Stock Code: 2481

強茂股份有限公司
PANJIT International Inc.

2024 Annual Report

Notice to readers This English-version annual report is a summary translation of the Chinese version and is not an official document of the shareholders' meeting. If there is any discrepancy between the English and Chinese versions, the Chinese version shall prevail

Website designated by FSC for information reporting: https:/ / mops.twse.com.tw/

Website for disclosure of the Company's annual report: https:/ / www.panjit.com.tw/

April 22, 2025

I. Names, titles, contact numbers and emails of the Spokesperson and Acting Spokesperson:

Name of Spokesperson: Shen Ying-Hsiu
Title of Spokesperson: Chief Financial Officer
Spokesperson Contact Number: (07) 961-1105
Email address of the Spokesperson: investor@panjit.com.tw

Name of Acting Spokesperson: Pai-Cheng Hsieh
Title of Acting Spokesperson: Chief Accounting Officer
Acting Spokesperson's Contact Number: (07) 961-1105
E-mail address of the Acting Spokesperson: investor@panjit.com.tw

II. Address and telephone of the head office, branch office and factory:

Headquarter
Address: No. 24, Gangshan North Road, Gangshan District, Kaohsiung City
Telephone: (07) 621-3121

Yung-an Plant
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Telephone: (07) 624-3929

Taipei Operation Center
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Telephone: (02) 2627-1898

III. Name, address, website, and telephone number of stock transfer agent:

Name of Stock Registrar: Yuanta Securities Co., Ltd.
Address: B1, No. 67, Section 2, Dunhua South Road, Daan District, Taipei City
Telephone: (02) 2586-5859
Website: https:/ / www.yuanta.com.tw/

IV. Name, name, address, website, and telephone number of the CPA in the financial statements of the most recent year:

Name of CPAs: Cheng-chu Chen, Wen-fang Fu
CPA firm: Ernst & Young Global Limited
Address: 17F, No. 2, Zhongzheng 3rd Road, Kaohsiung City
Telephone: (07) 238-0011
Website: https:/ / www.ey.com/

V. Names of overseas exchanges where the Company's securities are traded, and methods for inquiring information about the overseas securities:

Global depository receipts
Trading venue: Luxembourg Stock Exchange
Website: https:/ / www.luxse.com/

VI. Official website: https:/ / www.panjit.com.tw/

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One. Report to Shareholders

I. Business results for 2024:

(I) Business plan implementation results

The 2024 consolidated operating revenue was NT$12.5 billion, and the 2024 consolidated operating gross profit was NT$3.59 billion. The 2024 consolidated operating profit was NT$810 million. Based on the above information, the consolidated net income per share for 2024 was NT$2.4.

For cash dividends, the Board of Directors approved the distribution of NT$1.4 per share.

(II) Budget implementation

The Company did not publish financial forecast for 2024, so there was no budget achievement.

(III) Analysis of financial income, expenditure and profitability

(Parent Company Only) Unit: NTD thousands

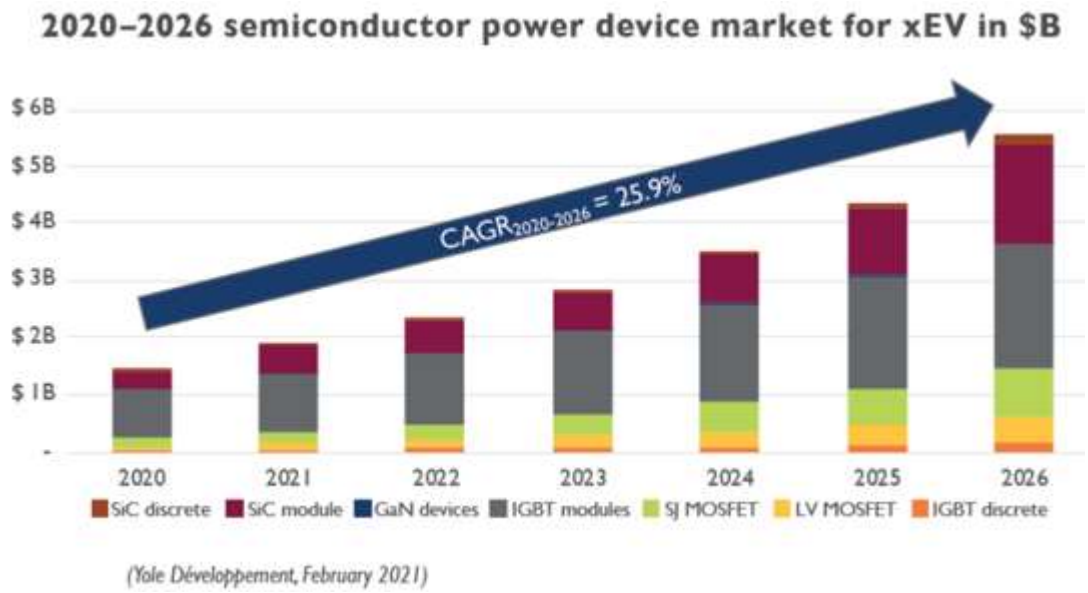
Item			2024	2023	Percentage of increase or decrease (%)
Financial income and expenditure	Operating revenue		8,654,540	7,889,882	9.69
	Gross operating profit		1,896,262	1,720,016	10.25
	Profit or loss after tax		918,523	820,782	11.91
Profitability	Return on assets (%)		4.31	3.85	11.95
	Return on shareholders' equity (%)		6.71	6.11	9.82
	Percentage on paid-up capital (%)	Operating profit	5.18	8.01	(35.33)
		Net profit before tax	25.07	23.42	7.05
	Net profit margin (%)		10.61	10.40	2.02
	Earnings per share (NTD)		2.40	2.15	11.63

(Consolidated) Unit: NTD thousands

Item		2024	2023	Percentage of increase or decrease (%)
Financial income and expenditure	Operating revenue	12,536,212	12,707,319	(1.35)
	Gross operating profit	3,597,075	3,208,061	12.13
	Profit or loss after tax	1,077,404	1,012,951	6.36
	Net profit attributable to the owners of the parent company	918,523	820,782	11.91
Profitability	Return on assets (%)	4.38	4.06	7.88
	Return on shareholders' equity (%)	7.15	6.86	4.23
	Percentage on paid-up capital (%) — Operating profit	21.27	21.82	(2.52)
	Percentage on paid-up capital (%) — Net profit before tax	33.17	30.49	8.79
	Net profit margin (%)	8.59	7.97	7.78
	Earnings per share (NTD)	2.40	2.15	11.63

(IV) Research and development

PANJIT Group has more than 3 decades of experience in providing semiconductor electronic products from semiconductor wafer design and manufacturing to assembly of components. The Company's IBU is developing advanced semiconductor discrete device products from upstream to downstream. Si-based semiconductor wafer design, wafer/ device manufacturing to assembly, as well as the technology development of the third generation compound semiconductors, such as SiC semiconductor. SiC semiconductors have excellent material properties and can be used to manufacture high-speed power electronic devices for automobiles, military and other high-end applications.
By 2026, the market for power semiconductor discrete devices in electric vehicles will reach US$6 billion, with a compound annual growth rate of 25.9% from 2020 to 2026. In order to meet the development trend of the current market, electric vehicle products occupy an important position in the Company's development.



In 2024, PANJIT Group has completed the development and released 60 semi-conductor power discrete devices, including: HV mosfets, MV mosfets, IGBTs, SiCs and FREDs.
From the semiconductor device technology perspective, 600V/ 650V HV SJ (HV SJ) MOS FET Gen.1.5, 100V MV Shielded Gate Trench (MV SGT) mosfet 100V Gen.2, 650V/ 1200V SiC Schottky diodes (SiC SBDs) Gen.1 and Gen.1.5 and 600V/ 1200V FREDs Gen.1 and Gen.2 manufacturing technology have been successfully developed and commercialized.

II. Summary of the 2025 business plan:

(I) Business operation policy

Core technology:
PANJIT continues to focus on the innovation and development of high-power component technology, and deepens the layout of MOSFET and SiC product lines to meet the market's demand for high-performance and low-energy solutions. Further expansion of the MOS FET product line to high-power applications, the launch of medium and high voltage Super Junction MOSFET and SGT MOSFET with higher performance and reliability to meet the needs of diversified markets.
In terms of packaging technology, the development of TOLL and DFN series products not only achieves more efficient heat dissipation, but also conforms to the trend of miniaturization design and provides customers with more valuable solutions. In addition, PANJIT has also

made progress in the development of ESD components. The second generation of ESD will first focus on consumer electronics. Meanwhile, the Company is actively deploying IC product lines, including Power IC, Signal Chain IC and Motor Control IC.
In the future, PANJIT will continue to provide customers with high-quality products based on technological innovation and process optimization.

Market layout:
PANJIT's layout in the automotive application market has achieved remarkable results and has steadily expanded its revenue contribution. With the rapid growth of the electric vehicle market, PANJIT provides high-performance power component solutions for the needs of new energy vehicles and autonomous driving. This not only solidifies the cooperative relationship with global automakers, but also successfully expands into emerging markets with continuous growth in new product certifications and orders.
In terms of the power supply market, PANJIT focuses on servers, data centers and high-power industrial equipment, and is committed to meeting the market's needs for high-efficiency power conversion and high reliability. With forward-looking product development and strategic cooperation as the core, PANJIT will focus on the automotive application market and the computer application market driven by AI, and provide high-efficiency power and thermal solutions to inject strong impetus for the Company's future development.

(II) Expected sales volume and basis

The international situation has become more complicated due to the geopolitical turmoil, the continuation of the Russo-Ukrainian War and the Israel-Palestinian War, continuation of inflation, and the initiation of interest rate cuts by central banks around the world. The Israel-Palestine War has triggered regional turmoil, forcing the international community to re-evaluate the challenges to regional security and supply chain stability. With the gradual increase in demand for AI applications, after the inventory level is adjusted, the sales volume growth of the Company's small signal package products for AI consumer, computer, and home appliance market applications has adopted an optimistic trend. Furthermore, in terms of high-power packaging products, the rise of the humanoid robotics industry aligns with the stable development of the industrial control, electric vehicle, renewable energy, and power management markets, and benefiting from government subsidies in various countries aimed at stimulating market demand, its growth momentum has outpaced that of small signal packaging products.

(III) Important production and marketing policies

Strengthen the Company's competitiveness Continue to improve the automation equipment and intelligent manufacturing management system upgrades, and optimize the production allocation efficiency. Meanwhile, the Company will coordinate and integrate internal and external resources and seek external third-party suppliers for products with fierce competition to jointly create cost competitiveness. In addition, we continue to introduce international management teams and establish subsidiaries—such as PANSTAR and MetaWells—to actively enhance our R&D capabilities. Beyond Champion Microelectronic Corp.'s power control and management ICs, we are also committed to developing new integrated circuit products, aiming to become a total solution provider and to strengthen our presence in the consumer electronics, computer, and home appliance markets. At the same time, we are working collaboratively to expand into related sectors including industrial control, electric vehicles, renewable energy, and power management, thereby enhancing our competitiveness in the semiconductor and discrete components markets.

To meet customer needs The Xuzhou plant in mainland China has completed its mass production capacity and become a factory with highly mature production capacity to provide customers with a greater volume of products. Meanwhile, the factory continues to optimize the production process, reduce costs, and improve the speed and flexibility of delivery to ensure product quality and

delivery efficiency. It covers existing clients and market applications such as consumer, power, and network communication. In order to more effectively improve our sales competitiveness, we have established new production lines in Southeast Asia to provide international customers with more diversified products to choose from, thereby increasing the order rate of customers. In terms of automotive specifications, the Company continues to target the top 100 global automotive clients and major automotive electronics customers in the capital market, and uses new products as the key to attack. In response to the development trends and design needs of global consumer products, automobiles, green energy, and industrial products, PANJIT Group stays aligned with time-to-market demands and continuously develops new products to obtain certifications from more world-class automotive electronics and industrial instrument manufacturers.

The Company will continue to pay attention to the application needs of various markets. These include consumer electronics industries such as LED TV, AI notebooks, AI tablets, AI servers, smartphones, wearable devices, internet communications, solar junction boxes, solar inverters, energy-saving lighting, humanoid robots and industrial control, power management, renewable energy, electric vehicles and electric vehicle charging device markets, etc. Sales efforts are also being strengthened in other application areas in order to increase overall market share and create higher profit margins.

III. Future development strategies of the Company

PANJIT remains committed to maintaining a leading position in the power semiconductor field and is committed to promoting continuous growth through technological innovation and market expansion. Looking forward, the Company will take the automotive application market as its core development strategy, focus on the needs of new energy vehicles and autonomous driving, provide high-performance power component solutions, and deepen cooperation with global carmakers and Tier 1 suppliers to further expand market share.

In the face of changes in the global market, PANJIT will rely on technological innovation and stable supply chain cooperation to effectively respond to challenges and consolidate its competitive advantages. We are full of confidence in the future and will continue to create value and contribute to shareholders, customers and the society, and strive to become the leading IDM manufacturer in Taiwan's power semiconductor field.

IV. Impacts from the external competitive environment, regulatory environment and overall business environment

The international situation is constantly sluggish and changeable due to geopolitics, the Russian-Ukrainian and Israel-Palestine wars, the impact of inflation, interest rate cuts by central banks around the world and inventory adjustment, which makes the competition environment in the semiconductor and discrete component market more difficult. Since taking office on January 20, 2025, President Donald Trump has initiated a new round of "America First" policies, significantly impacting the global trade environment and industrial supply chains. The market remains volatile and unpredictable, intensifying competitive pressures in the semiconductor and discrete components sectors. In the future, in addition to continuing to invest resources in the research and development of new products with high gross margins, the company will combine its own wafer fab and external wafer fab platforms with automated equipment to accelerate the mass production of new products and improve the quality. In terms of sales competition, the Company adjusts its product mix to increase gross profits, and uses its advantages in brand distribution and e-commerce platform development, coupled with the external OEM policy, to increase overall product competitiveness. In addition, we are committed to promoting ESG sustainable management, publishing ESG reports and greenhouse gas inspections, paying attention to environmental protection and resource conservation during the production process, and actively investing in employee training and welfare improvement to maintain corporate social responsibility. At the

same time, the Company also actively participates in social welfare undertakings, gives back to the society, contributes to sustainable development, improves the long-term stability of corporate operations, and brings longer-term value returns. In the highly competitive semi-conductor market, the Company will continue to uphold the ESG sustainable management principles, provide customers with high-quality products, and at the same time strive for the sustainable development of the environment, society and the enterprise.

In addition to complying with relevant laws and regulations, the Company also pays attention to important domestic and foreign policies and legal changes, and formulates necessary countermeasures in a timely manner to meet the Company's operational needs. Therefore, changes in important domestic and foreign policies and laws have no significant impact on the Company's finance and business impact.

Two. Corporate Governance Report

I. Profiles of directors, supervisors, president, vice presidents, assistant vice presidents, and supervisors of various departments and branches

(I) Information of Directors and Supervisors

1. Information of Directors and Supervisors (A)

April 22, 2025; unit: shares

Job title (Note 1)	Nationality or place of registration	Name	Gender and Age (Note 2)	Date elected	Term of office	Shares Held at the Time of Election		Current shareholding		Shares held by spouse and minor children		Shares Held in the Name of Others		Experience/ education	Positions in the Company and other companies	Other supervisors, directors, or supervisors who are spouses or relatives within 2nd degree of kinship			Remark (Note 3)
						Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Job Title	Name	Relationship	
Chairman	Republic of China	Ming-Ching Fang	Male 61-70 years old	2023.06.14	3 years	8,522,888	2.23%	8,522,888	2.23%	3,903,560	1.02%	0	0.00%	Graduated from the Department of Mechanical Engineering of ChengShiu Technical College Chairman of Kun Hexing Brick Manufacturing Co., Ltd.	Note I	Director	Ming-Tsung Fang	Brother	Note IX
Director	Republic of China	Ming-Tsung Fang	Male 61-70 years old	2023.06.14	3 years	2,554,629	0.67%	2,554,629	0.67%	9,393,480	2.46%	0	0.00%	Graduated from the Department of Civil Engineering of ChengShiu Technical College Chairman of MILDEX OPTICAL INC.	Note II	Chairman	Ming-Ching Fang	Younger brother	
Director	Republic of China	Yun-Hui Zhung	Male 71-80 years old	2023.06.14	3 years	2,225,319	0.58%	2,225,319	0.58%	0	0.00%	0	0.00%	Graduated from the Department of Electronic Engineering, China Technical College Plant Manager of Rectron	Note III	None	None	None	
Director	Republic of China	Jinmao Investment Co., Ltd.	Male 61-70 years old	2023.06.14	3 years	52,046,710	13.60%	56,476,710	14.78%	0	0.00%	0	0.00%	None	None	None	None	None	
		Representative: Hung-Kang Lin				0	0.00%	0	0.00%	0	0.00%	0	0.00%	Master of Business Administration, Brock College, City University of New York Director and Certified Public Accountant of Ernst & Young Taiwan	Note IV	None	None	None	

Job title (Note 1)	Nationality or place of registration	Name	Gender and Age (Note 2)	Date elected	Term of office	Shares Held at the Time of Election		Current shareholding		Shares held by spouse and minor children		Shares Held in the Name of Others		Experience/ education	Positions in the Company and other companies	Other supervisors, directors, or supervisors who are spouses or relatives within 2nd degree of kinship			Remark (Note 3)
						Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Job Title	Name	Relationship	
Director	Republic of China	Jinmao Investment Co., Ltd.	Male 51-60 years old	2023.06.14	3 years	52,046,710	13.60%	56,476,710	14.78%	0	0.00%	0	0.00%	None	None	None	None	None	
		Representative: Chun-Hsiang Lin				0	0.00%	0	0.00%	3,000	0.00%	0	0.00%	MS Engineering Management, University of Southern California Director of TOOTHFILM INC.	Director of Toppan Biotech Co., Ltd.	None	None	None	
Director	Republic of China	Jinmao Investment Co., Ltd.	Male 41-50 years old	2023.06.14	3 years	52,046,710	13.60%	56,476,710	14.78%	0	0.00%	0	0.00%	Master of Business Management, Sun Yat-Sen University President of Greater China Business, Yageo Co., Ltd.	Note V	None	None	None	
		Representative: Tso-Ming Chen				0	0.00%	0	0.00%	441	0.00%	0	0.00%						
Independent Director	Republic of China	Yi-Chen Chen	Male 61-70 years old	2023.06.14	3 years	9,975	0.00%	9,975	0.00%	0	0.00%	0	0.00%	Master of Finance and Management, Sun Yat-Sen University Vice President of Finance, FENG SHEHG ENTERPRISE COMPANY; Vice President of F&A and Spokesperson, Asia Vital Components Co., Ltd	Note VI	None	None	None	
Independent Director	Republic of China	Liang-Fu Fan	Male 71-80 years old	2023.06.14	3 years	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Master of Chemical Engineering, Oklahoma State University, USA Chief Operating Officer of Hanyang Semiconductor Co., Ltd.; VP of LAM Research, USA, Factory Director of TI, USA, Vice President of HERMES-MICROVISION, INC., Vice President of Hermes-Epitek Corporation	Vice President of Hanmin Technology Co., Ltd., Chairman and President of	None	None	None	
Independent Director	Republic of China	Chun-Hsiung Chu	Male 51-60 years old	2023.06.14	3 years	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Master's degree in Legal Studies, National Chung Hsing University Leading lawyer of Quanying International Law Firm	Note VII	None	None	None	
Independent Director	Republic of China	Yih-Chi Tai	Male 51-60 years old	2023.06.14	3 years	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Master of Engineering, University of Toronto, Canada President of ITIC.	Note VIII	None	None	None	

Note 1: Corporate shareholders shall list the name of the corporate shareholder and the representative separately (if it is a corporate shareholder representative, the name of the corporate shareholder shall be specified) and fill in the following table.

Note 2: Please state the actual age, and the range can be expressed, such as 41 - 50 years old or 51 - 60 years old.

Note 3: If the chairman of the board of directors and the general manager or equivalent (the highest manager) of the company are the same person, spouses or relatives within the first degree of kinship, it is necessary to explain the reason, reasonableness, necessity and measures in response (such as increasing the number of independent directors) and more than half of the directors do not serve as employees or managers concurrently).

Note I: Chairman and President of the Company; Chairman and President of Pynmax Technology Co., Ltd; Director of JOYSTAR INTERNATIONAL CO., LTD.; Director of PAN-JIT ASIA INTERNATIONAL INC.; Chairman and President of Pan Jit Electronics (Wuxi) Co., Ltd.; Director of PanJIT Electronics (Beijing) Co., Ltd.; Chairman of Panjit Electronics (Shandong) Co., Ltd.; Chairman and President of PAN-JIT INTERNATIONAL (H.K.) LTD.; Director of Suzhou Grande Electronics Co., LTD.; Director of CONTINENTIAL LIMITED; Chairman of PAN JIT EUROPE GMBH; President of Shenzhen Weiquan Electronics Co.,Ltd; Chairman of Pan Jit Semiconductor (Xuzhou) Co., Ltd; Director Representative of MILDEX OPTICAL INC.; Supervisor of Jinmao Investment Co., Ltd.

Note II: Director Representative of Pynmax Technology Co., Ltd.; Director of Pan Jit Electronics (Wuxi) Co., Ltd.; Director of PanJIT Electronics (Beijing) Co., Ltd.; Director of Suzhou Grande Electronics Co., LTD.; Vice Chairman of Shenzhen Weiquan Electronics Co.,Ltd; Director of PANJIT Semiconductor (Xuzhou) Co., Ltd; Chairman of PANJIT JAPAN INC.; Chairman of PANJIT Investment Co., Ltd.; Chairman and President of Aide Energy (CAYMAN) Holding Co., Ltd.; Partner of AIDE Energy Europe Coöperatie U.A.; Director of AIDE ENERGY EUROPE B.V.; Chairman of EC Solar C1 SRL;.Chairman of Champion Microelectronic Corp.; Director of Wisdom Mega Corp.; Director of Wisdom Bright Inc.; Director of Wisdom Toprich Technology Limited; Director of Great Power Microelectronics Corp.;Chairman of Golden Champion Digital Power Corporation; Director Representative of MetaWells CO., LTD.; Chairman of PAN-JIT Japan Investment Holding Corporation; Chairman of Mildex Optics Co., Ltd.; Director of MILDEX ASIA Co., LTD.; Chairman and President of Mildex Technology (Wuxi) Co., LTD.; Director of SINANO TECHNOLOGY CORP.; Chairman and President of Mildex Optical (Xuzhou) Inc.; Director of MILDEX TECHNOLOGY HOLDING (CAYMAN) CO., LTD.; Director of JUMPLUS CO., LTD.; Director Representative of ALLTOP TECHNOLOGY CO., LTD.; Director Representative of EVER OHMS TECHNOLOGY CO., LTD.; Chairman of Jinmao Investment Co., Ltd..

Note III: Chairman of Shenzhen Weiquan Electronics Co.,Ltd; Director of PanJit Semiconductor (Xuzhou) Co., Ltd; Director of Mildex Optical (Xuzhou) Inc.

Note IV: Supervisor of Union Mechatronic Inc.; Chairman of Ernst & Young Cultural and Educational Foundation; Independent Director of O-Bank Co., Ltd.; Director Representative of GLOBE UNION INDUSTRIAL CORP; Director of The Private Taichung Jumei Social Welfare Charity Foundation; Independent director of Johnson Health Tech. Co., Ltd; Supervisor of EverBot Technology Co., Ltd.

Note V: Chief Operating Officer of the Company, Director and President of PAN JIT AMERICAS, INC.; President of Pan Jit Semiconductor (Xuzhou) Co., Ltd, Director Representative of Champion Microelectronic Corp.,; Director of Great Power Microelectronics Corp.; Chairman of PANSTAR SEMICONDUCTOR CO., LTD.; Chairman of MetaWells CO., LTD.

Note VI: Director, Vice President and CFO of Asia Vital Components Co., Ltd.; Director of Sentelic Corporation; Director of SHENG-SHING CORP.; Director Representative of Rayney International LTD.; Chairman of Hung Ye Investment Co., LTD.; Director Representative of ZIMAG TECHNOLOGY CO., LTD.; Chairman of Li Cheng Investment Co., LTD., Director Representative of FOSITEK CORP.; Supervisor of SteadyBeat Technology Corporation; Director Representative of PARAGON SEMICONDUCTOR LIGHTING TECHNOLOGY CO., LTD.; Chairman of Cheng Li Investment Co., Ltd.

Note VII: Leading lawyer of Quan Ying International Law Firm; Independent director of Gloria Material Technology Corp.; Independent director of D-Link Corporation; Independent director of Huang Long Development Co., Ltd.

Note VIII: Chairman of CVCA Capital Management and Consulting Company; Chairman of Chengzhao Investment Co., Ltd.; Chairman of Liufang Innovation Investment Co., Ltd., Director Representative and president of InnoBridge International Capital; Chairman of CHOICE BIOTECH INC; Directo of Moher Semiconductor Inc.; Director Representative of VITA GENOMICS, INC.; Directo of InnoBridge International Venture Capital;Director of Chung Yi Inspection Technology Co., Ltd.; Chairman of Starcom Technology Co., Ltd.

Note IX: Due to the Company's operational and management needs, the Chairman concurrently serves as the President to improve operational efficiency and decision-making execution. However, in order to improve the supervisory function of the Board of Directors and strengthen the management function, and in line with the spirit of corporate governance, the Company has taken the following measures:

(1) Implementation of the diversity policy of the board of directors: All board members have experience and expertise in the fields of finance and accounting, law, and semiconductors.

(2) Establishment of functional committees: the establishment of functional committees such as Audit Committee, Remuneration Committee, and Sustainable Development Committee to assist the Board of Directors in major decisions

(3) Enhance the independence of the Board of Directors: The Company elected 10 seats of directors, including 4 seats of independent directors, at the general shareholders' meeting in 2023. More than half of the directors also served as employees or managers concurrently, which was in line with the "Operation Directions for Compliance with the Establishment of Board of Directors by TWSE Listed Companies and the Board's Exercise of Powers".

1-1 Major shareholders of corporate shareholders

April 22, 2025

Name of corporate shareholder (Note 1)	Major shareholders of corporate shareholders (Note 2)	
Jinmao Investment Co., Ltd.	Chun-Ming Chen	15 %
	Ming-Ching Fang	15 %
	Li-Xiang Tsai	10 %
	Hong-Rong Fang	10 %
	Qing Yan	10 %
	Ming-Tsung Fang	10 %
	Guo-Chen Zhuang	6 %
	Siligold Technology Inc.	5 %
	Shu-Ya Fang	5 %
	Shu-Ling Fang	5 %
	Shu-Qi Fang	5 %

Note 1: If a director or supervisor is a representative of a corporate shareholder, and the name of the corporate shareholder shall be filled in.
Note 2: Fill in the name of the major shareholder of the corporate shareholder (whose shareholding ratio is in the top 10) and its shareholding ratio. If the major shareholder is an entity, please fill in the following table.
Note 3: If the institutional shareholder is not a company organizer, the name of the shareholder and shareholding ratio that should be disclosed are the name of the investor or donor (see the Judicial Yuan announcement for inquiries) and the ratio of capital contribution or donation. If the donor is deceased and "Deceased" is noted.

1-2 If the major shareholder of an entity is a corporate shareholder

April 22, 2025

Name of entity (Note 1)	Major shareholders of corporate entities (Note 2)	
Siligold Technology Inc.	Ming-Hui Cai	50%
	Guo-Chen Zhuang	50%

Note 1: If the major shareholder in the above table is a juristic person, the name of the juridical person shall be filled in.
Note 2: Fill in the names of the major shareholders of the juristic person (whose shareholding ratio is in the top 10) and their shareholding ratio.
Note 3: If the institutional shareholder is not a company organizer, the name of the shareholder and shareholding ratio that should be disclosed are the name of the investor or donor (see the Judicial Yuan announcement for inquiries) and the ratio of capital contribution or donation. If the donor is deceased and "Deceased" is noted.

2. Information of directors and supervisors (B)

2-1. Disclosure of information on the professional qualifications of directors and supervisors, and the independence of independent directors

Condition / Name	Professional qualifications and experience (Note 1)	Independence of independent directors (Note 2)	Number of independent directors in other public companies
Chairman, Ming-Ching Fang	At present, he is the Chairman and President of the Company. In terms of operation and management, he can provide rich knowledge and management experience in the semiconductor industry. He has more than five years of work experience required for the Company's business, and is free of any conditions specified in Article 30 of the Company Act.	Not applicable	None
Director, Ming-Tsung Fang	At present, he is the Chairman of MILDEX OPTICAL INC. (stock code: 4729), and the Chairman of CHAMPION MICROELECTRONIC CORP. (stock code: 3257). None of the situations referred to in Article 30.		None
Director, Yun-Hui Zhong	Having served as the Plant Manager of Rectron, he can provide extensive knowledge and management experience in the semiconductor industry. He has over five years of work experience required for the company's operations and does not have any circumstances as stated in Article 30 of the Company Act.		None
Representative of Jinmao Investment Co., Ltd.: Director, Hung-Kang Lin	Holding a Master's degree in Business Administration from Brooklyn College of the City University of New York, he has served as a practicing accountant and partner at Ernst & Young, with over 20 years of auditing experience. During his tenure as a director of this company, he has provided advice and guidance on financial, tax, auditing, and operational analysis matters. He currently serves as an independent director for O-Bank Co., Ltd. (Stock Code: 2897) and Johnson Health Tech. Co., Ltd. (Stock Code: 1736), and does not have any circumstances as stated in Article 30 of the Company Act.		2

Condition / Name	Professional qualifications and experience (Note 1)	Independence of independent directors (Note 2)	Number of independent directors in other public companies
Representative of Jinmao Investment Co., Ltd.: Director, Chun-Hsiang Lin	Has a master's degree in engineering management from the University of Southern California, and many years of experience in foreign semiconductor companies, spanning the fields of quality management, new business development, marketing and sales, and manufacturing operations. The person shall have extensive knowledge and management experience in the semiconductor industry, and at least five years of work experience required by the Company's business, does not have any circumstances as stated in Article 30 of the Company Act.		None
Representative of Jinmao Investment Co., Ltd.: Director, Tso-Ming Chen	Holding a Master's degree in Business Administration from National Sun Yat-sen University, he has served as the General Manager of Greater China for Yageo Corporation (Stock Code: 2327) and is currently the Chief Operating Officer of this company. He possesses expertise in market positioning and business development, and does not have any circumstances as stated in Article 30 of the Company Act.		None

Condition / Name	Professional qualifications and experience (Note 1)	Independence of independent directors (Note 2)	Number of independent directors in other public companies
Independent Director, Yi-Chen Chen	Holding a Master's degree in Finance from National Sun Yat-sen University, he has worked in finance and accounting for many years. Since the listing of Asia Vital Components Co., Ltd. (Stock Code: 3017) on September 27, 2002, he has served as the Director of the Finance and Accounting Department (later promoted to Vice President). He has over 20 years of experience in financial accounting for publicly listed companies and possesses experience in operational judgment, accounting and financial analysis, management, industry knowledge, international markets, leadership, and decision-making. Complies with the requirements of the Audit Committee members with accounting or financial expertise, and is currently the convener of the Company's Audit Committee and Remuneration Committee.	All independent directors of the Company have complied with the relevant provisions of Article 14-2 of the Securities and Exchange Act: I. None of any circumstance set out in a subparagraph of Article 30 of the Company Act. II. Not elected of a person that is a government agency, juristic person, or representative thereof as set out with Article 27 of the Company Act. III. Not under any of the following circumstances during the two years prior to the election and during the term of office: (I) An employee of the company or any of its affiliates. (II) A director or supervisor of the company or any of its affiliates. (III) A natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of one percent or more of the total number of issued shares of the company or ranking in the top 10 in holdings.. (IV) A spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of a managerial officer listed in (I) or the personnel listed in (II) or (III). (V) A director, supervisor, or employee of a corporate shareholder that directly holds five percent or more of the total number of issued shares of the company, or that ranks among the top five in shareholdings, or that designates its representative to serve as a director or supervisor of the company under Article 27, paragraph 1 or 2 of the Company Act. (VI) If a majority of the company's director seats or voting shares and	None
Independent Director, Liang-Fu Fan	Holding a Master's degree in Chemical Engineering from Oklahoma State University in the United States, he served as the Vice President of Hermes Microvision, Inc. Ltd. from 2004 to 2012, and is currently the Vice President of HERMES-EPITEK CORPORATION He has over five years of work experience required for the company's operations and has provided extensive knowledge and management experience in the semiconductor industry during his tenure as an independent director of this company.		None

Condition / Name	Professional qualifications and experience (Note 1)	Independence of independent directors (Note 2)	Number of independent directors in other public companies
Independent Director, Chun-Hsiung Chu	Holding a Master's degree from the Graduate Institute of Law at National Chung Hsing University and possessing a legal practicing qualification, he is currently the lead attorney at Quan Ying International Law Firm. He has over five years of work experience required for the company's operations and has provided legal strategies, compliance, and management decision-making advice during his tenure as an independent director of this company.	those of any other company are controlled by the same person: a director, supervisor, or employee of that other company. (VII) If the chairperson, general manager, or person holding an equivalent position of the company and a person in any of those positions at another company or institution are the same person or are spouses: a director (or governor), supervisor, or employee of that other company or institution. (VIII) A director, supervisor, officer, or shareholder holding five percent or more of the shares, of a specified company or institution that has a financial or business relationship with the company. (IX) A professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the company or any affiliate of the company, or that provides commercial, legal, financial, accounting or related services to the company or any affiliate of the company for which the provider in the past 2 years has received cumulative compensation exceeding NT$500,000, or a spouse thereof; provided, this restriction does not apply to a member of the remuneration committee, public tender offer review committee, or special committee for merger/consolidation and acquisition, who exercises powers pursuant to the Act or to the Business Mergers and Acquisitions Act or related laws or regulations..	3
Independent Director, Yih-Chi Tai	Holding a Master's degree in Engineering from the University of Toronto, he has served as a fund manager, Chief Investment Officer at the publicly listed semiconductor company, Sunplus Technology Co., Ltd. (Stock Code: 2401), and General Manager of the Industrial Technology Research Institute's Innovation Industrial Technology Transfer Co., Ltd. He has also held leadership positions in several investment and management consulting firms. He has over five years of work experience required for the company's operations and has provided strategic investment planning and management decision-making advice during his tenure as an independent director of this company.		None

Note 1: Professional qualifications and experience: The professional qualifications and experience of individual directors and supervisors are stated. If a member of the Audit Committee has accounting or finance expertise, the accounting or finance background and work experience should be disclosed. Circumstances under Article 30 of the Company Act.

Note 2: Independent directors should state the circumstances that qualify as independent, including but not limited to whether they, their spouse, or their relatives within the second degree of kinship serve as directors, supervisors, or employees of the company or its affiliated companies; the number and proportion of company shares held by them, their spouse, or their relatives within the second degree of kinship (or using the names of others); whether they serve as directors, supervisors, or employees of companies with specific relationships with the company (refer to Article 3, Paragraph 1, Subparagraphs 5 to 8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies); and the amount of remuneration received for providing business, legal, financial, accounting, and other services to the company or its affiliated companies in the past two years.

2-2. Diversity and independence of the Board of Directors

2-2-1. Diversity of the Board of Directors:

In order to enhance the functions of the Board of Directors and improve the structure of the Board of Directors, the Company has formulated a "Board of Directors Diversity Policy" and has selected members with diverse backgrounds and perspectives based on the Company's operations, operating patterns and development needs. The implementation of the diversity policy of the Board of Directors is as follows:

Name/ Title	Country	Gender	Serving as an employee of the Company concurrently	Seniority of Independent Directors			Age distribution of directors			Professional skills			Industry experience		
				Less than 3 years	3 - 9 years	Over 9 years	Under 60 years old	61 - 70 years old	Over 71 years old	Operational decision-making and management	Financial analysis and decision making	Legal practice	Manufacturing industry	Finance and taxation/ investment management services	Lawyer services
Chairman Ming-Ching Fang	Republic of China	Male	✔	Not applicable				✔		✔			✔		
Director, Ming-Tsung Fang		Male	✔	Not applicable				✔		✔			✔		
Director, Yun-Hui Zhong		Male		Not applicable					✔	✔			✔		
Representative of Jinmao Investment Co., Ltd.: Director, Lin Hung-Kang		Male		Not applicable				✔		✔	✔			✔	
Representative of Jinmao Investment Co., Ltd.: Director, Lin, Chun-Hsiang		Male		Not applicable			✔			✔			✔		
Representative of Jinmao Investment Co., Ltd.: Director, Chen, Tso-Ming		Male	✔	Not applicable			✔			✔			✔		
Independent Director, Yi-Chen Chen		Male			✔			✔		*	✔		✔		
Independent Director, Liang-Fu Fan		Male			✔				✔	✔			✔		
Independent Director, Chun-Hsiung Chu		Male		✔			✔			*		✔			✔
Independent Director, Yi-Chi Tai		Male		✔			✔			*	✔			✔	

(Note) * refers to partial ability

2-2-2. Reasons why the number of directors of one gender on the board of directors does not reach one-third and measures to be taken to improve gender diversity of directors:

The proportion of directors of either gender on the Company's Board of Directors is less than one-third, mainly because the Company considers the professional ability of directors as the main consideration when selecting directors and does not impose a mandatory gender quota. In order to enhance gender diversity among directors, the Company intends to elect at least one director of a different gender during the 2026 board re-election. Subsequently, the Company will continue to comprehensively consider gender equality, professional skills, industry experience, etc., and gradually adjust the number of directors with different genders.

2-2-3. Independence of the Board of Directors:

The Company has established 10 seats on the Board in accordance with the Articles of Incorporation, including 4 Independent Directors, who account for 40% of the seats on the Board. The terms of office of all Independent Directors have not exceeded 3 terms. Chairman Ming-Ching Fang, Director Ming-Tsung Fang, and Director, Tso-Ming Chen are also employees of the company, and account for 30% of the seats on the Board; Chairman Ming-Ching Fang and Director Ming-Chung Fang who are relatives within two degrees of kinship account for 20% of seats on the Board. None of the circumstances described in Paragraphs 3 and 4 of Article 26-3 of the Securities and Exchange Act apply.

(II) General Manager, Vice Presidents, Assistant Vice Presidents, and Heads of Various Departments and Branches

April 22, 2025; unit: shares

Job title (Note 1)	Country	Name	Gender	Date of inauguration	Number of shares held		Shares held by spouse and underage children		Shares Held in the Name of Others		Main experience/ education (Note 2)	Positions in other companies	Managers who are a spouse or a relative within the second degree of kinship			Remark (Note 3)
					Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Job Title	Name	Relationship	
President	Republic of China	Ming-Ching Fang	Male	1994.12.03	8,522,888	2.23%	3,903,560	1.02%	0	0.00%	Department of Mechanical Engineering, Cheng Shiu Technical College Chairman of Kun Hexing Brick Manufacturing Co., Ltd.	Note I	None	None	None	Note IV
Chief Operating Officer	Republic of China	Tso-Ming Chen	Male	2018.08.15	0	0.00%	441	0.00%	0	0.00%	Department of Mechanical Engineering, Cheng Shiu Technical College Chairman of Kun Hexing Brick Manufacturing Co., Ltd.	Note II	None	None	None	
Vice President	Germany	KOENIG ROLAND HERBERT	Male	2019.02.11	0	0.00%	0	0.00%	0	0.00%	· MSc. in Chemistry, Ludwig-Maximilians-University, Munich, Germany · Nexperia GmbH, Hamburg, Germany, Director – Head of Global Customer Care · NXP Semiconductors Germany GmbH, Hamburg, Germany, Director - Head of Quality Complaints BL General Applications	None	None	None	None	
Vice President	Republic of China	Chao-Chuan Yang	Male	2017.10.01	15,475	0.00%	5,000	0.00%	0	0.00%	Graduated from Wichita State University (graduated with a bachelor's degree in Marketing and Business administration) and an MBA from Friends University Senior Manager of IBU and SBU Marketing Department, PANJIT	None	None	None	None	
Vice President	Malaysia	Chiew Teo Ann	Male	2019.03.11	0	0.00%	0	0.00%	0	0.00%	· B Cs(Electronics Eng),Hanyang Universty,Seoul · Manufacturing Director,Osram Opto Semiconductor(M)Sdn Bhd · Operations Director, Infineon Technologies(M)Sdn Bhd	None	None	None	None	
Vice President	South Korea	Woon-Young Yun	Male	2023.10.02	14,000	0.00%	0	0.00%	0	0.00%	· Yonsei University Industrial engineering Master's degree · Onsemi Director	None	None	None	None	
Chief Strategy Officer	Republic of China	Xue-Han Li (Note)	Male	2018.04.09	0	0.00%	0	0.00%	0	0.00%	Master of George Washington University Alcatel Asia Pacific Chief Financial Officer; Zyxel Communications Corp. European Chief Operating Officer; Vice President of Hermes Microvision Technology Co., Ltd.; President of Lien Chang Electronic Enterprise Co., Ltd.	Director Representative of Pynmax Technology Co., Ltd	None	None	None	
Chief Accounting Officer (Accounting supervisor, Corporate Governance Officer)	Republic of China	Pai-Cheng Hsieh	Male	2010.09.01	0	0.00%	0	0.00%	0	0.00%	Master's Degree at the Accounting Institute of Chung Cheng University Senior Manager of Auditing, Ernst & Young Taiwan	Note III	None	None	None	

Job title (Note 1)	Country	Name	Gender	Date of inauguration	Number of shares held		Shares held by spouse and underage children		Shares Held in the Name of Others		Main experience/ education (Note 2)	Positions in other companies	Managers who are a spouse or a relative within the second degree of kinship			Remark (Note 3)
					Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Job Title	Name	Relationship	
Chief Financial Officer (Head of finance)	Republic of China	Ying-Hsiu Shen	Female	1999.05.04	164,504	0.04%	2,285,710	0.60%	0	0.00%	Master's Degree at the Research Institute, University of Texas, USA Yufu Securities Commissioner	Supervisor of PYNMAX TECHNOLOGY CO., LTD.. Institutional Director Representative of Alltop Technology Co., Ltd.	None	None	None	

(Note) Xue-Han Li adjusted his position on 2024.04.01.

Note 1: Includes information on presidents, vice presidents, assistant vice presidents, and the heads of various departments and branches. Any position equivalent to a president, vice president, or assistant vice president must also be disclosed, regardless of their job titles.

Note 2: Experience related to the current position. If the employee served in a CPA firm or an affiliated enterprise during the aforementioned period, the job title and responsibilities should be detailed.

Note 3: When the general manager or manager of an equivalent post (the highest level manager) and the chairperson are the same person, spouses, or relatives within the first degree of kinship, the Company shall disclose the reason, reasonableness, necessity, and measures taken in response (e.g. increasing the number of independent directors, Also, more than half of the directors are not employees or managers concurrently).

Note I: Please refer to Note I on Page 8of this annual report.

Note II: Please refer to Note V on Page 8 of this annual report.

Note III: Supervisor of PYNMAX Technology Co., LTD; supervisor of Pan Jit Electronics (Wuxi) Co., Ltd; supervisor of Pan Jit Electronics (Beijing) Co., Ltd: supervisor of Panjit Electronics (Shandong) Co., Ltd.; supervisor of Panjit Electronics (Qufu) Co., Ltd; supervisor of Suzhou Grande Electronics Co., Ltd.; Director of Aide Energy (CAYMAN) Holding Co., Ltd.; Supervisor of Panstar Semiconductor Co., Ltd.; Supervisor of MetaWells CO., LTD.; and Director of ZiBo Micro Commercial Components Corp.

Note IV: Please refer to Note IX on Page8 of this annual report.

II. Remuneration paid to directors, supervisors, President and Vice Presidents in the most recent year

(I) Remuneration of general directors and independent directors

Unit: NTD thousands

Job Title	Name	Remuneration to directors								The sum of A, B, C, and D as a percentage of net income (Note 10)		Remuneration for concurrently serving as an employee								The sum of A, B, C, D, E, F and G as a percentage of net income (Note 10)		Remuneration from invested businesses other than subsidiaries or from the parent company (Note 11)
		Remuneration (A) (Note 2)		Severance pay and pension (B)		Remuneration to directors (C) (Note 3)		Service execution expenses (D) (Note 4)				Salaries, bonuses and allowances (E) (Note 5)		Severance pay and pension		Employee compensation (G) (Note 6)						
		The Company	All companies included in the financial report (Note 7)	The Company	All companies included in the financial report (Note 7)	The Company	All companies included in the financial report (Note 7)	The Company	All companies included in the financial report (Note 7)	The Company	All companies included in the financial report	The Company	All companies included in the financial report (Note 7)	The Company	All companies included in the financial report (Note 7)	The Company		All companies included in the financial report (Note 7)		The Company	All companies included in the financial report	
																Cash amount	Amount of shares	Cash amount	Amount of shares			
Director	Ming-Ching Fang	0	2,240	0	0	14,000	14,000	300	450	14,300 1.56%	16,690 1.82%	13,826	38,274	207	207	6,220	0	6,220	0	34,553 3.76%	61,391 6.68%	5,575
	Ming-Tsung Fang																					
	Yun-Hui Zhong																					
Institutional directors and their representatives	Jinmao Investment Co., Ltd.																					
	Hung-Kang Lin																					
	Chun-Hsiang Lin																					
	Tso-Ming Chen																					
Independent Director	Yi-Chen Chen	0	0	0	0	4,000	4,000	200	200	4,200 0.46%	4,200 0.46%	0	0	0	0	0	0	0	0	4,200 0.46%	4,200 0.46%	0
	Liang-Fu Fan																					
	Chun-Hsiung Chu																					
	Yih-Chi Tai																					

1. Please describe the policy, system, standards and structure for the payment of remuneration to independent directors, and explain the correlation between the responsibilities, risks, time invested and other factors and the amount of remuneration paid: The remuneration payment policy for independent directors of our company is in accordance with Article 16 of the Company's Articles of Association, which is determined by the Board of Directors in consideration of the normal level of the industry, and in accordance with the independent director remuneration standards resolved by the Board of Directors on May 10, 2022, each person will receive a fixed amount of director's remuneration each year.
2. Other than the disclosure in the above table, the remuneration received by the Company's directors for the services provided (such as serving as a consultant to the non-employees of the parent company/ all the companies listed in the financial statements/ invested enterprises, etc.) in the most recent year: None.

Range of remuneration

Payment to Range of remuneration for directors	Name of Director			
	Sum of the first four remunerations (A+B+C+D)		Sum of the first seven remunerations (A+B+C+D+E+F+G)	
	The Company (Note 8)	In the financial statements All companies (Note 9) H	The Company (Note 8)	Parent company and all investees (Note 9) I
Less than NT$1,000,000	Hung-Kang Lin, Chun-Hsiang Lin, Tso-Ming Chen	Hung-Kang Lin, Chun-Hsiang Lin, Tso-Ming Chen	Hung-Kang Lin, Chun-Hsiang Lin	Hung-Kang Lin, Chun-Hsiang Lin
NT$1,000,000 (inclusive) - NT$2,000,000 (exclusive)	Ming-Ching Fang, Ming-Tsung Fang, Yun-Huei Zhung, Chun-Hsiung Chu, Yih-Chi Tai, Yi-Chen Chen, Liang-Fu Fan	Ming-Ching Fang, Yun-Hui Zhung, Chun-Hsiung Chu, Yih-Chi Tai, Yi-Chen Chen, Liang-Fu Fan	Yun-Hui Zhung, Yi-Chen Chen, Liang-Fu Fan, Chun-Hsiung Chu, Yih-Chi Tai	Yun-Hui Zhung, Yi-Chen Chen, Liang-Fu Fan, Chun-Hsiung Chu, Yih-Chi Tai
NT$2,000,000 (inclusive) - NT$3,500,000 (exclusive)	None	Ming-Tsung Fang	None	None
NT$3,500,000 (inclusive) - NT$5,000,000 (exclusive)	None	None	None	None
NT$5,000,000 (inclusive) - NT$10,000,000 (exclusive)	None	None	Ming-Ching Fang, Ming-Tsung Fang, Tso-Ming Chen	None
NT$10,000,000 (inclusive) - NT$15,000,000 (exclusive)	Jinmao Investment Co., Ltd.	Jinmao Investment Co., Ltd.	Jinmao Investment Co., Ltd.	Jinmao Investment Co., Ltd., Tso-Ming Chen
NT$15,000,000 (inclusive) - NT$30,000,000 (exclusive)	None	None	None	Ming-Ching Fang, Ming-Tsung Fang
NT$30,000,000 (inclusive) - NT$50,000,000 (exclusive)	None	None	None	None
NT$50,000,000 (inclusive) - NT$100,000,000 (exclusive)	None	None	None	None
Over NT$100,000,000	None	None	None	None
Total	11 people	11 people	11 people	11 people

Note 1: The names of directors should be listed separately (for corporate shareholders, the name of the corporate shareholder and its representatives should be listed separately), and the general directors and independent directors should be listed separately, and the amount of each payment should be disclosed in an aggregated manner. This form and the following table (3-1) or (3-2-1) and (3-2-2) should be filled out if the director is also the President or vice president.

Note 2: Refers to the directors' remuneration in the most recent year (including directors' salaries, allowances, severance pay, various bonuses, incentives, etc.).

Note 3: It refers to the amount of directors' remuneration approved by the board of directors in the most recent year.

Note 4: Refers to directors' business-related expenses in the most recent year (including travel, special allowances, various subsidies, accommodation, vehicles, and other in-kind benefits). For example,

when providing houses, cars and other means of transportation or personal expenditures, the nature and cost of the assets provided, the actual or fair market value of rent, fuel and other payments should be disclosed. If there is a driver, please explain in a note the remuneration paid to the driver, but it is not included in the remuneration.

Note 5: Refers to the amount of salary, position allowance, severance pay, various bonuses, incentives, travel expenses, special expenses, various allowances, dormitories, cars and other in-kind provisions received by directors and employees who also serve as directors (including presidents, vice presidents, other managers and employees) in the most recent year. For example, when providing houses, cars and other means of transportation or personal expenditures, the nature and cost of the assets provided, the actual or fair market value of rent, fuel and other payments should be disclosed. If there is a driver, please explain in a note the remuneration paid to the driver, but it is not included in the remuneration. In addition, salary expenses recognized in accordance with IFRS 2 "Share-based Payments", including employee stock option certificates, restricted employee rights shares and participation in cash capital increase subscription shares, should also be included in remuneration.

Note 6: Refers to the employee remuneration (including stocks and cash) received by directors and employees who also serve as employees (including presidents, vice presidents, other managers and employees) in the most recent year. The amount of employee remuneration distributed by the board of directors in the most recent year should be disclosed. If it is impossible to estimate, the proposed distribution amount for this year should be calculated based on the proportion of the actual distribution amount last year, and Table 1-3 should be filled in separately.

Note 7: The total amount of remuneration paid to the directors of the Company by all companies in the consolidated report (including the Company) shall be disclosed.

Note 8: The total amount of remuneration paid by the Company to each director is disclosed in the grade to which the director is assigned.

Note 9: The total amount of remuneration paid to each director of the Company by all companies (including the Company) in the consolidated report should be disclosed, and the name of the director shall be disclosed in the grade to which he/ she/ it is assigned.

Note 10: Net profit after tax refers to the net profit after tax of the most recent year’s parent company only or individual financial report.

Note 11: a. This section shall clearly state the amount of remuneration received by the company's directors from investment businesses other than subsidiaries or from the parent company (if none, please fill in "None").

b. If a director of a company receives any remuneration from a subsidiary or parent company, the remuneration received by the director from the subsidiary or parent company shall be included in Column I of the remuneration scale table, and the column name shall be changed to "Parent company and all subsidiaries".

c. Remuneration refers to the remuneration, compensation (including compensation of employees, directors, and supervisors) and professional service expenses received by the Company's directors for serving as directors, supervisors or managers in invested businesses other than subsidiaries or the parent company remuneration.

* The remuneration disclosed in this form is different from the concept of income in the Income Tax Act, so this form is for information disclosure purposes only and is not for tax purposes.

(Note) As of the date of publication of the annual report, the directors' remuneration paid to individual directors and the employees' remuneration paid to directors who also serve as employees listed in this table have not yet been resolved by the board of directors.

(II) Remuneration to the President and Vice Presidents

Unit: NTD thousands

Job Title	Name	Salary (A) (Note 2)		Severance pay and pension (B)		Bonuses and allowances (C) (Note 3)		Employees' remuneration (D) (Note 4)				The sum of A, B, C, and D as a percentage of net income after tax (%) (Note 8)		Received remuneration from reinvested businesses other than subsidiaries or the parent company (Note 9)
		The Company	All companies included in the financial report (Note 5)	The Company	All companies included in the financial report (Note 5)	The Company	All companies included in the financial report (Note 5)	The Company		All companies included in the financial report (Note 5)		The Company	All companies included in the financial report	
								Cash amount	Amount of shares	Cash amount	Amount of shares			
President	Ming-Ching Fang	34,750	47,793	417	417	335	6,238	5,536	0	5,536	0	41,038 4.47%	59,984 6.53%	30
Vice President (Chief Operating Officer)	Tso-Ming Chen													
Vice President	Koenig Roland Herbert													
Vice President	Chao-Chuan Yang													
Vice President	Chiew Teo Ann													
Vice President	Woon-Young Yeo (Note 1)													
Chief Strategy Officer	Xue-Han Li (Note 2)													

*Regardless of the job title, any position equivalent to the President or vice president (e.g. President, CEO, Chief Officer, etc.) shall be disclosed.

Note: As of the date of publication of the annual report, the employee remuneration paid to managers listed in this table has not yet been approved by the board of directors.

(Note 1) Vice President Woon-Young Yeo took office on October 2, 2023.

(Note 2) Chief Strategy Officer Xue-Han Li adjusted his position on April 1, 2024.

Range of remuneration

Breakdown of remuneration to the President and Vice Presidents of the Company	Name of President and Vice Presidents	
	The Company (Note 6)	Parent company and all investees (Note 7) E
Less than NT$1,000,000	None	None
NT$1,000,000 (inclusive) - NT$2,000,000 (exclusive)	None	None
NT$2,000,000 (inclusive) - NT$3,500,000 (exclusive)	Xue-Han Li (Note) , Chao-Chuan Yang	Chao-Chuan Yang
NT$3,500,000 (inclusive) - NT$5,000,000 (exclusive)	None	Xue-Han Li (Note)
NT$5,000,000 (inclusive) - NT$10,000,000 (exclusive)	Ming-Ching Fang, Tso-Ming Chen, Chiew Teo Ann, Woon-Young Yeo, Koenig Roland Herbert	Chiew Teo Ann, Woon-Young Yeo, Koenig Roland Herbert
NT$10,000,000 (inclusive) - NT$15,000,000 (exclusive)	None	Tso-Ming Chen
NT$15,000,000 (inclusive) - NT$30,000,000 (exclusive)	None	Ming-Ching Fang
NT$30,000,000 (inclusive) - NT$50,000,000 (exclusive)	None	None
NT$50,000,000 (inclusive) - NT$100,000,000 (exclusive)	None	None
Over NT$100,000,000	None	None
Total	7 people	7 people

(Note) Chief Strategy Officer Xue-Han Li Li adjusted his position on April 1, 2024.

Note 1: The names of the President and Vice Presidents shall be listed separately, and the amounts of various payments should be disclosed in a summary manner. If the director is also the President or Vice President, this Table and the above tables (1-1), or (1-2-1) and (1-2-2) shall be filled in.

Note 2: The salary, job allowance and severance pay of the President and Vice Presidents in the most recent year.

Note 3: Fill in the amount of various bonuses, incentives, transportation allowances, special expenses, various allowances, dormitory, vehicles and other in-kind benefits and other remuneration for the President and Vice Presidents in the most recent year. For example, when providing houses, cars and other means of transportation or personal expenditures, the nature and cost of the assets provided, the actual or fair market value of rent, fuel and other payments should be disclosed. If there is a driver, please explain in a note the remuneration paid to the driver, but it is not included in the remuneration. In addition, salary expenses recognized in accordance with IFRS2 "Share-based Payments", including employee stock option certificates, restricted employee rights shares and participation in cash capital increase subscription shares, shall also be included in remuneration.

Note 4: Fill in the employee remuneration amount (including stocks and cash) distributed to the general manager and deputy general manager in the most recent year approved by the board of directors. If it is impossible to estimate, the proposed distribution amount for this year shall be calculated based on the proportion of the actual distribution amount last year, and Appendix 1-3 shall be filled in separately.

Note 5: The total amount of remuneration paid to the general manager and deputy general manager of the Company by all companies in the consolidated report (including the Company) should be disclosed.

Note 6: The total amount of remuneration paid by the Company to each President and vice president is disclosed in the grade to which they are assigned.

Note 7: The total amount of remuneration paid to each general manager and deputy general manager of the Company by all companies in the consolidated report (including the Company) shall be disclosed, and the names of the presidents and vice presidents shall be disclosed in the corresponding grades.

Note 8: Net profit after tax refers to the net profit after tax of the parent company only or individual financial report of the most recent year.

Note 9: a. This column should clearly state the amount of remuneration paid to the Company's general manager and deputy general managers from the reinvested business other than the subsidiaries or the parent company (if none, please indicate "None").

(III) Names of managers distributing employee remuneration and distribution

Unit: NTD thousands

	Job Title (Note 1)	Name (Note 1)	Amount of shares	Cash amount	Total	Total as a percentage of net income after tax (%)
Managerial Officer	President	Ming-Ching Fang	0	7,580	7,580	0.83%
	Vice President (Chief Operating Officer)	Tso-Ming Chen				
	Vice President	Koenig Roland Herbert				
	Vice President	Chao-Chuan Yang				
	Vice President	Chiew Teo Ann				
	Vice President	Woon-Young Yeo (Inaugurated on October 2, 2023)				
	Chief Strategy Officer	Xue-Han Li (adjusted on 2024.04.01)				
	Chief Accounting Officer (Accounting supervisor, Corporate Governance Officer)	Pai-Cheng Hsieh				
	Chief Financial Officer (Head of finance)	Ying-Hsiu Shen				

(Note) As of the publication date of the annual report, the employee compensation paid to the managers listed in this table has not yet been resolved by the board of directors.

Note 1: Individual names and job titles should be disclosed; however, profit distribution may be disclosed in aggregate form.

Note 2: Represents the amount of employee remuneration (including stock and cash) distributed to managerial officers in the most recent year, as approved by the board of directors. If it is impossible to estimate, the proposed distribution amount for this year will be calculated based on the actual distribution amount last year. The net profit after tax refers to the net profit after tax of the most recent year; if the IFRSs are adopted, the net profit after tax refers to the net profit after tax of the parent company only or individual financial report in the most recent year.

Note 3: The applicable scope of managerial officers, in accordance with the provisions of Tai-Cai-Zheng-San-Zi Order No. 0920001301 dated March 27, 2003, is as follows:

(1) General Manager or people of equivalent ranking
(2) Vice Presidents and people of equivalent ranking
(3) Assistant Vice President and people of equivalent grade
(4) Head of finance department
(5) Head of accounting department
(6) Other persons entitled to manage the Company's affairs and sign on behalf of the Company

Note 4: If the directors, general manager and deputy general managers receive employee compensation (including shares and cash), in addition to Table 1-2, this table should be filled out.

(Ⅳ)Respective analysis and comparison of the total remuneration paid to the Company's directors, general manager and deputy general manager in the most recent two years by the Company and all companies in the consolidated financial statements as a percentage of the after-tax net income of the Company and the remuneration policy and standard and the remuneration package, the procedure for determining remuneration, and its linkage to operating performance and future risks:

Unit: NTD thousands

Job Title	2024		2023	
	The Company	All companies included in the financial report	The Company	All companies included in the financial report
Director President and Vice Presidents	79,791 8.69%	125,575 13.67%	75,234 9.17%	113,262 13.80%

1. Analysis of the proportion of total remuneration paid to the Company's directors, president and vice presidents by the Company and all companies in the consolidated financial statements in the most recent two years to net income after tax in the parent company only or individual financial reports:

(1) In terms of total remuneration, the total remunerations paid by the Company and all companies in the consolidated financial statements to the Company's directors, the President and vice presidents in 2024 were NT$79,791 thousand and NT$125,575 thousand, respectively, compared with NT$75,234 thousand and NT$113,262 thousand in 2023. , increased by NT$4,557 thousand and NT$12,313 thousand, respectively, mainly because the profit of the Company in 2024 was higher than that in 2023. Therefore, the remuneration to directors and the remuneration to the President and vice presidents were adjusted according to the operating conditions of the Company.

(2) In terms of the difference in proportion, the total remuneration paid by the Company and all the companies in the consolidated financial statements to the Company's directors, the President and vice presidents in fiscal year 2024 accounted for 8.69% and 13.67% of the net profit after tax in the parent company only financial statements, respectively, which was a decrease from 9.17% and 13.80% in fiscal year 2023. This was mainly because the salary structure of the Company's President and vice president was characterized by a higher proportion of fixed salary. Therefore, although the total remuneration of the aforementioned managers increased compared to the previous year, its proportion to the net profit after tax decreased.

2. The policy, standards and combination of remuneration payment, the procedure for setting remuneration, and its correlation with business performance and future risks:

(1) Director:

The remuneration to the directors of the Company is in accordance with Article 16 of the Articles of Incorporation: "The remuneration to all directors, regardless of whether the Company operates at a profit or loss, may be determined by the Board of Directors with reference to the prevailing standards in the industry" and Article 19: " If the Company makes a profit for the year, no more than 2% of the profit shall be distributed as directors' remuneration." and taking into account the degree of participation in the Company's operations, the value of their contributions, and the Company's overall operating performance.

The Company evaluates the performance of the members of the Board of Directors in accordance with the "Regulations Governing Performance Evaluation of the Board of Directors and Functional Committees" each year, which is included as a reference for evaluating individual performance achievement and contribution to the Company's

performance. The performance evaluation indicators of the directors are six major aspects: alignment of the Company's goals and mission, awareness of directors' responsibilities, participation in the Company's operations, management of internal relations and communication, directors' professionalism and continuing education, and internal control.

(2) President and Vice Presidents:

The remuneration of the President and vice presidents of the Company is determined based on the usual level of payment in the same industry, and takes into account the time invested by the individual, the responsibilities undertaken, the achievement of personal goals, the performance of other positions, the remuneration given to people in the same job position by the Company in recent years, and the overall operating conditions of the Company. And in accordance with Article 19 of the Company's Articles of Association: "If the Company makes a profit in the year, it shall set no less than 6% as employee remuneration."

The Company's procedure for paying remuneration has taken into account the results of the performance evaluation of the President and Vice Presidents. The evaluation indicators include financial indicators (such as the Company's revenue achievement rate, etc.) and non-financial indicators (such as the practice of the Company's five core values and operational management capabilities, etc.).

The performance evaluation and remuneration of the Company's directors, President and Vice Presidents are submitted to the Board of Directors for discussion after review by the remuneration committee. The remuneration system is reviewed from time to time based on actual operating conditions and relevant laws and regulations to strike a balance between the Company's sustainable operation and risk control.

III. Corporate governance

(I) Operation of the Board of Directors

Meetings of the Board of Directors in the most recent year5 Times (A), the attendance of directors is as follows:

Job Title	Name (Note 1)	Attendance (seated) in person Frequency B	Proxy attendance Number of times	Attendance rate (%) "B/A" (Note 2)	Remarks
Chairman	Ming-Ching Fang	5	0	100.00%	
Director	Ming-Tsung Fang	5	0	100.00%	
Director	Yun-Hui Zhung	5	0	100.00%	
Director	Jinmao Investment Co., Ltd. Representative: Hung-Kang Lin	5	0	100.00%	
Director	Jinmao Investment Co., Ltd. Representative: Chun-Hsiang Lin	5	0	100.00%	
Director	Jinmao Investment Co., Ltd. Representative: Tso-Ming Chen	5	0	100.00%	
Independent Director	Yi-Chen Chen	5	0	100.00%	
Independent Director	Liang-Fu Fan	5	0	100.00%	
Independent Director	Chun-Hsiung Chu	5	0	100.00%	
Independent Director	Yih-Chi Tai	5	0	100.00%	

Other information to be disclosed:

I. If the operation of the board of directors has any of the following circumstances, the date, period, content of the proposals, opinions of all independent directors and the Company's handling of the opinions of the independent directors shall be stated:

(I) Matters listed in Article 14-3 of the Securities and Exchange Act: The Company has established an Audit Committee. Pursuant to Article 14-5 of the Securities and Exchange Act, Article 14-3 of the Securities and Exchange Act shall not apply. For relevant information, please refer to the Operation of the Audit Committee on pages 30 to 32 of the annual report.

(II) In addition to the above matters, other matters resolved by the board of directors that were opposed or reserved by the independent directors and have records or written statements: None.

II. The implementation of directors' recusal of resolutions with conflicts of interest shall state the director's name, resolution content, reason for recusal and participation in voting:

Date of Board Meeting	Name of Director	Proposal Content	Reason for recusal	Participation in voting
2024.01.26	Chairman, Ming-Ching Fang Director, Ming-Tsung Fang Director, Tso-Ming Chen	Proposal of year-end bonus for the Company's managerial officers in 2023	For such proposal, when discussing the year-end bonuses of some directors who also serve as managers (employees), the stakeholders shall make recusal due to conflict of interests	The proposal was approved as proposed without objection from all attending directors (except Chairman Ming-Ching Fang, Director Ming-Tsung Fang, and Director Tso-Ming Chen recusing himself, nine directors were present)

Date of Board Meeting	Name of Director	Proposal Content	Reason for recusal	Participation in voting
2024.05.09	Chairman, Ming-Ching Fang Director, Ming-Tsung Fang Director, Tso-Ming Chen	The Company's managers' performance bonus for the first quarter of 2024	When the performance bonus of some directors who are also managers (employees) was discussed, the stakeholders recused themselves according to the regulations	The proposal was approved as proposed without objection from all attending directors (except Chairman Ming-Ching Fang, Director Ming-Tsung Fang, and Director Tso-Ming Chen recusing himself, 7 directors were present)
2024.05.09	Chairman, Ming-Ching Fang Director, Ming-Tsung Fang Director, Tso-Ming Chen	Remuneration to the Company's managerial officers for 2023	When discussing the 2023 employee remuneration of some directors who also serve as managers (employees), the stakeholders avoided their interests in accordance with regulations.	The proposal was approved as proposed without objection from all attending directors (except Chairman Ming-Ching Fang, Director Ming-Tsung Fang, and Director Tso-Ming Chen recusing himself, 7 directors were present)
2024.05.09	Chairman, Ming-Ching Fang Director, Ming-Tsung Fang Director, Yun-Hui Zhung Director, Hung-Kang Lin Director, Chun-Hsiang Lin Director, Tso-Ming Chen	Distribution of directors' remuneration in 2023	When the remuneration of directors was discussed, the stakeholder recused himself as required by law	The proposal was approved as proposed without objection from all attending directors (except Chairman Ming-Ching Fang, Director Ming-Tsung Fang, Director Yun-Hui Zhung, Director Hong-Kang Lin, Director Chun-Hsiang Lin, and Director Tso-Ming Chen recusing himself)
2024.08.09	Chairman, Ming-Ching Fang Director, Ming-Tsung Fang Director, Tso-Ming Chen	Salary adjustment for managerial officers of the Company	When discussing the salary adjustment for some directors who are also managers (employees), the stakeholder recused themselves as required by law	The proposal was approved as proposed without objection from all attending directors (except Chairman Ming-Ching Fang, Director Ming- Tsung Fang, and Director Tso-Ming Chen recusing himself, 7 directors were present)

(Note) On May 9, 2024, the company's board compensation distribution for the 2023 fiscal year, regarding the payment method and amount of compensation for independent directors, complies with the independent director compensation regulations approved by the board on May 10, 2022. Therefore, there is no need for a conflict of interest avoidance for independent directors.

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

The Company conducts performance evaluation of the Board of Directors and each functional committee once a year. This year's evaluation period is from January 1, 2024 to December 31, 2024. The evaluation results were reported at the Board of Directors meeting on March 7, 2025.

(I) Performance evaluation of the Board of Directors:

Scope of Assessment	Evaluation Method	Evaluation Content	Evaluation results
Overall performance evaluation of the Board of Directors	Self-evaluation of the Board of Directors	I. Level of participation in the Company's operations II. Improving the quality of the Board's decision-making III. Composition and structure of the Board of Directors IV. Election and continuing education of directors V. Internal control	The overall evaluation was rated above the standard, indicating that the overall operation of the Company's Board of Directors is still sound, which is in line with the spirit of corporate governance.
Individual Board Member's Performance Evaluation	Self-evaluation of directors	I. Comprehension of the Company's goals and mission II. Awareness of the duties of directors III. Level of participation in the Company's operations IV. Management of internal relationship and communication V. Directors' professionalism and continuing education VI. Internal control	The overall evaluation result was above the standard. The evaluation results showed that the directors of the Company had positive comments on the efficiency and effectiveness of the operation of various evaluation indicators.

(II) Performance evaluation of functional committees:

Scope of Assessment	Evaluation Method	Evaluation Content	Evaluation results
Audit Committee Performance Evaluation	Internal self-evaluation of the Audit Committee	I. Level of participation in the Company's operations II. Awareness to the duties of the functional committee III. Improvement of the decision-making quality of the functional committee IV. Composition of the functional committee and election of its members V. Internal control	The overall evaluation was above the standard, which indicates that the overall operation of the Company's Audit Committee is still sound, which is in line with the spirit of corporate governance.
Performance evaluation of the Remuneration Committee	Remuneration Committee's internal self-evaluation	I. Level of participation in the Company's operations II. Awareness to the duties of the functional committee III. Improvement of the decision-making quality of the functional committee IV. Composition of the functional committee and election of its members V. Internal control	The overall evaluation was above the standard, which indicates that the overall operation of the Company's Remuneration Committee is still sound, which is in line with the spirit of corporate governance.

Scope of Assessment	Evaluation Method	Evaluation Content	Evaluation results
Sustainability Committee Performance Evaluation	Sustainable Development Committee's internal self-evaluation	I. Level of participation in the Company's operations II. Awareness to the duties of the functional committee III. Improvement of the decision-making quality of the functional committee IV. Composition of the functional committee and election of its members V. Internal control	The overall evaluation was rated above the standard, indicating that the overall operation of the Company's Sustainable Development Committee is still sound, which is in line with the spirit of corporate governance.

(Note) The evaluation results are divided into three grades: Above standard (100 - 91 points), meeting the standards (90 - 81 points), and improvement required (80 points or less).

IV. Objectives to strengthen the functions of the board of directors in the current year and the most recent year (such as establishment of an audit committee, improvement of information transparency, etc.) and evaluation of implementation:

1. Actively assist directors in completing their training courses to continuously enrich their knowledge and enhance their professional knowledge.
2. In order to improve the structure of the Board of Directors, the Company has established the "Board Diversity Policy" in accordance with the "Corporate Governance Best Practice Principles for TWSE/ TPEx Listed Companies".
3. In order to enhance the functions of the board of directors and strengthen the efficiency of its operations, the "Board of Directors and Functional Committee Performance Evaluation Methods" have been formulated. According to the method, the performance evaluation of the internal board of directors, remuneration committee, audit committee, and sustainable development committee shall be carried out at least once a year, and the evaluation results shall be submitted to the board of directors.
4. In order to assist directors in the performance of their duties and enhance the effectiveness of the Board of Directors, the "Standard Operating Procedures for Handling Directors' Requests" has been established.
5. The Company has completed the establishment of a functional committee - the Sustainability Committee on January 26, 2024, with the Chairman and all independent directors serving as committee members.

Note 1: If a director or supervisor is an entity, the name of the corporate shareholder and the name of its representative shall be disclosed.

Note 2: (1) If a director resigns before the end of the year, the date of resignation should be indicated in the remarks column. The actual attendance (attendance) rate (%) is calculated based on the number of Board meetings and the number of attendance (attendance) of the Board of Directors during his/ her term of office.

(2) Before the end of the year, if there is a re-election of directors or supervisors, the new and old directors and supervisors shall be listed down, and whether the director or supervisor is old, new, or re-elected and the re-election date shall be indicated in the remarks column. The actual attendance rate (%) is calculated based on the number of meetings of the Board of Directors and the actual number of attendance during his/ her term of office.

(II) Operation of the Audit Committee

The Audit Committee met 4 times (A) in the most recent year. The attendance of independent directors is as follows:

Job Title	Name	Number of attendances in person (B)	Number of proxy attendance	Rate of attendances in person (%) (B/ A) (Notes 1 and 2)	Remarks
Convener (Independent Director)	Yi-Chen Chen	4	0	100.00%	
Committee member (Independent Director)	Liang-Fu Fan	4	0	100.00%	
Committee member (Independent Director)	Chun-Hsiung Chu	4	0	100.00%	
Committee member (Independent Director)	Yih-Chi Tai	4	0	100.00%	

Other information to be disclosed:

I. If the operation of the Audit Committee involves any of the following circumstances, the date of the Audit Committee meeting, the period, the content of the proposal, the objections,qualified opinions or major suggestions of the independent directors, the results of the Audit Committee meeting, and the Company's handling of the Audit Committee's opinions shall be stated.

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

Duration and date of the Audit Committee	Proposal Content	Audit Committee Resolution Result	The Company's handling of the Audit Committee's opinions
3rd Term 3rd meeting 2024.03.08	1. The Company's 2023 business report and financial statements. 2. The Company's profit distribution plan for 2023. 3. Evaluation of the independence of CPAs and proposal for appointment and remuneration. 4. Ernst & Young Global Limited and its affiliates providing non-assurance services. 5. Evaluation of the effectiveness of the internal control system in 2023 and the "Declaration of Internal Control System". 6. Amendment to the "Procedures for Compilation and Verification of Sustainability Report". 7. Amendments to the "Risk Management Regulations." 8. Amendments to the "Rules of Procedure for Board of Directors Meetings." 9. Amendments to the "Audit Committee Charter".	The motion was unanimously approved by all present members.	The motion was unanimously approved by all present directors.
3rd Term 4th meeting 2024.05.09	1. The Company's 2024 first quarter financial statements.	The motion was unanimously approved by all present members.	The motion was unanimously approved by all present directors.
3rd Term 5th meeting 2024.08.09	1. The Company's 2024 second quarter financial statements. 2. Endorsements / guarantees provided by the Company to subsidiaries.	The motion was unanimously approved by all present members.	The motion was unanimously approved by all present directors.

Duration and date of the Audit Committee	Proposal Content	Audit Committee Resolution Result	The Company's handling of the Audit Committee's opinions
3rd Term 6th meeting 2024.11.08	1. The Company's 2024 third quarter financial statements. 2. Establishment of the "Sustainability Information Management Regulations" of the Company. 3. Amendment to the Company's internal control system and internal audit implementation rules. 4. Internal audit plan expected to be implemented by the Company in 2025. 5. Loaning of funds to subsidiaries.	The motion was unanimously approved by all present members.	The motion was unanimously approved by all present directors.

None of the above proposals had adverse opinions, qualified opinions or major recommendations from independent directors.

(II) Other than the aforesaid matters, any resolutions not approved by the Audit Committee but approved by more than two-thirds of all directors: None.

II. The execution of the avoidance of independent directors regarding interested party proposals should specify the names of the independent directors, the content of the proposals, the reasons for the need to avoid conflicts of interest, and the circumstances of their participation in the voting: None.

III. Communication between independent directors, chief internal auditor, and CPAs (including major issues, methods, and results of communication on the Company's financial and business status):

1. Communication between independent directors and internal auditing officers:

Each quarter, the Company's internal audit officer reports the previous quarter's auditing operations to independent directors in the Audit Committee, and discusses related issues.

Audit officers' attendance of meetings and their dates	Communication matters	Communication method	Result of communication
3rd Term 3rd meeting 2024.03.08	1. Internal audit report for the fourth quarter of 2023. 2. Evaluation of the effectiveness of the internal control system in 2023 and the "Declaration of Internal Control System".	Make reports and discuss relevant issues as guests	It has been fully communicated and reported in the Audit Committee or has been reviewed and approved.
3rd Term 4th meeting 2024.05.09	1. Internal audit report for the first quarter of 2024.	Make reports and discuss relevant issues as guests	It has been fully communicated and reported to the Audit Committee.
3rd Term 5th meeting 2024.08.09	1. Internal audit report for the second quarter of 2024.	Make reports and discuss relevant issues as guests	It has been fully communicated and reported to the Audit Committee.
3rd Term 6th meeting 2024.11.08	1. Internal audit report for the third quarter of 2024. 2. Amendments to the Company's internal control system and internal audit implementation rules. 3. Internal audit plan expected to be implemented by the Company in 2025.	Make reports and discuss relevant issues as guests	It has been fully communicated and reported in the Audit Committee or has been reviewed and approved.

*The matters communicated above were reported by the Audit Committee or reviewed and approved, and then submitted to the Board of Directors' report or resolution for approval on the same day.

2. Communication between independent directors and external auditors:
In addition to discussing matters such as the audit or review results and findings of the quarterly financial statements with the independent directors in the Audit Committee, the Company's certified public accountants also participate in the Audit Committee and the Board of Directors from time to time to provide professional consultation and advice for the decision-making of major resolutions of the Company.

CPA's attendance and date of meetings	Communication matters	Communication method	Result of communication
3rd Term 3rd meeting 2024.03.08	The Company's business report and financial statements for 2023.	Attended as guests and consulted, discussed and made suggestions on related issues.	It has been fully communicated, and it has been reviewed by the Audit Committee and resolved by the Board of Directors.
3rd Term 4th meeting 2024.05.09	The Company's 2024 first quarter financial statements.	Attended as guests and consulted, discussed and made suggestions on related issues.	It has been fully communicated, and it has been reviewed by the Audit Committee and resolved by the Board of Directors.
3rd Term 5th meeting 2024.08.09	The Company's 2024 second quarter financial statements.	Attended as guests and consulted, discussed and made suggestions on related issues.	It has been fully communicated, and it has been reviewed by the Audit Committee and resolved by the Board of Directors.
3rd Term 6th meeting 2024.11.08	The Company's 2024 third quarter financial statements.	Attended as guests and consulted, discussed and made suggestions on related issues.	It has been fully communicated, and it has been reviewed by the Audit Committee and resolved by the Board of Directors.

IV. The annual working focus of the Audit Committee:
1. Appropriate presentation of the Company's financial statements.
2. Selection (dismissal), remuneration and independence of CPAs.
3. Evaluation of the effectiveness of the internal control system.
4. Establishment or amendment of the internal control system.
5. Material lending, endorsement or guarantee, asset or derivative transactions.

Note 1: Before the end of the year, if an independent director resigns, the date of resignation should be indicated in the remarks column. The actual attendance rate (%) should be calculated based on the number of Audit Committee meetings held and the number of actual attendance during his/ her service.

Note 2: Before the end of the year, if an independent director is re-elected, both new and old independent directors shall be listed, and whether the independent director is old, new, or re-elected and the re-election date shall be indicated in the remarks column. The actual attendance rate (%) is calculated based on the number of Audit Committee meetings held during active duty and the number of actual attendance.

(III) The implementation of corporate governance and the deviation from the Corporate Governance Best-Practice Principles for TWSE/ TPEx Listed Companies and the reasons therefor

Assessment Items	Operation status (Note 1)			Deviation and causes of deviation from Corporate Governance Best-Practice Principles for TWSE/ TPEx Listed Companies
	Yes	No	Summary description	
I. Has the Company established and disclosed its corporate governance best-practice principles in accordance with the Corporate Governance Best-Practice Principles for TWSE/ TPEx Listed Companies?	✓		The Company has established the "Corporate Governance Best Practice Principles" in accordance with the Corporate Governance Best Practice Principles for TWSE/ TPEx Listed Companies, and disclosed it on the MOPS.	No difference
II The Company's shareholding structure and shareholders' rights and interests				
(I) Has the Company established internal operating procedures to handle shareholder suggestions, doubts, disputes and litigation, and has it implemented them in accordance with the procedures?	✓		(I) The Company has established the "Regulations Governing the Suggestions and Appeals of Stakeholders" to handle shareholders' suggestions and other matters, and implement them in accordance with the procedures.	No difference
(II) Does the Company keep track of the list of major shareholders who actually control the Company and the final controllers of such major shareholders?	✓		(II) In accordance with Article 25 of the Securities and Exchange Act, the Company shall report the changes in the shareholdings of insiders, including directors, managers and shareholders with more than 10% of shares, on the MOPS on a monthly basis.	No difference
(III) Has the Company established and implemented risk control and firewall mechanisms with its affiliates?	✓		(III) The Company has established “Regulations on Financial Affairs between Affiliates” and “Regulations on Subsidiary Management” to implement risk control between affiliates.	No difference
(IV) Does the Company establish internal regulations to prohibit insiders from trading securities using undisclosed information in the market?	✓		(IV) The Company has established the "Procedures for Handling Material Inside Information" and the "Management Procedures for Prevention of Insider Trading" to avoid improper information leakage, and expressly prohibits insiders from trading the Company's securities by using undisclosed information in the market.	No difference

Assessment Items	Operation status (Note 1)			Deviation and causes of deviation from Corporate Governance Best-Practice Principles for TWSE/ TPEx Listed Companies
	Yes	No	Summary description	
III. Composition and duties of the Board of Directors (I) Does the board of directors have a diversity policy, specific management goals, and implementation?	✓		(I)In order to enhance the functions and structure of the Board of Directors, the Company has formulated a "Board Diversity Policy" and selects members with diversified backgrounds and perspectives based on the Company's operation, business model and development needs. The 10 members of the current term of the Board of Directors of the Company are industry professionals with professional backgrounds, skills and industry experience in the semiconductor industry, finance, taxation, accounting, law, etc. They are all Taiwanese males with an average age of approximately 63 years old. Please refer to Note 2 for the specific management goals and implementation of the Company's diversity policy for Board of Directors.	No difference
(II) In addition to establishing a remuneration committee and an audit committee in accordance with the law, does the Company voluntarily establish any other functional committees?	✓		(II) In addition to the Remuneration Committee and the Audit Committee established in accordance with the law, the Board of Directors approved the establishment of the Sustainability Committee as a functional committee on January 26, 2024. For details on its operation, please refer to page 47-48 of the annual report.	No difference
(III) Does the Company establish the Rules for Performance Evaluation of Board of Directors, and conduct the performance evaluation regularly every year, and submit the results of the performance evaluation to the Board of Directors, and use them as a reference for individual directors' remuneration and nomination?	✓		(III) The Board of Directors of the Company approved the "Rules for Performance Evaluation of Board of Directors" on November 11, 2016. The performance evaluation of the Board of Directors shall be conducted and submitted to the Board of Directors at the end of each year. In addition, in accordance with the new corporate governance roadmap content of the competent authority, and the revision of the Securities and Exchange Act and its related acts, on January 25,	No difference

Assessment Items	Operation status (Note 1)			Deviation and causes of deviation from Corporate Governance Best-Practice Principles for TWSE/ TPEx Listed Companies
	Yes	No	Summary description	
(IV) Does the Company evaluate the independence of CPAs on a regular basis?	✓		2019, the Board of Directors approved the revision of the "Rules for Performance Evaluation of Board of Directors" and retitled them as the ""Rules for Performance Evaluation of Board of Directors and Functional Committees." For the implementation of the evaluation of the Board of Directors and functional committees in 2024, please refer to pages 28-29 of the annual report. (IV) The President Office of the Company has adopted No. 10 of the Bulletin of "The Norm of Professional Ethics for Certified Public Accountant of the Republic of China", and formulated the "CPA Independence Evaluation Form." The Company evaluates the independence of the accountants on a yearly basis, and requests the accountants to issue a declaration of independence. It also provides audit quality indicators and information (AQIs). The main indicators include five major components, namely: professionalism, quality control, independence, supervision, and innovation ability. The above information was also presented to the Audit Committee and the Board of Directors to discuss the independence and suitability of the CPAs. The latest assessment of the independence of CPAs was discussed and approved by the Audit Committee and the Board of Directors on March 7, 2025. Please refer to Note 3 for the evaluation items of the independence of the CPAs and the results of the evaluation.	No difference
IV. Does the public/ listed company have an	✓		The Company has designated the President's Office as	No difference

Assessment Items	Operation status (Note 1)			Deviation and causes of deviation from Corporate Governance Best-Practice Principles for TWSE/ TPEx Listed Companies
	Yes	No	Summary description	
appropriate number of qualified corporate governance personnel and has designated a corporate governance supervisor to be responsible for corporate governance-related matters (including but not limited to providing directors and supervisors with information necessary for performing their duties, assisting directors and supervisors in complying with laws and regulations, handling matters related to board and shareholders meetings in accordance with the law, and preparing minutes of board and shareholders meetings, etc.)?			the dedicated unit responsible for corporate governance-related affairs, and is supervised by the corporate governance officer. The main business functions and implementation of the unit are as follows: 1. Plan and execute the convening of the Board of Directors and various functional committees, including: scheduling the agenda, sending out meeting notices at least seven days in advance to provide sufficient materials for members to understand the content of the proposals, and distributing the meeting minutes within twenty days after the meeting to inform members of the resolutions of each proposal. 2. Planning and executing the annual shareholders' meeting, including: registering the date of the shareholders' meeting according to the laws and regulations, preparing and reporting the meeting notice, annual report, agenda handbook and minutes. 3. Plan and execute the performance evaluation of the Board of Directors and functional committees. 4. Continue to pay attention to the corporate governance regulations announced by the competent authority to develop and plan an appropriate organizational structure and company system. 5. Plan the continuing education courses for directors, hire external lecturers to give on-site lectures, and continue to provide information on advanced training courses for directors and assist with course registration. 6. Evaluate and purchase suitable director and manager liability insurance, and report the relevant insurance to the board meeting.	

Assessment Items	Operation status (Note 1)			Deviation and causes of deviation from Corporate Governance Best-Practice Principles for TWSE/ TPEx Listed Companies
	Yes	No	Summary description	
			7. Report the result of the review on the qualifications of independent directors to the Board of Directors.	
V. Has the Company established communication channels with stakeholders (including but not limited to shareholders, employees, customers and suppliers, etc.), set a section of stakeholders on the Company official site, and appropriately responded to important corporate social responsibility issues of concern to stakeholders?	✓		The Company has set a stakeholders section on the Company's official site, and set up a complaint mailbox and complaint contact window to serve as communication channels with stakeholders, and to respond to employees, customers, suppliers, government agencies, shareholders/ Important CSR issues of concern to stakeholders such as investors, distributors, and local communities. The identity, issues of concern, communication channels and response methods of the identified stakeholders are reported to the Board of Directors at least once a year.	No difference
VI. Does the Company appoint a professional shareholder service agency to handle shareholders' meeting affairs?	✓		The Company has appointed a professional shareholder service agency to handle shareholders' meeting affairs.	No difference
VII. Information Disclosure (I) Does the Company set up a website to disclose financial, business and corporate governance information?	✓		(I) The Company has set up a website (www.panjit.com.tw) and disclosed the financial, business and corporate governance information on the Company's official site.	No difference
(II) Has the Company adopted other means of information disclosure (e.g. setting up an English website, appointing dedicated personnel to collect and disclose information on the Company, implementing a spokesperson system, posting the process of investor conference on the Company's website, etc.)?	✓		(II) The Company has an English website, designated personnel to be responsible for the collection and disclosure of Company information, and set up the spokesperson and acting spokespersons system in accordance with the law; also, the Company website also has a section for institutional investor's conferences, and information related to legal person seminars is placed at Company's official site.	No difference
(III) Does the Company announce and report the annual financial statements within two months after the end of the fiscal year, and announce and report		✓	(III)The Company's 2024 financial report was approved by the Board of Directors on March 7, 2025, and announced and reported within the prescribed deadline.	The Company will continue to evaluate and cooperate with the Company's needs and the

Assessment Items	Operation status (Note 1)			Deviation and causes of deviation from Corporate Governance Best-Practice Principles for TWSE/ TPEx Listed Companies
	Yes	No	Summary description	
the financial statements for the first, second, and third quarters and the operating status of each month before the prescribed deadline?			The financial reports from first quarter to third quarter 2024 and the monthly operations were announced and reported within the specified deadline.	requirements of the competent authorities
VIII. Does the Company have other important information that is helpful to understand the implementation of corporate governance (including but not limited to employees' rights and interests, employee care, investor relations, supplier relations, stakeholders' rights, directors' and supervisors' continuing education status, The implementation of risk management policies and risk measurement standards, the implementation of customer policies, Liability insurance for directors and supervisors etc)?	✓		1. Employee rights and interests and employee care: The Company has always treated its employees with integrity, followed relevant labor laws and regulations to protect the legal rights and interests of employees, and established a good relationship of mutual trust and reliance with its employees through a welfare system that enriches and stabilizes the lives of employees and a good education and training system. 2.Investor relations: A spokesperson and an acting spokesperson were appointed to deal with investors' suggestions. At least two for-Investor Conference were held each year, and relevant information was disclosed on the Company's official site. 3.Supplier relations: The Company has always maintained a good relationship with its suppliers. 4.Stakeholders' rights: Stakeholders may communicate with the Company through the dedicated mailbox for opinions and advice, and put forward suggestions to maintain their legitimate rights and interests. 5.Continuing education of directors: The directors of the Company have professional backgrounds in the industry and practical experience in operation and management, and are provided with continuing education according to actual needs. Please refer to Note 4 for related continuing education. 6.Implementation of risk management policies and risk	No difference

Assessment Items	Operation status (Note 1)			Deviation and causes of deviation from Corporate Governance Best-Practice Principles for TWSE/ TPEx Listed Companies
	Yes	No	Summary description	
			measurement standards: The Company establishes various internal regulations pursuant to laws, and conducts various risk management and assessment. 7.Implementation of customer policies: The Company maintains a stable and good relationship with its customers to create corporate profits. 8.Liability insurance for directors: The Company has completed the 2025 directors and managers liability insurance renewal. 9. Continuing education of corporate governance officer, accounting officer and audit officer: Please refer to Note 4. 10. The Company's personnel related to the transparency of financial information have obtained the relevant licenses specified by the competent authorities: The chief accounting officer of the Company is a certified public accountant of the Republic of China. 11. In order to prevent insider trading, protect investors, and safeguard the company's interests, the board of directors approved the revision of the 'Insider Trading Prevention Management Procedures' on November 9, 2023. This regulation stipulates that directors shall not trade the company's stock during the closed periods, which are defined as 30 days prior to the announcement of the annual financial report and fifteen days prior to the announcement of each quarterly financial report. In November 2024, when the Board of Directors' meeting date and timetable for the following year were announced, the closed periods for the quarterly financial statements were listed. On the day before the	

Assessment Items	Operation status (Note 1)			Deviation and causes of deviation from Corporate Governance Best-Practice Principles for TWSE/ TPEx Listed Companies
	Yes	No	Summary description	
			closed periods for the quarterly financial statements, the directors were notified again by email of relevant regulations to prevent directors from accidentally violating such regulations.	

IX. Please describe the improvements that have been made based on the corporate governance evaluation results released by the Corporate Governance Center of the Taiwan Stock Exchange Corporation in the most recent year, and propose priority improvement items and measures for those that have not yet been improved.

According to the results of the 10th Corporate Governance Evaluation issued by the Securities and Futures Foundation of the Republic of China, the Company's improvements and future enhancements and measures are listed as follows:

Indicator category	Question number and index content (or summary)	Improvements made and future priorities and measures
Strengthen the structure and operation of the Board of Directors	Question No.: February 14 Indicator content: Does the Company set up a non-mandatory functional committees such as Nomination Committee, Risk Management Committee or Sustainable Development Committee, with at least three members, more than half of whom are independent directors, and at least one member has the professional capabilities required by the committee? And does the company disclose its composition, responsibilities and operation?	On January 26, 2024, the Board of Directors of the Company approved the establishment of the Sustainable Development Committee as a functional committee at least once a year, with the Chairman as the convener and all independent directors as committee members.
Enhance information transparency	Question No.: 3.12 Indicator content: Does the Company's annual report disclose a specific dividend policy?	The Company has approved the 2024 General Meeting of Shareholders to stipulate the dividend policy in the Articles of Incorporation, and disclosed it in this annual report.

Note 1: No matter whether "Yes" or "No" is selected for the operation status, it shall be explained in the summary description column.

Note 2: The specific management goals and achievements of the Company's board member diversity policy and the implementation of the diversity policy are as follows:

(1) The specific management objectives of the diversity policy of the Board of Directors and the progress of the achievement:

Management Objectives	Status of Achievement	Description
It is advisable that the number of directors who are employees of the Company shall not exceed one-third of the total number of directors	Achieved	Only three (30%) of the ten members of the current Board of Directors are employees of the Company, which does not exceed one-third of the total number of directors
At least one director shall be appointed with professional background, technical skills, or industrial experience in finance, accounting and law.	Achieved	Mr. Yi-Chen Chen, an independent director of the Company, is the CFO of AVC (stock code: 3017). Mr. Hung-Kang Lin is the former chairman and practicing accountant of Ernst & Young Taiwan. Mr. Chun-Hsiung Chu is the lead attorney at Quan Ying International Law Firm, with a professional legal background.
Average age distribution	Achieved	Among the ten members of the current Board of Directors of the company, there are a total of 4 directors under the age of 60 (accounting for 40%), 4 directors aged between 61 and 70 (also accounting for 40%), and 2 directors aged over 71 (accounting for 20%). There is no situation where the age distribution of directors is concentrated at 50% or more.
Independent directors should not serve three consecutive terms	Achieved	None of the four independent directors in the current session of the Board has served consecutive terms for more than three terms

(2) For the implementation of the Company's policy of diversity of board members, please refer to pages 13-14 of the annual report.

Note 3: The evaluation items and evaluation results of the independence of the Company's CPAs are as follows:

Assessment Items	Evaluation results	Independence
1. Is the subject under evaluation employed by the Company for regular work and salary, or as a director or supervisor?	No such situation.	Yes
2. Has the subject of evaluation been a director, supervisor, managerial officer, or staff member with significant influence on the Company, and that he/ she has left the position for less than two years?	No such situation.	Yes
3. Does the subject of evaluation have a spousal relationship with a person-in-charge or managerial officer of the Company, or a direct blood relative, lineal relative by affinity, or collateral blood within two degrees of kinship?	No such situation.	Yes
4. Whether the subject of evaluation or his/ her spouse or underage children invests in or shares financial benefits with the Company.	No such situation.	Yes
5. Whether the subject or his/ her spouse or minor children has any loan with the Company.	No such situation.	Yes
6. Whether the subject of evaluation is the Company's management consulting or other non-certification services that can affect the independence.	No such situation.	Yes
7. Is there any non-compliance with the requirements of the competent authority regarding the rotation of CPAs, the handling of accounting affairs on behalf of others, or any other circumstances sufficient to affect the independence of the subject?	No such situation.	Yes
8. Does the subject of evaluation have direct or indirect financial interest with the Company?	No such situation.	Yes
9. Does the subject of evaluation have a significant and close business relationship with the Company?	No such situation.	Yes
10. Does the subject of evaluation have a potential employment relationship with the Company?	No such situation.	Yes
11. Whether the subject of evaluation has any business activities permitted by law, and also represents the Company and a third party in legal cases or other disputes.	No such situation.	Yes

Note 4: Continuing education of directors and corporate governance officers, accounting officers and audit officers:

Name/ Title	Date of continuing education	Organizer	Course name	Duration of Advanced Studies(hours)
Chairman Ming-Ching Fang	2024/ 07/ 03	Taiwan Stock Exchange Corporation	2024 Cathay Pacific Sustainable Banking and Climate Change Summit	6
	2024/ 08/ 09	Taiwan Corporate Governance Association	Required Course for Corporate Sustainability: Multi-Dimensional Management of External Influence to Create Positive Enterprise Value	3
	2024/ 11/ 08	Taiwan Corporate Governance Association	Corporate Performance Management in the Digital Era: Performance Reward Strategies and Tools	3
Director, Ming-Tsung Fang	2024/ 04/ 30	Corporate Operation and Sustainable Development Association	ESG Trend and Pandemic - Global Tax Reform and Corporate Tax Governance	3
	2024/ 07/ 26	Corporate Operation and Sustainable Development Association	Legal Compliance of the Board of Directors and Legal Responsibilities of Directors and Supervisors and Case Study	3
	2024/ 11/ 08	Taiwan Corporate Governance Association	Corporate Performance Management in the Digital Era: Performance Reward Strategies and Tools	3
Director, Yun-Hui Zhung	2024/ 08/ 09	Taiwan Corporate Governance Association	Required Course for Corporate Sustainability: Multi-Dimensional Management of External Influence to Create Positive Enterprise Value	3
	2024/ 09/ 06	Securities and Futures Institute	2024 Insider Trading Prevention Conference	3
Director, Hung-Kang Lin	2024/ 03/ 13	Taiwan Corporate Governance Association	Corporate Governance and Sustainable Development	1
	2024/ 04/ 09	Taiwan Corporate Governance Association	Circular Economic Benefits and Sustainable Finance Opportunities	2
	2024/ 05/ 02	Taiwan Corporate Governance Association	Enterprise information security with digital resilience	1
	2024/ 08/ 09	Taiwan Corporate Governance Association	Required Course for Corporate Sustainability: Multi-Dimensional Management of External Influence to Create Positive Enterprise Value	3
	2024/ 10/ 02	Taiwan Corporate Governance Association	Prevention of Money Laundering and Combating the Financing of Terrorism	2
	2024/ 11/ 11	Taiwan Corporate Governance Association	How do directors and supervisors supervise the Company's corporate risk management and crisis management	3
	2024/ 11/ 12	Taiwan Corporate Governance Association	Fair Treatment, Friendly Finance, and Ethical Corporate Management	2
Director Chun-Hsiang Lin	2024/ 10/ 23	Taiwan Corporate Governance Association	202410 Fubon Property & Casualty Insurance Co., Ltd. Corporate Governance and ESG Seminar	3

Name/ Title	Date of continuing education	Organizer	Course name	Duration of Advanced Studies(hours)
	2024/ 11/ 08	Taiwan Corporate Governance Association	Corporate Performance Management in the Digital Era: Performance Reward Strategies and Tools	3
Director, Tso-Ming Chen	2024/ 04/ 30	Corporate Operation and Sustainable Development Association	ESG Trend and Pandemic - Global Tax Reform and Corporate Tax Governance	3
	2024/ 07/ 26	Corporate Operation and Sustainable Development Association	Legal Compliance of the Board of Directors and Legal Responsibilities of Directors and Supervisors and Case Study	3
Independent Director, Yi-Chen Chen	2024/ 05/ 31	Taiwan Corporate Governance Association	Board of Directors information security governance norms and compliance sharing	3
	2024/ 08/ 09	Taiwan Corporate Governance Association	Required Course for Corporate Sustainability: Multi-Dimensional Management of External Influence to Create Positive Enterprise Value	3
	2024/ 11/ 05	Taiwan Corporate Governance Association	Mergers and Acquisitions Legal Practice	3
Independent Director, Liang-Fu Fan	2024/ 08/ 09	Taiwan Corporate Governance Association	Required Course for Corporate Sustainability: Multi-Dimensional Management of External Influence to Create Positive Enterprise Value	3
	2024/ 11/ 08	Taiwan Corporate Governance Association	Corporate Performance Management in the Digital Era: Performance Reward Strategies and Tools	3
Independent Director, Chun-Hsiung Chu	2024/ 04/ 10	Taiwan Investor Relations Association	The Board's Role and Responsibility in Information Security Governance	3
	2024/ 07/ 18	Securities and Futures Institute	Opportunities and Challenges of Industrial Transformation in Taiwan under Geopolitics - PMI/ NMI Exclusive Analysis	3
	2024/ 08/ 20	Taiwan Corporate Governance Association	When the era of "carbon price is paid" is coming, how should enterprises respond?	3
	2024/ 09/ 03	Taiwan Corporate Governance Association	Full-scale activation of corporate innovation and growth	3
Independent Director, Yih-Chi Tai	2024/ 08/ 09	Taiwan Corporate Governance Association	Required Course for Corporate Sustainability: Multi-Dimensional Management of External Influence to Create Positive Enterprise Value	3
	2024/ 11/ 08	Taiwan Corporate Governance Association	Corporate Performance Management in the Digital Era: Performance Reward Strategies and Tools	3
Pai-Cheng Hsieh Corporate Governance Officer	2024/ 04/ 30	Corporate Operation and Sustainable Development Association	ESG Trends and Pandemic - Global Tax Reform and Corporate Tax Governance	3
	2024/ 07/ 26	Corporate Operation and Sustainable Development Association	Legal Compliance of the Board of Directors and Legal Responsibilities of Directors and Supervisors and Case Study	3
	2024/ 08/ 09	Taiwan Corporate Governance Association	Required Course for Corporate Sustainability: Multi-Dimensional Management of External Influence to Create Positive Enterprise Value	3
	2024/ 11/ 08	Taiwan Corporate Governance Association	Corporate Performance Management in the Digital Era: Performance Reward Strategies and Tools	3

Name/ Title	Date of continuing education	Organizer	Course name	Duration of Advanced Studies(hours)
Pai-Cheng Hsieh Accounting Supervisor	2024/ 12/ 03	ROC Accounting Research and Development Foundation	The latest amendments to the "Regulations Governing the Establishment of an Internal Control System" and the internal audit and internal control laws and regulations compliance practices related to the preparation of financial statements	6
	2024/ 12/ 18	ROC Accounting Research and Development Foundation	Common Deficiencies of "Financial Report Review" and Practical Analysis of Important Internal Control Regulations	6
Shu-Ying Fang Audit officer	2024/ 09/ 03	Taiwan Institute of Internal Auditors	New Challenges for Internal Audit Personnel - Analysis of Sustainability Information Disclosure and Management Policy and Related Audit Points	6
	2024/ 12/ 10	Taiwan Institute of Internal Auditors	Information Operational Verification Workshop	6

(IV) Operations of the Remuneration Committee and the Sustainable Development Committee

1. Remuneration Committee:

(1) Members of the Remuneration Committee

April 22, 2025

Separation / Name \ Condition		Professional qualifications and experience	Status of independence	Number of other public companies serving as Remuneration Committee member concurrently
Convener (Independent Director)	Yi-Chen Chen	Please refer to "Disclosure of information on the professional qualifications of directors and supervisors, and the independence of independent directors "on Pages 10 to 13 of the annual report.		None
Committee member (Independent Director)	Liang-Fu Fan			None
Committee member (Independent Director)	Chun-Hsiung Chu			3
Committee member (Independent Director)	Yih-Chi Tai			None

(2) Operation of the Remuneration Committee

(2-1) There are 4 members in the Company's Remuneration Committee.

(2-2) The term of office of the current members: June 14, 2023 to June 13, 2026. The Remuneration Committee met 4 times (A) in the most recent year. The qualifications and attendance of members are as follows:

Job Title	Name	Number of attendances in person (B)	Number of proxy attendance	Actual attendance rate (%) (B/ A) (Note)	Remarks
Convener	Yi-Chen Chen	4	0	100%	
Committee members	Liang-Fu Fan	4	0	100%	
Committee members	Chun-Hsiung Chu	4	0	100%	
Committee members	Yih-Chi Tai	4	0	100%	

Other information to be disclosed:

I. If the Board of Directors does not adopt or amend the suggestions of the Remuneration Committee, the date and term of the Board meeting, the contents of the motions, the resolutions of the Board of Directors, and the Company's handling of the Remuneration Committee's opinions should be disclosed (e.g. the reason for the difference shall be stated): None.

II. If a member objects to or reserves an opinion on a resolution of the Remuneration Committee and there is a record or written statement, the date, term, content of the resolution, opinions of all members, and the handling of the opinions of the members shall be stated: None.

III. Matters of discussion and resolutions made by the Remuneration Committee, and the Company's handling of the members' opinions:

Term and date of the Remuneration Committee	Proposal Content	Resolution Result	The Company's handling of the opinions of the Remuneration Committee
5th term 3rd meeting 2024.01.26	1. Proposal of year-end bonus for the Company's managerial officers for 2023. 2. The 2023 annual managerial remuneration and performance evaluation of the Company's managers. 3. The 2023 director remuneration and performance evaluation of the Company.	The motion was unanimously approved by all present members.	The motion was unanimously approved by all present directors.
5th term 4th meeting 2024.03.08	1. The proposal for directors' remuneration of the Company in 2023.	The motion was unanimously approved by all present members.	The motion was unanimously approved by all present directors.
5th term 5th meeting 2024.05.09	1. Proposal of the Company's managerial officers' performance bonus for the first quarter of 2024. 2. Remuneration to the Company's managerial officers for 2023. 3. Distribution of 2023 directors' remuneration.	The motion was unanimously approved by all present members.	The motion was unanimously approved by all present directors.
5th term 6th meeting 2024.08.09	1. Adjustments to the salaries of the Company's managers.	The motion was unanimously approved by all present members.	The motion was unanimously approved by all present directors.
5th term 7th meeting 2025.01.16	1. Amendments to the "Procedures for Performance Evaluation of the Board of Directors and Functional Committees." 2. Proposal of the Company's year-end bonus for managers in 2024. 3. The 2024 managerial remuneration and performance evaluation of the Company. 4. The 2024 director remuneration and performance evaluation.	The motion was unanimously approved by all present members.	The motion was unanimously approved by all present directors.
5th term The 8th meeting 2025.03.07	1. The Company's 2024 director remuneration proposal.	The motion was unanimously approved by all present members.	The motion was unanimously approved by all present directors.

IV. The main functions and powers and the annual work focus of the Remuneration Committee are as follows:

1. Regularly review the "Remuneration Committee Charter" and propose amendments.
2. Formulate and regularly review the annual and long-term performance goals and remuneration policies, systems, standards and structures of the Company's directors and managers.
3. Regularly evaluate the achievement of the performance targets of the Company's directors and managers, and establish the content and amount of individual remuneration.

Note: (1) If a member of the Remuneration Committee resigns before the end of the year, the date of resignation should be indicated in the remarks column. The actual attendance rate (%) should be calculated based on the number of meetings of the Remuneration Committee and the number of actual attendances during his or her service.

(2) Before the end of the year, if there is a re-election of the Remuneration Committee, the new and old members of the Remuneration Committee shall be filled in, and whether the member is old, new or re-elected and the date of the re-election shall be indicated in the remarks column. The actual attendance rate (%) is calculated based on the number of Remuneration Committee meetings held during active duty and the number of actual attendance.

2. Sustainable Development Committee:

(1) Duties of the Sustainable Development Committee:

The Sustainable Development Committee shall assist the Board of Directors in continuously promoting the sustainable development of the enterprise and improving corporate governance to achieve the goal of sustainable management. Its responsibilities shall include the following matters:

I. Formulate the direction, strategies and goals of sustainable development, and negotiate relevant management guidelines and concrete promotion plans.

II. Tracking, reviewing and revising the implementation and effectiveness of the corporate sustainable development plan.

III. Report the implementation results of the corporate sustainable development plan to the board of directors every year.

IV. Other matters to be handled by the Sustainable Development Committee as instructed by the Board of Directors.

According to the Company's "Sustainable Development Committee Charter", the Sustainable Development Committee convenes at least once a year, and may convene additional meetings as needed.

(2) Composition of the Sustainable Development Committee:

The Sustainable Development Committee of the Company was established by resolution of the Board of Directors on January 26, 2024. According to the "Sustainable Development Committee Charter", the Committee shall be appointed by at least three members by resolution of the Board of Directors, and a majority of the members shall be Independent directors, and the chairman of the Board serves as the convener and chairman of the meeting.

The current term of the Sustainable Development Committee consists of five members (including four independent directors). Each committee member has a wealth of industry background and practical expertise. Among them, Independent Director Chu Chun-Hsiung has a profound legal professional background and work experience, specializing in corporate governance. He has also been the convener of the Corporate Sustainability Committee of a public company since 2021 and has the experience and expertise required by the Committee.

(3) Operations of the Sustainable Development Committee:

(3-1) The term of office of the current members is from January 26, 2024 to June 13, 2026. The Sustainable Development Committee held one meeting (A) in the most recent year. The qualifications and attendance of members are as follows:

Job Title	Name	Number of attendances in person	Number of proxy attendance	Rate of attendances in person (%)	Corporate Sustainability Professional Expertise and Capabilities
Convener (Chairman)	Ming-Ching Fang	1	0	100%	Sustainability Governance
Committee member (Independent Director)	Yi-Chen Chen	1	0	100%	Sustainability Governance Cybersecurity Governance
Committee member (Independent Director)	Liang-Fu Fan	1	0	100%	Sustainability Governance

Job Title	Name	Number of attendances in person	Number of proxy attendance	Rate of attendances in person (%)	Corporate Sustainability Professional Expertise and Capabilities
Committee member (Independent Director)	Chun-Hsiung Chu	1	0	100%	Cybersecurity Governance
Committee member (Independent Director)	Yih-Chi Tai	1	0	100%	Sustainability Governance

(Note): Sustainability Committee members enhance their professional knowledge and capabilities in corporate sustainability through continuing education programs. The scope of sustainability governance includes carbon management, supply chain governance, diversity and inclusion, human rights, and the integration of ESG performance into board-level remuneration.

(3-2) Sustainability Committee discussions and resolutions, and the Company's handling of members' opinions:

Sustainability Committee terms and date	Proposal Content	Resolution Result	The Company's commitment to sustainable development Handling of the Committee's Opinions
1st Term First time 2024.05.09	1. The Company's 2023 Sustainability Report.	The motion was unanimously approved by all present members.	The motion was unanimously approved by all present directors.

(V) Implementation of sustainable development, and deviation from the Sustainable Development Best-Practice Principles for TWSE/ GTSM Listed Companies, and the reasons therefor

Items to be promoted	Status of implementation (Note 1)			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/ GTSM Listed Companies
	Yes	No	Summary description	
I. Does the Company establish a governance structure to promote sustainable development, and set up a dedicated (or part-time) unit to promote sustainable development, with senior management authorized by the board of directors to handle, and how is the supervision of the board of directors?	✓		On March 1, 2022, the Company established the "ESG Corporate Sustainability Development Committee" (hereinafter referred to as the "ESG Committee"), which is composed of the Environmental Sustainability Promotion Group, the Social Responsibility Promotion Group, and the Sustainable Governance Promotion Group. The President serves as the chairman of the committee, and the representative members of each promotion team are selected from the heads of the business unit. The ESG Committee is responsible for formulating and developing the Company's sustainable strategies, goals and related management guidelines, leading the sustainability team to propose and implement concrete promotion plans, continuously deepening and implementing the corporate vision of sustainable development. The Committee shall report to the Board of Directors on the progress of sustainability initiatives at least once a year. The board of directors shall, when necessary, provide recommendations regarding the ESG Committee’s management guidelines, strategic planning, goal-setting, and implementation measures, and shall supervise the implementation thereof. In order to deepen the management of sustainable development, the Board of Directors of the Company decided on January 26, 2024 to set up a "Sustainable Development Committee" under the board of directors, which is responsible for tracking, reviewing and revising the implementation and effectiveness of the company's sustainable development plan. The Chairman serves as the convener and four independent directors serve as members. The committee meets at least once a year and reports to the board of directors on the implementation of sustainability plans.	No difference

Items to be promoted	Status of implementation (Note 1)			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/ GTSM Listed Companies
	Yes	No	Summary description	
			In response to the aforementioned adjustment of the corporate sustainability governance structure, the "ESG Corporate Sustainability Committee" under the President was renamed the "ESG Promotion Office" in January 2024, which is responsible for the promotion and implementation of corporate sustainability plans; and execute the resolutions and instructions of the Sustainable Development Committee. On May 9, 2024, the ESG Promotion Office reported to the Sustainable Development Committee and the Board of Directors on sustainability issues such as stakeholder engagement, climate-related risk, opportunities, impacts and countermeasures, risk management implementation, intellectual property rights management plan and implementation status, etc.	
II. Does the Company conduct risk assessments on environmental, social and corporate governance issues related to company operations in accordance with the principle of materiality, and establish relevant risk management policies or strategies? (Note 2)	✓		In order to fulfill the Company's sustainable governance obligations and grasp the internal and external potential risks of operations, the company has formulated a "Risk Management Method" to define various risks according to the company's overall operating policy, establish a risk management mechanism for early identification, accurate measurement, effective supervision and strict control, prevent possible losses within the acceptable risk range, and continuously adjust and improve the best risk management practices according to changes in the internal and external environment. The boundary of risk assessment is mainly based on the company. On issues that have a significant impact on investors and other stakeholders in terms of environmental, social and corporate governance, by referring to domestic and international sustainability standards and specifications (GRI, SASB, TCFD, etc.), communication experience with internal and external stakeholders, relevant reports on ESG issues and integrating internal information of the company organization, various risks are identified in accordance with the company's overall operating policy, and the best risk management strategy is continuously adjusted and improved according to	No difference

Items to be promoted	Status of implementation (Note 1)			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/ GTSM Listed Companies
	Yes	No	Summary description	
			changes in the internal and external environment to protect the interests of employees, shareholders, partners and customers and increase the company's value. For the Company's environmental, social and corporate governance risk issues related to operations and its response strategies, please refer to Note 3.	
III. Environmental Issues (I) Has the Company established an appropriate environmental management system based on the characteristics of its industry?	✓		The company continues to obtain certifications in promoting environmental and hazardous substance management, including ISO 14001 (valid from January 5, 2025, to January 5, 2028) and IECQ QC080000 (valid from September 29, 2022, to September 4, 2025). In terms of energy management, we have passed the ISO 50001 certification (valid from November 18, 2023, to November 18, 2026). Regarding carbon emission management, the company has established a greenhouse gas inventory mechanism in accordance with the ISO 14064-1 greenhouse gas inventory standard, and has created a process for the inventory and analysis of product lifecycle carbon emissions based on the quantification principles and standards of ISO 14067. In October 2023, we obtained a third-party verification statement.	No difference
(II) Is the Company committed to improving energy efficiency and using recycled materials with low impact on the environment?	✓		In order to improve the efficiency of resource utilization and reduce the environmental impact, the measures adopted by the Company and the achievements are as follows: 1. E-waste recycling: The Company entrusts professional e-waste treatment companies to collect e-waste: Waste wafers can be recycled into high-purity precious metal gold and silver. The re-processing volume in 2024 was 1.32 metric tons. 2. Waste plastic recycling:	No difference

Items to be promoted	Status of implementation (Note 1)			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/ GTSM Listed Companies
	Yes	No	Summary description	
			We commissioned a recycler to recycle waste plastic into hollow bricks, so that waste can be recycled and reused to reduce the impact on the environment. In 2024, the re-treatment volume was 245.94 metric tons. 3. Sludge reduction: The Company installed the sludge dryer in 2019 to reduce the amount of sludge produced by the process before entrusting it to qualified waste disposal companies for final disposal. The sewage separated during the drying process enters the Company's wastewater treatment system and meet the discharge standards for effluents. The sludge treatment amount in 2024 was 83.78 metric tons. 4. Process wastewater recovery: All process effluents of the Company are treated in-factory before being discharged. Effluents are also managed according to the drainage characteristics. This increase the water recovery rate. Part of the waste acid and organic waste liquids are still of economic value to be recycled, so they are separated into separate streams. This not only reduces the amount of chemical dosing required for wastewater treatment, but also reduces the difficulty of back-end waste treatment and the burden on the environment. The amount of water recycled in 2024 was 65,958 tons. 5.Green power generation: In 2024, the total installed capacity of solar energy systems in the Company’s plants reached 183.89 kW, generating a total of 181,876.55 kWh of electricity (approximately 654.75 GJ) for the year. Of this, 154.63 kW of capacity was dedicated to feed-in sales to Taiwan Power Company, generating 155,604 kWh (approximately 560.17 GJ); the remaining 29.26 kW was used for on-site generation and consumption, producing 26,272.55 kWh (approximately 94.58 GJ). In the future, the	

Items to be promoted	Status of implementation (Note 1)			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/ GTSM Listed Companies
	Yes	No	Summary description	
			Company will continue to increase the proportion of renewable energy.	
(III) Has the Company assessed the potential risks and opportunities posed by climate change to the Company at present and in the future, and taken relevant countermeasures?	✓		The Company made reference to the framework of the "Task Force on Climate-related Financial Disclosures" (TCFD) and the "Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies" for the disclosure of climate-related information of TWSE/ TPEx listed companies It is recommended to assess and identify climate change risks and opportunities. The ESG Promotion Office team members, related business units and sustainability consultants have discussed possible risks and opportunities through meetings, and formulated countermeasures based on the assessed risks and opportunities. Based on the results of identification, high-risk/ opportunity items were prioritized this year, with a total of 3 potential risks: change in customer demand (medium term), Taiwan carbon fee(medium term), requirements of Energy-heavy Industries (medium term) and; 3 potential opportunities: enter new markets (short-term), make good use of public sector incentives (short-term), increase recycling rates (short-term). In terms of climate change mitigation and adaptation, the Company actively promotes its own energy and resource inventory and management, strives for low pollution, low energy consumption, and water saving processes, and continues to invest in the construction of green energy facilities and waste recycling, and enhancing the development of products for the green energy supply chain (solar/ storage system/ electric vehicles), we are also further strengthening external sustainability management across the supply chain, promoting low-carbon manufacturing practices, and jointly setting greenhouse gas reduction targets to enhance PANJIT's sustainable competitiveness.	No difference

Items to be promoted	Status of implementation (Note 1)			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/ GTSM Listed Companies
	Yes	No	Summary description	
(IV) Does the Company keep statistics on the amount of greenhouse gas emission, water consumption and total weight of waste in the past two years, and establish policies for greenhouse gas reduction, reduction of water consumption or management of other wastes?	✓		The greenhouse gas emission, water consumption and waste statistics for the most recent two years are listed as follows: 1. Greenhouse gas management: (1) Greenhouse gas emissions: In order to strengthen greenhouse gas management, the Company has been in line with the ISO14064-1:2018 standard to conduct in-house greenhouse gas emission inventories for Scope 1 - 3 since 2023, and obtained third-party verification statements on the greenhouse gas inventory and assurance. The Company's greenhouse gas inventory and assurance in the last two years please refer to Page 73-74 of the annual report. (2) Greenhouse gas reduction policies and progress: ・In accordance with the Ministry of Economic Affairs' "Energy-saving Target and Program Regulations", the Company has launched a series of energy-saving programs to achieve the goal of achieving an average annual power conservation rate of more than 1% between 2015 and 2024. The average annual power saving rate in 2024 was 1.45% (Note). (Note) Source of data on average annual power-saving rate: Average annual power-saving rate reported to the Energy Department as of March 31, 2025. Subsequent information will be mainly announced by the Energy Administration. ・From 2023 to 2024, the main energy-saving projects implemented by the Company were: introduction of the energy monitoring system for public equipment in the factory area, including a single system air compressor with a total power of more than 500 horsepower, the installation of a total air flow meter and an independent electricity meter.	No difference

<table>
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<tr><th>Yes</th><th>No</th><th>Summary description</th></tr>
<tr><td></td><td></td><td></td><td>

・Please refer to pages 52-53 of the annual report for the Company's installation of renewable energy power generation equipment to improve the efficiency of renewable energy use.

In addition to the above projects, please refer to the Sustainability Report for the greenhouse gas management policy implemented by the Company and its effectiveness.

2. Water resource management:

(1) Use of water resources (coverage of data – Gangshan Plant):

Water Consumption Unit: million liters

<table>
<tr><th>Year</th><th>Revenue (in NTD million)</th><th>Water withdrawal</th><th>Intensity</th></tr>
<tr><td>2024</td><td>8,654.54</td><td>342.618</td><td>0.0396</td></tr>
<tr><td>2023</td><td>7,889.88</td><td>323.484</td><td>0.0410</td></tr>
</table>

(Note) Water intensity: Water consumption (million liters)/ Revenue (NTD million)

(2) Water consumption reduction policy and achievement status:

In order to improve the water recycling rate, the Company actively invests in the establishment of water recycling system. From 2022 to 2024, the Company has completed the projects of electroplating washing water recycling system, cutting process wastewater recycling system and ROR concentrated water recycling system. Through the above projects, a total of 65,958 metric tons of water was recovered in 2024, resulting in an estimated annual carbon reduction benefit of approximately 10.2895 tCO_2e, calculated using the 2023 carbon emission factor for tap water (0.156 kg CO_2 / m^3).

In addition to the above projects, please refer to the Sustainability Report for the Company's water management policy and effectiveness.

</td><td></td></tr>
</table>

<table>
<tr><th rowspan="2">Items to be promoted</th><th colspan="3">Status of implementation (Note 1)</th><th rowspan="2">Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/ GTSM Listed Companies</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary description</th></tr>
<tr><td></td><td></td><td></td><td>3. Waste management:
(1) Waste consumption statistics (coverage of data - Gangshan Plant):
Waste unit: tonnes
<table>
<tr><th>Year</th><th>Revenue (in NTD million)</th><th>Item</th><th>General industrial waste</th><th>Hazardous commercial waste</th><th>Total</th></tr>
<tr><td rowspan="2">2024</td><td rowspan="2">8,654.54</td><td>Weight</td><td>689.71</td><td>59.56</td><td>749.27</td></tr>
<tr><td>Intensity</td><td>0.0797</td><td>0.0069</td><td>0.0866</td></tr>
<tr><td rowspan="2">2023</td><td rowspan="2">7,889.88</td><td>Weight</td><td>533.37</td><td>55.47</td><td>588.84</td></tr>
<tr><td>Intensity</td><td>0.0676</td><td>0.0070</td><td>0.0746</td></tr>
</table>
(Note 1) Waste intensity: weight (metric tons)/ revenue (NTD million)
(Note 2) The above information is the statistical data reported to the EPA
(2) Waste reduction policy and achievement status:
In order to improve the efficiency of resource utilization and reduce the environmental impact, the Company has implemented measures such as e-waste recycling, waste plastic recycling, and sludge reduction. For details on the reduction policy and progress, please refer to pages 51-52 of the annual report and Sustainability Report.
In addition to the aforementioned energy-saving measures to reduce the impact of operating activities on the environment, the Company has also implemented paperless administrative operations to improve the efficiency of the use of various resources, including: electronic invoice issuance, internal administrative procedures using electronic signature system , and promote the reuse of recycled paper to reduce paper consumption to achieve the purpose of energy saving and carbon reduction; in addition, employees are encouraged to participate in</td><td></td></tr>
</table>

Items to be promoted	Status of implementation (Note 1)			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/ GTSM Listed Companies
	Yes	No	Summary description	
			activities such as garbage sorting and recyclable resources; in terms of water conservation for people's livelihoods, the entire plant has replaced traditional taps with The water tap is sensor-type, and the water volume is controlled by the factory affairs unit, and the water flow rate of the discharge outlet is appropriately adjusted according to the water pressure of the water meter; in terms of waste management, the "Waste Management Operation Procedure" has been established to ensure that the Company's activities, The waste generated from the operation can be properly collected, cleaned up and processed in compliance with the relevant government regulations.	
IV. Social Issues (I) Does the Company establish relevant management policies and procedures in accordance with relevant laws and international human rights conventions?	✓		The Company obtained the SA8000 certificate in 2014, and compiled the " Corporate Social Responsibility Management Manual" in accordance with SA8000, international conventions, the United Nations Declaration and other international standards on corporate social responsibility, as well as the labor-related laws and regulations of the country. The vision and policy for corporate social responsibility are formulated, which includes: compliance, energy conservation and waste reduction, risk elimination, respect for human rights, disciplinary responsibility, and continuous improvement. We continue to adopt the "Responsible Business Alliance (RBA) Code of Conduct" to ensure that employees are provided with a safe working environment where they are treated with respect and dignity. In addition, to protect the human rights of employees, the Company has formulated human rights-related internal codes and management methods to implement and strengthen the promotion and management of human rights. In 2023, we were awarded the RBA VAP Silver Award. Please refer to Note 4 for the Company's specific measures to promote human rights.	No difference

Items to be promoted	Status of implementation (Note 1)			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/ GTSM Listed Companies
	Yes	No	Summary description	
(II) Does the Company establish and implement reasonable employee welfare measures (including remuneration, leave and other benefits), and appropriately reflect the business performance or results in the employee remuneration?	✓		1. Employee remuneration: In addition to stipulating in the Articles of Incorporation that "If the Company has a profit in the year, except for the accumulated loss, it shall be retained to make up for the surplus, and no less than 6% of the net profit before tax shall be set aside as employee's remuneration", and take into account external competition, internal Under the premise of fairness and legality, a diversified, reasonable and market-competitive compensation system is provided, which is linked to the Company's operating performance, including: performance bonus for achieving business goals, year-end bonus, employee remuneration, etc., to share profits with employees to attract, retain, develop and inspire employees. 2. Diversity and equality in the workplace: The Company is committed to the implementation of work equality and a diverse and inclusive friendly working environment. All employees, regardless of gender, are entitled to equal pay and equal promotion opportunities for equal work. In 2024, the female employees accounted for 63.2% and 36.8% of male employees; among management personnel, female supervisors accounted for 7.6% and 10.8% of male employees. In terms of the age structure of employees, the Company complies with domestic and foreign laws and the RBA Code of Conduct. It does not hire child labor. The middle-aged people are the main force in the organization. The employees between the ages of 30 and 50 account for 71.9% of the total number of employees; those under 30 years old account for 18.5%; 9.6% of employees over 51 years old.	No difference

<table>
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<tr><th>Yes</th><th>No</th><th>Summary description</th></tr>
<tr><td></td><td></td><td></td><td>
<table>
<tr><th colspan="2" rowspan="2">Item</th><th colspan="2">Total</th><th colspan="2">Female</th><th colspan="2">Male</th></tr>
<tr><th>Number of people</th><th>%</th><th>Number of people</th><th>%</th><th>Number of people</th><th>%</th></tr>
<tr><td rowspan="3">Job Title</td><td>Non-management positions</td><td>1,205</td><td>81.5</td><td>821</td><td>55.5</td><td>384</td><td>26.0</td></tr>
<tr><td>Managerial position</td><td>273</td><td>18.5</td><td>113</td><td>7.6</td><td>160</td><td>10.8</td></tr>
<tr><td>Total</td><td>1,478</td><td>100.0</td><td>934</td><td>63.2</td><td>544</td><td>36.8</td></tr>
<tr><td rowspan="4">Age</td><td>Under the age of 30</td><td>274</td><td>18.5</td><td>202</td><td>13.6</td><td>72</td><td>4.9</td></tr>
<tr><td>30-50 years old</td><td>1,062</td><td>71.9</td><td>659</td><td>44.6</td><td>403</td><td>27.3</td></tr>
<tr><td>Over 51 years old</td><td>142</td><td>9.6</td><td>73</td><td>4.9</td><td>69</td><td>4.7</td></tr>
<tr><td>Total</td><td>1,478</td><td>100.0</td><td>934</td><td>63.2</td><td>544</td><td>36.8</td></tr>
</table>
3. Leave system:
The Company's leave system complies with national laws and regulations governing leave and attendance, and gives employees could plan personal vacations and leave according to the actual situation. There is also an exclusive paid birthday leave available for employees to balanced arrangement.
4. Other welfare policies:
Please refer to pages 117-118 of the annual report.</td><td></td></tr>
<tr><td>(III)Does the Company provide employees with a safe and healthy work environment, and provide employees with safety and health education on a regular basis?</td><td>✓</td><td></td><td>1. Measures for employee safety and healthy working environment:
In terms of promoting occupational health and safety, in addition to continuously updating and maintaining ISO45001 (expiration period: 2025.02.02 - 2028.02.02) and TOSHMS system, the Company shall also conduct operating environment monitoring for the environment where chemicals are used at least once every six months to ensure that The exposure values meet the standards, and graded management and control</td><td>No difference</td></tr>
</table>

<table>
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<tr><th>Yes</th><th>No</th><th>Summary description</th></tr>
<tr><td></td><td></td><td></td><td>measures are implemented. The required personal protective equipment is provided free of charge, and the fire safety and occupational safety and health education and training are held regularly. The plant has nurse practitioners and external occupational medical physicians stationed on site, and works with the physicians of E-DA Hospital and other medical institutions to perform health promotion and management, conduct employee health checkups regularly, and provide on-site visits and psychological counseling.
2. Employee safety and health education policy and its implementation in 2024:
Gangshan Plant
<table>
<tr><th>Item</th><th>No. of Attendance</th><th>Man-hour</th></tr>
<tr><td>General Occupational Health and Safety Course</td><td>601</td><td>1,803</td></tr>
<tr><td>ISO14001 and ISO45001 Internal Auditor Training</td><td>83</td><td>498</td></tr>
<tr><td>Factory Emergency Evacuation Training Course</td><td>Whole plant</td><td>0.5 hour/ person</td></tr>
<tr><td>Hazard Communication and Chemical Spill Handling Drill</td><td>74</td><td>148</td></tr>
<tr><td>On-the-job training for fire extinguishers</td><td>435</td><td>435</td></tr>
<tr><td>ERT Area Fire-fighting Marshaling Drill</td><td>20</td><td>160</td></tr>
<tr><td>Traffic safety advocacy</td><td>459</td><td>459</td></tr>
</table></td><td></td></tr>
</table>

<table>
<tr><th rowspan="2">Items to be promoted</th><th colspan="3">Status of implementation (Note 1)</th><th rowspan="2">Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/ GTSM Listed Companies</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary description</th></tr>
<tr><td></td><td></td><td></td><td>Yungan Plant
<table>
<tr><th>Item</th><th>No. of Attendance</th><th>Man-hour</th></tr>
<tr><td>Fire Drills and Training</td><td>182</td><td>1,456</td></tr>
<tr><td>SCBA and Level A Protective Suit Donning and Doffing Emergency Response Drill</td><td>10</td><td>20</td></tr>
<tr><td>Traffic safety advocacy</td><td>57</td><td>557</td></tr>
<tr><td>Earthquake safety advocacy</td><td>48</td><td>48</td></tr>
</table>
3. Employee occupational disasters in 2024 and related improvement measures:
There were a total of 4 occupational injuries in the factory. There were 4 cases of temporary total disability (accounting for a rate of 2.70‰ per thousand employees). Among these, there were 2 cases of slips and falls within the factory, 1 case of bumping, and 1 case of slipping during official outings, totaling work days lost are 185 days. Appropriate engineering controls and management measures have been implemented, and ongoing traffic safety promotions are being conducted for commuting accidents.
4. There was no fire incident in 2024.</td><td></td></tr>
<tr><td>(IV) Has the Company established an effective career development training program for its employees?</td><td>✓</td><td></td><td>The Company launched a key talent training program in 2022 to accelerate talent growth through the selection of key personnel, the establishment of learning platforms, the formulation of Individual Development Plans (IDPs), and the integration of annual performance evaluations. In the same year, the Company also adopted the Talent Training Quality System (TTQS) to continuously enhance training quality and the operational effectiveness of the talent development framework. In addition, each department proposed annual training plans in accordance with the training procedures, addressing</td><td>No difference</td></tr>
</table>

Items to be promoted	Status of implementation (Note 1)			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/ GTSM Listed Companies
	Yes	No	Summary description	
			competency gaps and future development needs of both supervisors and employees through various training programs. For details on the implementation of employee training and development plans, please refer to the Sustainability Report.	
(V) Does the Company comply with relevant laws and regulations and international standards regarding customer health and safety, customer privacy, marketing and labeling of products and services, and establish relevant policies and complaint procedures to protect consumers' or customers' rights and interests?	✓		• Product safety In order to maintain product safety, the Company has introduced the IECQ QC080000 hazardous substance management system and strictly followed RoHS, REACH, PPW, SONY SS00259 and other regulations, and regularly conducts PDCA reviews in accordance with the management procedures. There were no violations of health and safety regulations, product labeling regulations, customer complaints or voluntary agreements related to products and services in 2024. • Customer rights policy As a component supplier, the Company primarily sells to OEM rather than directly to end consumers. To safeguard the rights and interests of its customers, the Company has established a “Customer Complaint Handling Procedure” to ensure the prompt resolution of customer complaints, protect corporate reputation, and enhance service quality. In terms of grievance channels, the Company has established contact windows for its operating bases, distributors, and agents on the official website to handle issues related to customer rights grievances, in order to handle customer grievances in a fair and timely manner. In addition, the Company has established the "Regulations Governing Suggestions and Complaints by Stakeholders," and a contact for service of voices and complaints by stakeholders has been set up on the Company's website to serve as a channel for stakeholders such as customers to complain in the event of rights violation.	No difference

Items to be promoted	Status of implementation (Note 1)			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/ GTSM Listed Companies
	Yes	No	Summary description	
(VI) Does the Company establish a supplier management policy that requires suppliers to comply with relevant regulations on environmental protection, occupational safety and health, or labor human rights, and the implementation status thereof?	✓		The Company manages suppliers by level and has established the "Procedures for Supplier Evaluation, Guidance and Development" to regularly manage, evaluate, counsel and track suppliers for improvement. The specific management measures are summarized as follows: 1. Supplier assessment: (1) Environmental protection: Direct and indirect raw material suppliers are evaluated according to the "Supplier Hazardous Substance Free Management System." In terms of raw material hazardous substance management, when selecting a new supplier for a main raw material, all major raw materials must obtain Substance Control Promise, SDS, non-radiation declaration and third-party test reports in order to become a qualified supplier. (2) Labor rights: The Company conducts the evaluation according to the "Supplier CSR Evaluation Report", which covers occupational safety and health, labor rights and other issues to ensure that the suppliers comply with the Company's requirements for corporate social responsibility system. In 2024, a total of 54 direct suppliers have been completed the RBA audit, with a 100% pass rate. 2. Supplier audit: The Company arranges audit methods and audit frequencies based on the supplier's level, transaction frequency and scale, and quality status. 3. Counseling, improvement and follow-up: (1) The Company will provide suppliers with counseling and improvement suggestions for the deficiencies found during the audit process, and track the improvement status. (2) If the supplier still fails to improve after a certain period of counseling,	No difference

Items to be promoted	Status of implementation (Note 1)			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/ GTSM Listed Companies
	Yes	No	Summary description	
			or if there is a major hazard to environmental safety, labor violation, or violation of the relevant chemical substance management regulations, the Company will submit an application for suspension of procurement or disqualification of the supplier in accordance with internal regulations.	
V. Does the Company prepare reports disclosing the Company's non-financial information, such as the Sustainability Report, with reference to international reporting standards or guidelines? Has the said reports been certified or guaranteed by a third-party verification unit?	✓		The Company has prepared the 2023 sustainability report in accordance with the internationally accepted report preparation guidelines (GRI Standards), and the third-party verification unit, SGS Taiwan Inspection Technology Co., Ltd., has issued the AA1000 ASv3 Type 1 Moderate Assurance Statement on record. The full report has been submitted to the Internet information reporting system designated by the Stock Exchange within the prescribed time limit and disclosed on the Company's official website.	No difference
VI. If the Company has established its own sustainable development principles in accordance with the "Sustainable Development Best Practice Principles for TWSE/ TPEx Listed Companies", please describe the current practices and any deviations from the principles established: In March 2015, the board of directors of our company approved the establishment of the "Corporate Social Responsibility Code of Practice", and on March 25, 2022, the board of directors approved the revision of the code and renamed it the "Sustainable Development Code of Practice". The company continues to review the implementation of the code and make improvements accordingly, and there have been no discrepancies in its implementation to date.				

Items to be promoted	Status of implementation (Note 1)			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/ GTSM Listed Companies
	Yes	No	Summary description	
VII. Other important information helpful in understanding the status of implementation of sustainable development: (I)The Company is located in Gangshan District, Kaohsiung City. In order to help grow together with the local community in 2024, the Company implemented the following actions for sustainability: 1. Donate NT$5,000 to each of the five elementary schools in Gangshan District, Kaohsiung City each month for nutritious lunch subsidies or improvement of teaching resources. 2. Donate NT$50,000 to the House of Little Angels of Kaohsiung City each quarter to help take care of orphaned infants or children and disadvantaged groups who have lost their lives or have suffered family changes. 3. Combine industry, government, and academia, it is jointly planned by the Company's corporate volunteers and lecturers, and the food and agriculture education courses are rich and diversified in Qianfeng Elementary School, Gangshan, Kaohsiung. In 2024, a total of 10 persons, 40 hours of volunteer hours, and the "Little Scientist Activity" organized at Beiling Elementary School in 2024 for a total of 8 volunteer hours for 2 persons. Through actual social engagement, we hope to learn from, give back to, and improve local social engagement. 4. Hold and organize the "Love the Earth, I Plant a Tree 4.0" tree planting activity. Trees were planted in Kaohsiung Qieding Wetland Park. This year, we will continue the cultivation of education and once again invited the local Qianfeng Elementary School in Gangshan to join the event. About 148 colleagues and stakeholders in total were invited to participate, reaching 2,188 hours of environmental volunteer hours, and planted more than 1,000 trees for ecological conservation. 5. Promote the "Monthly Healthy Vegetarian Day", where the Company entertained employees and promoted vegetarian meals to reduce meat consumption and related carbon emissions. Approximately 4,500 persons in total enjoyed their meals. 6. We channeled our corporate spending power to the small farmers in Kaohsiung and supported local agriculture by means of direct sales. On the occasion of the Lunar New Year reunion, we distributed 4,518 packages of organic vegetables to every partner of the Company. 7. Promote the "Weekly Organic Vegetable Day" and use organic vegetables as dish every Friday, so that colleagues can eat healthily and safely. In 2024, the Company spent a total of NT$750 thousand on charity donation. (II) Employee care: 1. Provide employees with diverse and smooth communication channels. In 2024, the Company received a total of 1 employee suggestion or complaint case. All relevant cases were investigated and mediated by dedicated personnel, and the follow-up handling status was reported in the labor-management and corporate social responsibility meeting.				

Items to be promoted	Status of implementation (Note 1)			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/ GTSM Listed Companies
	Yes	No	Summary description	

2. In 2024, the Company implemented the following projects to promote the physical and mental health of employees:

Project Name	Project Content	Implementation Outcomes
Health promotion	An employee blood donation event is held every three months, and health information is posted on the bulletin board.	A total of 97 people participated in the blood donation event and 154 bags of blood were raised
Maternal Health Protection Plan	Maternal health protection is provided to employees who are pregnant or one year after childbirth. The plan includes: work and individual hazard assessment, risk control of the protection plan, health guidance, adjustment or replacement of work content, adjustment of work hours, education and training, and health protection measures	Implemented maternal health protection program for 13 pregnant women
Health risk assessment and management	1. Health checkup data anomaly tracking and health education for new and existing employees 2. Graded management of statutory special health examinations 3. Those with abnormal health examination data should be tracked and managed according to the doctor's advice.	Approximately 500 employees participated in the health risk assessment and management plan
Biological hazard prevention and response	Annual influenza vaccination to avoid influenza clusters	The number of people who signed up for publicly funded vaccinations was not sufficient for the health station to provide on-site vaccination services. Influenza vaccination was promoted to all plant employees
Weight management	Promote the concept of healthy weight loss, establish the correct attitude towards life and diet, and help employees to exercise self-health management	A total of 39 employees participated, and the weight loss class has successfully lost 174 kg through propaganda to convey the correct concept of weight loss.

Items to be promoted	Status of implementation (Note 1)			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/ GTSM Listed Companies
	Yes	No	Summary description	

Project Name	Project Content	Implementation Outcomes
Employee health check	Provide physical examination for new recruits, regular health examination for in-service personnel, and special health examination for special operation personnel	Approximately 1,072 employees participated in employee health checkups, of which 196 employees underwent special health checkups
Resident doctor service	1.Provide health consultation and conduct health education, tracking and health management for employees with abnormal health examination results 2.On-site visit plan: Identify and assess the work hazards of on-site units (e.g. prevention of human-factor hazards and avoidance of repetitive musculoskeletal injuries), and propose improvement plans and suggestions	1. A total of about 189 colleagues receive health consultation and health management services from the resident doctor 2. The plant physicians conduct on-site inspections once a month, and evaluate the results of the inspections and discuss improvement plans in the next month. A total of on-site inspections for 6 production lines and stations have been completed
Smoking cessation activities	Promote the awareness of the harm of smoking, and provide referral hotlines for smoking cessation or smoking cessation clinics	Tobacco hazard prevention and smoking cessation advocacy for all employees

Note 1: If "Yes" is selected for the implementation, please specify the important policies, strategies and measures adopted and the implementation; if "No" is selected for the implementation, please refer to the "Sustainable Development Practices for TWSE/ GTSM Listed Companies" Deviation and causes" of the Company's "Principles" for explanations and causes, as well as plans for the adoption of relevant policies, strategies and measures in the future.

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

Note 3: The risk management policy or strategy established by the Company:

Sustainability Issues	Type of risk	Risk items	Potential risk factors	Responding strategies
Corporate governance	Market risk	Market product competition	The Company's production and sales are highly interrelated with consumer electronic products. If the overall economic environment is unstable, it will affect the end market demand and thus revenue performance; the emerging applications of the semiconductor industry continue to lead the technological revolution, which also warrants the Company's caution in enhancing future competitiveness Challenges addressed.	Build the core technology capabilities for high-end application products, increase the proportion of high value-added products such as automobiles and industrial control, and strengthen the product structure; actively develop green energy products (electric vehicles, energy storage, solar energy), and expand the new energy market territory.
	Market risk	Geopolitics	Frequent geopolitical conflicts (such as wars, border blockades, trade barriers, etc.) and increasingly complex and diversified geopolitical risks not only impact global economic growth, but also increase the uncertainty of future operations and investments of enterprises.	In addition to cultivating the Taiwan market, we will also continue to expand overseas territory. Through the Group's business integration and development of local niche markets, we will gradually increase the contribution of overseas profits to enhance regional diversity and diversify profit sources.
	Financial risk	Interest rate and exchange rate risk	Due to the drastic changes in the global financial market, fluctuations in exchange rates and interest rates may erode the Company's profits.	The Company utilizes the natural hedging method of balancing foreign currency assets and liabilities, as well as substantial hedging through forward exchange, options and other derivatives, and reduces exchange rate risk. The impact of interest rate fluctuations on the Company.
	Operational risk	Information security	There are frequent incidents of ransomware incidents causing heavy losses to well-known enterprises worldwide and in Taiwan. Cyber-attacks may not only expose the Company to the risk of data leakage and extortion, but may also face disruption of production systems and cause operational losses.	An information security action team has been established to strengthen information security defenses through the establishment of internal control systems such as firewalls, intrusion detection, anti-virus systems, education and training, information security promotion, etc. are also used to establish the awareness of all employees, and achieve information security as everyone is responsible for maintaining the Company's information security. In 2024, the "Information Security Management Committee" was established. In June of the same year, the ISO 27001 certification was obtained to ensure the implementation and continuous supervision of information security.

Sustainability Issues	Type of risk	Risk items	Potential risk factors	Responding strategies
Society	Operational risk	Talent Attraction and Retention	Talent is an important asset of an enterprise and the foundation of its sustainable operation. Insufficient supply of human resources, shortage of core talents, or poor team stability will affect the normal operation of the Company.	Through diversified recruitment channels, key talent cultivation programs, comprehensive education and training systems, and friendly workplaces, employees continue to contribute and grow within the organization, and quality human capital is built up.
	Hazard risk	Occupational health and safety	An unsafe work environment and employees' insufficient awareness of work safety may increase the potential risk of work safety incidents, which may damage the lives, safety and health of employees and corporate property.	Continue to maintain ISO45001 and CNS 45001 system certification to ensure the effective operation of the occupational safety and health management system; conduct hazard identification and risk assessment every year, and take appropriate preventive measures to control various risks to an acceptable level; employee safety and health education and training to improve employee safety and health knowledge and disaster response capabilities.
Environment	Climate Change	Carbon neutrality	With the wave of global net zero emissions, countries continue to set net zero emissions targets and amend relevant environmental laws and regulations, which will increase corporate operating costs.	Actively implement energy conservation and carbon reduction measures to reduce energy consumption in production and daily operations, and incorporate the concept of green production into daily management.

Note 4: The Company's specific measures for the promotion of human rights are as follows:

Item	Concrete measures
Prohibition of Forced Labor	The Company strictly abides by the laws and CSR requirements defined by the Company, and establishes the "Procedures for Prohibition of Forced and Compulsory Labor" to implement the relevant norms in the Procedures, and does not force or coerce anyone to engage in involuntary labor.
Prohibition of child labor	In accordance with the regulations of corporate social responsibility and related declarations of human rights, the "Procedures for the Prohibition of the Use of Child Labor" have been formulated to implement the relevant specifications of the Procedures. The Company strictly requires that only individuals aged 18 and above are eligible to apply and be hired. Upon hiring, newly employed personnel undergo dual identity verification to ensure compliance with relevant procedural regulations.
Prohibition of discrimination	In accordance with corporate social responsibility principles and legal requirements, the Company has established the “Procedures for Non-Discrimination and Harassment Management” and incorporated relevant standards into its operational practices. These procedures explicitly prohibit discrimination against any individual based on factors that may give rise to bias—such as race, political affiliation, zodiac sign, blood type, and others. Related work forms and procedures have been reviewed and improved to ensure the provision of a fair, inclusive, and non-discriminatory work process and environment.

Item	Concrete measures
Provide a safe working environment	With respect to the working environment of employees, both software and hardware systems are continuously improved, and relevant management procedures are regularly updated. The Company implements four major labor health protection programs, including maternity health protection, prevention of unlawful infringement during duty performance, management of abnormal workloads, and mitigation of ergonomic hazards. These efforts are made to safeguard all workers and provide a safer working environment.
Health/ work/ life balance for employees	Provide a variety of employee activities (such as: general manager's coffee break, plant-wide employee trip, regular annual plant-wide health check, regular occupational medical doctors stationed at the plant) to care for employees' health needs; also, set up an exclusive breast-feeding space. The Company offers pre-schools so that employees can work with peace of mind. The Company adds "Employees' exclusive happy birthday leave" and strives to create a work environment with work-life balance.
Corporate Social Responsibility Training - All New Hires and All Plants	For the orientation training of each new recruit, the communication and promotion include labor (for example: non-discrimination, prohibition of forced labor, etc.), occupational safety and health environment training, health promotion instructions, workplace anti-bullying, anti-sexual harassment and other related comprehensive training. Let all employees clearly understand the company's regulations when they enter the job; corporate social responsibility training is also conducted for department heads. Through diversified explanations, supervisors are able to better understand relevant regulations. Supervisors and colleagues work together to achieve a win-win situation for the company and employees.
Freedom of Association	The Company does not have any restrictions on employees' freedom of association and collective negotiation. The Company complies with the relevant RBA guidelines and has established "Management Procedures for Freedom of Association and Collective Bargaining" to respect and support all employees' independence, freedom of association, collective bargaining and participation in peacetime the right to assemble. Employees and any representatives may communicate and share their ideas with the management through labor-management meetings or other reasonable means of expressing opinions without fear of discrimination, threats and harassment.

(5-1) Climate-related information of TWSE/ TPEx-listed companies

1. Implementation of climate-related information

Item	Status of implementation
1. Describe the monitoring and governance of climate-related risks and opportunities by the Board of Directors and the management.	In order to strengthen the promotion of climate governance, the Company established the "ESG Enterprise Sustainable Development Committee" (renamed as "ESG Promotion Office" in January 2024) on March 1, 2022, with the President as the chairman and the business unit head as the committee member. In 2024, the progress of greenhouse gas inventory and verification will be reported to the Board of Directors every quarter. The "ESG Promotion Office" will be used to report and discuss related climate issues in order to formulate response strategies and promote the sustainable operation of the Company.

Item	Status of implementation
2. Describe how the identified climate risks and opportunities affect the Company's business, strategy and finance (short-, medium-, and long-term).	In terms of identifying climate risks and opportunities, the short-term is less than 3 years, the medium-term is 4-8 years, and the long-term is more than 9 years. In 2024, 3 risks and 3 opportunities were identified. The risk-related items are: Changes in customer demand (medium term), requirements of energy-heavy industries (medium term), and Taiwan's carbon fee (medium term); opportunity-related projects are: entering new markets (short term), making good use of public sector incentives (short term), and increasing recycling rates (short term). The above risks and opportunities will have a potential impact on the Company's operating income and operating costs. In order to reduce the operational impact of climate change, after identifying risks and opportunities, the company has formulated corresponding strategies such as improving the research and development and application of the green energy market, working with the supply chain to set greenhouse gas reduction targets, and improving resource recycling and reuse rates, strengthening the use of renewable energy, advancing sustainable energy transition, and developing carbon fee response strategies and emission reduction action plans. It has also set short-, medium-, and long-term management goals for power saving rate, carbon reduction, process RO wastewater recovery rate, and waste recovery rate to regularly review and evaluate the achievement of goals and formulate corresponding improvement plans.
3. Describe the financial impacts of extreme climate events and transformational actions.	Extreme climate conditions will affect the stability of corporate production lines and supply chains, and there is a risk of disrupting the Company's operations. In terms of transition risks, under the wave of low-carbon economy, policy and regulatory norms, such as the requirements of the "Renewable Energy Development Act" to build renewable energy or energy storage equipment, purchase renewable energy electricity and certificates, and the carbon fee collection policy of the "Climate Change Response Act", will increase the company's operating costs; in terms of market and customer demand, if its demand for low-carbon products is not met, it will face the loss of orders. In this regard, in terms of transformation actions, the company will focus on process improvement, striving to ensure that the process meets the goals of low pollution, low energy consumption and water conservation. At the same time, it will actively expand the layout of green energy supply chain products (solar energy/ energy storage system/

Item	Status of implementation
	electric vehicles) and increase its revenue share. The financial impact of extreme climate conditions and transformation actions will be reflected in increased operating costs, but will also have positive benefits in entering new markets and increasing opportunities for low-carbon products and services.
4. Describe how the climate risk identification, assessment and management process is integrated into the overall risk management system.	The Company's ESG Promotion Office's promotion team members, relevant business units and sustainability consultants refer to the sources of climate risks and opportunities recommended by TCFD, review, evaluate and identify climate-related risks and opportunities through meetings, formulate relevant risk/ opportunity response measures based on the identification results, and report risk management status to the Sustainability Committee and the Board of Directors at least once a year.
5. If scenario analysis is adopted to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and main financial impacts used should be explained.	Not applicable.
6. If there is a transformation plan to manage climate-related risks, describe the content of the plan and the indicators and targets used to identify and manage physical and transformation risks.	Not applicable.
7. If internal carbon pricing is used as a planning tool, the basis for setting the price shall be explained.	Not applicable.
8. If climate-related targets are set, the activities covered, the scope of greenhouse gas emissions, the planning period, the annual progress achieved, and other information shall be explained; if carbon offsets or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of the carbon reduction credits or the number of renewable energy certificates (RECs) offset shall be explained.	Not applicable.

Item	Status of implementation
9. Greenhouse gas inventory and assurance status, as well as reduction targets, strategies and concrete action plans (fill in 1-1 and 1-2 separately).	According to the Sustainable Development Roadmap released by the Financial Supervisory Commission, if the paid-in capital of this company does not reach NT$5 billion, it shall disclose the individual company inventory data starting from 2026 and the parent-subsidiary inventory data starting from 2027; complete the individual company assurance starting from 2028 and the parent-subsidiary assurance starting from 2029. Please refer to Table 1-1 below for the Company's greenhouse gas inventory and assurance status.

1-1 The Company’s greenhouse gas inventory and assurance in the last two years

Year		2024		2023	
Scope	Category	Emissions (tons CO2e)	Intensity	Emissions (tons CO2e)	Intensity
Scope 1	Category 1	509.9962	0.06	385.3014	0.05
Scope 2	Category 2	23,849.1009	2.76	22,981.7208	2.91
Scope 3	Category 3	3,199.7721	2.50	2,024.6418	2.04
	Category 4	18,413.6808		14,049.8110	
	Category 5	-		-	
	Category 6	-		-	
Total		45,972.55	5.32	39,441.475	5.00
Description of assurance		The Company adopted the ISO 14064-1 standard for greenhouse gas inventory. The scope of the inventory data covers the Company's operating bases in Taiwan, including the Gangshan Plant, Yongan Plant, Hsinchu R&D Center, and Taipei Operation Center. As of the date of publication of the annual report, the Company has not yet obtained the statement of assurance. The conclusions of verification will be disclosed on the MOPS and in the annual report of the next year.		Assurance range: GHG emissions for 2023, including the plant located at No. 24 & 34, Gangshan North Road, Gangshan District, Kaohsiung City Inspection agency: SGS Taiwan Inspection Technology Co., Ltd. Verification criteria: ISO 14064-1: 2018 Verification opinion: Provide reasonable assurance for Scope 1 and 2 (category 1 and category 2); scope 3 (category 3 to category 6) is a limited assurance verification statement.	

(Note 1) The scope of data for the 2024 greenhouse gas inventory covers the Gangshan Plant, Yongan Plant, Hsinchu R&D Center, and Taipei Operation Center; the data scope for the 2023 greenhouse gas inventory covers the Gangshan Plant

(Note 2) GHG emission intensity: GHG emissions (tonnes)/ Revenue (NTD million); 2024 revenue was NTD 8,654.54 million, and 2023 revenue was NTD 7,889.88 million.

Note 1: Direct emissions (scope 1, i.e. directly from emission sources owned or controlled by the Company), indirect energy emissions (scope 2, i.e. indirect greenhouse gas emissions from imported electricity, heat or steam) and Other indirect emissions (scope 3: emissions generated from corporate activities that are not indirect emissions from energy sources but come from sources owned or controlled by other companies).

Note 2: The data coverage of direct emissions and indirect energy emissions shall be handled in accordance with the schedule prescribed in Article 10, Paragraph 2 herein. Other indirect emissions information may be disclosed voluntarily.

Note 3: Greenhouse gas inventory standard: Greenhouse Gas Protocol (GHG Protocol) or ISO 14064-1 issued by the International Organization for Standard-ization (ISO).

Note 4: The intensity of greenhouse gas emissions can be calculated per unit of product/ service or turnover, but at least the data calculated in terms of turnover (NTD million) shall be stated.

1-2 Greenhouse gas reduction goals, strategies and specific action plans: The Company's paid-in capital does not reach NT$5 billion, and the disclosure shall be completed starting from 2027.

(VI) Status of ethical corporate management and deviation from the Ethical Corporate Management Best Practice Principles for TWSE/ GTSM Listed Companies, and the reasons therefor

Assessment Items	Operation status (Note 1)			Deviation and causes of deviation from the Ethical Corporate Management Best Practice Principles for TWSE/ GTSM Listed Companies
	Yes	No	Summary description	
I. Establishment of ethical corporate management policies and plans				
(I) Has the Company formulated the ethical management policies approved by the board of directors, and stated in the articles of association and external documents the policies and practices of operating in good faith, and the commitment of the board of directors and senior management to actively implement business policies?	✓		(I)The Company has established the "Ethical Corporate Management Best Practice Principles" and it has been approved by the Board of Directors. The above procedures are disclosed on the Company's website and the Market Observation Post System to clearly state the policy and practice of ethical management. The Company has also established the "Sustainable Development Policy (Guidelines)" (Policy) expressing the Company's belief in integrity and fair trade.	No difference
(II) Whether the Company has established an assessment mechanism for the risk of unethical conducts, regularly analyzes and assesses the business activities with higher risks of unethical conducts within the business scope, and formulates prevention programs accordingly, "Ethical Corporate Management Best Practice Principles", Paragraph 2, Article 7	✓		(II) In order to prevent unethical conduct, the Company has established relevant preventive measures, including: establishment of the "Ethical Corporate Management Operational Procedures and Conduct Guidelines" for employees to follow, design of an effective accounting system and internal control system to prevent the occurrence of potential fraudulent risks and the establishment of a whistle-blowing mechanism to detect unethical behaviors, which have covered the preventive measures in Article 7, Paragraph 2 of the "Ethical Corporate Management Best Practice Principles for TWSE/ TPEx Listed Companies. "	No difference
(III) Does the Company have the operational procedures, behavior guidelines, punishment and complaint systems clearly defined in the program to prevent unethical conduct, and implemented, and the program is regularly reviewed and amended?	✓		(III) In order to proactively prevent unethical conduct, the Company has established the “Procedures for Ethical Management and Guidelines for Conduct” and the “Stakeholders’ Opinions and Grievance Management Regulations” to clearly define the standards of conduct that employees must observe when carrying	No difference

Assessment Items	Operation status (Note 1)			Deviation and causes of deviation from the Ethical Corporate Management Best Practice Principles for TWSE/ GTSM Listed Companies
	Yes	No	Summary description	
			out business activities, as well as the disciplinary and grievance mechanisms to be followed in the event of violations. A designated unit is responsible for the revision, implementation, interpretation, and consultation services of the aforementioned regulations, as well as for the registration and filing of reported cases, the supervision of enforcement, and regular review and updates of these procedures.	
II. Implementing ethical corporate management (I)Does the Company evaluate the ethical records of its trading counterparts, and specify the ethical conduct clauses in the contracts signed with its trading counterparts?	✓		(I) In addition to evaluating the integrity records of our suppliers, the Company also requires them to sign the "Supplier Integrity and Anti-Bribery Commitment". The contracts signed with suppliers also include integrity and ethical conduct clauses, which clearly specify the liabilities for any breach of such terms.	No difference
(II) Has the Company set up a dedicated unit under the Board of Directors to promote corporate ethical management, and report to the Board of Directors regularly (at least once a year) on the implementation of ethical management policies and prevention of unethical conducts, and the supervision of the implementation?	✓		(II) The Company appoints the President's Office to coordinate relevant departments to organize an "Ethical Corporate Management Promotion Team", depending on the scope of business, to be responsible for formulating the ethical corporate management policies and programs to prevent unethical behaviors, and monitoring their implementation, and to report to the Board of Directors at least once a year. The Company's promotion of ethical corporate management in 2024 is as follows: 1. Continue to promote and supervise the signing of the anti-bribery commitment, with 852 signatories and 100% achievement rate. (Note) Considering the content of their duties, the anti-bribery commitment is mainly signed by indirect employees. 2. Implement the management, maintenance and	No difference

Assessment Items	Operation status (Note 1)			Deviation and causes of deviation from the Ethical Corporate Management Best Practice Principles for TWSE/ GTSM Listed Companies
	Yes	No	Summary description	
			handling of grievances through the e-mail boxes dedicated to grievances. The dedicated mailboxes for opinions and grievances were set up by the Company, and no grievances regarding the acceptance or offering of bribes were received during the year. 3. Conduct online training on "Prohibition of Insider Trading" for all directors and supervisors at managerial level or above. The course content includes topics such as "Requirements for Insider Trading," "Penalties for Violation of Insider Trading," and "How to Avoid Accidental Insider Trading." In addition, the Company's "Management Procedures for Prevention of Insider Trading", Article 9-2, stipulating that directors may not trade the Company's stock during the closed periods before the announcement of the quarterly financial statements, has been incorporated into the promotion content. 4. All directors completed the signing of the "Statement of Ethical Corporate Management" on the day of re-election (June 14, 2023). 5. On November 9, 2023, the board of directors approved the addition of a provision to the "Insider Trading Prevention Management Procedures" stating that directors shall not trade the company's stock during the closed periods, which are defined as 30 days prior to the announcement of the annual financial report and fifteen days prior to the announcement of each quarterly financial report. At the end of the year, the secretarial unit also informs the directors of the meeting date of the Board of	

Assessment Items	Operation status (Note 1)			Deviation and causes of deviation from the Ethical Corporate Management Best Practice Principles for TWSE/ GTSM Listed Companies
	Yes	No	Summary description	
			Directors of the following year by E-mail, and lists the closed periods before the announcement of the quarterly financial statements to prevent the directors from accidentally violating this rule The above implementation has been reported to the Board of Directors on March 7, 2025.	No difference
(III) Has the Company established policies to prevent conflicts of interest, provided appropriate channels of expression, and substantiated the policies?	✓		(III) The Company has a special e-mail box for complaints as a channel of expression. The head of the administrative department is responsible for project handling, and the internal audit office works with the legal affairs office to track progress, in order to handle complaints in a fair and timely manner.	No difference
(IV) Whether the Company has established an effective accounting system and internal control system to implement ethical management, and has the internal audit unit formulate relevant audit plans based on the assessment results of the risk of unethical conduct, and audit the prevention programs against unethical conduct accordingly, compliance, or appoint a CPA to perform the audit?	✓		(IV)The Company has established an effective accounting system and internal control system to prevent behaviors with potentially higher risk of dishonesty. The internal audit office also prepares an annual audit plan based on the risk assessment results to carry out audit work, and regularly reports the audit results to the Audit Committee and the Board of Directors.	No difference
(V) Does the Company organize internal and external training on ethical corporate management on a regular basis?	✓		(V)In addition to regular education and training on corporate social responsibility and ethical management to new recruits upon arrival, the Company organizes ethical management promotion seminars from time to time to demonstrate the Company's determination to operate with ethical management.	
III. The operation of the Company's whistle-blowing system (I) Does the Company establish a specific whistle-blowing and reward system, establish a convenient channel for reporting, and assign appropriate dedicated personnel to handle the reported subjects?	✓		(I) The "Procedures for Ethical Management and Guidelines for Conduct" established by the Company clearly define the whistle-blowing and reward system, whistle-blowing channels, and designated	No difference

Assessment Items	Operation status (Note 1)			Deviation and causes of deviation from the Ethical Corporate Management Best Practice Principles for TWSE/ GTSM Listed Companies
	Yes	No	Summary description	
			personnel for accepting whistle-blowing; whistle-blowing of unethical or improper conducts shall be handled accordingly.	
(II) Does the Company establish standard operating procedures for the investigation of whistle-blowing matters, the follow-up measures to be taken after the investigation is completed, and the related confidentiality mechanism?	✓		(II)The "Procedures for Ethical Management and Guidelines for Conduct" established by the Company clearly stipulate the standard investigation procedures for accepting reported matters, the follow-up measures to be taken after the investigation, and the related confidentiality mechanism; in the event of reporting of unethical or improper conduct All are handled accordingly.	No difference
(III) Has the Company taken measures to protect the whistleblower from improper treatment due to their whistleblowing?	✓		(III) The "Procedures for Ethical Management and Guidelines for Conduct" established by the Company clearly stipulate the measures to protect whistleblowers from improper treatment as a result of their whistleblowing; whistle-blowing of unethical or improper conducts shall be handled accordingly.	No difference
IV. Strengthening of information disclosure (I) Does the company disclose the content of the ethical corporate management principles established by the Company on its website and Market Observation Post System, and the progress of its implementation?	✓		The Company has disclosed the content of the Ethical Corporate Management Best Practice Principles on the Company's website and MOPS, and disclosed the Company's implementation of ethical corporate management and measures taken in the Annual Report of the Shareholders' Meeting and the Company's website.	No difference
V. If the Company has established its own ethical corporate management best-practice principles in accordance with the "Ethical Corporate Management Best-Practice Principles for TWSE/ TPEx Listed Companies," please describe the current practices and any deviations from the Best-Practice Principles: The Company has established the "Ethical Corporate Management Best Practice Principles" in accordance with the " Ethical Corporate Management Best Practice Principles for TWSE/ TPEx Listed Companies ," and all operating activities are conducted in accordance with the "Ethical Corporate Management Best Practice Principles", and there is no difference.				
VI. Other important information helpful to understand the Company's ethical corporate management operations: (e.g., the circumstance in which the Company is reviewing and amending its ethical corporate management best practice principles, etc.)				

Assessment Items	Operation status (Note 1)			Deviation and causes of deviation from the Ethical Corporate Management Best Practice Principles for TWSE/ GTSM Listed Companies
	Yes	No	Summary description	
1. The Company's Board of Directors passed the amendments to the "Ethical Corporate Management Best Practice Principles" and the "Ethical Corporate Management Best Practice Principles and Guidelines for Conduct" on August 8, 2019 and January 17, 2020, respectively, and reported the amendments in the 2020 annual general meeting. 2. The Company's Board of Directors approved the amendments to the "Code of Ethical Conduct" on August 12, 2020, and it was reported at the 2021 annual general meeting.				

Note 1: No matter whether "Yes" or "No" is selected for the operation status, it shall be explained in the summary description column.

(VII) Other important information that is sufficient to enhance the understanding of the Company's corporate governance may be disclosed together:

Please refer to pages 38-40 of this annual report.

(VIII) The following shall be disclosed regarding the implementation of the internal control system:

1. Declaration of internal control: It has been announced and declared on the information reporting website designated by the FSC.

   Please visit the MOPS

   Search Path: MOPS > Single Company > Corporate Governance > Company Regulations/Internal Control > Internal Control Statement Announcement for Query

   Search Website: https:/ / mops.twse.com.tw/ mops/ #/ web/ t06sg20

2. If the internal control system is audited by external auditors, the audit report shall be disclosed: No such situation.

(IX) Important resolutions of the shareholders' meeting and the board of directors in the most recent year and up to the date of publication of the annual report:

1. Important resolutions of the shareholders' meeting

Meeting date	Important resolution	Status of implementation
2024.06.13	1. Recognition of the 2023 Business Report and Financial Statements. 2. Acknowledgment of 2023 earnings appropriation proposal. 3. Amendments to the "Shareholders' Meeting Procedure Rules." 4. Amendment to the Company's Articles of Incorporation.	1. Completed. 2. NT$1.2 per share in cash; as the Board of Directors authorized the Chairman to set August 10, 2024 as the ex-dividend date, the cash dividends were paid in full on August 30, 2024. 3. Completed. 4. The change of registration was approved by MOEA on July 2, 2024.

2. Important resolutions of the board of directors

Meeting date	Important resolution matters
2024.01.26	1. Approved the motion of the Company's 2024 business plan. 2. Approved the establishment of the "Sustainable Development Committee" and the "Organizational Charter of Sustainable Development Committee ". 3. Approved the appointment of the Sustainability Committee members for the first "Sustainable Development Committee" of the Company. 4. Approved the proposal for year-end bonus for managerial officers of the Company in 2023. 5. Approved the 2023 annual managerial officer remuneration and performance evaluation. 6. Approved the 2023 director remuneration and performance evaluation of the Company.
2024.03.08	1. Approved the proposal for the Company's 2023 directors' remuneration. 2. Approved the proposal for the Company's 2023 directors' and employees' remuneration.

Meeting date	Important resolution matters
	3. Approved the Company's 2023 Business Report and Financial Statements. 4. Approved the Company's 2023 earnings appropriation. 5. Approved the evaluation of the independence of the Company's CPAs and the appointment and remuneration. 6. Approved the motion for Ernst & Young Global Limited and its affiliates to provide non-assurance services. 7. Approved the evaluation of the effectiveness of the internal control system and the "Declaration of Internal Control System" for 2023. 8. Approved the amendments to the "Procedures for Compilation and Verification of Sustainability Report." 9. Approved the amendments to the "Risk Management Guidelines". 10. Approved the amendments to the "Rules of Procedure for Board of Directors Meetings". 11. Approved the amendments to the "Organizational Charter of Audit Committee". 12. Approved the amendments to the "Rules of Procedure for Shareholders' Meetings." 13. Approved the amendments to the Company's Articles of Incorporation. 14. Approved the establishment of matters related to the Company's 2024 shareholders' meeting.
2024.05.09	1. Approved the Company's 2024 first quarter financial statements. 2. Approved the 2023 Sustainability Report of the Company. 3. Approved the motion for new or increased comprehensive credit line, comprehensive foreign currency exchange line, and financial product transaction limit. 4. Approved the Company's 2024 first quarter managerial officer performance bonus. 5. Approved the remuneration to the Company's managerial officers for 2023. 6. Approved the distribution of the Company's 2023 directors' remuneration.
2024.08.09	1. Approval of the Company's 2024 second quarter financial statements. 2. Approved the motion for the Company to make endorsements/ guarantees for subsidiaries. 3. Approved the adjustment to the salaries of the Company's managers.
2024.11.08	1. Approval of the Company's 2024 third quarter financial statements. 2. Approved the establishment of the "Sustainable Information Management Regulations" of the Company. 3. Approved the proposal for the revision of the Company's internal control system and internal audit implementation rules. 4. Approved the internal audit plan that the Company is expected to implement in 2025. 5. Approved the loaning of funds to subsidiaries. 6. Approved the application for new or increased comprehensive credit line, comprehensive foreign exchange line, and financial product transaction limit.
2025.01.16	1. Approval of the Company's 2025 business plan. 2. Approved the revocation of the unused comprehensive credit line, comprehensive foreign exchange line, and financial product transaction limit for 2024, previously approved by the Board of Directors. 3. Approved the amendments to the "Procedures for Performance Evaluation of the Board of Directors and Functional Committees." 4. Approval of the Company's year-end bonus for managerial officers in 2024. 5. Approved the 2024 annual managerial officer remuneration and performance evaluation. 6. Approved the 2024 director remuneration and performance evaluation of the Company.
2025.02.07	1. Approved the signing of a memorandum of cooperation (MOU) with TOREX

Meeting date	Important resolution matters
	SEMICONDUCTOR LTD.
2025.03.07	1. Approved the proposal for the Company's 2024 directors' remuneration. 2. Approved the Company's 2024 employee remuneration proposal. 3. Approved the Company's 2024 Business Report and Financial Statements. 4. Approved the Company's 2024 earnings appropriation. 5. Approved the evaluation of the independence of the Company's CPAs and the appointment and remuneration. 6. Approved the motion for Ernst & Young Global Limited and its affiliates to provide non-assurance services. 7. Approved the evaluation of the effectiveness of the internal control system in 2024 and the "Declaration of Internal Control System". 8. Approved the amendments to the "Procedures for External Investments". 9. Approved the motion to apply for loan of funds from the subsidiaries of the Company. 10. Approved the application for new or increased comprehensive credit line, comprehensive foreign exchange line limit, and financial product transaction limit. 11. Approved the syndicated loans of the Company. 12. Approved the amendments to the "Rules of Procedure for Shareholders' Meetings." 13. Approved the amendments to the Company's Articles of Incorporation. 14. Approved the establishment of matters related to the Company's 2025 annual general meeting.

(X) In the most recent year and up to the date of publication of the annual report, if a director or supervisor has expressed a dissenting opinion with respect to a material resolution passed by the board of directors, and said dissenting opinion has been recorded or prepared as a written statement, the main content thereof: None.

IV. Information on CPA Fees

Units: NTD thousands

Name of CPA Firm	Name of CPA	Audit period	Audit public expenditure	Non-audit fees	Remarks
Ernst & Young Global Limited	Cheng-Chu Chen	2024.01.01 ~ 2024.12.31	5,690	330	1. Tax certification fee of NT$270 thousand 2. Service fee of NT$50 thousand for salary information inspection of non-managerial employees 3. Industrial and commercial registration service fee of NT$10 thousand
	Wen-Fun Fuh				

Note: If the Company has replaced CPA or CPA firm this year, please list the audit period separately, and explain the reason for the replacement in the remark column, and disclose the audit and non-audit public fees paid in order. Non-audit fees and the content of services should be explained in notes

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

(II) Where audit public expenditure has decreased by 10% or more from the previous year, the amount, percentage, and reason for the reduction shall be disclosed: None.

V. Replacement of CPAs: None.

VI. Any of the Company's Chairman, President, or managers responsible for financial or accounting affairs being employed by the auditor's firm or any of its affiliated company in the last year, including their names, job titles, and whereabouts of the accounting firm Firms or affiliates: None of such situations.

VII. Transfer of equity interests and/ or pledge of equity interests by a director, supervisor, managerial officer, or shareholder with a stake of more than 10% in the most recent year or during the current year up to the date of publication of the annual report

(I)Changes in shareholdings of directors, supervisors, managers and major shareholders

Unit: shares

Job title (Note 1)	Name	2024		As of April 22 of the current year	
		Shareholding increase (decrease)	Shares pledged increase (decrease)	Shareholding increase (decrease)	Shares pledged increase (decrease)
Chairman and President	Ming-Ching Fang	0	0	0	0
Director	Ming-Tsung Fang	0	0	0	0
Director	Yun-Hui Zhung	0	0	0	0
Institutional director	Jinmao Investment Co., Ltd.	2,859,000	4,500,000	1,496,000	0
Representative of institutional director	Hung-Kang Lin	0	0	0	0
Representative of institutional director	Chun-Hsiang Lin	0	0	0	0
Representative of Institutional Director and Vice President (Chief Operation Officer)	Tso-Ming Chen	0	0	0	0
Independent Director	Yi-Chen Chen	0	0	0	0
Independent Director	Liang-Fu Fan	0	0	0	0
Independent Director	Chun-Hsiung Chu	0	0	0	0
Independent Director	Yih-Chi Tai	0	0	0	0
Chief Strategy Officer	Xue-Han Li (adjusted on 2024.04.01)	0	0	-	-
Vice President	KOENIG ROLAND HERBERT	0	0	0	0
Vice President	Chao-Chuan Yang	0	0	0	0
Vice President	Chiew Teo Ann	0	0	0	0
Vice President	Woon-Young Yeo	9,000	0	0	0
Chief Financial Officer (Financial Supervisor)	Ying-Hsiu Shen	0	0	0	0
Chief Accounting Officer (Accounting Officer, Corporate Governance Officer)	Pai-Cheng Hsieh	0	0	0	0
Major shareholder	Jinmao Investment Co., Ltd.	2,859,000	4,500,000	1,496,000	0

Note 1: Shareholders holding more than 10% of the Company's total shares should be identified as major shareholders and listed separately.

Note 2: If the counterparty of equity transfer or equity pledge is a related party, the following table shall be filled out.

Note 3: The number of shares held or pledged for directors and managers who assumed office or were discharged during 2024 and 2025 was calculated based on the number of shares on the date when they assumed office or were discharged.

(II) The counterparty of equity transfer is a related party: None

(III) The counterparty of equity pledge is a related party: None

VIII. The top ten shareholders, who are related to each other or are spouses or relatives within the second degree of kinship

April 22, 2025; unit: shares

Name (Note 1)	Shares held by the owner		Shares held by spouse and underage children		Total Shares Held in the Name of Others		The names and relationships of the top ten shareholders who are related, spouse, or relatives within second degree of kinship to each other. (Note 3)		Remarks
	Number of shares	Share-holding ratio	Number of shares	Share-holding ratio	Number of shares	Share-holding ratio	Name	Relation ship	
Jinmao Investment Co., Ltd. Representative: Ming-Tsung Fang	56,476,710	14.78%	0	0.00%	0	0.00%	Ming-Tsung Fang Ming-Ching Fang Li-Hsiang Tsai Chun-Ming Chen	Note 4 Note 4 Note 6 Note 5	
	2,554,629	0.67%	9,393,480	2.46%	0	0.00%	Jinmao Investment Co., Ltd. Ming-Ching Fang Li-Hsiang Tsai Chun-Ming Chen	Note 4 Younger brother Sister-in-law Wife	
Chun-Ming Chen	9,393,480	2.46%	2,554,629	0.67%	0	0.00%	Jinmao Investment Co., Ltd. Ming-Tsung Fang Ming-Ching Fang Li-Hsiang Tsai	Note 5 Husband Brother-in-law Sister-in-law	
Ming-Ching Fang	8,522,888	2.23%	3,903,560	1.02%	0	0.00%	Jinmao Investment Co., Ltd. Ming-Tsung Fang Chun-Ming Chen Li-Hsiang Tsai	Note 4 Brother Sister-in-law Wife	
Tai Feng Investment Co., Ltd. Representative: Ching Yen	5,410,935	1.42%	0	0.00%	0	0.00%	None	None	
	1,140,000	0.30%	43,500	0.01%	0	0.00%	None	None	
Standard Chartered Bank (Taiwan) Ltd., Business Department, acts as custodian for the Advanced Starlight Fund Series – Advanced Global Equity Index Fund Investment Account	5,356,398	1.40%	0	0.00%	0	0.00%	None	None	

Name (Note 1)	Shares held by the owner		Shares held by spouse and underage children		Total Shares Held in the Name of Others		The names and relationships of the top ten shareholders who are related, spouse, or relatives within second degree of kinship to each other. (Note 3)		Remarks
	Number of shares	Share-holding ratio	Number of shares	Share-holding ratio	Number of shares	Share-holding ratio	Name	Relation ship	
JPMorgan Chase Bank N.A. Taipei Branch in custody for the Vanguard Total International Stock Index Fund, a series of Vanguard Star Funds	5,013,740,	1.31%	0	0.00%	0	0.00%	None	None	
Norges Bank Investment Account under custody of Citibank (Taiwan)	4,585,500	1.20%	0	0.00%	0	0.00%	None	None	
Li-Hsiang Tsai	3,903,560	1.02%	8,522,888	2.23%	0	0.00%	Jinmao Investment Co., Ltd. Ming-Tsung Fang Chun-Ming Chen Ming-Ching Fang	Note 6 Brother-in-law Sister-in-law Husband	
HSBC Bank (Taiwan) Ltd. acts as custodian for the Polymer Asia Fund Limited Partnership – Merrill International Investment Account	3,332,000	0.87%	0	0.00%	0	0.00%	None	None	Note 7
TransGlobe Life Insurance Inc..	2,952,000	0.77%	0	0.00%	0	0.00%	None	None	

Note 1: The top ten shareholders should all be listed. If they are corporate shareholders, the names of the corporate shareholders and the names of their representatives shall be listed separately.

Note 2: The calculation of shareholding refers to the calculation of shareholding in own name, spouse, and underage children or in the name of others.

Note 3: The shareholders listed above include both legal persons and natural persons, and the relationship between them should be disclosed in accordance with the issuer's financial reporting standards.

Note 4: Chairman (Ming-Tsung Fang) and Supervisor (Ming-Ching Fang) of the Company

Note 5: Chairman (Ming-Tsung Fang) and Supervisor (Ming-Ching Fang) of the Company are the husband or brother-in-law respectively.

Note 6: Chairman (Ming-Tsung Fang) and Supervisor (Ming-Ching Fang) of the Company are the brother-in-law or husband.

IX. Number of Shares Held by the Company, Directors, Supervisors, Managers of the Company, and Enterprises Controlled Directly or Indirectly by the Company in the Same Reinvestment Business and Its Consolidated Calculation of Comprehensive Shareholding Percentage

December 31, 2024; Unit: Shares; %

Reinvested business (Note)	The Company's investment		Directors, Supervisors, Managers, and Directly or Indirectly Controlling Businesses		Comprehensive investment	
	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio
PAN-JIT ASIA INTERNATIONAL INC.	224,724,315	100.00%	0	0.00%	224,724,315	100.00%
PYNMAX Technology Co., LTD	84,492,784	94.64%	8,399	0.01%	84,501,183	94.65%
MILDEX OPTICAL INC.	16,327,867	21.01%	6,936,433	8.92%	23,264,300	29.93%
Alltop Technology Co., Ltd.	11,393,009	17.80%	200,000	0.31%	11,593,009	18.11%
Champion Microelectronic Corp.	24,536,000	30.68%	0	0.00%	24,536,000	30.68%
AIDE ENERGY EUROPE COÖPERATIE U.A.(Note 1.)	-	100.00%	-	0.00%	-	100.00%
Panjit Japan Co., Ltd.	5,445	55.00%	990	10.00%	6,435	65.00%
PAN-JIT INTERNATIONAL (H.K.) LTD.	9,711,000	100.00%	0	0.00%	9,711,000	100.00%
PANJIT KOREA CO., OTD.	54,000	60.00%	0	0.00%	54,000	60.00%
PANJIT Investment Co., Ltd.	4,300,000	100.00%	0	0.00%	4,300,000	100.00%

(Note): The long-term investment under the equity method of the Company.

Note 1. It is a partnership company, so there is no number of shares.

Three. Participation and fundraising

I. Matters to be disclosed regarding capital and shares

(I) Source of share capital

1. Type of shares:

April 22, 2025 Unit: Share

Type of shares	Authorized share capital			Remarks
	Outstanding shares (Note)	Unissued shares	Total	
Common share	382,114,927	217,885,073	600,000,000	

Note: Shares of listed companies

2. The formation of share capital:

April 22, 2025

Year/ month	Issuance price	Authorized share capital		Paid-in capital stock		Remarks		
		Number of shares (thousand shares)	Amount (NTD thousand)	Number of shares (thousand shares)	Amount (NTD thousand)	Source of share capital	Property other than cash as payment for share payment	Other
1986.05	1000	5	5,000	5	5,000	Note (1)	None	None
1994.12	1000	100	100,000	100	100,000	Note (2)	None	None
1997.10	10	19,900	199,000	19,900	199,000	Note (3)	None	None
1998.07	10	35,820	358,200	35,820	358,200	Note (4)	None	None
1998.12	10	55,740	557,400	40,800	408,000	Note (5)	None	None
1999.08	10	70,000	700,000	53,040	530,400	Note (6)	None	None
2000.07	10	111,000	1,110,000	74,821.8	748,218	Note (7)	None	None
2001.09	10	160,000	1,600,000	98,468.3	984,683	Note (8)	None	None
2002.09	10	210,000	2,100,000	113,880.5	1,138,805	Note (9)	None	None
2003.07	10	210,000	2,100,000	124,406.4	1,244,064	Corporate bond conversion	None	None
2003.09	10	210,000	2,100,000	137,530.5	1,375,305	Note (10)	None	None
2004.01	10	210,000	2,100,000	140,888.4	1,408,884	Corporate bond conversion	None	None
2004.03	10	210,000	2,100,000	148,825.2	1,488,252	Corporate bond conversion	None	None
2004.07	10	280,000	2,800,000	167,719.0	1,677,190	Note (11)	None	None
2005.08	10	280,000	2,800,000	184,922.8	1,849,228	Note (12)	None	None
2005.11	10	280,000	2,800,000	184,711.8	1,847,118	Cancellation of treasury stock	None	None
2006.04	10	280,000	2,800,000	194,168.3	1,941,683	Corporate bond conversion	None	None
2006.07	10	280,000	2,800,000	195,681.3	1,956,813	Corporate bond conversion	None	None
2007.01	10	280,000	2,800,000	215,698.5	2,156,985	Note (13)	None	None
2007.04	10	280,000	2,800,000	222,324.9	2,223,249	Corporate bond conversion	None	None

Year/ month	Issuance price	Authorized share capital		Paid-in capital stock		Remarks		
		Number of shares (thousand shares)	Amount (NTD thousand)	Number of shares (thousand shares)	Amount (NTD thousand)	Source of share capital	Property other than cash as payment for share payment	Other
2007.07	10	280,000	2,800,000	224,600.8	2,246,008	Corporate bond conversion	None	None
2007.08	10	280,000	2,800,000	241,421.2	2,414,212	Note (15)	None	None
2007.10	10	500,000	5,000,000	257,054.3	2,570,543	Note (14)	None	None
2008.01	10	500,000	5,000,000	260,995.1	2,609,951	Corporate bond conversion	None	None
2008.08	10	500,000	5,000,000	296,966.9	2,969,669	Note (16)	None	None
2008.10	10	500,000	5,000,000	316,966.9	3,169,669	Note (17)	None	None
2009.10	10	500,000	5,000,000	317,445.4	3,174,454	Corporate bond conversion	None	None
2010.01	10	500,000	5,000,000	326,335.3	3,263,353	Corporate bond conversion	None	None
2010.04	10	500,000	5,000,000	331,732.4	3,317,324	Corporate bond conversion	None	None
2010.07	10	500,000	5,000,000	340,614.4	3,406,144	Corporate bond conversion Employee stock options	None	None
2010.10	10	500,000	5,000,000	370,614.4	3,706,144	Note (18)	None	None
2010.11	10	500,000	5,000,000	370,727.1	3,707,271	Corporate bond conversion Employee stock options	None	None
2011.01	10	500,000	5,000,000	372,854.8	3,728,548	Corporate bond conversion Employee stock options	None	None
2011.05	10	500,000	5,000,000	377,150.1	3,771,501	Corporate bond conversion Employee stock options	None	None
2011.08	10	500,000	5,000,000	377,785.6	3,777,856	Corporate bond conversion	None	None
2011.09	10	500,000	5,000,000	374,785.6	3,747,856	Cancellation of treasury stock	None	None
2011.10	10	500,000	5,000,000	371,935.6	3,719,356	Employee stock options Cancellation of treasury stock	None	None
2014.04	10	500,000	5,000,000	382,726.9	3,827,269	Corporate bond conversion	None	None
2014.07	10	500,000	5,000,000	385,675.7	3,856,757	Corporate bond conversion	None	None

Year/ month	Issuance price	Authorized share capital		Paid-in capital stock		Remarks		
		Number of shares (thousand shares)	Amount (NTD thousand)	Number of shares (thousand shares)	Amount (NTD thousand)	Source of share capital	Property other than cash as payment for share payment	Other
2014.10	10	500,000	5,000,000	387,716.2	3,877,162	Corporate bond conversion	None	None
2014.11	10	500,000	5,000,000	384,716.2	3,847,162	Cancellation of treasury stock	None	None
2015.03	10	500,000	5,000,000	383,335.5	3,833,355	Corporate bond conversion Cancellation of treasury stock	None	None
2015.05	10	500,000	5,000,000	388,158.0	3,881,580	Corporate bond conversion	None	None
2015.08	10	500,000	5,000,000	388,991.4	3,889,914	Corporate bond conversion	None	None
2016.02	10	500,000	5,000,000	352,448.2	3,524,482	Corporate bond conversion Cancellation of treasury stock	None	None
2016.04	10	500,000	5,000,000	363,598.8	3,635,988	Corporate bond conversion	None	None
2016.08	10	500,000	5,000,000	364,148.5	3,641,485	Corporate bond conversion	None	None
2016.10	10	500,000	5,000,000	369,794.4	3,697,944	Corporate bond conversion	None	None
2019.08	10	600,000	6,000,000	332,814.9	3,328,149	Capital reduction in cash	None	None
2021.11	10	600,000	6,000,000	382,814.9	3,828,149	Cash capital increase and issuance of common shares to participate in the issuance of Global depository receipt	None	None
2023.06	10	600,000	6,000,000	382,114.9	3,821,149	Cancellation of treasury stock	None	None

Notes: (1) The share capital was NT$5 million at the time of establishment in May 1986.

(2) In December 1994, the Ministry of Economic Affairs, Department of Commerce, approved cash capital increase of NT$95,000,000 under approval number (84) Business No. 100006 on January 11, 1995.

(3) In October 1997, the Department of Commerce of the Ministry of Economic Affairs approved the (86)-Shang No. 120510 issued on 1997.10.29 to change the par value per share to NT$10, and to increase the capital by NT$29,000,000 and NT$70,000,000 of earnings.

(4) In April 1998, the Securities and Futures Management Committee of the Ministry of Finance approved Tai-Cai-Zheng (1) No. 30874 on 87.4.17 (87) to increase capital by NT$99,500,000 from cash and increase capital by NT$59,700,000 from earnings at a par value of NT$10 per share. A total of new shares were issued 15,920,000 shares

(5) In October 1998, the Securities and Futures Management Committee of the Ministry of Finance approved Tai-Cai-Zheng (1) No. 91485 on 1998.10.31 (87) to raise NT$49,800,000 of new shares, with a face value of NT$10 per share and a total of 4,980,000 new shares.

(6) In August 1999, the Securities and Futures Bureau of the Ministry of Finance approved Tai-Cai-Zheng (1) No. 76284 on 88.8.20 (88) to increase capital by NT$81,600,000 and capital reserve by NT$40,800,000, at a par value of NT$10 per share. A total of 12,240,000 new shares were issued.
(7) In April 2000, the Securities and Futures Bureau of the Ministry of Finance approved a capital increase from retained earnings of NT$159,120,000 under approval number (89) Tai Finance Securities (1) No. 30271 on April 12, 2000, and a cash capital increase of NT$58,697,600 under approval number (89) Tai Finance Securities (1) No. 38406 on May 3, 2000. The par value per share is NT$10, resulting in a total issuance of 21,781,760 new shares.
(8) In August 2001, the Securities and Futures Bureau of the Ministry of Finance approved a capital increase from retained earnings of NT$149,643,520, a capital increase from capital reserves of NT$74,821,760, and a capital increase from employee bonuses of NT$12,000,000 under approval number (90) Tai Finance Securities (1) No. 153914 on August 27, 2001. The par value per share is NT$10, resulting in a total issuance of 23,646,528 new shares.
(9) In June 2002, the Securities and Futures Management Committee of the Ministry of Finance approved Tai-Cai-Zheng-Yi-Zi No. 910135577 on 2002.6.28 to increase capitalization of earnings by NT$98,468,290, capital company by NT$49,234,140 and employee bonus by NT$6,420,000; face value per share of NT$10 and 15,412,243 new shares were issued.
(10) In July 2003, the Securities and Futures Management Committee of the Ministry of Finance approved Tai-Cai-Zheng-Yi-Zi No. 920129806 on 2003.7.4 to increase capitalization of earnings by NT$44,667,820, capital company by NT$33,500,860 and employee bonus by NT$5,097,000; face value per share of NT$10 and 8,326,568 new shares were issued and 4,797,517 shares from convertible bonds.
(11) In June 2004, the Securities and Futures Management Committee of the Ministry of Finance approved Tai-Cai-Zheng-Yi-Zi No. 930125243 on 2004.6.8 to increase capitalization of earnings by NT$131,952,800, capital company by NT$43,984,260 and employee bonus by NT$11,474,000; face value per share of NT$10 and 18,741,106 new shares were issued and 152,631 shares from convertible bonds.
(12) In July 2005, the Financial Supervisory Commission of the Executive Yuan approved Jin-Guan-Zheng-Yi-Zi No. 0940127020 on 2005.7.5 to increase capitalization of earnings by NT$98,104,780, capital company by NT$65,403,180 and employee bonus by NT$8,530,000; face value per share of NT$10 and 17,203,796 new shares were issued.
(13) In October 2006, the Financial Supervisory Commission of the Executive Yuan approved Jin-Guan-Zheng-Yi-Zi No. 0950146573 on 2006.10.17 to increase cash capital by NT$200,000,000; face value per share of NT$10 and 20,000,000 new shares issued and 17,241 shares from convertible bonds.
(14) In June 2007, the Financial Supervisory Commission of the Executive Yuan approved Jin-Guan-Zheng-Yi-Zi No. 0960029324 on 2007.6.15 to increase cash capital by NT$200,000,000; face value per share of NT$10 and 10,000,000 new shares issued and 5,633,075 shares from convertible bonds.
(15) In July 2007, the Financial Supervisory Commission of the Executive Yuan approved Jin-Guan-Zheng-Yi-Zi No. 0960033639 on 2007.7.3 to increase capitalization of earnings by NT$114,108,750, capital company by NT$39,499,180 and employee bonus by NT$14,597,000; face value per share of NT$10 and 16,820,493 new shares were issued.
(16) In July 2008, the Financial Supervisory Commission of the Executive Yuan approved Jin-Guan-Zheng-Yi-Zi No. 0970032540 on 2008.7.1 to increase capitalization of earnings by NT$$260,995,060, capital company by NT$78,298,510 and employee bonus of NT$20,425,000; face value per share of NT$10 and 35,971,857 new shares were issued.
(17) In May 2008, the Financial Supervisory Commission of the Executive Yuan approved Jin-Guan-Zheng-Yi-Zi No. 09700196561 on 2008.5.15 to increase cash capital by NT$200,000,000; face value per share of NT$10 and 20,000,000 new shares were issued.
(18) In May 2010, the Financial Supervisory Commission of the Executive Yuan approved Jin-Guan-Zheng-Fa-Zi No. 0990025195 on 2010.5.26 to increase cash capital by NT$300,000,000; face value per share of NT$10 and 30,000,000 new shares were issued.
(19) In September 2021, the Financial Supervisory Commission of the Executive Yuan approved Jin-Guan-Zheng-Fa-Zi No. 1100357515 to increase cash capital by 50,000,000 to 60,000,000 common shares for face value per share of NT$10.

3. Information related to the blanket declaration system: Not applicable.

(II) List of major shareholders: shareholders with shareholdings of 5% or more; if there are fewer than ten shareholders, the names of the shareholders with the top ten shareholdings, the number of shares and the percentage of shares held shall be disclosed

April 22, 2025; Unit: Share

Shares / Name of major shareholder	Number of shares held	Shareholding ratio
Jinmao Investment Co., Ltd.	56,476,710	14.78%
Chun-Ming Chen	9,393,480	2.46%
Ming-Ching Fang	8,522,888	2.23%
Tai Feng Investment Co., Ltd.	5,410,935	1.42%
Standard Chartered Bank (Taiwan) Ltd., Business Department, acts as custodian for the Advanced Starlight Fund Series – Advanced Global Equity Index Fund Investment Account	5,356,398	1.40%
JPMorgan Chase Bank N.A. Taipei Branch in custody for the Vanguard Total International Stock Index Fund, a series of Vanguard Star Funds	5,013,740	1.31%
Norges Bank Investment Account under custody of Citibank (Taiwan)	4,585,500	1.20%
Li-Hsiang Tsai	3,903,560	1.02%
HSBC Bank (Taiwan) Ltd. acts as custodian for the Polymer Asia Fund Limited Partnership – Merrill International Investment Account	3,332,000	0.87%
TransGlobe Life Insurance Inc.	2,952,000	0.77%

(III) The Company's dividend policy and implementation

1. Dividend policy stipulated in the Articles of Incorporation:

   If the Company records a profit at the end of the fiscal year, it shall first pay applicable taxes and offset any accumulated losses. Thereafter, 10% of the profit shall be allocated to the legal reserve, and any special reserve shall be appropriated or reversed in accordance with the regulations of the competent authority. The remaining amount, combined with undistributed earnings at the beginning of the period, shall be used by the Board of Directors to draft a proposal for earnings distribution. If the distribution is to be carried out by issuing new shares, it must be submitted to the shareholders' meeting for approval before allocation.

   In accordance with Article 240, Paragraph 5 of the Company Act, where the distribution of all or part of dividends and bonuses is to be made in cash, the Board of Directors is authorized to make such distribution by a resolution adopted by the attendance of at least two-thirds of all directors and the approval of a majority of the attending directors, and shall report the resolution to the shareholders' meeting.

   The Company's dividend policy is determined by the Board of Directors in accordance with the business plan, investment plan, capital budget and changes in the internal and external environments. The Company's business is a capital-intensive industry and is currently in the stage of growth. Taking into account the Company's future capital requirements, long-term financial planning, and satisfaction of shareholders' needs for cash inflow, the principles for earnings distribution are as follows: Shareholders' dividends shall be set aside based on no less than 10% of the distributable earnings for the current year. However, when the accumulated distributable earnings are less than

10% of the paid-in capital, the distribution may not be made; dividends may also be distributed to shareholders in the form of stock dividends. However, the total amount of cash dividends shall not be less than 10% of the total dividends to shareholders.

In accordance with Article 241 of the Company Act, the Company may distribute all or part of its legal reserve and capital reserve to shareholders in proportion to their shareholding. If the distribution is made in cash, the Board of Directors is authorized to approve the distribution by a resolution adopted with the attendance of at least two-thirds of all directors and the approval of a majority of the attending directors, and the resolution shall be reported to the shareholders' meeting. If the distribution is made in the form of newly issued shares, it shall be submitted to the shareholders' meeting for approval before distribution.

2. The proposed distribution of dividends at the shareholders' meeting:

   The Company's 2024 net income was NT$918,523,486, plus the disposal of equity instruments at fair value through other comprehensive income of NT$431,913, less other comprehensive income of 2024 (re-measurement of the defined benefit plan) NT$18,999,249; NT$89,995,615 was set aside as a legal reserve; the distributable earnings for the year was NT$809,960,535; together with the undistributed earnings at the beginning of the period NT$2,038,127,838, the accumulated distributable earnings were NT$2,848,088,373; proposed distribution of dividends to shareholders per share 1.4 in cash, totaling NT$534,960,898.

3. Material changes in expected dividend policy: None

(IV) Effects of the stock dividends proposed at the current shareholders' meeting on the Company's operating performance and earnings per share

No stock dividends proposed for distribution at the current shareholders' meeting, so it is not applicable.

(V) Remuneration to employees and directors:

1. The percentage or range of remuneration to employees and directors as set forth in the Company's Articles of Incorporation:
   If the Company makes a profit for the year, no less than 6% of the profit shall be appropriated as employee's remuneration and no more than 2% of the profit shall be appropriated as directors' remuneration. However, if the Company still has accumulated losses, an amount shall be reserved in advance to offset the losses.
   The employee compensation in the preceding paragraph may be paid in the form of shares or cash. The compensation may include employees of controlled companies or subsidiaries of the Company who meet certain conditions. The certain conditions are determined by the board of directors.

2. The basis for estimating the amount of employee and director remuneration, the basis for calculating the number of shares to be distributed as employee remuneration for the current period, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated figure:
   In accordance with Article 19 of the Company's Articles of Incorporation, "If the Company has a profit in the year, no less than 6% of the profit shall be appropriated as remuneration to employees and no more than 2% as remuneration to directors." However, if the Company still has accumulated losses, an amount shall be reserved in advance to offset the losses...." requirements. The estimated remuneration of employees and directors is recognized as salary expenses in the current period. When the estimated amount is different from the actual amount resolved by the board of directors, it is

recognized as profit or loss of the following year.

3. The distribution of remuneration approved by the Board of Directors:
   (1) Employees' and directors' remunerations distributed in cash or shares:
   The Company's Board of Directors resolved to distribute remuneration based on the FY2024 profit of NT$1,043,554,139 after deducting the amount retained to offset accumulated losses. Of this amount, NT$18,000,000, or 1.72 percent, was allocated as directors' remuneration, and NT$67,679,520, or 6.49 percent, was allocated as employees' remuneration. All payments were made in cash.
   (2) The ratio of the amount of remuneration to employees distributed in stock to the total of the net income after tax and total remuneration to employees in the parent company only or individual financial reports for the current period :
   There is no proposed distribution of employee remuneration in shares by the Board of Directors, so it is not applicable.

4. The actual distribution of employees' and directors' remuneration in the previous year (including the number of shares distributed, the amount and the price of the shares), and any discrepancy between the actual distribution and the recognized employees' and directors' remuneration, the amount, causes and treatment of such discrepancy:

	Previous Year (2023)			
	Actual quantity allotted	Approved by the Board of Directors Proposed amount to be allotted	Discrepancy	Reason for difference
1. Cash remuneration for employees	NT$63,400,000	NT$63,400,000	NT$0	Not applicable
2.Employee stock remuneration				
(1) Number of shares	0 share	0 share	0 share	
(2) Amount	NT$0	NT$0	NT$0	
(3) Stock price	NT$0	NT$0	NT$0	
3.Remuneration to directors	NT$16,495,000	NT$16,495,000	NT$0	

(VI) Shares repurchased by the Company

1. Those that have been executed

April 22, 2025

Number of buyback periods	1st instalment (term)	2nd instalment (term)	3rd instalment (term)	4th instalment (term)	5th instalment (term)
Purpose of repurchase	Transfer of shares to employees	Transfer of shares to employees	Transfer of shares to employees	Transfer of shares to employees	Transfer of shares to employees
Repurchase period	July 26, 2002 to September 25, 2002	January 22, 2003 to March 21, 2003	May 19, 2004 to July 18, 2004	May 3, 2005 to July 2, 2005	June 13, 2006 to August 12, 2006
Repurchase range price	NT$17.1 to 36.9	NT$16.0 to 37.5	NT$19.6 to 53	NT$11.2 to 30.36	NT$8.90 to 23.95
Type and quantity of shares repurchased	Common shares: 211,000 shares	Common shares: 2,000,000 shares	Common shares: 2,000,000 shares	Common shares: 2,000,000 shares	Common shares: 2,000,000 shares
Ratio of repurchased shares to expected repurchased shares (%)	10.55%	100.00%	100.00%	100.00%	100.00%
Amount of shares repurchased	NT$4,837,573 (including handling fees)	$45,445,789 (including handling fees)	NT$53,743,150 (including handling fee)	NT$32,587,050 (including handling fee)	$25,797,190 (including handling fee)
Quantity of canceled and transferred shares	211,000 shares	2,000,000 shares	2,000,000 shares	2,000,000 shares	2,000,000 shares
Cumulative quantity of the Company's shares held	0 share	0 share	0 share	0 share	0 share
The ratio of the number of the Company's shares held to the total number of issued shares (%)	0.00%	0.00%	0.00%	0.00%	0.00%

Number of buyback periods	6th instalment (term)	7th instalment (term)	8th instalment (term)	9th instalment (term)	10th instalment (term)
Purpose of repurchase	Transfer of shares to employees	Transfer of shares to employees	Transfer of shares to employees	Transfer of shares to employees	Transfer of shares to employees
Repurchase period	August 31, 2006 to October 30, 2006	July 3, 2008 to September 2, 2008	September 8, 2008 to November 7, 2008	August 30, 2011 to October 29, 2011	December 1, 2011 to January 31, 2012
Repurchase range price	NT$9.00 to 21.75	NT$13.65 to 41.60	NT$12.05 to 32.40	NT$12.50 to 36.95	NT$8.75 to 23.30
Type and quantity of shares repurchased	Common shares: 3,000,000 shares	Common shares: 3,000,000 shares	Common shares: 3,000,000 shares	Common shares: 3,000,000 shares	Common shares: 1,500,000 shares
Ratio of repurchased shares to expected repurchased shares (%)	100.00%	100.00%	100.00%	30.00%	30.00%
Amount of shares repurchased	$42,412,379 (including handling fees)	NT$62,805,907 (including handling fees)	NT$52,033,225 (including handling fee)	NT$50,114,346 (including handling fees)	$24,248,643 (including handling fees)
Quantity of canceled and transferred shares	3,000,000 shares	3,000,000 shares	3,000,000 shares	3,000,000 shares	1,500,000 shares
Cumulative quantity of the Company's shares held	0 share	0 share	0 share	0 share	0 share
The ratio of the number of the Company's shares held to the total number of issued shares (%)	0.00%	0.00%	0.00%	0.00%	0.00%

Number of buyback periods	11th instalment (term)	12th instalment (term)	13th instalment (term)
Purpose of repurchase	Safeguarding the Company's credit and shareholders' equity	Safeguarding the Company's credit and shareholders' equity	Transfer of shares to employees
Repurchase period	September 24, 2015 to November 23, 2015	November 11, 2015 to January 10, 2016	March 24, 2020 to May 23, 2020
Repurchase range price	NT$6.72 to 14.34	NT$8.37 to 19.08	NT$10.54 to 34.50
Type and quantity of shares repurchased	common shares: 20,000,000 shares	Common shares: 18,000,000 shares	common shares: 700,000 shares
Ratio of repurchased shares to expected repurchased shares (%)	100.00%	100.00%	7.00%
Amount of shares repurchased	NT$246,547,489 (including handling fee)	$263,515,489 (including handling fee)	NT$16,507,418 (including handling fee)
Quantity of canceled and transferred shares	20,000,000 shares	18,000,000 shares	700,000 shares
Cumulative quantity of the Company's shares held	0 share	0 share	0 share
The ratio of the number of the Company's shares held to the total number of issued shares (%)	0.00%	0.00%	0.00%

2. In execution: None of such situations.

II. Issuance of corporate bonds:

No such situation

III. Issuance of Preferred shares:

No such situation

IV. Issuance of Overseas depository receipts: :

Item \ Issuance (process) date (Note 2)			October 25, 2021
Issuance (process) date			October 25, 2021
Location of issuance and trading			Luxembourg Stock Exchange
Total Amount Issued			US$151,000,000
Unit issue price			US$3.02
Total number of units issued			50,000,000 units
Sources of the commended securities			Common shares of the Company
Amount of commending negotiable securities			50,000,000 shares
Rights and obligations of depository receipt holders			The rights and obligations of GDR holders shall be governed by relevant R.O.C. laws and regulations and relevant provisions of the deposit contract. The main stipulations in the deposit contract are as follows: (I) Exercise of voting rights Unless otherwise provided by law, holders of overseas depositary receipts may exercise the voting rights of the common shares of PANJIT represented by their overseas depositary receipts in accordance with the deposit agreement and the laws of the Republic of China. (II) Dividend distribution, preemptive rights for new shares and other rights Unless otherwise stipulated in the deposit agreement, holders of overseas depositary receipts shall, in principle, have the same rights to dividend distribution and other share rights as PANJIT's common stock holders.
Trustee			None
Depository Institution			Citibank, NA
Custodian institution			First Commercial Bank
Outstanding balance			Fully redeemed
Allocation of relevant expenses during issuance and duration			The relevant expenses during the issuance and existence periods shall be borne by the issuing company
Important stipulations in the deposit contract and escrow contract			Please refer to the Company's prospectus and depository agreement
Market price per unit (Note 3)	2024	Maximum	US$2.16
		Minimum	US$1.44
		Average	US$1.78308
	As of March 31, 2025	Maximum	US$1.76
		Minimum	US$1.39
		Average	US$1.56818

Note 1: GDR includes public offering and private placement of GDR. Public GDRs in progress refer to those that have been approved by the Commission; privately placed GDRs in progress refer to those that have been approved by the Board of Directors.

Note 2: The number of columns is adjusted according to the actual number of processing.

Note 3: For those that have participated in the GDR issuance, the relevant market price of the GDR in the most recent year and up to the publication date of the annual report shall be listed. Listed separately.

V. Issuance of employee stock option certificates and employee restricted shares:

No such situation

VI. Issuance of new shares in connection with the acquisition or transfer of shares of other companies:

No such situation

VII. Implementation of the capital utilization plan:

No such situation

Four. Operation overview

I. Business description:

(I) Business scope

1. Principal business activities:
   The Company and its subsidiaries divide the operating units according to the products manufactured and sold by different business groups. The main businesses of each operating unit are as follows:
   (1) Power Discrete Components: This business unit focuses on manufacturing and selling wafers, power components, and control modules.
   (2) Power IC and Components: This business unit is engaged in the research, development, manufacturing, and sales of power integrated circuits, field-effect transistors, and fast recovery Diodes. It also provides technological consultation and international trade services.
   The above is the business content of the Company's subsidiary, CHAMPION MICROELECTRONIC CORP. (stock code: 3257). For relevant information, please refer to the annual report prepared by CHAMPION.
   (3) Solar energy: This business unit focuses on selling electricity from solar power plants.

2. Weight of business:

Unit: NTD thousands

Operating department	2024	
	Sales amount	Sales ratio (%)
Power discrete components	11,507,005	91.79%
Power IC and components	815,999	6.51%
Solar energy	213,208	1.70%
Total	12,536,212	100.00%

3. The Company's current products:

Operating department	Main products
Power discrete components	Discrete components (including: rectifier diodes, surge suppressors, small signal components, transistors), wafers, chips
Power IC and components	Power IC/ Power Management IC, (HV SJ /MV /LV SGT MOSFET, PFC Diodes
Solar energy	Sale of solar power

4. New products planned for development:
   Regarding the main sales product - discrete component, the new products planned to be developed are described as follows:
   (1) Silicon-based power devices and advanced discrete devices:
   A. High-Voltage Super-Junction Mosfets:
   HV SJ 600V/ 650V Gen.1.5-Easy
   HV SJ 600V/ 650V Gen.1.5-FR
   HV SJ 600V/ 650V Gen.2-Easy
   HV SJ 600V/ 650V Gen.2-FR

B. Middle Voltage Shielded-Gate Trench MOFETs

MV SGT 150V Gen.2

MV SGT 100V Gen.2

MV SGT 80V Gen.2-SL/ LL

MV SGT 60V Gen.2

MV SGT 40V Gen.2

MV SGT MOS FETs- Vehicle AU

C. Fast recovery epitaxial diode (FREDs)

FREDs 650V/ 1200V Gen.2

D. Field-Stop Trench Insulated Gate Bipolar Transistors (Field-Stop Trench, FST, IGBTs)

FST IGBTs 650V/ 1200V Gen.2

(2) The 3rd generation semiconductor, silicon carbide, and high-speed power silicon carbide devices:

A. Silicon Carbide Schottky Diode (SiC SDBs)
SiC SBDs 650V/ 1200V Gen.2

B. Silicon carbide MOSFETs
SiC MOSFET 650V/ 1200V Gen.1

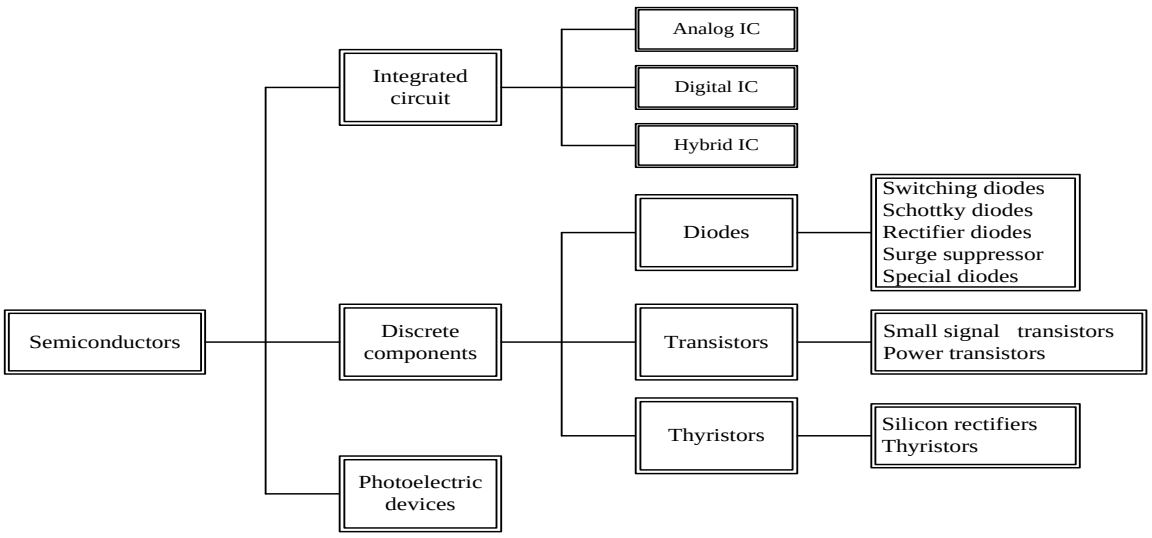
C. Gallium Nitride High Electron Conductivity Transistors (GaN HEMTs)
GaN E-HEMTs 650V

(II) Industry overview

The industry overview of the main sales product - discrete component

1. Current status and development of the industry
Semiconductor products are categorized into three main types: integrated circuits (ICs), discrete devices, and optoelectronic components. Integrated circuits can be analog, digital, or mixed-signal. Discrete devices are classified into three types—diodes, transistors, and thyristors—and are primarily used for current amplification, power protection, and power management based on their functions and performance characteristics.

Product Classification of Integrated Circuits and Discrete Components



Discrete component industry development: Before the 2010s, European, American, and Japanese manufacturers had long-term share of the discrete component market by relying on their own component technology development, comprehensive manufacturing and quality management capabilities, and their own brand marketing channels. about 70% share. In contrast, because Taiwanese manufacturers started out as OEMs, they are slightly weaker in technology and marketing, and only account for about 10% of the market.

In recent years, plants in Europe, the U.S., and Japan have been faced with fierce competition in the cost market and subsidies from certain countries. They have re-adjusted their operating models, and thus led to a trend of consolidation. For example, Infineon acquired International Rectifier in 2015 to expand part of its distribution channels and product lines. In 2016, NXP sold its discrete business to a Chinese company to establish Nexperia. In the second half of 2017, the merger of Littelfuse and IXYS, and Micro Chip acquired Microsemi in 2018, in order to integrate the market territory of discrete semiconductors in the aerospace, defense, and communications. 2020 The acquisition of Lite-On by Diodes Inc. undoubtedly officially announced the direction of international big firms towards discrete high-power semiconductors, and highlighted the trend of international big firms to become more integrated in the high-power discrete semiconductor market.

In recent years, geopolitics and the impact of the pandemic have brought out the niche for Taiwan-related manufacturers. The Taiwanese factory mainly produces surface mount type and other high value-added products, including metal oxide semiconductor transistors (MOSFET), third generation compound semiconductor (SiC), Schottky, and surge suppressors (TVS).) and electrostatic protection (ESD) components. A few low-priced product lines, such as STD Rectifier and Fast Rectifier, are relocated to China, where labor costs are lower, and will not rule out moving production capacity back to Taiwan or expanding production capacity and equipment in Southeast Asia.

2. Interrelations between up-stream, mid-stream and down-stream of the industry

   The industrial structure of semiconductor and discrete components can be divided into: upstream chip raw materials, midstream wafer manufacturing, assembly and testing, and downstream application fields.

   Upstream raw materials mainly include Wafer/ Epitaxy, precious metals, non-ferrous metals, aluminum alloys, and non-metals. Among them, Taiwan can be partially self-sufficient in Wafer/ Epitaxy, while other precious metals such as gold, silver, and white gold, as well as some non-ferrous metals, need to be imported.

   Midstream wafer manufacturing and assembly and testing, mainly for 4"/ 6"/ 8" wafer manufacturing and back-end assembly and testing.

   In terms of downstream applications, it covers a wide range of industries, including: information, communications, consumer electronics, aerospace, medical, automotive, industrial, energy and energy storage industries. The demand for discrete components in these markets is still increasing year by year, which directly affects the development prospect of discrete components.

3. Development trends of products

   With the development of science and technology, semiconductor and discrete components have been diversified in recent years to meet the needs of various circuit designs. For example, high-efficiency IC and product applications of high voltage and current such as electromechanical equipment need to be equipped with high-power components suitable for higher voltage tolerance for voltage regulation and rectification, while electronic information products need to be small in size and more precision for protection.

Due to the increasing popularity of broadband networks, 5G has been determined to enter the first year of commercialization in 2019, which has increased the demand for discrete components suitable for high-frequency and low-interference communication equipment. WiFi 7.0 is developed for 5G broadband applications, with higher transmission speed, lower latency, stronger connection stability, and greater device support. This helps to solve the challenges of the existing WiFi technology in processing massive data transmission and high-speed connection requirements, and provides stronger support for the increasingly popular smart home IoT, autonomous driving Level 3 applications, etc. WiFi 7.0 also extends to the cloud, machine learning, artificial intelligence and other fields to bring more practicality to the digital life in the future. Derivatives include network routers, network extenders, network cards, smart home equipment, smart phones, tablet computers, TVs, and surveillance systems. These are the opportunities for the discrete component market. Secondly, in the electronic design of new energy vehicles in Europe, the United States, Japan, and China, as various electronic products have gradually developed a compatible interface and can communicate with each other, they pay more attention to the functions of current regulation and protection.

The electrical functions of semiconductors and discrete components are determined from the stage of wafer manufacturing. Product features are closely related to the wafer manufacturing process. In order to achieve the operational efficiency of one-stop design and production, there is no shortage of manufacturers adopting the upward process integration model, including the diffusion across the chip, and even the epitaxial wafer process.

Undoubtedly, such upwardly integrated wafer manufacturing has a considerable advantage in terms of raw material cost, and by grasping the wafer manufacturing process, it is possible to produce chips with different electrical functions according to different product requirements, thus making the production schedule more flexible. Effectively improve the utilization of machine capacity.
Classified according to the packaging method, discrete components from the traditional axial (axial) packaging, power packaging (TO, DFN clip bond, DFN wettable), bridge packaging (Bridge), to the recent move towards very small surface mount type Development of DSN, WLCSP, SMD, DPN and QFN packaging.

In terms of product development, we have been progressing from standard products with the lowest technical level to higher-level technologies such as high-voltage, fast, and Schottky high-power rectifier diodes. For example, we focus on Shielded Gate design technology in metal-oxide-semiconductor field-effect transistors (MOSFETs) to reduce conduction resistance and achieve high thermal conductivity and long lifespan with third-generation compound semiconductor SiC Schottky barrier diodes (SBD). We are also developing second-generation electrostatic protection devices suitable for Type C/ HDMI transmission interface protection, as well as second-generation bridge rectifiers that support high-temperature, high-voltage, and low-energy consumption, enabling power efficiency to better meet the 80Plus requirements in power design. Additionally, we are working on SiC MOSFETs and insulated gate bipolar transistors (IGBTs).

With the development of science and technology, integrated circuit products (ICs) have become an indispensable component in modern life. Development of various IC products, such as DC/ DC power management IC, is a type of integrated circuit used to control DC power. It can provide stable voltage output and is widely used in various electronic equipment. The signal chain IC integrates multiple signal processing circuits to provide more efficient signal conversion and processing functions. The motor drive

management IC is dedicated to driving various types of motors, and can control the speed, direction of rotation, and operation mode of the motor. The introduction of the above products further enhances the performance and functions of electronic products, and also gives customers more product choices, which turns the Company's product model into a solution provider.

4. Product competition

   At present, the main domestic companies that produce discrete components are Taiwan Semiconductor CO., LTD., Advanced Power Electronics Co., Ltd., Sinopower Semiconductor Inc., NIKO SEMICONDUCTOR CO.,LTD., Amazing Microelectronic Corp., and uPI Semiconductor Corp., while foreign manufacturers include Infineon, STMicroelectronics, ROHM, VISHAY, and Diodes Inc.., Onsemi, and Nexperia; China includes Hangzhou Silan Microelectronics Co., Ltd, Yangzhou Yangjie Electronic Technology Co., Ltd, Wuxi NCE Power Co., and Jiangsu JieJie Microelectronics Co., Ltd.. As mentioned above, large international manufacturers such as Europe, the United States and Japan have gradually reduced the production of discrete components under cost pressures, or changed them to outsourced OEMs, and then turned to other semiconductor product lines such as high-tech integrated circuits.

   Looking at the overall semiconductor industry, discrete components have a relatively mature process technology and a relatively low entrance barrier. To win the continuous trust of customers and the market, to ensure product quality reaches a certain level, and to save production costs and increase gross profit margins, it has become a top priority for all manufacturers. In view of the rapid development of the industry, the semiconductor business group will focus more on foresight of market changes in the future, join the international talent team, actively integrate relevant resources of the group, establish the Taipei operation center, and strive for continuous and stable growth.

(III) Technology and R&D overview

1. R&D expenses in the most recent year and up to the date of publication of the annual report

Unit: NTD thousands

Item	2023	2024
R&D expenses	832,674	972,115
As a percentage of net revenue	6.55%	7.75%

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

   We have been committed to the development of advanced semi-conductor discrete component market and product component technology.

   In recent years, leveraging our strengths in independently developed semiconductor chips and packaging technologies, we have continued to advance the development of silicon-based power semiconductor devices, such as power MOSFETs, insulated-gate bipolar transistors (IGBTs), and fast recovery epitaxial diodes (FREDs). In addition, we are actively engaged in the research and development of advanced third-generation semiconductors—also known as wide bandgap semiconductors—such as high-speed, high-power silicon carbide (SiC) devices, including SiC Schottky barrier diodes (SBDs) and SiC MOSFETs.

We have successfully launched a variety of semiconductor power discrete device products, which are listed as follows:

(1) Silicon-based power devices and advanced discrete semiconductor components:

A. High-voltage super junction MOSFETs: super junction (SJ, MOSFETs) technology
HV SJ MOSFET- 600V/ 650V Gen1.5 easy: 2 products released
HV SJ MOSFET - 600V/ 650V Gen1.5 FR: 3 product released
HV SJ MOSFET - 600V/ 650V Gen.2: The completed product testing confirmed that the development goals were met, with high efficiency and low on-resistance

B. Middle Voltage Shielded-Gate Trench (SGT):
MV SGT MOSFET 100V/80V Gen.2：Product development has been completed, and optimization of product characteristics is ongoing. The product is expected to achieve a smaller die size and has passed the AU product certification process.
MV SGT MOSFET: 40V/ 60V/ 80V/ 100V/ 150V Gen.2: Under development

C. High-speed recovery epitaxial diode (FREDs)
FREDs 1200V Gen.1: 8 product certifications completed
FREDs 650V Gen.2: Completed certification for 11 products of free-wheeling diode CO2-off Trench insulated gate bipolar transistors
FREDs 1200V Gen.2: Completed certification for 10 products of free-wheeling diode CO2-off Trench insulated gate bipolar transistors

D. Insulated Gate Bipolar Transistor (IGBTs):
FST IGBT 650V/ 1200V Gen.1: 4 products have been released, and another 5 products will be released soon

(2) The 3rd generation semiconductor, silicon carbide, high-speed power silicon carbide device:

A. Silicon Carbide Schottky Diode (SiC SDBs)
SiC SBDs 650V/ 1200V Gen.1: 10 products in total
SiC SBDs 650V/ 1200V Gen.1.5: 26 products in total
SiC SBD 650V/ 1200V Gen.2: 23 products have been released, and 4 products will be released soon

B. Silicon carbide MOSFETs
SiC MOSFETs 650V/ 1200V Gen.1: Prototype verification and wafer manufacturing process validation

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

Explain the long-term and short-term business development plans for the main product - discrete component

1. Short-term business development plan
Looking at the future development of the semiconductor and discrete component industry, growth is driven by the explosive growth in global demand for electric vehicle-related charging devices, and markets such as the Internet of Vehicles, robots, servers and artificial intelligence. The Company grasps the trends and responds to the needs of different customers. In addition to making full use of external resources to supply products that meet the needs of customers in the consumer market, the Company is also actively investing resources in the research and development of automotive, industrial control, electric vehicles and charging devices, and other related integrated circuits and discrete components, and strive to become strategic partners with international big manufacturers of first-tier brands in Europe, the United States, Japan and China Sustainable and stable growth.

2. Long-term business development plan
Actively recruit team members with international perspectives, and expand the technical layout in Silicon Valley, South Korea and Taiwan to meet the future global demand for electric vehicle charging devices and the rapid development of the Internet of Vehicles, robots, servers, renewable energy, and artificial intelligence business opportunities. At the same time, we will continue to devote ourselves to the research and development of integrated circuit IC products, so that its products can be combined with discrete components, and provide multi-directional product solutions to meet the different needs of customers. In addition, the Japan office was upgraded to a subsidiary, and a local sales team and strategic partners were established to promote the Company's brand and products through diversified market channels, and to increase the awareness and loyalty of Japanese customers to the Company.

II. Overview of the market, production and sales

(I) Market analysis

1. Sales regions of major products

Unit: NTD thousands

Sales area \ Year		2023		2024	
		Amount	%	Amount	%
Export Sales	Asia	9,717,798	76.47	9,481,183	75.63
	Americas	392,906	3.09	359,390	2.87
	Europe	1,161,192	9.14	1,216,959	9.71
	Other	51,904	0.41	57,223	0.45
Subtotal		11,323,800	89.11	11,114,755	88.66
Domestic Sales		1,383,519	10.89	1,421,457	11.34
Total		12,707,319	100.00	12,536,212	100.00

2. Market share
At present, the main domestic companies that produce discrete component are Taiwan Semiconductor, SAS, AVIC-KY, and SAS. The global sales value shares of separation devices between the Company and the aforementioned companies are listed as follows:

Unit: NTD Million

Item \ Year		2023	2024
Total sales value of discrete semiconductors worldwide		1,103,875.46	1,034,235.61
PANJIT	Sale value	11,432.85	11,507.01
	Market share (%)	1.04	1.11
Taiwan Semiconductor Co., Ltd.	Sale value	6,264.26	6,030.66
	Market share (%)	0.57	0.58
Eris Technology Corp.	Sale value	1,739.58	2,656.51
	Market share (%)	0.16	0.26
HY Electronic (Cayman) Limited	Sale value	1,177.45	963.37
	Market share (%)	0.11	0.09

Item \ Year		2023	2024
Amazing Microelectronic Corp.	Sale value	2,637.71	2,744.68
	Market share (%)	0.24	0.27

Source:
Total sales value of discrete semiconductors worldwide: World Semiconductor Trade Statistics (WSTS)
Sales value of each company: It is estimated based on the consolidated revenue announced by the Taiwan Stock Exchange Market Observation Post System.
Note: As the revenue details of discrete component products of each company are different and are not announced, the calculation of market share can only be based on the announced consolidated revenue.

3. Future supply, demand and growth of the market

Regarding the main sales product - discrete component, the future supply, demand and growth of the market will be described

From an industry perspective, discrete components are used in virtually all electrical and electronic products, including consumer electronics, personal computers, communications, and automobiles. The market size of discrete components is closely related to the number of newly developed IC products and the production capacity of chip manufacturing facilities. Therefore, shipments in the terminal application market and the overall semiconductor market will have a direct impact on the industry's performance.

Looking back at the semiconductor industry in the past year, the demand for AI high-end chips has continued to be strong. WSTS (World Semiconductor Trade Statistics) forecasts that the global semiconductor market output value will reach US$697 billion in 2025, an annual increase of 11.2%. The IDC research report also pointed out that, due to rising global demand for AI and high-performance computing (HPC) in 2025, all major application markets, from cloud data centers to terminal devices to specific industry sectors, are facing a trend toward specification upgrades. The semi-conductor industry will usher in a new prosperity once again. According to the Industrial Economics & Knowledge Center (IEK) of the Industrial Technology Research Institute, as end products such as smart phones, automotive electronics, and servers gradually adopt generative AI, semiconductor components have become a key part of it. It is estimated that the global semiconductor market will continue to grow in 2025.

The following is an analysis of the supply, demand and growth of the main end-use markets in the industry:

In terms of smart phones, as the demand for consumer electronic products recovers, and the artificial intelligence (AI) functions successfully attract consumers to replace their phones, the smart phone market will continue to recover this year. According to the latest research by DIGITIMES, the global smartphone shipments in 2024 are expected to be 1.181 billion units, a growth of 4.9%. Looking to the next 5 years, a large number of feature phone users in India, Southeast Asia, South America and Africa will have the demand to exchange for smart phones. In addition, the 5G networks in the above regions continue to be deployed and their coverage is expanded, which is expected to further drive the growth of smartphone shipments. DIGITIMES estimates that the period of high inflation and dollar appreciation has passed, and purchasing power in various markets is gradually recovering. The smartphone market in 2025 is expected to continue the rebound trend observed in 2024, with an anticipated annual shipment growth rate of 3 to 4% for global smartphones, resulting in a compound annual growth rate (CAGR) of 3.6%.

In terms of personal computers, according to TrendForce, a research firm, the shipment volume in 2024 is expected to reach 174 million units, with a year-on-year growth of 3.9% due to high interest rates and geopolitical factors. Looking forward to 2025, the

growth of the notebook industry will be driven by multiple factors. The first is the trend of replacement. The legal person estimates that the warranty period of each brand PC is about two to three years, and the replacement cycle is about four to five years. Laptop devices purchased in large quantities during the 2020 pandemic will enter a trend of replacement. In particular, Microsoft announced that it will terminate Windows 10 support services in October. This move will stimulate enterprise users to upgrade equipment ahead of schedule, which will bring considerable demand for replacement. The global shipment of notebook computers is expected to reach 183 million units, a year-on-year increase of 4.9%. The shipment of business-type notebooks is expected to grow by 7% year-on-year, benefiting from the availability of capital after the interest rate cut and the trend of device replacement driven by the discontinuation of Windows 10. The shipments of consumer-type notebooks are expected to develop into high value-added and high-margin models. Growth is expected to slow to 3%.

In the automotive market, in response to the 2050 net zero carbon emission goal, environmental protection laws and regulations around the world have gradually increased relevant green standards, which continue to promote the development of emerging application markets such as electric vehicles, and the demand for electric vehicles and peripheral charging hardware. In response to the higher performance demand for power semiconductors in the future, the leading automotive semiconductor manufacturers are actively deploying the R&D and manufacturing of GaN and SiC technologies. In addition, as intelligence and self-driving cars will significantly increase the number of semiconductors required for each vehicle, the auto industry has begun to work with semiconductor manufacturers to develop chips, in order to control the product development route and maintain a stable supply chain. According to Yole Group's research report, the demand for automotive semiconductors will grow due to the increase in demand for semiconductors to drive smart vehicle applications, such as electric vehicles and advanced driver assistance systems (ADAS). It is estimated that the automotive semiconductor market will grow at a compound annual growth rate (CAGR) of 11% between 2023 and 2029. By 2029, the market size of automotive semiconductors will be close to US$100 billion.

4. Competitive niche

The competitive advantage of discrete components, which is the main product sold, is explained here.

(1) Exceptional and Brand Reputation

PANJIT Group has always been committed to maintaining high-quality standards, leveraging years of technical expertise and experience to build a strong reputation and credibility in the market. This commitment has led to the acquisition of numerous quality certifications, including ISO 9001, OHSAS-18001, ISO 14001, ISO/ IATF 16949, IECQ QC080000, and ESD S20.20, and membership in the EICC, positioning it as a leading brand in the industry.

(2) Extensive Technological Experience in Manufacturing

With a sustainable business management philosophy, PANJIT Group's management team continually invests in research, development, and equipment. The team, comprising experts in various fields of R&D and manufacturing processes, applies its extensive semiconductor manufacturing experience toward improving production efficiency. This focus not only simplifies and optimizes processes but also reduces production costs and enhances product quality through the adoption of advanced automation technologies, thereby boosting operational efficiency and competitive edge in the market.

Moreover, in recent years, PANJIT Group has actively invested in fully automated equipment for the production of surface-mount discrete components, along with optimizing production control systems, such as implementing Manufacturing Execution Systems (MES). These investments significantly increase production volume and help reduce the rate of product defects substantially. Currently, PANJIT Group maintains a world-class defect rate of less than 5 PPM (parts per million).

(3) Comprehensive Product Line

PANJIT Group produces a wide range of discrete components catering to various applications and specifications, meeting the one-stop shopping needs of customers. This broad product offering ensures PANJIT's customer base spans a diverse array of electronics companies, safeguarding the group from the economic fluctuations of any single downstream industry. Offering a complete product line to customers represents a significant competitive advantage in the market.

(4) Control Over Raw Material Costs

Typically, discrete component factories focus only on packaging processes. However, larger companies can engage in more complex processes such as chip diffusion and wafer fabrication. If a company is only involved in packaging, its profit margins are limited to processing fees. By including chip diffusion in the manufacturing process, a company gains proactive control over raw material costs. PANJIT Group, for instance, purchases standard wafers and produces chips based on varied product demands, which not only lowers raw material costs but also allows flexible production scheduling to adapt to market changes. This approach enables more direct and effective management of raw materials and finished product sales.

(5) Development of New Products

In response to the market demand for smartphones, tablet computers, and related peripheral products, PANJIT Group has developed relevant ESD protection components. In particular, the market's adoption of USB3.0/ 3.1, HDMI x and Type C is becoming more and more mature. The Company continues to develop related HI PIN Count components and won the "Discrete of the Year" at the 2024 Asia Golden Awards to meet customer needs.

PANJIT Group possesses a diverse product portfolio and the advantage of mass-producing various packages, such as SMD and DFN thin series. The Group has multiple product lines, including Schottky Diodes, switching Diodes, glass-passivated Diodes, ESD protection components, and MOSFET transistors. Additionally, to meet future energy-saving demands from customers, the group is developing low forward voltage Schottky Diodes and high-power, low on-resistance MOSFET transistors.

For motor drives, inverters, and electric vehicle inverters that use IGBTs, technologies typically developed by international giants, PANJIT Group has developed specialized processes to match these advanced technologies. The adoption of next-generation material, the third-generation compound semiconductor SiC MOSFET, allows for the miniaturization of electronic products, overall cost savings, increased reliability, and extended product life, paving the way for PANJIT's entry into the industrial control and automotive sectors.

5. Favorable and unfavorable factors of development prospects and countermeasures

The advantageous and disadvantageous factors of the development prospect and the

countermeasures are described here with respect to the main product - discrete components.

(1) Favorable factors

A. With the adoption of AI applications, the demand for integrated circuit (IC) and discrete components will continue to increase. According to OMDIA's market forecast, the automotive, medical electronics, electric vehicles, industrial control and high-efficiency computing industries continue to grow, so the Company can develop in this direction.

B. Establishment of an e-commerce platform that allows end customers to purchase online and expands the customer base.

C. Mmajor discrete component manufacturers in Europe and the US, such as VISHAY and Onsemi, due to the consideration of production costs, have increased the search for external resources, including OEM opportunities in Taiwan. In fact, this is the potential customer base of the semiconductor business group of PANJIT or the product line with potential opportunity deriving from.

D. The Company markets products in Europe, America, and Taiwan under its own brand, which has been recognized and adopted by world-class manufacturers. The Company obtained the ISO-9002 certification in 1996 and the IATF 16949 (QS-9000) certification for the very strict quality standards in 1997, making the Company's product quality and image comparable to world-class manufacturers.

(2) Unfavorable factors and countermeasures

A. There is a trend of labor shortage in Taiwan

Response: For many years, the Company has been committed to the automation of production equipment, with good results, in order to reduce the dependence on manpower and improve quality. In addition, the introduction of foreign workers also solves the problem of some production manpower shortages.

B. The competition in the market is becoming increasingly fierce

Countermeasures: Enhance automated production and actively explore the market to win orders, increase the scale of production and reduce production costs; also, use the increased scale to negotiate more favorable terms for procurement and payment. At the same time, we will develop new high value-added products and increase the production proportion of new products to improve the Company's overall gross profit margin.

(II) Important uses and production processes of major products

The major usage and production process of the main sales product - discrete component are described here.

1. Important uses of the main products

Separate components are mainly used for rectifying, protecting, and switching the power supply of various electronic products. They are an indispensable component in the circuits of various electronic products. The Company produces a complete range of products, which are widely used in various electronic products and their application fields. It can be roughly divided as follows:

(1) Computers: terminals, motherboards, desktops, notebooks, and tablets.

(2) Communications: fax machines, switches, telephone systems, set-top boxes, mobile phones, routers, satellite dishes, Ethernet power supplies, and 5G base stations.

(3) Consumer electronics: monitors, printers, business devices, digital cameras, wearable electronics, game consoles, and computer monitors.

(4) Automotive: automotive instrumentation, automotive rectifier, ignition system, ABS, air bag, automotive audio and video system, satellite navigation system, electric vehicle charging pile, electric vehicle on-board charger, 48V power system and water

pump, etc.

(5) Green energy: electronic ballasts, UPS, inverters, solar module junction boxes, inverters, and wind-power generators.

(6) Home appliances: televisions, washing machines, air conditioning systems, and refrigerators, etc.

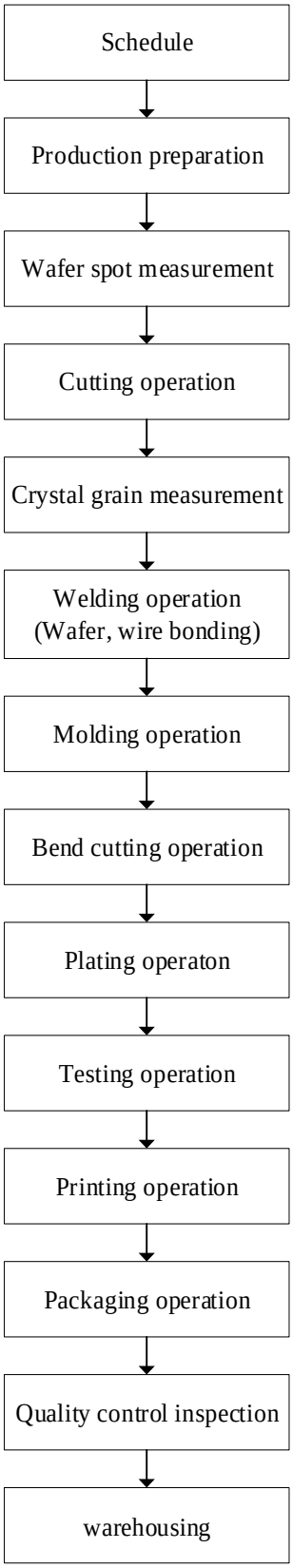
(7) Power supply: switching power supplies and fast charging power sources for various electronic products.

(8) Industrial control: electric tools, spot welders, motor drives, etc.

2. Production process of main products

Assembly Dept. process flow chart

Products (SOD, SOT, MOS)



(III) Supply of main raw materials

The domestic and overseas production plants of the Company all have long-term and stable cooperative relations with partners and raw material suppliers. Therefore, the suppliers can provide sources of goods at the most competitive prices and methods, so that the Company can maintain its advantage in product cost. to provide customers with the best service.

(IV) Names of customers who have accounted for more than 10% of total purchases (sales) in any of the last two years, the amount of purchases (sale), and the proportion, and the reasons for the changes

1. Information on major suppliers in the last two years:

There was no significant difference between the main suppliers in 2024 and 2023.

Unit: NTD thousands

Item	2023				2024			
	Name	Amount	Percentage to net purchase of the whole year (%)	Relationship with the issuer	Name	Amount	Percentage to net purchase of the whole year (%)	Relationship with the issuer
1	Other	5,591,789	100.00%		Other	5,213,474	100.00%	
	Net purchase	5,591,789	100.00%		Net purchase	5,213,474	100.00%	

Note 1: List the names of suppliers accounting for more than 10% of the total purchases in the last two years, and the amount and proportion of purchases. However, due to the contractual agreement not to disclose the name of the supplier or the counterparty of an individual and not a related party, it can be coded as.

Note 2: As of the date of publication of the annual report, there is no financial information for the most recent period that has been audited or reviewed by CPAs.

2. Information on major customers in the most recent two years:

There was no significant difference between the main sales customers in 2024 and 2023.

Unit: NTD thousands

Item	2023				2024			
	Name	Amount	Percentage to net sales of the whole year (%)	Relationship with the issuer	Name	Amount	Percentage to net sales of the whole year (%)	Relationship with the issuer
1	Other	12,707,319	100.00%		Other	12,536,212	100.00%	
	Net sales	12,707,319	100.00%		Net sales	12,536,212	100.00%	

Note 1: List the names of the customers accounting for more than 10% of the total sales in the last 2 years, and the sales amount and proportion. However, if the contract cannot disclose the name of the customer or the counterparty who is an individual and not a related party, it can be coded for them..

Note 2: As of the date of publication of the annual report, there is no financial information for the most recent period that has been audited or reviewed by CPAs.

III. Information on employees in the last two years and up to the date of publication of the annual report:

Year		2023	2024	As of March 31, 2025
Number of employees	Management personnel	219	227	234
	Technicians	1,292	1,307	1,294
	Operator	1,450	1,460	1,429
	Total	2,961	2,994	2,957
Average age		37.68 years old	38.27 years old	38.45 years old
Average years of service		7.29 years	7.68 years	7.81 years
Education level	Doctoral Degree	0.24%	0.27%	0.27%
	Master's Degree	7.16%	7.15%	7.03%
	Junior College	48.09%	48.10%	48.39%
	Senior High School	30.67%	35.14%	35.37%
	Below high school	13.84%	9.34%	8.93%

IV. Information on environmental protection expenditures:

During the most recent year and up to the date of publication of the annual report, the loss caused by environmental pollution, the current and possible estimated amount of loss in the future, and the response measures:

Company Name	Date	Disposition Number	Violation of Legal Provisions	Details of the Regulatory Violation	Details of the Disciplinary Action	Estimated Amounts for Current and Potential Future Liabilities and Corresponding
PYNMAX TECHNOLOGY CO., LTD.	2024.4.23	Kaohsiung Environmental Protection Bureau Air Control Document No. 20-113-050044	Article 24, Paragraph 2 of the Air Pollution Control Act	After the installation or modification of the aforementioned stationary pollution source, the company shall provide proof of compliance with the relevant provisions of this Act, submit the required documents to the municipal or county (city) competent authority, or an agency entrusted by the central competent authority, to apply for and obtain an operating permit, and operate in accordance with the conditions specified in the issued operating permit.	A new pollution source was added on the 3rd floor, which does not match the number of pollution sources approved in the original operating permit. Additionally, the newly installed equipment was powered on and operated (not in accordance with the conditions specified in the issued permit). A fine of NT$100,000 was imposed.	The company has submitted an application for an air pollution permit amendment in accordance with the law (trial operation approval was obtained in September 2024). The trial test has been completed, and the relevant data has been submitted for review. The company is now awaiting the issuance of a new operating permit by the Environmental Protection Bureau.

V. Labor-management relations:

(I)Employee welfare measures, continuing education, training, retirement systems and their implementation, as well as the agreements between labor and management, and various measures to protect the rights and interests of employees

1. Employee welfare measures and their implementation:
   (1) Establish the Employee Welfare Committee and organize regular employee trips, provide wedding and bereavement subsidies, scholarships, consolation funds for injuries and illnesses, holiday gifts, and employee critical illness group insurance.
   (2) Labor insurance, health insurance, and various maternity, injury, medical, disability, old age, and death benefits and payments shall be handled in accordance with relevant labor laws and regulations.
   (3) Establishing an exclusive happy birthday leave for employees, so that employees can arrange paid birthday off on their birthdays; adding 2 days of corporate volunteer leave per year for employees participating in the company's volunteer activities.
   (4) The employee stock ownership trust is established. Based on the monthly self-contribution of the employees, the Company contributes incentives correspondingly, which are delivered to the trust. Through the trust mechanism, employees are encouraged to increase their savings by purchasing the The Company creates and shares good performance.

2. Continuing education system and its implementation:
   The Company provides incentives for employees to pursue continuing education, establishes scholarship and grants system, and provides different language allowances for English testing.

3. Training system and implementation:
   (1) Propose education and training needs by department, and prepare annual education and training plans based on the Company's development goals and strategies, and then implement and review them, and evaluate employees' effectiveness.
   (2) Organize training courses for the improvement and refinement of the management of department heads to strengthen organizational and leadership skills.
   (3) In order to strengthen team thinking and management skills, the Company provides the latest management information related publications and e-newsletters so that relevant team members can learn in a timely manner and obtain the latest management information.
   (4) Host lectures on diverse topics, and invite personalities from different fields to share new perspectives and trends with the Company's colleagues.
   (5) Approximately NT$4.52 million spent on professional education and training for employees in 2024

Course type	Total Hours	Course type	Total Hours	Course type	Total Hours
Business Administration	1,050	Quality System	2,875	Human Resources and General Affairs	72
Financial Accounting	135	Industrial and Environmental Safety	7,760	Other	642
Information technology	1,283	Training for new recruits	2,492		
Production engineering	6,662	R&D and design	555		

(Note) Class hours are a combination of internal and external training

4. Retirement system and its implementation:
In order to protect the financial security of employees after retirement, help employees to make appropriate arrangements before and after retirement and to adapt to the future changes in life, PANJIT Strictly complies with the laws and regulations. According to the "Labor Standards Act (The Old Fund)" and the "Labor Pension Act (The New Fund)", and contribute the labor pension to each employee on a monthly basis. As of the end of 2024, the proportion of employees adopting the old fund was 1.01%; the proportion of employees adopting the new fund was 98.99%.
Since July 1, 2005, for those who choose to apply the Labor Pension Act, the Company has been paying labor pension on a monthly basis in accordance with the proportion specified by the Labor Pension Act (6% of the monthly wage contribution in the Monthly Contribution Classification of Labor Pension). For senior employees under the old system, the amount prescribed in Paragraph 1, Article 56 of the Labor Standards Act (2% of the total monthly salary of the workers) is deposited in the Labor Retirement Reserve Fund on a monthly basis.
In addition, starting from 2016, for employees who meet the retirement requirements under Article 53 or 54 of the Labor Standards Act, the full amount of pension fund will be deposited into the Labor Retirement Reserve Fund. The pension fund will be calculated based on the most recent six months the average salary (full salary and overtime pay).
The balance of the Labor Retirement Reserve Fund account is sufficient to pay for the retirement benefits of employees with seniority under the old fund seniority in 2024.
Retirement conditions for employees are as set forth in the Work Rules:
(1) Voluntary retirement - a worker may voluntarily retire under any of the following circumstances:
(The employee who chooses to apply the Labor Pension Act shall be governed by the same Act)
I. Those who have worked for more than 15 years and are at the age of 55; II. those who have worked for more than 25 years; III. those who have worked for more than 10 years and are at the age of 60.
(2) Compulsory retirement - the Company shall not force an employee to retire unless they fall under any of the following circumstances:
I. Individuals aged 65 or above; II. Mentally or mentally handicapped persons who are unable to work.
The age specified in Subparagraph 1 of the preceding paragraph shall not be less than fifty-five years old for the work performed by the Company that is of a dangerous nature and strong physical strength, and the Company may report to the central competent authority for adjustment.

5. Status of agreements between labor and management and various measures to protect the rights and interests of employees:
The Company does not have a labor union or a collective bargaining agreement in place; however the Company's new or amended measures for labor relations have been fully communicated between the employees and the Company, and there have been no disputes. The Company has established the "Corporate Social Responsibility Communication Management Procedures" in the RBA system, which specifies the channels and procedures for employee complaints and complaints, and has a dedicated unit to handle complaint cases. Set up a stakeholder section on the Company's website and provide a grievance mailbox as a channel for employees to protect their rights.

(II)Losses due to labor disputes in the most recent year and up to the publication date of the annual report, and the estimated amount that may be incurred in the present and in the future, and measures to be taken in response: None.

VI. Information communication security management:

(I) Information communication security risk management framework, information communication security policy, specific management plan, and resources invested in information communication security management

As the Company increasingly relies on systematic operations and the execution of various businesses through the Internet, information security has become a major challenge. In the face of increasing threats to global information security, the Company actively improves information security protection and establishes management mechanisms to avoid loss of resources and goodwill, while at the same time, to improve operational efficiency as the active goal.

In order to strengthen the information security defense, in addition to regularly executing social engineering drills, vulnerability scanning, and security policy promotion, the Company also prohibits USB-capable storage devices, introduces a multi-factor authentication mechanism, and adopts the 3-2-1-0 backup principle to achieve 100% system backup to reduce the risk of business interruption and to be able to quickly restore system operation in case of damage, and strive to become an enterprise with outstanding information security maturity.

The Company's management structure, policies and response measures related to cyber security are as follows:

1. Cyber security risk management framework:

   In 2021, the Company established an information security action team, under the Group's information business unit, which was formally implemented upon the approval of the President. An information security meeting was convened every month to promote information security management and improve information security awareness, and review policies on a regular basis. The Audit Office, as a supervisory and audit unit, will require improvement and report to the Board of Directors upon inspection of deficiencies, and track results to reduce risks.

   In order to continuously strengthen the information security framework and comply with laws and regulations, the establishment of a dedicated information security supervisor and a dedicated personnel in 2023 was completed, and the "Information Security Management Committee" was established in 2024. In June of the same year, the Company obtained ISO 27001 certification was obtained (valid from June 21, 2024, to June 20, 2027), continue to implement relevant operations and accept regular external reviews to maintain compliance and promote continuous improvement to ensure the implementation and continuous supervision of information security.

2. ICT security policies:

   (1) Each business unit of the Company shall comply with the relevant government laws and regulations (such as the Patent Act, the Copyright Act, the Personal Information Protection Act, the Enforcement Rules of the Personal Information Protection Act, etc.) when conducting business.

   (2) Establish the Information Security Management Committee, responsible for the establishment and promotion of the Company's information security management system.

   (3) Establish an organizational landscape evaluation mechanism to define the information security policy and the scope of implementation of the information security management system, and to understand the needs and expectations of the organizational landscape and concerned parties.

   (4) Formulate the document control operating regulations, and adopt the management principles for the establishment, modification, coding, and issuance of documents related to the legal information security system.

(5) Establish an information asset management mechanism to coordinate the allocation and effective use of limited resources to solve critical security issues.
(6) Establish risk assessment management measures and identify the risks of various types of assets in order to take appropriate risk treatment measures to control and reduce risks to an acceptable level.
(7) Regularly implement business-related information security education and training, and promote information security policies and related implementation regulations.
(8) Establish physical and environmental safety protection measures for the computer room, and perform relevant maintenance on a regular basis.
(9) Clearly regulate the permissions of information systems, network services, and sensitive information to prevent unauthorized access.
(10) Formulation and execution of information security internal audit activities to implement the information security management system and implement corrective measures for non-compliance issues.
(11) Formulate an information security business continuity plan and practice it to ensure that the company's business can continue to operate in case of an emergency.
(12) All personnel of the Company have the responsibility to maintain information security, and shall understand and comply with the relevant information security management regulations, and implement these in their duties.

3. Information communication security management plan:
The Company's response to information security risks is to strengthen the hardware and software prevention mechanisms, and prioritize network security, infrastructure protection, and disaster recovery. The control measures for information and communication security are as follows:

Item	Information security control measures
Authorized access control	˙ Set roles and access clearance, and regularly review the access clearance list. ˙Disable access to USB flash drives to prevent information security incidents from jeopardizing corporate operations.
Information Security Awareness and Education	˙Provide employee information security training and conduct email social quiz. ˙Promote information security policies through screen savers and E-learning videos.
Mail Control	˙ Establish an anti-spam filtering system and continue to promote emails related to social engineering attacks. ˙ Conduct email social engineering click-through test from time to time.
System and Network Security	˙ Construct the exclusive enterprise grade wired and wireless network and bind the computer for use to effectively control the network usage. ˙ Firewalls and IDS/ IPS are deployed and vulnerabilities are regularly patched. ˙Establish an anti-virus system and deliver system updates through Windows, so that the company server and user computers can be repaired in real time. ˙Purchase vulnerability scanning tools to detect security vulnerabilities at least once every six months, and make improvements based on the major risks and high-risk items in the detection results.
Software	Control the installation of personal computer software to prevent unauthorized use of software.

Item	Information security control measures
System backup and restore drill	˙Automated backup strategy and regularly tested the restoration capability. ˙Schedule an annual backup drill.
Monitoring and log management	˙24/ 7 monitoring of SOC and MDR, and regular analysis of log data.
Incident Response and Emergency Response	˙ Formulate an emergency response plan and practice the responsive procedure on a regular basis.
Internal and third-party audits	˙ Regularly perform internal and external information security audits to comprehensively evaluate the effectiveness and compliance of information security measures. ˙ Implement and supervise information security to improve security and achieve zero information security incidents.
Information security targets	˙ The number of information security incidents was zero each year. ˙ Strengthen internal supervision and external security cooperation to reduce risks comprehensively. ˙ There were no customer data leakage or information communication security incidents.

4. Invest resources in ICT security management:
   The Company's vision for information security is to build a tight and effective information security defense network. Since 2010, we have invested considerable resources every year to reduce the risk of business interruption losses caused by information security issues, with an expectation to become a company with outstanding information security maturity. In order to strengthen information security protection capabilities, the resources invested in information security management this year are as follows:

Item	Implement results and figures
ISO 27001:2022	˙Convened 29 ISO27001 project introduction meetings to establish, implement and maintain an effective Information Security Management System (ISMS). In June 2024, the Company successfully obtained the ISO27001 certification to implement the implementation and supervision of information security.
Strengthen the information security defense	˙Detection of SOC information and communication security threats (7x24). ˙MDR threat tracking and responsive service (7x24).
Orientation and training for new recruits	˙ On-the-job information security awareness training, the contents of the courses include: Information security and protection of personal information, external prevention of hackers, and internal prevention of sensitive data leakage. Participants: 339 persons Total hours: 169.5 hours
On-the-job Employee Training	˙ Information security training to improve the ability to prevent insider threats and human errors. Course contents include: 1. Information security threat trends and prevention. 2. New life in the age of wisdom - why are you being deceived? 3. New Life in the Smart Era - Prevention of E-Mail Social Engineering. 4. Information security education and training ISO27001. Participants: 733 persons Total hours: 1,466 hours

Item	Implement results and figures
Information security promotion	˙12 emails information security announcement.
Social engineering drills	˙ Test employees' ability to respond to social engineering attacks to improve prevention awareness. Number of first-time participants: 727 persons; pass rate: 97.25%. No. of participants for the second round: 733 persons; pass rate: 97.27%. Target pass rate reaches 96%. The annual pass rate of social engineering drills reaches 97.26%.
Information security contingency plan	˙ Formulate a plan for responding to information security incidents, and conduct regular drills and tests to ensure that the system can be prevented from attacks and quickly recovered. A total of 4 drills were conducted, which covered: 1. Backup and restoration drill of primary and secondary systems. 2. Test the backup mechanism of the primary and secondary systems. 3. Information server room fire drill.

(II) Losses due to major IT security incidents, possible impacts, and responsive measures in the most recent year to the publication date this report: None.

VII. Important contracts:

Supply and marketing contracts, technical cooperation contracts, engineering contracts, long-term loan contracts and other important contracts that may affect shareholders' interests that are still valid and expired in the most recent year as of the publication date of the annual report

By company	Nature of the contract	Party	Date	Main Content	Restrictive clauses
PANJIT International Inc.	Syndication loan agreement	Land Bank and 10 other financial institutions	2021.08.17 ~ 2026.08.17	Syndicated loan amounted to NT$4.2 billion	Before all debts are fully paid during the term of the contract, the Company's annual consolidated financial statements must be maintained: a. Current ratio shall not be less than 100% b. The debt ratio shall not be higher than 200% c. The interest coverage ratio shall not be less than 2.5 times d. The net worth shall not be less than NT$5.3 billion or the equivalent in USD.
	Project Loan Agreement for Taiwanese Businesses Returning to Taiwan	Taishin Bank	2019.12.6 ~ 2026.12.5	Medium-term loan amount NT$600 million	No financial restriction clause
	Project Loan Agreement for Taiwanese Businesses Returning to Taiwan	Changhua Bank	2020.1.16 ~ 2027.1.15	Medium-term loan amount NT$900 million	No financial restriction clause
	Project Loan Agreement for Taiwanese Businesses Returning to Taiwan	First Bank	2020.1.16 ~ 2027.1.15	Medium-term loan facility: NT$1.5 billion	No financial restriction clause

By company	Nature of the contract	Party	Date	Main Content	Restrictive clauses
	Project Loan Agreement for Taiwanese Businesses Returning to Taiwan	Land Bank	2020.2.27 ~ 2026.11.15	Medium-term loan facility NT$1 billion	No financial restriction clause
PAN-JIT ASIA INTERNATIONAL INC.	Syndication loan agreement	First Bank and 10 other financial institutions	2022.06.28 ~ 2027.06.28	Signed a syndicated loan of US$80,000 thousand	During the entire credit period, PANJIT International Inc.'s annual consolidated financial statements shall maintain the following: a. Current ratio shall not be less than 100% b. The debt ratio shall not be higher than 200% c. The interest coverage ratio shall not be less than 2.5 times d. The net worth shall not be less than NT$5.3 billion

Five. Review and Analysis of Financial Position and Financial Performance, and Risks

I. Financial status:

The main reasons and impacts of major changes in assets, liabilities and shareholders' equity in the last two years

Unit: NTD thousands

Item \ Year	2024	2023	Difference	
			Amount	%
Current assets	14,213,533	14,332,321	(118,788)	(0.83)
Property, plant and equipment	7,322,424	7,801,152	(478,728)	(6.14)
Right-of-use assets	1,143,754	1,224,334	(80,580)	(6.58)
Intangible Assets	1,640,812	1,649,469	(8,657)	(0.52)
Other assets	4,422,141	3,675,459	746,682	20.32
Total assets	28,742,664	28,682,735	59,929	0.21
Current liabilities	7,205,790	7,110,064	95,726	1.35
Non-current liabilities	6,017,030	6,938,132	(921,102)	(13.28)
Total liabilities	13,222,820	14,048,196	(825,376)	(5.88)
Equity attributable to owners of the parent company	14,123,114	13,248,598	874,516	6.60
Share capital	3,821,149	3,821,149	-	-
Capital reserve	6,072,159	6,007,138	65,021	1.08
Retained earnings	4,467,978	4,026,560	441,418	10.96
Other equity	(238,172)	(606,249)	368,077	60.71
Treasury stock	-	-	-	-
Non-controlling interests	1,396,730	1,385,941	10,789	0.78
Total equity	15,519,844	14,634,539	885,305	6.05

1.Analysis of changes in the percentage of increase or decrease:

(1) The increase in other assets compared to the same period last year was mainly due to the asset allocation plan for the year, which increased the holdings of financial assets at fair value through profit or loss - non-current by NT$777,690 thousand.

(2) Other equity increased compared with the same period last year, mainly due to the appreciation of the US dollar, which increased the exchange differences arising on translation of foreign operations.

2. Impact: No significant impact.

3. Future response plans: None.

II. Financial performance:

(I) The main reasons for the significant changes in operating income, net operating profit and net profit before tax in the most recent two years

Unit: NTD thousands

Item \ Year	2024	2023	Increase (decrease) amount	Percentage of change
Operating revenue	12,536,212	12,707,319	(171,107)	(1.35)
Operating cost	8,939,137	9,499,258	(560,121)	(5.90)
Gross operating profit	3,597,075	3,208,061	389,014	12.13
Operating expenses	2,784,154	2,374,327	409,827	17.26
Operating profit (loss)	812,921	833,734	(20,813)	(2.50)
Non-operating income and expenses	454,684	331,362	123,322	37.22
Profit (loss) before tax	1,267,605	1,165,096	102,509	8.80
Net income (loss) from continuing operations	1,077,404	1,012,951	64,453	6.36
Net income (loss) for the period	1,077,404	1,012,951	64,453	6.36
Other comprehensive income for the period (net amount after tax)	365,080	(31,264)	396,344	1,267.73
Total comprehensive income for the period	1,442,484	981,687	460,797	46.94
Net profit attributable to the owners of the parent company	918,523	820,782	97,741	11.91
Net income attributable to non-controlling interests	158,881	192,169	(33,288)	(17.32)
Total comprehensive income attributable to owners of the parent company	1,268,033	779,584	488,449	62.66
Total comprehensive income attributable to non-controlling interests	174,451	202,103	(27,652)	(13.68)
Earnings per share	2.40	2.15	0.25	11.63

Analysis of changes in the percentage of increase or decrease:

1. Non-operating income and expenses increased compared to the previous year, mainly due to the appreciation of the US dollar and the depreciation of Asian currencies, which resulted in an increase of NT$92,967 thousand in net foreign exchange gains, and an increase in the yield on financial assets, which resulted in an increase of NT$82,374 thousand in the net gain on financial assets or liabilities at fair value through profit or loss.
2. The increase in Other comprehensive income for the period (net amount after tax) for the current period is mainly due to the impact of the appreciation of the US dollar, which caused the exchange differences arising on translation of foreign operations to increase by NT$464,314 thousand compared to the previous year.
3. The total comprehensive income for the period and total comprehensive income attributable to owners of the parent company for the current period have increased compared with that of the previous year. The reasons are the same as those described in 1. and 2. above.

(II) The expected sales volume and the basis thereof, and the possible impact on the Company's future finance and business, and the responsive plan:

The expected sales volume is mainly based on the future growth and the expected market demand growth. For relevant market research and analysis, please refer to the future supply, demand and growth of the market (pages 108-109 of this annual report).

III. Cash flow:

(I) Analysis of cash flow changes in the most recent year

Unit: NTD thousands

Cash balance at the beginning of period	Net cash inflow (outflow) from operating activities for the year	Annual net cash inflow (outflow)	Exchange rate effect	Cash surplus (deficit)	Remedies for Cash Shortage	
					Investment plan	Wealth management plan
3,076,877	1,305,806	(2,281,299)	259,775	2,361,159	None	None

Analysis of changes in cash flow for the year:

1. The net cash inflow from operating activities of NT$1,305,806 thousand mainly includes the net profit after tax and depreciation expense of NT$2,087,065 thousand, and the financial assets measured at fair value through profit or loss - current increased by NT$754,886 thousand.
2. The net cash outflow from investing activities was NT$1,019,323 thousand, which was mainly due to the acquisition of financial assets at fair value through profit or loss of NT$996,068 thousand, the disposal of financial assets at fair value through profit or loss of NT$194,583 thousand, and the cash outflow of acquisition of property plants and equipment of NT$340,487 thousand.
3. Net cash outflows of NT$1,261,976 thousand from financing activities were mainly due to the outflow of NT$1,138,159 thousand for repayment of long-term loans.

   In summary, after the cash outflow for the current period plus the effect of exchange rates, the net cash outflow for the year was NT$715,718 thousand.

(II) Improvement plan for insufficient liquidity: None

(III) Cash flow analysis for the coming year

Unit: NTD thousands

Cash balance at the beginning of period	Expected net cash inflow (outflow) from operating activities for the year	Estimated net cash inflow (outflow) for the year	Projected cash surplus (deficit) amount	Remedies for expected cash shortfall	
				Investment plan	Financing plan
2,361,159	2,455,000	(1,885,000)	2,931,159	None	None

Changes in cash flows in the coming year:

It is estimated that the cash inflow from operating activities in the next year will be approximately NT$2,455,000 thousand, and the cash outflow is expected to increase by approximately NT$1,885,000 thousand due to the purchase of machinery and equipment, cash dividend distribution, etc. in the next year. The cash balance at the end of the period is NT$2,931,159 thousand, and there is no cash shortfall.

IV. Impacts of major capital expenditures in the most recent year on financial operations:

The capital expenditure of the Company and its subsidiaries in recent years mainly comes from net cash inflow from operating activities, with some bank loans as the funding source. The benefits of capital expenditure have been reflected in the growth of operating profits, which has brought positive impact on the business performance of the Company as a whole.

V. Reinvestment policy in the most recent year, the main reason for profit or loss, improvement plan, and investment plan for the coming year:

The Company's reinvestment policy is in principle long-term strategic investment. The investment income recognized under the equity method in the 2024 consolidated financial statements is NT$176,985 thousand. In the future, the Company will continue to carefully evaluate investment plans in accordance with operational needs and industry development trends.

VI. Risks:

(I) Impacts of changes in interest rates, exchange rates and inflation on the Company's profit and loss in the most recent year and up to the publication date of the annual report, and future responsive measures taken:

1. The impact of changes in interest rates and exchange rates on the profit and loss of the Company and its subsidiaries, and future countermeasures

Unit: NTD thousands

Item	Impact on the Company's profit and loss		Future countermeasures
	Items	2024	
Interest rate	Financial cost	226,781	Regularly evaluate bank loan interest rates. In addition to maintaining close contact with banks to obtain more favorable loan interest rates, forward interest rate contracts are used for hedging as needed.
Exchange rate	Net gain (loss) from foreign currency exchange	78,941	Pay close attention to exchange rate trends, and plan for hedging the net positions of foreign currency assets and liabilities to control exchange gains and losses within a reasonable range.

2. The impact of inflation on the profit and loss of the Company and its subsidiaries, and future countermeasures
   Under the government's policy of stabilizing the financial market order and maintaining stable prices, the operations and profits and losses of the Company and its subsidiaries as of the date of publication of the annual report have been limited by the impact of inflation. In the future, the Company will continue to pay close attention to the development of the economic situation, increase the Company's revenue, and reduce the impact of inflation.

(II) Policies on high-risk and high-leverage investments, loans to others, endorsements and guarantees, and derivative transactions in the most recent year and up to the publication date of this annual report, the main reasons for profit or loss, and future responsive measures taken:

1. The Company and its subsidiaries do not engage in high-risk or highly leveraged investments.
2. The policies on fund lending and endorsement and guarantee of the Company and its subsidiaries are handled in accordance with the relevant provisions of the Company's fund lending procedures and endorsement and guarantee regulations.
3. The derivatives trading policy of the Company and its subsidiaries is implemented in accordance with the derivatives trading procedures set out in the Company's asset acquisition or disposal procedures, with hedging transactions as the main trading method.

(III) Future research and development plans and estimated research and development expenses for the most recent year and up to the date of publication of the annual report:
Through forward-looking thinking, combined with industry trends and market trends, the Company will spare no efforts in R&D in the next few years to enhance the advantages

and market competitiveness of various products. The following is a description of the future R&D plan and expected investment in R&D for the main product - discrete component:

1. Future R&D plans:
   (1) HV MOSFETs:
   To improve component efficiency, the trench structure design and other technologies are used to reduce RDS-ON and Capacitance, such as Ciss, Coss, and Crss, which can speed up the switching speed. In addition, such high-voltage power components are applied to power systems or charging facilities. The R&D focuses on ccomponent structure design, packaging materials, thermal path design, and enhancing thermal conductivity/reducing thermal dissipation of components.
   (2) MV MOSFETs:
   The main research and development direction of this type of medium voltage power application components is the same as that of HV MOSFETs. In addition, due to the increasing demand for automotives / electric vehicles, the development of automotive-grade MV MOSFETs products is also a focus of research and development. In addition, the Company will focus on further reducing Rsp and improving Switch Performance (FOM).
   (3) IGBTs:
   This device is a high-speed power device that combines the advantages of MOSFET and Bipolar Junction Transistor (BJT) applications, and is mainly processed by Field-Stop Trench Technology. Designed with High Density Trench Cells and Optimization of Field-Stop Layer. The purpose is to obtain a higher power gain than the existing BJT, and to minimize its switching loss and enhance short-circuit tolerance at extremely high switching frequencies.
   (4) FREDs:
   The second generation of product development further optimizes switching speed and forward conduction voltage, and develops IGBT Co-Package FRED products to expand the scale of existing FRED products.
   (5) SiC SBDs:
   Under high-frequency switching, the focus of research and development is to minimize the switching loss.
   (6) SiC MOSFETs:
   Silicon carbide (SiC) is a wide bandgap semiconductor material that is resistant to high voltage and has fast carrier transfer speed (High Electron Mobility). It often takes the lead in high-end applications such as electric vehicles and green energy under high frequency, high voltage and high temperature. Its component structure design and exclusive process development are the focus of research and development.
   (7) GaN HEMTs:
   GaN is a wide bandgap compound semiconductor material. It features the special polarizing effect, namely Piezoelectric Polarization and Spontaneous Polarization. In the absence of dopant, the polarizing effect can make the AlGaN/ GaN heterostructure grow near the interface, and Two-dimensional electron gases (2DEG) will be generated. Took the advantage of the 2DEG, the Enhancement-Mode High Electron Mobility Transistor (HEMT) is manufactured, which has a much higher speed than MOSFET. At present, the copmany is planning to cooperate with professional GaN HEMTs units. PANJIT will design its component structure and apply for invention patents to pave the way for the future development of products in the near future.

2. Estimated R&D expenses:

Units: NTD thousands

Product line	Products to be developed	Estimated R&D expenses
HV MOSFETs (Super Junction Technology)	HV SJ MOSFET 600V Gen.2-Easy	7,951
	HV SJ MOSFET 600V Gen.2-FR	2,696
MV MOSFETs (Shielded-Gate Technology)	MV SGT MOSFET 150V Gen.2-SL	7,213
	MV SGT mosfet 100V Gen.2- SL, LL (characteristics optimization)	5,296
	MV SGT MOSFET 80V Gen.2- SL, LL	10,159
	MV SGT MOSFET 60V Gen.2	5,584
FREDs	FRED 1200V/ 650V Gen.2	7,858
IGBTs (Field-Stop Trench Technology)	FST- IGBT 1200V Gen.1	12,977
	FST-IGBT 650V Gen.1	5,371
SiC SDBs	SiC SDBs 1200V/ 650V G2	8,007
SiC MOSFETs	SiC MOS 1200V/ 650V G1	7,980

(IV) Impacts of changes in important domestic and foreign policies and legal changes on the Company's financial operations in the most recent year and up to the date of publication of the annual report, and responsive measures:

In addition to complying with relevant laws and regulations, the Company and its subsidiaries also pay attention to important domestic and foreign policies and legal changes at all times. Therefore, there is no significant impact on the Company's financial business due to important domestic and foreign policies and legal changes.

(V) Impacts of changes in technology and industry on the Company's financial operations in the most recent year and up to the date of publication of the annual report, and responsive measures:

Regarding the separation device, the main product sold, the impact of changes in technology and industry on the Company's finance and business and the countermeasures are described.

Discrete components are widely used in various electronic devices. Their main uses include frequency conversion, rectification, voltage conversion, power amplification, power control, etc. They are the cornerstone of the electronics industry. With technological changes and industrial changes, the market demand for discrete components is increasing. The Company has a complete product line and actively invests in R&D to develop various high-performance high-power discrete components to meet market trends and improve the Company's competitiveness. Therefore, changes in technology and industry changes will have a positive impact on financial operations.

(VI) Impacts of changes in corporate image on corporate crisis management in the most recent year and up to the date of publication of the annual report, and responsive measures:

The Company and its subsidiaries have always adhered to the business philosophy of integrity, compliance with laws, and fulfillment of social responsibilities. Therefore, the Company's corporate image has always been good. In the most recent year and as of the date of publication of the annual report, no material events affecting the Company's corporate image have occurred.

(VII) Expected benefits and possible risks associated with any mergers and acquisitions in the most recent year or during the current year up to the date of publication of the annual report, and mitigation measures being or to be taken:
The Company and its subsidiaries had no plans for mergers and acquisitions in the most recent year and as of the printing date of this annual report.

(VIII) Expected benefits and potential risks associated with any plant expansion in the most recent year and up to the publication date of the annual report, and mitigation measures being or to be taken:
The expansion of the Company's and its subsidiaries' plants is based on prudent assessments of existing production capacity and future operational growth. All major capital expenditures have been submitted to the Audit Committee and Board of Directors for review, with investment benefits and possible risks being duly considered.

(IX) Risks associated with any concentration of purchases or sales during the most recent year or during the current year up to the date of publication of the annual report, and mitigation measures being or to be taken:
Regarding the main sales product - discrete component, the risks and countermeasures of concentration of purchase or sales are described.
There is no excessive concentration of sales, but purchases are concentrated by subsidiaries within the group Sales are the responsibility of the Group's internal companies, in order to achieve the maximum complementarity of product lines among the Group's companies, thereby enhancing product competitiveness and the company's profitability. In addition, excluding the adjustment of products among the groups, the Company's purchase customers are not excessively concentrated, so the risk of purchase concentration faced by the Company should be insignificant.

(X) In the most recent year and up to the publication date of the annual report, any significant transfer or change of shares of a director or shareholder holding more than 10% of the shares to the Company, the risk to the Company, and mitigation measures being or to be taken:
No director or major shareholder with a stake of more than 10% in the most recent year and as of the printing date of the annual report has any significant shareholdings transferred or replaced.

(XI) Impacts and risks of any change in management on the Company in the last year up till the publication date of the annual report, and responsive measures taken:
In the most recent year and up to the date of publication of the annual report, there was no change in the Company's operating rights.

(XII) Any litigious or non-litigious events in the most recent year and up till the publication date of this annual report that the Company, its directors, general managers, persons in charge, major shareholders holding more than 10% of the shares, and subsidiaries have been ordered to confirm or not to be held liable; Disclose the facts of the dispute, the amount of money involved, the date the litigation began, the main parties involved, and the handling of a major litigation, non-litigation, or administrative dispute that may have a significant impact on shareholders' equity or securities prices: No such situation.

(XIII) Other important risks and countermeasures: None.

VII. Other important matters: None.

Six. Special Notes

I. Information on affiliates:

(I) Consolidated business report of affiliated enterprises

The information has been announced and reported on the information reporting website designated by the FSC.

Please visit the MOPS

Search path: "Single Company" > "Electronic Document Download" > "Three Forms and Documents of Related Enterprises"

Search website: https:/ / mopsov.twse.com.tw/ mops/ web/ t57sb01_q10

(II) Consolidated financial statements of affiliated enterprises

For FY 2024 (from January 1 to December 31, 2024), the companies that should be included by the Company in the preparation of the consolidated financial reports of affiliates in accordance with the "Standards for the Preparation of Consolidated Business Reports, Consolidated Financial Statements and Related Reports of Affiliates" are the same as the companies to be included in the preparation of the parent-subsidiary consolidated financial statements in accordance with International Financial Reporting Standard No. 10. The relevant information to be disclosed in the consolidated financial reports of affiliates has been disclosed in the above-mentioned parent-subsidiary consolidated financial reports. Therefore, the consolidated financial statements of affiliates will not be prepared separately.

(III) Affiliation report: None

II. For the private placement of securities in the most recent year and up to the publication date of this annual report, disclose the date and amount of the resolution by the shareholders' meeting or the board of directors, the basis for setting the price and the reasonableness thereof, the specific person selected, the reasons for conducting the private placement, and the targets of the private placement. , qualification requirements, subscription quantity, relationship with the Company, business participation of companies, actual subscription (or conversion) price, difference between actual subscription (or conversion) price and reference price, the impact of private placement on shareholders' equity, self-owned After the completion of the capital utilization plan, the use of private placement of securities, the progress of plan implementation, and the realization of plan benefits:

The Company did not engage in private placement of securities in the most recent year and up to the date of publication of the annual report.

III. Other matters requiring supplementary explanation:

None.

IV. Matters with material influence on shareholders' equity or securities prices as defined by the Subparagraph 2 of Paragraph 3 of Article 36 of the Securities and Exchange Act in the most recent year and up to the date of publication of the annual report:

No such situation.

PANJIT INTERNATIONAL INC.

Chairman: Ming- Ching Fang