% in accordance with provisions of the preceding paragraph.

New system: If the new system was chosen after July 2005, the seniority should be calculated by the old system before July 2005, and by the new system after July 2005.

- D. The pension of employees arriving after July 2005 is calculated according to the new system (The employer allocates 6% of salary each month and deposits in the personal account of the Labor Insurance Bureau).

4. Labor agreements:

The Company's provisions are based on the Labor Standard Law as a guideline. In accordance with the implementation measures of the Labor Conference, labor meetings are held regularly. Labor relations have always been quite harmonious, and communication channels are unblocked. At the same time, through the joint discussion of the Labor Conference and the Staff Welfare Committee, the mutual benefit and other issues between the two sides are negotiated. In addition to further understanding of each other's needs and expectations, all our colleagues work together to create the future of the Company based on the business philosophy of coexistence and co-prosperity.

5. Protection measures of employees' rights and interests:

The Company has a sound management system, which sets out various management measures, stipulates the rights and obligations of colleagues and welfare items, and irregularly reviews and revises the welfare content to safeguard the rights and interests of all colleagues. The Company conducts annual employee satisfaction surveys, to comprehensively understand the working experience of employees in six aspects, namely engagement, leadership and communication, rewards and recognition, career development, work environment and work-life balance, as well as their suggestions to the Company. The improvement actions are formulated based on the survey results.

- (II) Losses incurred as a result of labor disputes in recent years and up to the date of publication of the annual report, and disclosure of current and future possible estimated amounts and response measures:

The Company enjoys harmonious employee-employer relations, any labor related dispute is mediated pursuant to the procedures. During the recent year and up to the publication date of the annual report, no loss suffered due to labor dispute.

- (III) Employees' Behaviors or Ethical Codes:

In order to let all employees understand employees' behaviors and ethics and gather them together, the Company has formulated relevant measures and regulations to be followed by the Company's management and all employees. The relevant measures and codes are summarized as follows:

1. Provisions of layered responsibilities and delegation of authorization: The Company

implements layered responsibilities. There are also job agents at all levels, all departments comply with provisions of delegation of authorization to ensure the normal operation of the Company's business.

2. Formulate reward and punishment methods: Except for those in the rules of the Company, the rewards can be divided into three categories: reward, small merit and big merit. The punishment can be divided into three categories: admonition, small demerit and big demerit.
3. Implement measures for maintaining business secrets: In order to ensure the Company's business secrets and intellectual property rights, employees are prohibited from competing in business. Employees are required to sign contracts for keeping business secrets and attribution of intellectual property rights.
4. Employees' annual performance evaluation methods: To enhance the morale and performance of the Company's employees, explore outstanding talents, and make employee promotion, rewards and punishments fair and reasonable.
5. Principles for the prevention of sexual harassment in the workplace: In order to protect gender equality in employment and human dignity, the Company strictly prohibits sexual harassment in the workplace, and specifies rules and employee complaint channels to regulate employees' languages and behavior in the workplace.
6. Principles of work and codes of conduct for colleagues: In order to clearly regulate the rights and obligations of both employer and employees, improve the management system of modern operation, and urge all employees to work together to achieve the goal of high utilization of human resources and seek for business development, the Company has formulated these rules with reference to relevant laws and decrees. The main contents are as follows:

Chapter 1 Personnel Appointment

Chapter 2 Attendance

Chapter 3 Employee Overtime

Chapter 4 Salaries, Allowances and Bonuses

Chapter 5: Reassignment, Performance Reviews, Promotions, Rewards and
Disciplinary Actions

Chapter 6 Resignation, Leaving without Pay, Lay-off, Removal and Retirement

Chapter 7 Labor Insurance, Health Insurance, Group Insurance, and Employment
Insurance

Chapter 8 Employee Welfare Committee

Chapter 9 Marriage, Funeral, Birthday Celebration, Emergency Relief and
Assistance

Chapter 10 Compensation and Pension for Occupational Disasters

Chapter 11 Occupational Safety and Health

Chapter 12 Communication System and Others

7. The rewards and punishments in plant regulations and the rules to be followed by

employees of plant: The plant has formulated “Code of Work for Colleagues” for behaviors and ethics of employees in the plant. It ensures the quality of products of the Company and conforms to the operating standards. Rules for entering and leaving the plant zone, and general rules for establishing a good working environment and providing work efficiency to maintain the image of the Company and improve the quality of employees should be followed

- (1) Follow the rules of work and all laws, regulations and rules.
- (2) Comply with the assignments, instructions, supervision and direction of supervisors at all levels without putting off.
- (3) Do not operate business related to the Company's business or use the name of the Company without authorization.
- (4) Do not seek personal interests through the use of power or official status or information.
- (5) The Company's colleagues should abide by the rules and not disclose the Company's technology, management and business secrets.
- (6) Without the consent of the Company, no company information should be released to the communication circle without authorization.
- (7) Confidential information of the Company should not be collected or disseminated privately.
- (8) No contraband or inflammable articles should be brought into the Company or production area.
- (9) Do not enter the prohibited area with warning slogans or bring relatives, friends and employees who have left the Company into the workplace without permission.
- (10) The salaries of our colleagues should be treated as confidential and should not be arbitrarily told to others, and the compensation of other colleagues should not be asked about.
- (11) Do not gamble, take drugs, smoke, eat betel nut or act indecent in the workplace.
- (12) Alcoholic beverages should not be consumed during working hours.
- (13) Public property should be cherished, and should not be wasted, damaged, changed or used privately.
- (14) Pay attention to appearance, and wear overalls and company service certificates.

General rules formulated to standardize all employees' compliance, ensure that the quality of our products meets the operating standards, and provide work efficiency to maintain the image of the Company and improve the quality of employees. The above measures and regulations should be trained upon the arrival of new employees, and the latest edition should be announced on the bulletin board in the plant for staffs to enquire at any time.

8. Regulations for Management of Personal Information Protection: to implement the protection and management of personal information, the Personal Data Protection

Act shall be truly complied with to regulate the collection, processing or utilization of personal information; the principles of suitability, necessity and minimization, and clearly inform the involving parties the purpose and extent of collection, while respecting their rights and interests, to prevent the personality right from damaged, and improve the reasonable utilization of personal information.

(IV) Measures to Protect the Working Environment and Personal Safety of Employees:

According to the Labor Safety and Health Law, the Company has established “the Labor Safety and Health Management Unit”, set up the management personnel of the Labor Safety and Health Business, and formulated “the Labor Safety and Health Management Guidelines”. The main contents related to the working environment of the plant area and the protection of personal safety of employees are summarized as follows:

1. Work environment regulations and measures

- (1) Staffs should always pay attention to self-adjustment of physical and mental health and develop good hygienic habits.
- (2) The workplace should be tidied up in proper time and kept clean and tidy.
- (3) Smoking, eating betel nut and drinking alcoholic beverages are strictly prohibited in the plant.
- (4) Smoking should be in the prescribed smoking room and the cigarette butt should not be discarded at will.
- (5) Protective devices should be correctly used when hazardous substances are disposed of.
- (6) Hazardous substances should be clearly marked and should not be damaged arbitrarily.
- (7) Water drinking equipment that meets the drinking water standards should be installed in appropriate places in the workplace and regularly cleaned, and the water quality should be tested.
- (8) Disinfect the whole plant area every year.
- (9) Toilets should be well ventilated, cleaned and disinfected.
- (10) All employees must keep the 6S environment clean and hygienic in the plant area and form good habits.
- (11) No spitting, drowsing, throwing of cigarette butts or littering.

2. Protection of personal safety of employees

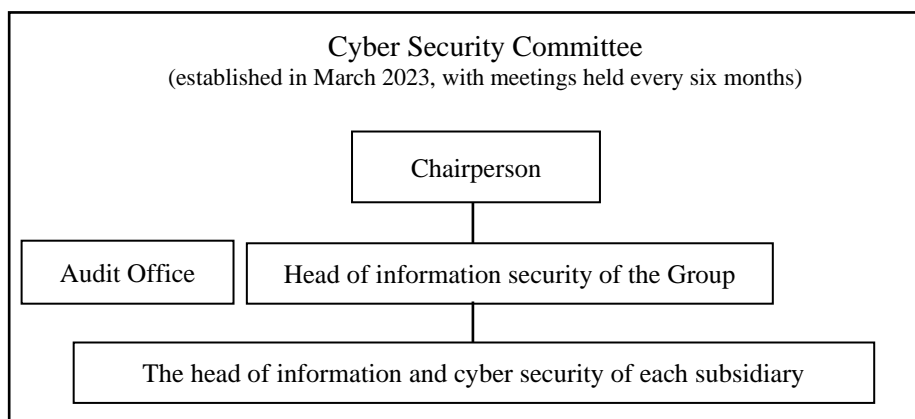
- (1) All work should be carried out and audited in accordance with relevant safety standards, operating procedures and safety checklist of working procedures.
- (2) If temporary or non-regular operations do not have such safety standards to follow, they should not be completed. Flexibly use existing safety standards and decide on the safety steps and methods to be adopted after discussion with the person in charge of the work.
- (3) Safety hats and chin straps should be worn by those who are engaged in elevated work with a height of more than two meters or work with objects fallen or

scattered apart, as well as by inspectors and supervisors.

- (4) Safety belts and auxiliary ropes or safety ropes should be used correctly in the operation on pipes, towers or racks which are not installed with platforms and guardrails and are above two meters above the ground or at the edges and openings of workplaces.
- (5) When partial blackout operation is implemented for substation equipment or plant area, the blackout operation scope should be enclosed and isolated by the iron network or construction warning belt, and the signs of “blackout operation” or “power danger” should be suspended separately for warning purposes. After the completion of the operation, it should be confirmed that the employees who are engaged in the operation have left without the risk of induction before removal.
- (6) Personal protective devices should be worn in accordance with the regulations of each station in work. If unsafe conditions, equipment and operation methods are found, they should be reported immediately.
- (7) Chasing, bantering or other unsafe acts are prohibited in work.
- (8) The maximum operating load of machines and tools should not be exceeded in use.

VI. Cyber Security Management

- (I) Describe the cyber security risk management framework, cyber security policies, concrete management programs, and investments in resources for cyber security management.



The Company officially established the Information Security Division on March 1, 2022, and the Information Security Committee on March 1, 2023. The members of the Committee are the heads of information or cyber security of the Company or subsidiaries under the Group. In each subsidiary, the cyber security promotion team is established to coordinate the formulation, execution, risk management and compliance of cyber security and protection policies.

The Company has the Information Security Committee to supervise the implementation of the Company's information security operations and the effectiveness of the

information security risk management mechanism. Other than reporting the Chairperson on the information security management operation and the effectiveness of system implementation related to the overall information security management organization, it reports to the Board of Directors at least once a year. The most recent report to the Board of Directors was made on May 10, 2024.

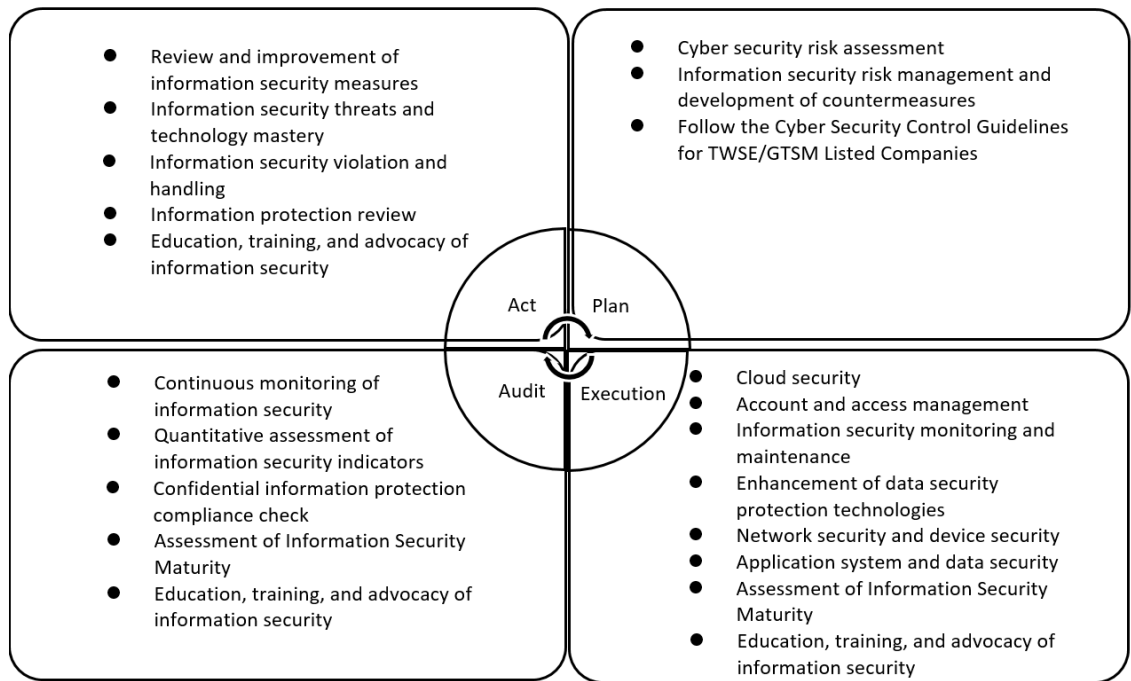
The Company is subject to annual information system and cyber security inspection led by the auditing unit, and the status of audit is regularly reported to the Board of Directors.

In January 2024, the Company promoted the introduction of the ISO27001 information security management system standard, and in October 2024, the Company has passed the ISO27001:2022 Information Security Management System (ISMS) management and protection of information assets, and continues to protect the confidentiality, integrity and availability of information assets through planning, establishment, implementation and supervision mechanisms. The current certificate is valid from October 13, 2024 to October 13, 2027.

The Company takes “Information Security Governance” as the theme of the information security strategy – pursuit in compliance with the Information Security Policy, with timely introduction of new technologies for the improvement of the capacity in security information governance. “Compliance” – the Company reviews newly enacted legal rules and regulations and introduces new technology products for enhancing information security management. “Application of Technology” – cooperation with famous professional information security service provider to make improvement of information security governance capacity in these 3 aspects. Through close cooperation and mutual support, and endless improvement, the Company optimizes its capacity in overall information security defense.

The Company has adopted the PDCA cycle operation model to achieve the objectives and provide continuous improvement, established information security monitoring and vulnerability scanning systems to prevent external hacker intrusions and internal secret theft, and implemented strict software and hardware control (including Internet and personal information equipment) to ensure personal data and internal confidential data protection and security.

Information security risk management and continuous improvement framework:



The specific information security management programs is implemented in three major aspects to ensure effective information security protection and reduce risks:

1.Information System Security Management

- Install endpoint protection software on servers and personal computers or laptops, and automatically update virus definitions or signatures.
- Construct email security gateway equipped with information security modules such as spam filtering, malicious file detection, and phishing email detection in order to enhance email attack protection.
- Important systems and databases are regularly backed up and stored off-site to ensure data availability.
- The information system vulnerability scanning is conducted periodically and the holes in the loop of the system are fixed.
- The computer operation systems or servers are updated for securities based on the cyber risks.
- Established a firewall in the internal network and set up firewall rules to protect important information systems.
- Performed annual disaster recovery exercise drill for important application systems.

2.Information System Access Control

- Strictly control the application system and file access setting permissions to ensure information confidentiality.
- Formulate and implement account/password complexity principles, and update passwords regularly to ensure the validity of identity authentication.
- For employees who have resigned and changed departments, the information department shall adjust the permissions according to documents to ensure real-

time and correct data permission & authorization.

- The management procedures are established for non-employees (suppliers and contractors) to apply for accounts and access the systems. Once the application is approved, access will be granted for them to enter the system, and the handling status is recorded.
- No personal terminal device is permitted to be connected with any external storage medium.
- Personal computers are prohibited from connecting to the Company's network and resources, and the device authentication management mechanism is established.

3. Network Security Management

- Established a firewall to protect the network's external connections, and analyzed the firewall's anomaly records to strengthen protection.
- Using artificial intelligence (AI) to quickly identify malicious attacks, and import the information security intelligence to the information security defense system.
- An information service monitoring platform has been set up to monitor network traffic and connection status, which can resolve any network related problems in real time.
- The information department delivers security reminders to all colleagues irregularly to remind colleagues to remain alert for the emails received in order to prevent the increasingly serious phishing and malicious fraud letter problems.
- The internal staff's computers all must have anti-virus software installed. Once the anti-virus control platform finds a virus, it will send a notification letter to the IT personnel for computer virus removal.
- The remote connection to the internal network when the employees are out of office are limited to those compliant with the cyber security controls. Only these employees who are required to perform the required tasks may connect to the Company via remote connection via an authorization, and the VPN security connection with multi-factor authentication must be applied.

In light of the new trend of information security such as DDoS attack, blackmail software, community engineering software, website side recording, and loopholes, the Company joined the Taiwan Computer Emergency Response Team/Coordination Center (TWCERT/CC) and SP-ISAC of the Industrial Park. Through the annual exchange with famous information security service providers and programs, the Company pays close attention to issues related to information security and planned for proper response. The Company also conducts exercise drills against DDoS and APT under different information security environments to strengthen the capacity of the management staff in response to the situation with a view to detecting and deterring attack once discovered.

Implementation results of the promotion of cyber security measures in 2024:

- Dedicated personnel: The Company has an information security division in place and dedicated information security personnel are assigned. In 2024, they completed 40 hours of professional information security training.
- Education and training: all employees of the Group must go through the information security awareness and social mail education and training and pass the tests.
- Social engineering: the Company conducts social engineering drills every year. Those who fail must take refresher or re-training courses to reduce the risk of social attacks. In 2024, all users passed the social engineering drill test.
- Information security effectiveness: The average score of the system vulnerability scanning tool of the Security Scorecard is 98.
- Information security announcements: Information security announcements and promotion, tracking of new information security knowledge, and releases and promotions of information security-related matters from time to time.
- ISO certification: The Company has introduced the ISO27001 information security management system and passed the certification in October 2024.
- Information security audit: the third-party audit where third-party vendors conduct the information security audit.
- Information security operation and maintenance: Invest appropriate resources to continuously improve or adjust, so that the Company achieves the information security goals set.
- Information security insurance: The Group has purchased some information security insurance as a solution to the risk management of the cyber threat.

(II) List any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to significant cyber security incidents, the possible impacts therefrom, and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided.

At the beginning of June 2024, partial system of MEMC LLC (MEMC), the subsidiary of the Group's subsidiary GlobalWafers Co., Ltd. encountered hackers' attacks. The attacker intruded the MEMC in a violence manner, which has caused impact on the plant. However, the information security unit initiated the contingency and defense mechanism immediately to reduce the impact extent, and also engaged external experts to actively assist in the investigation and recovery. Meanwhile, the Company actively contacted and informed customers and suppliers, and has successfully resumed normal operations in the same month, minimizing the impact on the Company's finance and business.

Although the above event did not cause significant losses to the Company, the Company will continue to improve, and strengthen information security defense and

information security awareness among employees. The directions of improvement are as follows:

- A. All domestic and foreign subsidiaries hold regular cyber security committee meetings with information security/information heads, and the frequency is changed from once every six months to once every quarter, to enhance communication and experience exchange. This is also beneficial to strengthening the joint protection mechanism of information security.
- B. The Company include the information security risk as one of the key performance indicators, and has also made information security defense and corporate resilience key indicators in addition to the profit performance.
- C. In order to regularly track the implementation of information security governance in Taiwan, the Company holds cyber security promotion team meetings regularly, to communicate the information security-related matters among each internal department.
- D. Continue to refine employees' information security awareness.
- E. The length of the ID verification password is required to be more than 10 digits, including the alphabets, symbols and numbers.
- F. Promote the introduction of dual factor certification for all subsidiaries, both domestic and foreign.

VII.Important Contracts

Agreement	Counterparty	Period	Major Contents	Restrictions
Land lease agreement	Taiwan Science Park Administration	January 26, 2008 to December 31, 2027	Area: 13,000 m ²	Limited-purpose business use
Land lease agreement	Taiwan Science Park Administration	May 26, 2020 to December 31, 2039	Area: 9,985.7 m ²	Limited-purpose business use
Offshore wind power purchase and sales contract	Fengmiao Wind Power Co., Ltd.	2025.01.21 - 30 years since the full power supply	Offshore wind farm procurement and sales	Transaction terms Confidentiality terms

Five. Review of Financial Conditions, Operating Results, and Risk Management

I. Analysis of Financial Status

Unit: NT\$ thousands

Item \ Year	2024	2023	Difference	
			Amount	%
Current assets	102,804,167	101,377,922	1,426,245	1.41
Financial assets measured based on fair value through other comprehensive income - non-current	1,145,053	3,464,865	-2,319,812	-66.95
Financial assets measured at amortized cost - non-current	6,524,215	-	6,524,215	-
Investment accounted for under equity method	1,567,664	1,494,831	72,833	4.87
Property, plant and equipment	137,361,821	89,667,689	47,694,132	53.19
Intangible assets	5,893,393	5,695,213	198,180	3.48
Other assets	16,034,986	23,794,705	-7,759,719	-32.61
Total assets	271,331,299	225,495,225	45,836,074	20.33
Current liabilities	77,322,585	87,492,231	-10,169,646	-11.62
Non-current liabilities	78,454,189	56,008,819	22,445,370	40.07
Total liabilities	155,776,774	143,501,050	12,275,724	8.55
Capital	6,412,217	5,862,217	550,000	9.38
Capital surplus	32,671,766	16,955,211	15,716,555	92.69
Retained earnings	20,318,655	19,764,133	554,522	2.81
Other equity	-6,454,604	-6,457,122	2,518	-0.04
Treasury stock	-4,382,100	-4,382,100	0	-
Non-controlling interests	66,988,591	50,251,836	16,736,755	33.31
Total equity	115,554,525	81,994,175	33,560,350	40.93
<p>Explain the main reasons for the significant changes in assets, liabilities and equity over the past two years (defined as changes exceeding 20% and NT\$10 million), along with the impacts and the corresponding future plans:</p> <ol style="list-style-type: none"> 1. Financial assets at fair value through other comprehensive income - non-current: mainly due to the disposal of foreign equity investments and the year-end valuation based on fair value about related assets. 2. Property, plant and equipment: mainly due to the increase in capital expenditure for the expansion of facility within the semiconductor business group. 3. Other assets: Mainly due to the prepayment of equipment for the semiconductor business group's facility expansion being transferred to the property, plant and equipment. 4. Non-current liabilities: Mainly due to the bank loan for the semiconductor business group's facility expansion and issuance of convertible bonds with stock warrants for securities asset revitalization. 				

5. Capital surplus: mainly due to the premium of the shares from the issuance of overseas depository receipts by the Company.
6. Non-controlling interests: Mainly due to the investees' issuance of overseas depository receipts were not subscribed according to the shareholding percentage, resulting in reduced shareholding and corresponding recognized as non-controlling interests.

II. Analysis of Operation Results

(I) Comparative analysis of operation results

Unit: NT\$ thousands

Item \ Year	2024	2023	Variation ratio	
			Increased or decreased amount	(%)
Operating revenue	79,678,547	81,965,952	-2,287,405	-2.79
Operating costs	55,403,820	55,279,360	124,460	0.23
Gross profit	24,274,727	26,686,592	-2,411,865	-9.04
Operating expenses	8,161,164	8,079,809	81,355	1.01
Operating income	16,113,563	18,606,783	-2,493,220	-13.40
Non-operating income and expenses	-1,381,250	5,942,629	-7,323,879	-123.24
Profit before tax	14,732,313	24,549,412	-9,817,099	-39.99
Income tax expenses	3,122,830	6,770,500	-3,647,670	-53.88
Net profit	11,609,483	17,778,912	-6,169,429	-34.70
Total comprehensive income	11,402,660	18,076,456	-6,673,796	-36.92

Description of analysis on the change in the ratio of increase to decrease:

1. Non-operating income and expenses: Mainly due to the recognition of valuation loss on foreign equity investment.
2. Income tax expenses: Mainly due to the decrease in pre-tax profits resulting corresponding decline in income tax expenses, and the semiconductor business group's resolved not to repatriate the retained earning under the facility expansion, which led to and the reversal of deferred income tax liabilities.

III. Analysis of Cash Flow

(I) Liquidity analysis in the last two years

Item	Year	2024	2023	Variance (%)
Cash Flow Ratio (%)		20.88%	22.94%	-2.06%
Cash Flow Adequacy Ratio (%)		62.65%	107.08%	-44.43%
Cash Reinvestment Ratio (%)		4.00%	5.54%	-1.54%

Description of analysis on the change in the ratio:

1. Cash flow adequacy ratio: The capital expenditure of the semiconductor business increased recently, resulting in a relative decrease of the ratio.

(II) Cash Flow Analysis for the Coming Year

Unit: NT\$ thousands

Cash balance at the beginning of period	Net cash flow from operating activities	Cash outflow	Cash surplus (deficit)	Remedy for cash short	
				Investment plans	Financing plans
54,136,770	12,098,131	(13,579,547)	52,655,354	—	—

1. Analysis of cash flow:

- A. Operating activities: Although semiconductor industry customers have adjustment on inventories, it is expected that the recovery will take place in the second half of the year. In addition, in response to the Group's active expansion of production capacity with continuous shipment and the motivating factors for solar product transformation, it is expected that the net cash flow from operating activities will become net cash inflow for the full year.
- B. Investment activities: Cash dividends from the investee company can be received to pay for domestic and foreign investment, capital expenditure and dividend distribution.
- C. Financial activities: Mainly attributable to the repayment (borrowing) of loans and the payment of dividends.

2. The remedial measures and liquidity analysis of the anticipated cash shortfall: None.

IV. Impact of Major Capital Expenditures on Financial Business in the Recent Years

- (I) The use of major capital expenditures and sources of funds: None.
- (II) Major capital expenditures are expected to yield benefits: None.

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

1. Reinvestment policy

The Company's reinvestment policy is based on it's future operating strategies. Currently, the key areas within the supply chain of renewable energy and semiconductor industries, which offer higher added value, are being expanded in terms of the Group's operating scale and efficiency through strategic alliances or equity investments.

2. Major reasons for profits or losses of reinvestment, improvement plan and investment plan for the next year

Unit: NT\$ thousands

Investee	Investment (Losses) Profits Recognized in 2024	Main Causes of Profits or Losses	Improvement Plan	Investment Plan for the Next Year
Sino Silicon Technology Inc.	767	This is mainly due to the interest generated by fixed deposit and exchange of banks	None	None
GlobalWafers Co., Ltd.	4,682,938	The main reason for the profit is the demand from the semiconductor market	None	None
Accusolarpower Co., Ltd.	330	In response to the government's green energy policy, the Company constructs solar power sites	None	None
Aleo Solar GmbH	(176,194)	The loss is mainly due to the change of products and conservative market	In addition to the order-based production, the Company also actively revitalizes assets	None
Aleo Solar Distribuzione Italia S.r.l	(21,132)	Italy has reduced subsidies for solar modules and the Company has reached the resolution on liquidation	None	None
SAS Sunrise Inc.	(46,898)	Cayman holding company of overseas power plants	None	None
Sulu Electric Power and Light Inc.	(55,262)	The electricity generation and receipt of the power plant in the Philippines have decreased due to the climate environment and currency depreciation; however, it is still sufficient to cover the variable cost.	The operating site still generates net cash inflow	None

Investee	Investment (Losses) Profits Recognized in 2024	Main Causes of Profits or Losses	Improvement Plan	Investment Plan for the Next Year
Taiwan Speciality Chemicals Corporation	100,620	Development of special gas market and customers has generated operating profits	None	None
Actron Technology Corporation	133,740	Automotive generator diode business at the leading position in the market, and the business status is normal	None	None
Advanced Wireless Semiconductor Company	112,263	The demand for the mobile phone chip market has recovered	None	None
Sunrise PV Three Co., Ltd.	1,186	Power generation business	None	None
SAS Capital Co., Ltd.	(15,701)	Mainly due to the loaning of funds for reinvestment capital, resulting in interest expense incurred	Continue to monitor investment subject to control investment risk	None
Sustainable Energy Solution Co., Ltd.	(3,243)	Renewable energy electricity sale and technical services	Expand the renewable energy entities to increase operating profit	None
Sustainable Hydropower Energy Co., Ltd.	(412)	First hydroelectric power site under construction and necessary operating expenses incurred annually	Continue to construct hydroelectric power sites to increase operating profit	None
Sunrise Intelligent Energy Co., Ltd.	(547)	First project site started grid connection in the fourth quarter, and the power generation during the winter was poor.	Continue to construct solar power sites to increase operating profit	None
WaferChem Technology Corporation	-	Acquisition date of 2024/12/31, no profit or loss	None	None
Anneal Energy Co., Ltd.	-	Acquisition date of 2024/12/31, no profit or loss	None	None

Unit: NT\$ thousands

Names of Investee	Investment (Losses) Profits Recognized in 2024	Main Causes of Profits or Losses	Improvement Plan	Investment Plan for the Next Year
Global Semiconductor Inc.	111,422	Normal state of operation	None	None
GlobalWafers Japan Co., Ltd.	1,360,699	Business and profits are stable	None	None
GlobalWafers GmbH	(3,507,000)	Normal state of operation	None	None
GlobalWafers Singapore Pte. Ltd.	3,156,697	Normal state of operation	None	None
GlobalWafers B.V.	258,340	Normal state of operation	None	None
Sunrise PV Four Co., Ltd.	10,768	Normal state of operation	None	None
Sunrise PV Electric Power Five Co., Ltd.	(589)	Normal state of operation	None	None
GWC Capital Co., Ltd.	(1,667)	Normal state of operation	None	None
Hong-Wang Investment Co., Ltd.	129,781	Normal state of operation	None	None
Crystalwise Technology Inc.	235,502	Normal state of operation	None	None
Crystalwise Technology (HK) Limited	949	Normal state of operation	None	None
Yuan Hong (Shandong) Technical materials, Ltd.	(130)	Normal state of operation	None	None
Kunshan Sino Silicon Technology Co., Ltd.	104,064	Business and profits are stable	None	None
MEMC Electronic Materials Sdn. Bhd.	67,337	Business and profits are stable	None	None
Kunshan SST Electronics Technology Co., Ltd.	10,901	Normal state of operation	None	None
Shanghai Sawyer Shenkai Technology Material Co., Ltd.	(105,941)	Normal state of operation	None	None
Yuan Hong Technical Materials Ltd.	(65,610)	Normal state of operation	None	None
MEMC Japan Ltd.	84,894	Business and profits are stable	None	None
MEMC Electronic Materials S.p.A.	205,988	Business and profits are stable	None	None
MEMC Electronic Materials France SarL	605	Normal state of operation	None	None
GlobiTech Incorporated	(454,739)	Business and profits are stable	None	None
MEMC LLC	(557,938)	Business and profits are stable	None	None
GlobalWafers America, LLC	(215,793)	Normal state of operation	None	None

Names of Investee	Investment (Losses) Profits Recognized in 2024	Main Causes of Profits or Losses	Improvement Plan	Investment Plan for the Next Year
MEMC Korea Company	768,041	Business and profits are stable	None	None
MEMC Ipoh Sdn. Bhd.	406	Cease of business operation	None	None
Topsil GlobalWafers A/S	52,835	Business and profits are stable	None	None
Ding-Wei Technology Co., Ltd.	50,368	Business and profits are stable	None	None
Smooth International Limited Corporation	8,299	Business and profits are stable	None	None
Smooth Autocomponent Limited	8,299	Business and profits are stable	None	None
Actron Technology (QingDao) Corp.	8,299	Business and profits are stable	None	None
REC Technology Corporation	10,486	Business and profits are stable	None	None
Mosel Vitelic Inc.	19,870	Increase in market demand	None	None
Bigbest Solution, Inc.	1,295	Increase in market demand	None	None
Excelliance MOS Corporation	88,954	Business and profits are stable	None	None
Mao Fu Investment Consultant Ltd.	905	Normal state of operation	None	None
Bou Der Investment Ltd.	118	Currently under liquidation procedure	None	None
DenMOS Technology Inc.	1,788	Normal state of operation	None	None
Giant Haven Investments Ltd.	8,511	Normal state of operation	None	None

VI. Risk Management and Assessment

(I) The organizational structure of the Company's risk management, its implementation and responsible units are as follows:

1. Board of Directors: Pay attention to relevant government decree at all times, review relevant company management measures, and ensure the effectiveness of company management rights and operational risk management.
2. President's Office: Primarily responsible for evaluation and execution of response strategies of business decision-making risks, corporate legal risks, and crisis risk management for both Company and employees.
3. Audit Office: Primarily responsible for aligning the Company's objectives, risk tolerance and strategies, and actively assisting company managers to deal with all the interrelated risks across the whole enterprise.

4. MIS: Responsible unit for maintaining information system related software and hardware equipment, and implementing response strategies.
5. Information Security Division: The responsible unit for the evaluation and execution of network information security and operational risks.
6. Administration: Responsible unit for the evaluation and control of human resources allocation and response, as well as for the evaluation and execution of response strategies related to legal affairs and regulatory compliance.
7. Accounting Dept.: Responsible unit for the evaluation and execution of response strategies related to financial risk management of the Company, primarily focusing on the evaluation and control of interest rate, exchange rate and financial risk, liquidity risk and credit risk.
8. Procurement: The executing unit which responsible for mitigating the risk related to price inflation caused by supplier monopoly and procurement concentration. .
9. Sales: Responsible unit for the evaluation and execution of response strategies of market risks, and for managing customer accounts receivable, in order to reduce risks of the Company's order acquisition process.
10. Manufacturing Department: Mainly responsible for product production, yield and abnormality management, raw materials usage and scrapping, as well as capacity expansion planning and implementation.
11. R&D Department: Responsible unit for assessing risks of product design, manufacturing processes, and the product life cycle, and for implementing appropriate response strategies.
12. The Company systematically manages and controls risks of the products and processes.

Execution and responsible units: R&D unit is responsible for new product development, risk identification, evaluation and control of derivative products and other activities. Business unit is responsible for information monitoring after product launching, collection and customer feedback. The quality assurance, manufacturing, legal and intellectual property units are responsible for assisting the relevant processes of the process.

Responding measures: In the early stage of new product development, R&D unit began to analyze international competitors' patent layout based on TIPS and APQP operating system, formulated R&D strategies to avoid patent infringement, ensured the rights and interests of the Company and customers. The team continuously monitors global technological trends in the process of product development and production, proactively respond to changes in product life cycle in advance.

The process unit regularly reviews whether new processes should be introduced or if the deficiencies in existing processes should be addressed, based on the functions of products and customer complaints, to prevent product risks.

(II) Effects of Changes in Interest Rates, Foreign Exchange Rates and Inflation on Corporate Finance, and Future Response Measures:

(1) Changes in interest rates

The Company and its subsidiaries maintain a sound financial health and strong credit history, enabling to secure more favorable credit terms from financial institutions. As a result, the Company benefits from better conditions on the cost of borrowing. Loans are categorized into short-term loans and medium- to long-term borrowings based on actual capital needs. The evaluation of loan terms is primarily based on the cost of funds and repayment conditions. The Company will adjust its financing instruments as needed to mitigate the risks of interest rate according to the fluctuation.

(2) Exchange rate fluctuation

The foreign currency positions of the Company's and subsidiaries' purchase and sale transactions are based on the principle of natural hedging between the liabilities and asset positions. To minimize the net positions exposed to the fluctuation risk of exchange rates, the financial department closely observes the exchange rate trend. If necessary, the Company will also work with foreign exchange operation tools for the purpose of hedging to reduce the impact of exchange rate fluctuations on operating costs.

(3) Inflation

With rising pressure from global inflation impacting world economy and squeezing business profits, the Company reduced front-end purchasing costs by partnering with multiple suppliers and actively negotiating prices, and concurrently adjusted end selling prices to retain profits. The Company and its subsidiaries also monitored price fluctuations at all time, taking corresponding measures as needed.

(III) Policies, Main Causes of Gain or Loss and Future Response Measures with Respect to High-risk, High-leveraged Investments, Lending or Endorsement Guarantees, and Derivatives Transactions

- (1) According to policy considerations, the Company and its subsidiaries are not engaged in high-risk and highly leveraged investment.
- (2) The Company and its subsidiaries are engaged in capital lending, endorsement guarantee and derivative commodity transactions in accordance with the Operating Procedures for Loan to Others, Measures for Endorsement Guarantees, Treatment Procedures for Derivative Commodity Transactions and relevant regulations of the competent authorities. The executing unit also makes internal audit and supervision in accordance with relevant management measures based on regular audit and announcement, which will not result in risks to operation.

(IV) Future Research & Development Projects and Corresponding Budget

The Company continues to monitor the market dynamics and technology development direction, actively investing in the development of new technologies and new products that meet both current and potential customer needs. In addition, the main development projects of the renewable energy business in the future are as follows:

R&D projects for the most recent year	Expected time to completion of mass production	Main Influencing Factors of the Success of Future R&D
Development of ultra-high efficiency N-type mono-Si bi-facial solar cell technology	2026	Introduction of advanced process technology and equipments

Semiconductor business and automotive component business information please refer to the annual reports of GlobalWafers (stock code: 6488), Taiwan Specialty Chemicals Corporation (stock code: 4772), and Advanced Wireless Semiconductor (stock code: 8086), Actron Technology Corporation (stock code: 8255) for details.

For R&D expenses, the budget are arranged according to the development schedule of new products and new technologies. The ratios of R&D expense over total operating revenue indicated in the Company's 2023 and 2024 financial statements were 3.61% and 4.25%, respectively. In 2025, the amount of R&D expense expected to be invested by the Company will be approximately 3% to 5% of the annual revenue, and such expenses will be adjusted based on the operation and market conditions, in order to maintain the Company's competitive edges in the industry.

(V) Effects of and Response to Changes in Policies and Regulations Relating to Corporate Finance and Sales in Recent Years at Domestic and Aboard:

Except that our daily operations are regulated by the relevant laws and regulations at domestic and abroad, we continuously monitor the development trend and changes in policies and regulations at domestic and abroad, in order to fully grasp the changes of market environment and proactively implement appropriate response measures timely. As of the publication date of this annual report, our group has not been significantly impacted by major changes in policies or laws at home and abroad that could affect our financial and business operations.

(VI) Effects of and Response to Changes in Technology and the Industry Relating to Corporate Finance and Sales in Recent Years:

In 2024, the vertically integrated manufacturers in China actively eliminated PERC process capacity, and the mainstream shipments switched to the N-type Topcon process. In 2024, it is estimated that the Topcon module shipments will account for approximately 60-70% for the full year. The Company will adopt the following response strategies:

- (1) Continue to optimize and enhance the power generation efficiency of solar cells, actively launch new generation Topcon high-efficiency large-size cell products, in order to enhance the competitiveness of customers' products.
- (2) Rapidly increase the development energy of new technologies and new products, and continuously invest in the growth of high-efficiency polycrystal silicon crystal and the development of precision processing technology of custom-made silicon ingot, in order to create the core competitive advantages.
- (3) Actively expand the layout of solar power generation system, respond to the government's policy of vigorous promotion of renewable energy, invest in new business opportunities after Taiwan's installation tide in a large number, and accumulate the integration capacity of after-sales maintenance and operation of power plant through the investment of the Group in Taiwan's solar power plant.

In terms of information security, the company has established network and computer-related information security protection measures, and has continuously reviewed and evaluated information security management methods and procedures to ensure their appropriateness and effectiveness. The Company continues to enhance the information security safeguard measures, seeking to protect the Company from malware and hacker attacks. A complete backup mechanism is in place, seeking to resume the normal operation of system in very short time after being attacked, for the minimum damage.

(VII) The Impact of Changes in Corporate Image on Corporate Risk Management, and the Company's Response Measures in Recent Years:

Since its establishment, the Company has adhered to the business philosophy of "honesty, professionalism, team and innovation", emphasizes the principle of honesty, stimulates individual creativity with cordiality, dedication, activeness and professionalism, and demonstrates the Company's unique culture through the tacit understanding of the team, and continuous innovation of technologies and management. The Company has been recognized among the "Top 5% of TPEx Listed Companies" in the Corporate Governance Evaluation Rankings over the past years, which witnessed the Company's determination to strive for transparency, honesty and sustainable operation. At the same time, the Company will continue to adhere to the principle of good faith to show the blueprint of corporate governance, and strengthen the Company's physique to improve business performance and implement corporate social responsibility.

(VIII) Expected Benefits from, Risks Relating to and Response to Merger and Acquisition Plans in Recent Years:

Up to the date of publication of the annual report, the Company has no plan for merger and acquisition.

- (IX) Expected Benefits from, Risks Relating to and Response to Factory Expansion Plans in Recent Years: None.
- (X) Risks Associated with Over-Concentration in Purchase or sale in Recent Years: None.
- (XI) Effects of, Risks Relating to and Response to Large Share Transfers or Changes in Shareholdings by Directors, Supervisors, or Shareholders with Shareholdings of over 10% in Recent Years: No such situation.
- (XII) Effects of, Risks Relating to and Response to the Changes in Management Rights in Recent Years: None.
- (XIII) Litigious and non-Litigious Matters in Recent Years: If there has been any material impact upon shareholders' equity or prices for the company's securities as a result of any litigation, non-litigious proceeding, or administrative dispute involving a company director, supervisor, president, de facto responsible person, or major shareholder with a stake of more than 10 percent, and the matter was finalized or remained pending, the facts in dispute, amount in dispute, commencement date, main parties involved, and current status of the case up to the publication date of the annual report shall be disclosed: None.

VII. Other Important Matters:

Management of intellectual properties and risk countermeasures:

Intellectual Property Management Strategy

“Enhancing Innovation Capability” and “Strengthening Confidentiality Mechanism” is the two main management strategies of SAS. Not only performing independent research and development base on innovation capabilities but also via technological-industrial cooperation or strategic alliances to stimulate technological capabilities. As for the confidentiality mechanism, strengthen the control of various business secrets as well as establish specifications for the use of electronic mail and electronic storage devices to ensure that key technologies do not flow out and maintain the company's competitive energy.

Intellectual Property Management System and Certification

SAS began to introduce the “Taiwan Intellectual Property Management System (TIPS)” system in 2010, and gradually established an intellectual property management system, which included a patent management system for e-management and the use of a patent search system to improve the effectiveness of previous cases. At the same time, the Company conducts internal audits regularly to implement the management system. During patent examination, in addition to the regulatory requirements, the Company also considers whether

the patent has the green influence in energy saving and carbon reduction, in order to encourage green patent planning.

SAS has been introducing TIPS until now, the in-depth verification was passed in 2012, the AA-grade verification was passed in 2016, and TIPS A verification was passed in 2023, 2024. The certificates are valid up to December 31, 2026.

Possible risks and counter measurers

In order to avoid the loss caused by the leakage of the company's key technologies, the company conducts confidential management and control especially for personnel, equipment, environment, documents, etc., such as holding courses related to intellectual property management, strengthening the concept of personnel confidentiality protection; strengthening employees' awareness of phishing emails to avoid information security Hazards; control for outgoing emails, use of electronic storage devices (USB), camera shooting in control areas, etc.; define file levels in detail, and set up corresponding management mechanisms according to different file levels. Various means to keep confidential information properly and reduce the risk of leakage.

2024 Execution of Intellectual Properties

Intellectual property management strategy	Summary of the execution
Improve the innovation ability	The Company focuses on the development and production of key materials, including patent planning and trade secret protection in the fields related to new application materials or green technologies. In addition, green energy projects are proposed for improvement, in order to make contributions to energy conservation and carbon reduction.
Strengthen the confidentiality mechanism	During July-August 2024, the TIPS internal audit has been conducted to strengthen the confidentiality protection mechanism and improve the implementation of the intellectual property management system by colleagues. There are 140 audits in total, 2 missing items and 4 suggested observation items, all of which have been corrected and preventive measures improved.

List of Intellectual Property Right Outcomes

SAS Group (including its subsidiary GlobalWafers' Group) has accumulated a total of 2,590 valid patents, including 1,647 valid patents and 943 patents in application, covering different materials and technical fields such as solar energy and semiconductors.

Main Purpose of Use and Contribution

For the Group, intellectual property rights not only demonstrate the strength of technological development, but also enhance the overall competitiveness of the Company, in order to gain the trust and recognition from customers. In particular, when developing new technologies or products, it is important to position the patents in this field to avoid possible intellectual property risks. The maintenance and application of intellectual property management allows the Company to move towards the vision of sustainable operation.

For the aforesaid IP management planning and implementations, the Company reports to the board of directors at least once a year. The latest reporting date was November 8, 2024.

Six. Special Disclosures

I. Profiles of affiliates and subsidiaries

Information on affiliated enterprises: The Company's most recent annual consolidated business report, consolidated financial statements, and the report on related party transactions of affiliated enterprises please refer to the MOPS.

(https://mopsov.twse.com.tw/mops/web/t57sb01_q10)

MOPS > Single Company > Electronic Books Download > Section for the Three Reports on Affiliated Enterprises (Company Code: 5483).

II. Private placement of securities in the last year up to the date of this annual report

None.

III. Other supplemental information

None.

IV. Corporate events with material impact on shareholders' equity or stock prices set forth in Subparagraph 2, Paragraph 3, Article 36 of Securities and Exchange Act in the past year and up to the date of report

None.