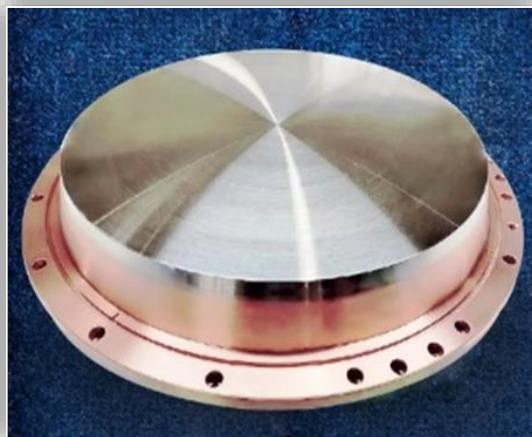




ThinTech Materials

ThinTech Materials Technology Co., Ltd.

2024 Annual Report



Published on March 31, 2025

Website where information is declared and annual report is inquired:

1. MOPS: <http://mops.twse.com.tw>
2. Website of the Company: <http://www.e-ttmc.com.tw>

Notice to readers :

This English-version annual report is a translation of the Chinese version.

IF There is any discrepancy between the English and Chinese, the Chinese version shall prevail.

I. Name, title, TEL and e-mail of the Company's spokesperson and deputy spokesperson:

Name of spokesperson	:	Feng Fu-An	Name of acting spokesperson	:	Hsu Ming-Tsung
Job title	:	President	Job title	:	Vice President
TEL	:	(07) 695-5149	TEL	:	(07) 695-5149
E-mail	:	ttmc@e-ttmc.com.tw	E-mail	:	ttmc@e-ttmc.com.tw

II. Address and TEL of headquarters, branch and factory:

Headquarters: 820687, 8F-4 Floor, No. 140, Chungshan North Road, Kangshan District, Kaohsiung City TEL: (07)695-5125

Branch: 821011, No. 1, Luke 8th Road, Luchu District, Kaohsiung City (mailing address) TEL: (07)695-5125

III. Name, address, website and TEL of stock transfer agency

Name: Stock Agent Department of KGI Securities Co., Ltd.
Address: 5F, No. 2, Section 1, Chungching South Road, Taipei
Website: <http://www.kgi.com.tw>
TEL: (02) 2314-8800

IV. Names of CPAs for the financial report in the most recent year as well as firm name, address, website and TEL:

CPAs: Kuo, Lee-Yuan and Wang, Chao-Chun
Name of accounting firm: Deloitte & Touche
Address: 3F, No.88 Chengkung Second Road, Chienchen District, Kaohsiung City
Website: <http://www.deloitte.com.tw>
TEL: (07)530-1888

V. Name of the place where overseas securities are listed for trading and method to inquire after the information of such overseas securities: None

VI. Website of the Company: <http://www.e-ttmc.com.tw>

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One. Letter to Shareholders

Dear Shareholders,

In 2024, the global economic situation is showing a complex trend influenced by multiple factors. The resilience of the U.S. economy has exceeded expectations, while economic growth in Europe and China remains weak. The overall economic climate is still in a "post-high interest rate adjustment period," with growth being relatively stable, albeit not strong. The market is focused on the pace of declining inflation, the timing of U.S. interest rate cuts, whether the Chinese economy can stabilize, and the potential business risks arising from geopolitical tensions and changes in the global supply chain.

In contrast, the domestic economy has benefited from the supply chain shift due to U.S.-China competition and the booming development of the AI industry, leading to significant growth in exports, with overall performance surpassing that of last year 2023. However, domestic demand remains weak, and inflationary pressures still exist. Our company's revenue for rose by 21.6% year-over-year in 2024, primarily due to heightened market risk aversion triggered by international geopolitical tensions, as well as interest rate cuts by the U.S. Federal Reserve System and the People's Bank of China, which have driven a significant rise in precious metal prices. Silver prices increased by approximately 30% year-over-year, far exceeding gold's 17% rise, which has correspondingly boosted both the price and volume of our precious metal trading.

Regarding our sales of target products, although the demand in Taiwan's panel industry is gradually recovering, the production capacity of Chinese manufacturers has constrained the growth in both volume and price. Therefore, our company is actively expanding into new products and applications. In addition to broadening the development of semiconductor product applications, we are also developing biomedical composite materials and acquiring China Steel Precision Materials to expand into the special alloy market. We are developing advanced technology for FOPLP (Fan-Out Panel Level Packaging) substrates, which have received unanimous praise from domestic and international customers. The company will continue to optimize its product portfolio, reduce costs and increase efficiency, enhance production and operational performance, and seek stable profitability and long-term development.

In addition, we actively promote the Corporate Governance 4.0- Sustainable Development Action Plan for listed companies, plan short-, medium-, and long-term ESG goals. Both energy intensity and greenhouse gas emission intensity have achieved their phased targets. We continue to prepare the "Sustainability Report" to disclose relevant information, implement greenhouse gas inventory and carbon footprint assessments in advance, promote the recovery of precious metals from components and the recycling of materials, and foster a circular economy. We aim to create an energy-efficient and environmentally friendly operation, committed to corporate sustainable development. For two consecutive years, we have been recognized as the Ministry of Labor's Occupational Safety and Health Administration as an "Outstanding Enterprise for Public Disclosure of Occupational Health and Safety Indicators in Corporate Sustainability Reports." We strengthen community ties, promote industry-academia cooperation, and participate in social welfare activities, while also emphasizing human resource development and occupational health and safety. In 2024, we received the Excellence Award from the Southern Taiwan Science Park Administration for "Promoting Workplace Gender Equality." Furthermore, in the 11th Corporate Governance Evaluation (FY2024), published in 2025, our company ranked in the second tier (6%~20%) among all listed companies, reflecting recognition of the efforts and governance of our management team.

I. Business and financial situation in 2024

(I) Analysis of business status and profitability

In FY2024, the consolidated revenue was NT\$5,266,081 thousand, a decrease of 10.5% compared to the restated amount of NT\$5,884,495 thousand in FY2023. The consolidated net profit after tax was NT\$92,107 thousand, down 15.28% from NT\$108,721 thousand in FY2023, resulting in an earnings per share of NT\$0.66 for FY2024. This decline was mainly due to the economic recession in China and a sluggish market. Following the completion of an acquisition in May 2024, the company began consolidating its subsidiaries. Additionally, rising raw material

prices and inflation increased operational costs, leading to poorer-than-expected profit performance.

In FY2024, the individual net revenue was NT\$2,701,311 thousand, an increase of 21.62% compared to NT\$2,221,090 thousand in FY2023, primarily driven by rising gold and silver prices due to increased international hedging sentiment. The individual net profit after tax was NT\$69,259 thousand, a decrease of 21.28% compared to the restated net profit after tax in FY2023, due to the factors mentioned above.

The consolidated and standalone financial data are listed below:

(1) Consolidated financial statements

Unit: NT\$ thousand

Item	December 31, 2024	December 31, 2023 (restatement)	Increase/Decrease amount	Increase/Decrease (%)
Net operating revenue	5,266,081	5,884,495	(618,414)	(11)%
Gross profit	370,718	408,700	(37,982)	(9)%
Net operating income	89,785	155,238	(65,453)	(42)%
Non-operating income and expenses	42,720	(999)	43,719	4376%
Net Income Before Tax	132,505	154,239	(21,734)	(14)%
Net income after tax	92,107	108,721	(16,614)	(15)%

(2) Standalone financial statements

Unit: NT\$ thousand

Item	December 31, 2024	December 31, 2023 (restatement)	Increase/Decrease amount	Increase/Decrease (%)
Net operating revenue	2,701,311	2,221,090	480,221	22%
Gross profit	169,932	175,631	(5,699)	(3)%
Net operating income	34,380	48,868	(14,488)	(30)%
Non-operating income and expenses	50,809	50,622	187	-
Net Income Before Tax	85,189	99,490	(14,301)	(14)%
Net income after tax	69,259	87,976	(18,717)	(21)%
Basic EPS after tax (NT\$)	0.66	0.87	(0.21)	(24)%

(II) Research and development (R&D)

In 2024, the company focuses on the research and development of special alloys, semiconductor target substrate technology, and strategic product development. The company are also enhancing the quality of aluminum target products and material recycling in the panel industry. In terms of intellectual property, we continue to promote the management and protection of patents, trade secrets, and copyrights. In response to the current situation within the company, we revised the "Patent Management Operations" and "Intellectual Property Management Regulations" in 2024, optimizing the specifications for patent application, examination, and maintenance evaluation. The major research and development achievements completed in 2024 are as follows:

- (1) Development of new products, new applications, and new manufacturing processes (after customer trials and orders) completed the development of 3 new products which followed customer trials and validation, 4 strategic new product developments, and 5 new patent proposals.
- (2) The company has continuously invested in the technological development of high-purity aluminum alloy and titanium targets for wafer-level semiconductors. In addition to the establishment of thermomechanical processing microstructures for fine crystals, we have also completed the establishment of low-cost diffusion bonding process technology. In addition to accelerating semiconductor customer certifications, we are striving for and establishing mass production capabilities to enhance our product competitiveness.

- (3) Stabilized the shipment quality of large-sized thin sheets made from low-expansion alloys and extended product lifespan through reworking, thereby reducing customer costs and becoming the sole supplier of fan-out packaging substrates for the domestic panel industry.
- (4) The company has continued to promote special alloy-related products, provide localized and cost-effective acid-resistant hooks, and optimize material safety and durability for the chemical industry. The company has improved nickel-based materials to increase resistance to high-temperature cracking, improve the service life of reactors, reduce process costs, and enhance product competitiveness.

II. Summary of 2025 Business Plan and future company development strategy

The World Bank has released its "Global Economic Outlook" report, predicting that the global economic growth rate for this year (2025) and next year will remain flat at 2.7%, marking one of the lowest rates since 2019 (excluding the COVID-19 pandemic period). It warns that the trade tariff measures from the United States may impact the global economy. According to the "Taiwan Institute of Economic Research," despite geopolitical instability, a conservative economic outlook for the US and potential new policies from Trump that could exacerbate global trade barriers affecting manufacturing demand, domestic manufacturing demand is still expected to improve. This is due to the recovery in demand from downstream industries such as machinery and metal products, as well as steady growth in emerging applications including AI, semiconductors, electric vehicles, and renewable energy.

The company completed the acquisition and merger of China Steel Precision Materials in 2024, expanding the group's synergies in special alloys through vertical integration. The sales volume of titanium and nickel alloys in Taiwan has shown significant growth compared to the same period in the previous year. In terms of new application areas, the company continues to develop niche new products and explore new application fields, leveraging group resources to target niche markets. The company focuses on developing specific application areas for nickel-based substrate technology that meet special application needs, adopting a differentiated competition strategy to enhance product added value through small-scale technological innovation. The company is actively integrating sputtering equipment suppliers or collaborating with customers to expand production lines, introducing the EVI model in advance to accelerate the expansion of our semiconductor business. The company is optimizing our existing product portfolio, re-engineering processes, and improving production efficiency. It is expected that the revenue from semiconductor metal materials will continue to grow in 2025. In response to changes in external environmental risks, we have planned our business strategy for 2025: "Advanced innovative processes to cultivate growth momentum; revitalizing organizational operations to enhance operational synergies; leveraging core values to increase competitive advantages; innovating circular materials to achieve sustainable management; aligning with international trends to realize net-zero carbon emissions." Based on the above business strategy, we will establish execution strategies to continuously strengthen the company's management and governance, respond to shareholders' expectations for transparency and long-term value creation, and enhance ESG principles to achieve our vision of sustainable management.

The company would like to extend its sincere gratitude to all shareholders for their continued support and trust.

Chairman:
Chien-Hui Lee

President:
Fu-An Feng

Two. Corporate Governance Report

I. Information on directors, the President, Vice Presidents, and the heads of various departments and their remuneration:

1. Directors:

(1) Information on directors

March. 31, 2025; unit: shares

Job title	Nationality or place of registration	Name	Gender/Age (Note 1)	Date elected/Term of office/Date first elected	Shareholding when elected	Number of shares currently held	Current shareholding of spouse or minor children	Shareholding by nominee arrangement	Major education and experience	Concurrent positions at the Company or other companies	Spouse or relatives within second degree of kinship who are other managers or directors	Remarks (Note 4)
					Number of shares/Shareholding	Number of shares/Shareholding	Number of shares/Shareholding	Number of shares/Shareholding			Job title/Name/Relations	
Chairman	R.O.C	Gains Investment Corp.	-	2023.06.16 3 years 2001.03	23,423,016 31.86%	50,894,058 46.90%	N/A	N/A	N/A	N/A	N/A	N/A
		Representative: Lee, Chien-Hui (Note 2)	Male 61–70 years old	2023.06.16 3 years 2024.12.31	0%	0%	None	None	Master's degree from the Institute of Business Administration, National Sun Yat-sen University Vice President of Administration at Chung Hung Steel Corporation Vice President of Finance at Chung Long Steel Corporation Vice President of Management at Vietnam Steel Sumitomo Corporation	Chairman, TTMC Director of China Steel Precision Materials Ltd. Director, Omni Gains Investment Corp.	None	None
		Representative: Lee, Chao-Hsiang (Note 2)	Male 61–70 years old	2023.06.16 3 years 2023.11.01	0%	0%	None	None	Department of Metallurgical and Materials Engineering, National Cheng Kung University President, Dragon Steel Co., Ltd. Representative of the director, China Assistant Deputy General Manager of Production Department of China Iron and Steel Corporation	Retired on December 31, 2024	None	None
Director	R.O.C	Gains Investment Corp.	-	2023.06.16 3 years 2001.03	23,423,016 31.86%	50,894,058 46.90%	N/A	N/A	N/A	N/A	N/A	N/A
		Representative: Wu, Chun-Hui	Male 61–70 years old	2023.06.16 3 years 2023.02.01	0%	0%	None	None	Master of EMBA, National Sun Yat-sen University Assistant Vice President, Finance Department, Dragon Steel Co., Ltd. President, Gains Investment Corp.	Chairman, Gains Investment Corp. President, Yunhong China Holdings Director, Betacera Inc. Director, Fukuta Electric & Machinery Co., Ltd. Chairman, Eminence Investment Corporation Chairman, Mentor Consulting Corporation Chairman, Pro-Ascentek Investment Corporation Chairman, Eminent Venture Capital Corporation	None	None
Director	R.O.C	United Renewable Energy Co., Ltd.	-	2023.06.16 3 years 2012.06.26	7,000,000 9.52%	7,000,000 6.45%	N/A	N/A	N/A	N/A	N/A	N/A
		Representative: Pan, Lay-Lay	Female 41–50 years old	2023.06.16 3 years 2021.09.30	0%	0%	None	None	Master of Marketing at Saint John's University Vice President of Finance and Chief Financial Officer, Ascent Solar Technologies, Inc. Manager, Malabs Junior Manager, Citibank Taiwan	Vice President of Finance and Chief Financial Officer, United Renewable Energy Co., Ltd. Supervisor, DS Energy Technology Co., Ltd. Supervisor, Utech Solar Corporation Director, Xinjing Optoelectronics Co., Ltd. Director, Hsinjing Solar Co., Ltd. Supervisor, Ri-Yao Energy Co., Ltd. Supervisor, Yongliang Co., Ltd. Director of Xier (Stock) Company Supervisor, United Renewable Energy Engineering Co., Ltd.	None	None

Director	R.O.C	Ever Wealthy International Corporation	-	2023.06.16 3 years 2002.10.01	6,119,748 8.32%	5,651,748 5.2%	N/A	N/A	N/A	N/A	N/A	N/A
		Representative: Hsu,Shun-Chi	Male 51–60 years old	2023.06.16 3 years 2025.03.10	0%	0%	None	None	Bachelor's degree in Mechanical Engineering from National Sun Yat-sen University Deputy Plant Manager at China Steel Carbon Chemical Co., Ltd. Coal Chemical Production Plant President, Changzhou Carbon New Material Technology Co., Ltd.	Plant Manager of Carbon Material Production at China Steel Carbon Chemical Co., Ltd.	None	None
		Representative: Fang, Ming-Dar	Male 61–70 years old	2023.06.16 3 years 2002.10.01	0%	0%	None	None	Doctoral degree, Department of Chemical and Materials Engineering, Master's degree, National Kaohsiung University of Applied Sciences Department of Chemical Engineering. Vice President of Production, China Steel Chemical Corporation General Manager of Sinosteel Carbon Chemical Co., Ltd. Chairman of Ever Wealthy International Corporation Chairman, Changzhou Carbon New Material Technology Co., Ltd. Director, Eminent Venture Capital Corporation Director of China Steel Structure Co., Ltd.	Resigned on March 10, 2025.	None	None
Independent Director	R.O.C	Liang, Su-Mei	Female 51–60 years old	2023.06.16 3 years 2020.06.11	0%	0%	None	None	Master of Finance, National Sun Yat-sen University Assistant Manager, Deloitte & Touche Independent Director, Bin Chuan Enterprise Co., Ltd.	Partner, Zhongjia CPAs & Co.	None	None
Independent Director	R.O.C	Tsai, Mi-Ching	Male 61–70 years old	2023.06.16 3 years 2020.06.11	0%	0%	None	None	Doctoral degree, Engineering Science, University of Oxford, UK Deputy Minister of Ministry of Science and Technology, Executive Yuan Chairman, Metal Industries Research & Development Center Director, Innovation Headquarters, National Cheng Kung University Secretary General, Academia-Industry Consortium for Southern Taiwan Science Park, National Cheng Kung University Head of the Engineering Technology Development Department, National Science Council, Executive Yuan Winner of the 5th Presidential Innovation Award in 2022 and Lifetime Achievement Award of Automatic Control Engineering of Chinese Automatic Control Society (CACS) Won the 2022 Fifth Presidential Innovation Award and the Lifetime Achievement Award of the Automatic Control Society of the Republic of China	Chair Professor, Department of Mechanical Engineering, National Cheng Kung University Director, Electric Motor Technology Research Center, National Cheng Kung University Independent Director, Jufan Industrial Co., Ltd.	None	None
Independent Director	R.O.C	Fang, Cheng-Hwa	Male 61–70 years old	2023.06.16 3 years 2020.06.11	0%	0%	None	None	MBA, University of Central Missouri Director, Operating Department, Cowealth (China) Medical Technology Co., Ltd., Shanghai Branch President, Medtecs (Taiwan) Corp. President, Chow Sang Sang Jewellery (Taiwan) Limited, Taiwan Branch (BVI) President, Megaful Co., Ltd.	Senior Consultant, Cowealth Medical Holding Co., Ltd., Taiwan Branch (Cayman)	None	None

Note 1: Please list the actual age, which may be presented in intervals, such as 41–50 years old or 51–60 years old.

Note 2: The original director representative of Gains Investment Corporation Mr. Lee Chao-Hsiang, retired due to age. on December 31, 2024, the director representative was reassigned. Mr. Lee Chao-Hsiang was elected as the new director by the board of directors on the same day, 2024. The representative director of Ever Wealthy International Corporation Mr.Fang Ming-dar, was replaced by Mr. Hsu,Shun-Chi on March 10, 2025, and the change is effective immediately.

Note 3: If the chairman of the company and the general manager or a person with a similar position (top manager) are the same person, each other's spouse or first-degree relative, the reasons, rationality, necessity and countermeasures (such as adding independent directors) should be explained. seats, there should be relevant information that more than half of the directors do not concurrently serve as employees or managers): The Company does not have this situation.

(2)Major shareholders of institutional shareholders

Mar. 31, 2025

Name of institutional shareholder	Major shareholders of institutional shareholders	
Gains Investment Corp.	China Steel Corporation	100%
Ever Wealthy International Corporation	China Steel Chemical Corporation	100%
United Renewable Energy Co., Ltd. (2025.03.28)	National Development Fund, Executive Yuan	6.09%
	Yao-Hwa Glass Management Commission	5.81%
	HSBC (Taiwan) Commercial Bank Co., Ltd. is entrusted with the custody of the Invesco Solar ETF Investment Account	2.98%
	Delta Electronics, Inc.	1.92%
	JPMorgan Chase Bank Taipei Branch is entrusted with the custody of Advanced Starlight Fund Company's series of funds Advanced Aggregate International Stock Index Fund Investment Account	1.12%
	Vanguard Group under custody of JPMorgan Chase Bank, N.A., Taipei Branch	1.03%
	Shen, Qing-xiong	1.01%
	Shares Market ETF under custody of Standard Chartered	0.81%
	Chase Custodian Advanced Trust Equity Index II Investment Account	0.58%
	Tong Shun Investment Co.	0.54%

(3)Major shareholders of major institutional shareholders

Mar. 31, 2025

Name of institutional shareholder	Major shareholder of major institutional shareholder	
China Steel Corporation (2024.12.31)	Ministry of Economic Affairs	20.00%
	China Steel Corporation Employee Stock Ownership Trust Account under custody of Mega International Commercial Bank	2.54%
	Transglory Investment Corporation	1.63%
	China postal co., Ltd.	1.20%
	Labor Pension Fund under the Old Scheme	1.13%
	International Stock Index Fund, a series of Vanguard Star Funds.	1.02%
	Winning Investment Corporation	1.02%
	PGIA Integrated International ETF under custody of JPMorgan Chase	0.99%
	Labor Pension Fund under the New Scheme	0.98%
	Taiwan Life Insurance Co. Ltd.	0.81%
China Steel Chemical Corporation (2024.12.31)	China Steel Corporation	29.04%
	International CSRC Investment Holdings Co., Ltd.	4.96%
	Fubon Life Insurance Co. Ltd.	3.93%
	Ever Wealthy International Corporation	2.01%
	Chi Cheng Teh Co., Ltd.	1.46%
	KGI Life Insurance Co., Ltd.	1.10%
	Xinyang Investment Co., Ltd.	1.01%
	Vanguard Emerging Markets Stock Index Fund Investment Account	0.96%
	Chang Gung Medical Foundation	0.93%
	China Steel Chemical Trust Property Special Account of Mega International Commercial Bank	0.84%

Note 1: The data in Tables 2 and 3 is based on that as of the most recent book closure date.

Note 2: If the institutional shareholder is not a business organization, the name of the shareholder and its shareholding that shall be disclosed above shall be the name of benefactor or donor and the proportion of its funding or donation (refer to the announcement by the Judicial Yuan). Any donor who has passed away should be marked "Deceased": N/A.

(4) Disclosure of information on directors' professional qualifications and the independence of independent directors:

Mar. 31, 2025

Name	Criteria	Professional qualifications and experience (Note 1)	Independence (Note 2)	Number of other public companies where the individual serves as an independent director concurrently
Institutional director Representative: Lee, Chien-Hui (Note 3)		Expertise: Stock affairs, corporate governance, business management, and insurance planning related to finance experience Main academic qualifications: Master's Degree in Business Administration from National Sun Yat-sen University. Main positions: Chairman, TTMC, Director of China Steel Precision Materials Ltd. Chairman, Omni Gains Investment Corp. Previous experience: Master's degree from the Institute of Business Administration, National Sun Yat-sen University. Vice President of Administration at Chung Hung Steel Corporation. Vice President of Finance at Chung Long Steel Corporation. Vice President of Management at Vietnam Steel Sumitomo Corporation.	The Company's institutional director representatives all meet the criteria below: 1. Not a spouse or relative within two degrees of kinship of another director. 2. Not a director, spouse, minor child thereof, or other natural person shareholders who hold more than 1% of the total issued shares of the Company by nominee arrangement or with top ten ownership.	0
Institutional director Representative: Lee, Chao-Hsiang (Note 3)		Expertise: Operations management and strategies, blast furnace ironmaking related industry experience Main academic qualifications: Department of Metallurgy and Materials Engineering, National Cheng Kung University Main positions: Retirement upon reaching the age limit on December 31, 2024. Previous experience: Chairman of ThinTech Material Technology Co., Ltd., Director of the China Mining and Metallurgical Engineering Society, President of Dragon Steel Co., Ltd., director of China Steel Structure Co., Ltd., assist general manager of the production department of China Steel Corp., Ltd., director of the ironmaking plant of China Steel Corp., Ltd.		0
Institutional director Representative: Wu, Chun-Hui		Specialties: Steel; finance, investment, business management, and corporate governance Education: Master of EMBA, National Sun Yat-sen University Other major positions: Chairman, Gains Investment Corp., President, Yunhong China Holdings, Director, Betacera Inc., Director, Fukuta Electric & Machinery Co., Ltd., Chairman, Eminence Investment Corporation, Chairman, Mentor Consulting Corporation, Chairman, Pro-Ascentek Investment Corporation, Chairman, Eminent III Venture Capital Corporation, and Director, Omni Gains Investment Corp. Experience: Assistant Vice President, Finance Department, Dragon Steel Co., Ltd., and President, Gains Investment Corp.		0
Institutional director Representative: Pan, Lay-Lay		Specialties: Marketing, finance, investment, and business management Education: Master of Marketing at Saint John's University Other major positions: Vice President of Finance and Chief Financial Officer, United Renewable Energy Co., Ltd., Supervisor, DS Energy Technology Co., Ltd., Supervisor, Utech Solar Corporation, Director, Xinjing Optoelectronics Co., Ltd., Director, Hsinjing Solar Co., Ltd., and Supervisor, Ri-Yao Energy Co., Ltd., Supervisor, Yongliang Co., Ltd., Director of Xier (Stock) Company, and Supervisor, United Renewable Energy Engineering Co., Ltd. Experience: Manager, Malabs, and Junior Manager, Citibank Taiwan, and Vice President of Finance and Chief Financial Officer, Ascent Solar Technologies, Inc.		0
Institutional director Representative: Hsu, Shun-Chi (Note 3)		Specialties: Passed the Accountant Examination of the R.O.C., financial planning, accounting, and risk management Education: Bachelor's degree in Mechanical Engineering from National Sun Yat-sen University. Other major positions: Plant Manager of Carbon Material Production at China Steel Carbon Chemical Co., Ltd. Experience: Deputy Plant Manager at China Steel Carbon Chemical Co., Ltd. Coal Chemical Production Plant, President, Changzhou Carbon New Material Technology Co., Ltd.		0

Name	Criteria	Professional qualifications and experience (Note 1)	Independence (Note 2)	Number of other public companies where the individual serves as an independent director concurrently
Institutional director Representative: Fang, Ming-Dar (Note 3)		Specialties: Passed the Accountant Examination of the R.O.C., financial planning, accounting, and risk management Education: Doctoral degree, Department of Chemical and Materials Engineering, National Kaohsiung University of Applied Sciences Other major positions: President, China Steel Chemical Corporation, Chairman, Ever Wealthy International Corporation, Changzhou Carbon New Material Technology Co., Ltd., Supervisor, Eminent Venture Capital Corporation Experience: Yongjia International Co., Ltd.		0
Independent Director Liang, Su-Mei Audit Committee Convener		Specialties: Passed the Accountant Examination of the R.O.C., financial planning, accounting, and risk management Education: Master of Finance, National Sun Yat-sen University Other major positions: Partner, Zhongjia CPAs & Co., Independent Director, Bin Chuan Enterprise Co., Ltd., and the convener of the Company's Audit Committee, Remuneration Committee, and Risk Management Committee (since June 2020) Experience: Assistant Manager, Deloitte & Touche, independent director and member of the Audit Committee, Bin Chuan Enterprise Co., Ltd. (from May 2004 to June 2022)	The three independent directors have met the criteria below during the two years before being elected and during the term of office:	0
Independent Director Tsai, Mi-Ching Remuneration Committee Convener		Specialties: Engineering science R&D, technological innovation, and risk management Education: Doctoral degree, Engineering Science, University of Oxford, UK Other major positions: Chair Professor, Department of Mechanical Engineering, National Cheng Kung University, Director, Electric Motor Technology Research Center, National Cheng Kung University, independent director, Jufan Industrial Co., Ltd. (since September 2021), and member of the Company's Audit Committee, Remuneration Committee, and Risk Management Committee (since June 2020) Experience: Deputy Minister of Ministry of Science and Technology, Executive Yuan, Chairman, Metal Industries Research & Development Center, Secretary General, Academia-Industry Consortium for Southern Taiwan Science Park, National Cheng Kung University, Director, Research NCKU, National Cheng Kung University, and head of the Engineering Technology Development Department, National Science Council, Awarded the 2022 Fifth Presidential Innovation Award and the Lifetime Achievement Award of the Automatic Control Society of the Republic of China the 28th National Lecture by the Ministry of Education.	1. Is not elected as a government agency, juridical person, or its representative as defined in Article 27 of the Company Act. 2. Is not and spouse and relatives within the second degree of kinship thereof are not serving as directors, supervisors, or employees of the Company or its affiliates. 3. Is not serving as a director, supervisor, or employee of a company with specific relations with the Company. 4. Is not a director, supervisor, or manager at a specific company or institution with financial relations or business dealings with the Company, or shareholder holding 5% or more of the Company's total shares. 5. Did not receive remuneration for providing business, legal, financial, accounting, or other services to the company or its affiliates in the last two years.	1
Independent Director Fang, Cheng-Hwa Risk Management Committee Convener		Specialties: Finance, marketing, corporate governance, and risk management Education: MBA, University of Central Missouri Other major positions: Member of the Company's Audit Committee, Remuneration Committee, and Risk Management (since June 2020) Experience: Senior Consultant, Cowealth Medical Holding Co., Ltd., Taiwan Branch (Cayman), Director, Operating Department, Cowealth (China) Medical Technology Co., Ltd., Shanghai Branch, President, Medtecs (Taiwan) Corp., President, Chow Sang Sang Jewellery (Taiwan) Limited, Taiwan Branch (BVI), and President, Megaful Co., Ltd.		0

Note 1: All board members meet the criteria for professional qualifications, have five years or more of work experience, and are not under any of the circumstances under each subparagraph of Article 30 of the Company Act.

Note 2: The directors and independent directors are aligned with the criteria for independence based on the review results

Note 3: The original director representative of Gains Investment Corporation Mr. Lee Chao-Hsiang, retired due to age on December 31, 2024, the director representative was reassigned. Mr. Lee Chao-Hsiang was elected as the new director by the board of directors on the same day. The representative director of Ever Wealthy International Corporation Mr. Fang Ming-dar, was replaced by Mr. Hsu, Shun-Chi on March 10, 2025, and the change is effective immediately.

(5)Board diversity and independence:

■ Board diversity indicators:

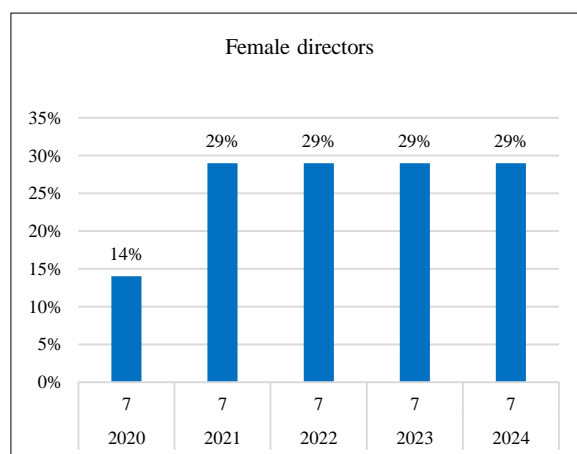
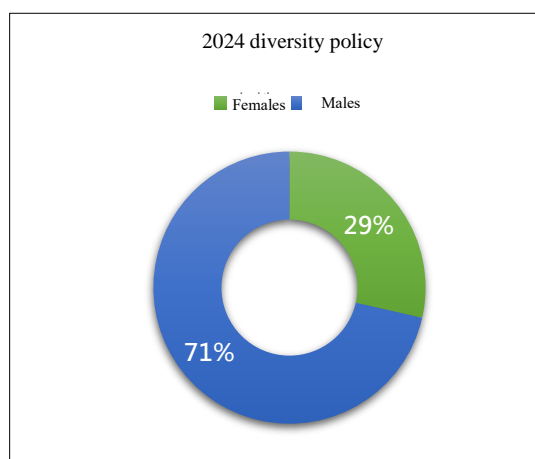
- A. The company continues to arrange diverse training courses for board members to enhance their decision-making quality, fulfill their supervisory responsibilities, and further strengthen the functions of the board of directors.
- B. In compliance with the diversity policy, we aim to have at least one female director (14.29%).
- C. Independent directors may not serve more than three consecutive terms in order to maintain their independence.
- D. Board members should possess diverse attributes such as different genders, ages, and areas of expertise, as well as capabilities in operational judgment, accounting and financial analysis, management, crisis handling, risk management, industry knowledge, international marketing, technological innovation, leadership, and decision-making. These competencies encompass the necessary knowledge, skills, and qualities required to effectively supervise the company, ensure compliance with laws, timely disclose important information, and operate with integrity. They should maintain good communication channels and positive interactions with the management team, guide the execution of the company's business, and make resolutions on significant decisions to ensure the company's development and protect shareholders' rights, ultimately achieving the ideal goals of corporate governance.

■ The implementation of the board diversity policy is as follows:

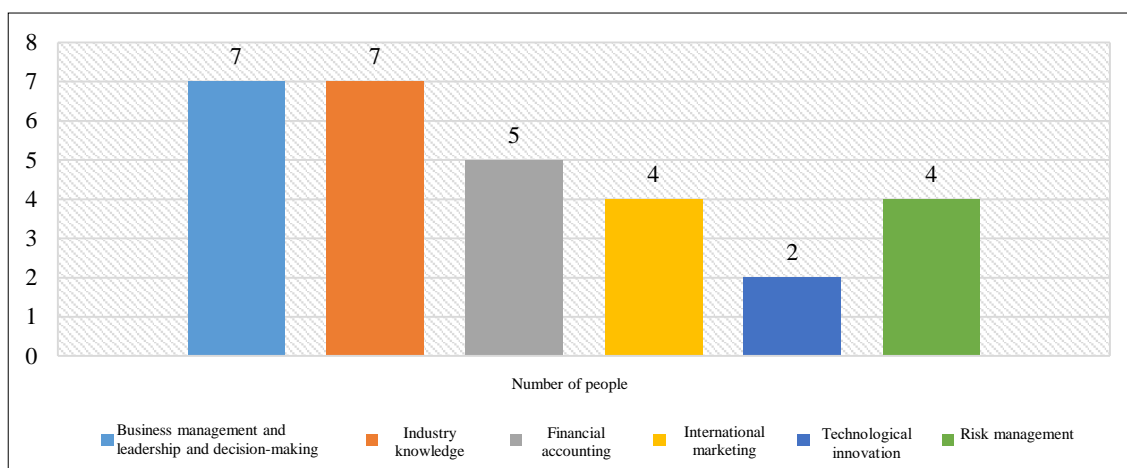
- A. The 7 directors on 9th Board have completed a total of 52 hours of continuing education in accordance with legal regulations during the 2024. This includes courses on corporate governance, risk management, ESG, and legal taxation. The continuing education hours for newly appointed and reappointed directors meet the requirements set forth in the Corporate Governance Best Practice Principles.

Course	Corporategovernance	Risk management	ESG	Legal taxation
Numbers	1	4	6	2
Hours	3	12	30	7

- B. The 9th Board of Directors consists of seven directors with two female directors on the board accounting for 28.57% of all members to ensure gender equality. To strengthen the promotion of gender equality, it is proposed that in the comprehensive board re-election in 2026, the board should be advised to have directors of different genders make up one-third of the board.



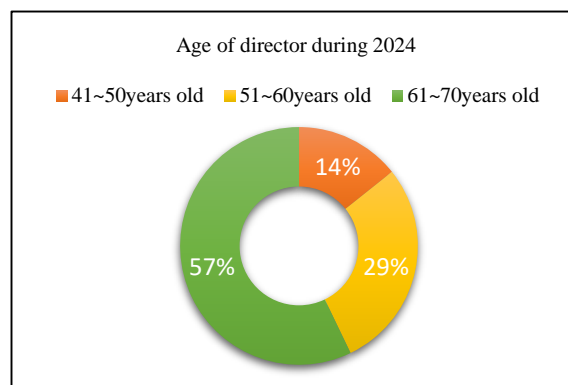
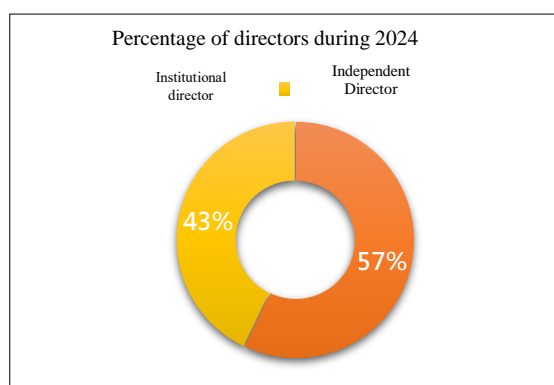
- C. The company's three independent directors, Liang, Su-mei, Tsai, Mi-Ching, and Fang, Ming-Dar, were elected and took office on June, 2020 and were re-elected in the comprehensive board election in 2023, serving less than three terms.
- D. Our company focuses on legal compliance, technological innovation, and integrated transformation. Therefore, when selecting board members, we consider their academic and professional backgrounds, age, areas of expertise, and gender balance, while also looking for candidates from both industry and academia. We take into account the company's five-year operational development strategy and goals. The independent directors include one accountant, Liang Sumei, who supervises and reviews the quality of financial reports, provides financial risk warnings, and offers professional advice on compliance with accounting standards. Another independent director, Tsai, Mi-Ching, is a professor at a national university with expertise in mechanical engineering management and technological innovation. He has previously served as the Deputy Minister of the Ministry of Science and Technology and as the Chairman of the Metal Industries Research and Development Centre, providing advice on product technology and research and development. The other board members include Chairman Lee, Chien-Hui, who specializes in finance, corporate governance, and management; Director Wu, Chun-Hui, who focuses on corporate governance and financial management; Director Hsu, Shun-Chi, who is skilled in production management and technological innovation; and independent directors Fang, Cheng-Hwa and Pan, Lay-lay, who are proficient in marketing and providing future sales strategies for the company. Additionally, independent directors Liang, Su-mei, Tsai, Mi-Ching, and Fang, Ming-Dar, and Chairman Lee, Chien-Hui are involved in identifying operational risks, providing warnings, and formulating response strategies. All members of our board possess management and leadership decision-making abilities, industry knowledge, and cover at least four areas of expertise. Among them, five members have financial and accounting capabilities, accounting for 71.43%.



Board of Directors/Committee	Description	Number
Business management and leadership and decision-making	The market environment is complex and changing rapidly. Facing the fierce competition, board members should formulate corresponding strategies to help the Company review operations, finance, and investments.	7
Industry knowledge	The Company's products range from the optical discs, optoelectronic products, semiconductors, to biomedical technology products. Important industry knowledge, including the industry trends, technology development, and competition, is a key to influencing our management and decision-making process.	7
Financial accounting	Board members should improve the quality and reliability of financial reports in compliance with laws and regulations and provide professional consultation service.	5
International marketing	Facing the fierce competition in the market, climate change, and force majeure factors (such as wars and epidemic diseases), which in turn, affect and change people's consumption habits, board members should help the Company to expand our products and increase business profits.	4
Technological innovation	The technical threshold of the targets industry is quite high. In terms of technologies, products, and process innovation needed by the market, technological innovation is an important core competence in the board/committee member diversity policy.	2
Risk management	Compliance, identification of high risks involved in various operations, formulation of strategies, and communication with stakeholders are directors and committee members' responsibilities.	4

■ Percentage of directors and age distribution:

Our independent directors account for 42.86% of all directors; general directors 57.14%, and directors who are also employees 0%. Four directors are between 61 and 70 years old, and two between 51 and 60 years old, and one between 41 and 50 years old.



The implementation situation is as follows:

Job title	Representative	Nationality	Gender	Age	Serving as the Company's employee concurrently	Independent Director Term of office			Core diversity indicator						
						3 years or less	3 to 9 years	9 years or longer	Business management	Leadership and decision-making	Industry knowledge	Financial accounting	International marketing	Technological innovation	Risk management
Chairman (Note)	Lee, Chien-Hui	R.O.C	Male	61~70	None				•	•	•	•			•
	Lee, Chao-Hsiang	R.O.C	Male	61~70	None				•	•	•		•		•
Director	Wu, Chun-Hui	R.O.C	Male	61~70	None				•	•	•	•	•		
Director (Note)	Hsu,Shun-Chi	R.O.C	Male	51~60	None				•	•	•			•	
	Fang, Ming-Dar	R.O.C	Male	61~70	None				•	•	•		•	•	
Director	Pan, Lay-Lay	R.O.C	Female	41~50	None				•	•	•	•	•		
Independent Director	Tsai, Mi-Ching	R.O.C	Male	61~70	None		•		•	•	•		•	•	•
Independent Director	Liang, Su-Mei	R.O.C	Female	51~60	None		•		•	•	•	•			•
Independent Director	Fang, Cheng-Hwa	R.O.C	Male	61~70	None		•		•	•	•	•	•		•

Note : The original director representative of Gains Investment Corporation., Mr. Lee Chao-Hsiang, retired due to age on December 31, 2024, the director representative was reassigned. Mr. Lee Chao-Hsiang was elected as the new director by the board of directors on the same day. The representative director of Ever Wealthy International Corporation Mr. Fang Ming-dar, was replaced by Mr. Hsu, Shun-Chi on March 10, 2025, and the change is effective immediately..

■ Independence of the Board of Directors

The Company has a total of seven directors on the board, of whom three are independent directors (42.86%) and have all held the position for five years or less. No director is a spouse or relative within the second degree of kinship of any other director nor are they under circumstances under any of the subparagraphs of Article 30 of the Company Act and Article 26-3, paragraphs 3 and 4 of the Securities and Exchange Act.

2. Information on the President, Vice Presidents, and the heads of various departments and branches:

Feb. 29, 2024; unit: shares

Job title	Nationality	Name	Gender	Date elected	Shareholding	Shareholding of spouse or minor children	Shareholding by nominee arrangement	Major education and experience	Concurrent positions other companies	Spouse or relatives within second degree of kinship who are other managers	Remarks (Note 1)
					Number of shares/Shareholding	Number of shares/Shareholding	Number of shares/Shareholding			Job title/Name/Relations	
President (Note2)	R.O.C	Feng ,Fu-An	Male	2024.12.31	0 0%	0 0%	None	Bachelor's degree in Materials Engineering from National Cheng Kung University Deputy Director of the Technical Department at China Steel Corporation Leader of the Special Alloys Quality Control Group in the Metallurgical Technology Department at China Steel Corporation	Chairman of Changzhou ChinaSteel Precision Materials Co., Ltd.	None	None
	R.O.C	Pan, Yeong-Tsuen	Male	2020.08.15	0 0%	0 0%	None	Doctoral degree, Department of Materials and Optoelectronic Science, National Sun Yat-sen University Chairman of Taicang ThinTech Material Co., Ltd. Chairman of Taicang ThinTech Global Limited. Deputy Project Director, Technical Department, China Steel Corporation	Retirement due to reaching the age limit on December 31, 2024.	None	None
Technology Vice President	R.O.C	Lin, Ching-Fu	Male	2014.06.03	1,780 0%	0 0%	None	Master's degree, Department of Materials Science and Engineering, National Cheng Kung University R&D Officer, TTMC Researcher, Industrial Technology Research Institute	None	None	None
Administration Vice President (Note2)	R.O.C	Hsu Ming-Tsung	Male	2024.08.01	0 0%	0 0%	None	Master's Degree from the Institute of Industrial Engineering and Engineering Management at National Tsing Hua University Leader of the Business Development Group in the Industrial Engineering Department at China Steel Corporation.	None	None	None
	R.O.C	Lin, Ching-Chun	Male	2021.04.01	0 0%	0 0%	None	Master's degree, Department of Electrical Engineering, National Cheng Kung University Professional Manager, Direct Investment Department, Gains Investment Corp. Director, LuxNet Corp. Supervisor, Tai-Saw Technology Co., Ltd. Director, Transcom, Inc.	Return to Gains Investment Corp. on August1,2024.	None	None
Business Department	R.O.C	Lin, Yu-Chuan	Male	2022.08.01	2,831 0%	0 0%	None	Master's degree, Department of Materials Science and Engineering, National Taiwan University Deputy Head of the Administration Department, Deputy Head of the Quality Assurance Department, TTMC Section Chief, R&D Department, Kao Chen Telecom Technology Co., Ltd. Vice president and Director of Taicang ThinTech Material Co., Ltd.	None	None	None
Production Plants Acting plant Director (Note2)	R.O.C	Ling, Yung-Fu	Male	2023.07.01	0 0%	377 0%	None	Master's degree, Department of Asia-Pacific Industrial and Business Management, National University of Kaohsiung Deputy Head of the Quality Assurance Department, TTMC Section Chief, R&D Department, Kao Chen Telecom Technology Co., Ltd.	None	None	None
Production Plants Deputy Chief of the Production Plant	R.O.C	Kuo, Shu-Kai	Male	2021.03.01	0 0%	0 0%	None	Master's degree, Institute of Materials Science and Engineering, National Taipei University of Technology Bachelor's degree, Materials Science and Engineering, National Taipei University of Technology Vice President, Taicang ThinTech Material Co., Ltd. Manager, Technology Department, TTMC Manager, Production Plant, TTMC	None	None	None
Administrative Management Department Department Head	R.O.C	Huang, Jung-Chang	Male	2023.07.01	302 0%	0 0%	None	Bachelor's degree, Department of Business Administration, National Kaohsiung University of Applied Sciences Chief of the Production Plant, TTMC Director, Taicang ThinTech Material Co., Ltd. President, Taicang ThinTech Material Co., Ltd. Vice President, Taicang ThinTech Material Co., Ltd. Manager, Production Department, Niu, Feng Industrial Co., Ltd.	None	None	None

Job title	Nationality	Name	Gender	Date elected	Shareholding	Shareholding of spouse or minor children	Shareholding by nominee arrangement	Major education and experience	Concurrent positions other companies	Spouse or relatives within second degree of kinship who are other managers	Remarks (Note 1)
					Number of shares/Shareholding	Number of shares/Shareholding	Number of shares/Shareholding			Job title/Name/Relations	
Quality Assurance Department Department	R.O.C	Juan, Wei	Male	2008.03.17	0 0.00%	0 0.00%	None	Master's degree, Department of Statistics, Tunghai University Head of the Administrative Management Department, TTMC Assistant Manager, United Microelectronics Corporation	None	None	None
Technology Department Department	R.O.C	Kuan, Chi-Yun	Female	2022.09.16	0 0.00%	0 0.00%	None	Doctoral degree, Department of Materials Science and Engineering, National Cheng Kung University Researcher at the Department of Materials Science and Engineering, National Cheng Kung University. Deputy Head of the Technology Department, TTMC	None	None	None
Financial Accounting Officer-cum-Corporate Governance Officer	R.O.C	Chang, Chia-Wen	Female	Financial Accounting Officer (2021.03.01) Corporate Governance Officer (2021.10.29)	0 0.00%	0 0.00%	None	Master's degree, Department of Finance, National Sun Yat-sen University Auditor, TTMC Supervisor of Taicang ThinTech Material Co., Ltd. Auditor and Bookkeeper, Yongxiang CPA Firm Auditor, JSG	None	None	None
Audit Office (Note 3)	R.O.C	Liu, Cheng-Yen	Male	2017.11.16	0 0.00%	0 0.00%	None	Bachelor's degree, Department of Accounting, Tunghai University Auditor, Grant Thornton Auditor, Ernst & Young	Transferred to the Finance Department on October 4, 2024.	None	None
	R.O.C	Cheng Chin-Mei	Female	2024.10.04	0 0.00%	0 0.00%	None	Bachelor's degree in Accounting from Chung Yuan Christian University Management Accountant at TTMC Materials Technology Co., Ltd. Acting Auditor at TTMC Materials Technology Co., Ltd.	Returned to the Financial Department on December 31, 2024	None	None
	R.O.C	Yeh, Zi-Yi	Female	2025.01.01	0 0.00%	0 0.00%	None	Master's degree in Environmental Engineering from National Central University Project Planning Engineer at China Steel Corporation Deputy Auditor at the Audit Department of China Steel Corporation	None	None	None

Note 1: Where the chairman and the president or person in an equivalent position (top-level manager) are the same person, spouses, or relatives within the first degree of kinship, the reason for, reasonableness, necessity thereof, and countermeasures shall be disclosed (e.g., increasing the number of independent directors on the board or having more than half of the directors not concurrently serving as employees or managers): N/A.

Note 2: Mr. Pan, Yeong-Tsuen, the former President, retired on December 31, 2024, and after the Board of Directors' meeting held on December 27, 2024, Mr. Feng, Fu-An was appointed as the new President with an effective date of December 31, 2024. Mr. Lin, Ching-Chun, the former Vice President of Administration, vested in Gains Investment Corporation on August 1, 2024. After the Board of Directors' meeting on July 31, 2024, Mr. Hsu Ming-Tsung was appointed as the new Vice President of Administration with an effective date of August 1, 2024. On September 15, 2024, Mr. Ling, Yung-Fu was promoted to the position of Production Plant Director.

Note 3: On October 4, 2024, the former internal audit officer, Mr. Liu, Cheng-Yen, was transferred to the Finance Department and was temporarily replaced by Ms. Cheng Chin-Mei on the same day. On December 27, 2024, the Board of Directors appointed Ms. Yeh, Zi-Yi as the new internal audit officer with an effective date of January 1, 2025, and Ms. Cheng Chin-Mei stepped down from her position as the temporary internal audit officer on December 31, 2024, to reestablish the Finance Department.

3. Remuneration paid to directors, the President, and Vice Presidents in the most recent year:

(1) Remuneration paid to directors (including independent directors)

December 31, 2023; Unit: NT\$ thousands/in thousands of shares

Job title	Name	Remuneration to directors								Sum of A, B, C, and D as a % of the net income after tax		Remuneration received for serving as an employee concurrently								Sum of A, B, C, D, E, F, and G as a % of the net income after tax		Remuneration from investees other than subsidiaries or from the parent company	
		Base remuneration (A)		Severance and pension (B)		Remuneration to directors (C)		Business execution expenses (D)				Remuneration, bonus, and allowance (E)		Severance and pension (F)		Remuneration to employees (G)							
		The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company		All companies in the financial statements		The Company	All companies in the financial statements		
																Cash amount	Stock amount	Cash amount	Stock amount				
Chairman (Note 1)	Gains Investment Corp. Representative: Lee, Chien-Hui	3,203	3,203	0	0	0(註 2)	0(註 2)	250	250	3,453	3,453	0	0	0	0	0	無	0	無	3,453	3,453	7,183	
	Gains Investment Corp. Representative: Lee, Chao-Hsiang																						
Director	Gains Investment Corp. Representative: Wu, Chun-Hui																						
Director	United Renewable Energy Co., Ltd. Representative: Pan, Lay-Lay																						
Director (Note 1)	Ever Wealthy International Corporation Representative: Hsu,Shun-Chi									6.94%	6.94%										6.94%	6.94%	
	Ever Wealthy International Corporation Representative: Fang, Ming-Dar																						
Independent director	Tsai, Mi-Ching	1,080	1,080	0	0	0	0	199	199	1,279	1,279	0	0	0	0	0	無	0	無	1,279	1,279	0	
	Liang, Su-Mei																						
	Fang, Cheng-Hwa									2.57%	2.57%												
<p>1. Please specify the policy, system, standard, and structure of remuneration to independent directors, and the association between the amount of remuneration and the responsibilities and risks assumed, time spent, and other factors:</p> <p>(1)The remuneration paid to independent directors is handled in accordance with Article 21 of the Company's Articles of Incorporation, and we have formulated the Rules of the Scope of Powers of Independent Directors and implemented it accordingly. We review and improve the implementation as per the Rules of the Performance Evaluation of the Board of Directors on an annual basis.</p> <p>(2)The functional committees we established include the Audit Committee, the Remuneration Committee, and the Risk Management Committee, all of which consist of three independent directors to increase their participation in the Company's operations and enhance our risk management and control.</p> <p>(3)The fixed remuneration paid to independent directors is determined by the Board of Directors with reference to the general standard in the industry. After prudent internal assessment of future risks and individual contributions, the Board of Directors reviewed the proposal and resolved to pay NTS30,000 to each independent director per month, and they do not participate in the Company's earnings distribution.</p> <p>(4)The honoraria for independent directors' attendance at board meetings and functional committee meetings are determined with reference to the general standard in the industry.</p> <p>2. Except as disclosed in the above table, the remuneration received by the Company's directors for providing services to all companies in the financial statements (such as serving as a consultant in a non-employee capacity) in the most recent year: None.</p>																							

Note 1: The representative director of Gains Investment Corporation Lee, Chao-Hsiang, has reached retirement age and will be replaced by Mr. Lee, Chien-Hui as the new representative director effective December 31, 2024. On the same day, a board meeting will be held to elect the new chairman. Additionally, the representative director of Wealthy International Corporation, originally appointed Mr. Fang, Ming-Dar, will be replaced by Mr. Hsu,Shun-Chi, effective March 10, 2025.

Note 2: In 2024, our company acquired China Steel's precision materials, which is part of an organizational restructuring. As a result, other equity has incurred a negative amount due to the exchange differences arising from the conversion of financial statements of foreign operating entities. In accordance with Article 41, Paragraph 1 of the Securities and Exchange Act, we are unable to allocate director remuneration for the year 2024.

Directors' (independent directors') remuneration range table

Ranges of remuneration paid to each director of the Company	Name of director			
	Sum of A+B+C+D		Sum of A+B+C+D+E+F+G	
	The Company	All companies in the financial statements	The Company	Parent company and all investees I
Below NT\$1,000,000	Gains Investment Corp. (Representative: Lee, Chien-Hui, Wu, Jun-Hui) United Renewable, Energy Co., Ltd. (Representative: Pan, Lay-Lay) Ever Wealthy International Corporation (Representative: Fang, Ming-Dar) Tsai, Mi-Ching, Liang, Su-Mei, and Fang, Cheng-Hwa	Gains Investment Corp. (Representative: Lee, Chien-Hui, Wu, Jun-Hui) United Renewable, Energy Co., Ltd. (Representative: Pan, Lay-Lay) Ever Wealthy International Corporation (Representative: Fang, Ming-Dar) Tsai, Mi-Ching, Liang, Su-Mei, and Fang, Cheng-Hwa	Gains Investment Corp. (Representative: Lee, Chien-Hui, Wu, Jun-Hui) United Renewable, Energy Co., Ltd. (Representative: Pan, Lay-Lay) Ever Wealthy International Corporation (Representative: Fang, Ming-Dar) Tsai, Mi-Ching, Liang, Su-Mei, and Fang, Cheng-Hwa	Gains Investment Corp. (Representative: Lee, Chien-Hui) United Renewable, Energy Co., Ltd. (Representative: Pan, Lay-Lay) Ever Wealthy International Corporation (Representative: Fang, Ming-Dar) Tsai, Mi-Ching, Liang, Su-Mei, and Fang, Cheng-Hwa
NT\$1,000,000 (inclusive)–NT\$2,000,000 (exclusive)	None	None	None	None
NT\$2,000,000 (inclusive)–NT\$3,500,000 (exclusive)	Gains Investment Corp. (Representative: Lee, Chao-Hsiang)	Gains Investment Corp. (Representative: Lee, Chao-Hsiang)	Gains Investment Corp. (Representative: Lee, Chao-Hsiang)	Gains Investment Corp. (Representative: Lee, Chao-Hsiang)
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	None	Gains Investment Corp. (Representative: Wu Jun, Hui)
NT\$10,000,000 (inclusive)–NT\$15,000,000 (exclusive)	None	None	None	None
NT\$15,000,000 (inclusive)–NT\$30,000,000 (exclusive)	None	None	None	None
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
NT\$100,000,000 or more	None	None	None	None
Total	8	8	8	8

Note: 1. If a director of the Company receives remuneration from investees other than subsidiaries or from the parent company, the remuneration received by the director from investees other than subsidiaries or from the parent company shall be included in column I of the remuneration range table with said column renamed "Parent company and all investees".

2. Remuneration refers to the compensation, remuneration (including employee, director, and supervisor remuneration), and business execution expenses received by the directors of the Company for serving as directors, supervisors, or managers of investees other than subsidiaries or the parent company.

3. The content of remuneration disclosed in this table is different from the concept of income under the Income Tax Act, so this table is for disclosure purposes rather than for taxation purposes.

(2) Remuneration to the President and Vice Presidents

December 31, 2024; Unit: NT\$ thousands/in thousands of shares

December 31, 2024, Unit: NT\$ thousands/in thousands of shares														
Job title	Name	Salary (A)		Severance and pension (B)		Bonus and allowance (C)		Employee remuneration (D)				Sum of A, B, C, and D as a % of the net income after tax	Remuneration from investees other than subsidiaries or from the parent company	
		The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company		All companies in the financial statements				
								Cash amount	Stock amount	Cash amount	Stock amount	The Company		All companies in the financial statements
President (Note2)	Feng ,Fu-An	5449	5449	0	0	621	621	0 (Note1)	None	0 (Note1)	None	6070 12.19%	6070 12.19%	1203
	Pan, Yeong-Tsuen													
Vice President (Note2)	Lin, Ching-Fu													
	Lin, Ching-Chun													
	Hsu Ming-Tsune													

Note1: In 2024, our company acquired China Steel's precision materials as part of an organizational restructuring. As a result, other equity experienced a negative impact due to the exchange differences arising from the conversion of financial statements of foreign operating entities. In accordance with Article 41, Paragraph 1 of the Securities and Exchange Act, we are unable to allocate employee compensation for the year 2024.

Note2: Mr. Pan, Yeong-Tsuen, the former President, retired on December 31, 2024, and after the Board of Directors' meeting held on December 27, 2024, Mr. Feng ,Fu-An was appointed as the new President with an effective date of December 31, 2024. Mr. Lin, Ching-Chun, the former Vice President of Administration, vested in Gains Investment Corporation on August 1, 2024. After the Board of Directors' meeting on July 31, 2024, Mr. Hsu Ming-Tsung was appointed as the new Vice President of Administration with an effective date of August 1, 2024.

The President and Vice Presidents' remuneration range table

Ranges of remuneration to the President manager and Vice Presidents of the Company	Name of the President or Vice President	
	The Company	Parent company and all investees
Below NT\$1,000,000	Feng ,Fu-An 、 Hsu Ming-Tsung	Feng ,Fu-An 、 Hsu Ming-Tsung
NT\$1,000,000 (inclusive)–NT\$2,000,000 (exclusive)	Lin, Ching-Fu 、 Lin, Ching-Chun	Lin, Ching-Fu 、 Lin, Ching-Chun
NT\$2,000,000 (inclusive)–NT\$3,500,000 (exclusive)	Pan, Yeong-Tsuen	Pan, Yeong-Tsuen
NT\$3,500,000 (inclusive)–NT\$5,000,000 (exclusive)	None	None
NT\$5,000,000 (inclusive)–NT\$10,000,000 (exclusive)	None	None
NT\$10,000,000 (inclusive)–NT\$15,000,000 (exclusive)	None	None
NT\$15,000,000 (inclusive)–NT\$30,000,000 (exclusive)	None	None
NT\$30,000,000 (inclusive)–NT\$50,000,000 (exclusive)	None	None
NT\$50,000,000 (inclusive)–NT\$100,000,000 (exclusive)	None	None
NT\$100,000,000 or more	None	None
Total	5	5

Note: 1. Remuneration refers to the compensation, remuneration (including employee, director, and supervisor remuneration), and business execution expenses received by the President or Vice Presidents of the Company for serving as directors, supervisors, or managers of investees other than subsidiaries or the parent company: No such situation

2. The content of remuneration disclosed in this table is different from the concept of income under the Income Tax Act, so this table is for disclosure purposes rather than for taxation purposes.

(3) Name of manager who receives employee remuneration and distribution:

December 31, 2024; Unit: NT\$ thousands

	Job title	Name	Stock amount	Cash amount	Total	Total amount as a % of the net income after tax
Manager	President (Note 2)	Feng ,Fu-An	none	0 (Note 1)	0	0%
		Pan, Yeong-Tsuen				
	Vice President of Technology	Lin, Ching-Fu				
	Executive Vice President (Note 2)	Hsu Ming-Tsung				
		Lin, Ching-Chun				
	Acting Chief of the Production Plant (Note 2)	Ling, Yung-Fu				
	Deputy Chief of the Production Plant	Kuo, Shu-Kai				
	Head of the Quality Assurance Department	Juan, Wei				
	Head of the Administrative Management Department	Huang, Jung-Chang				
	Head of the Technology Department	Kuan, Chi-Yun				
	Head of the Business Department	Lin, Yu-Chuan				
	Financial Accounting Officer-cum-Corporate Governance Officer	Chang, Chia-Wen				
	Auditor (Note 3)	Liu, Cheng-Yen				
		Cheng Chin-Mei				
		Yeh,Zi-Yi				

Note 1: In 2024, our company acquired China Steel's precision materials as part of an organizational restructuring. As a result, other equity experienced a negative impact due to the exchange differences arising from the conversion of financial statements of foreign operating entities. In accordance with Article 41, Paragraph 1 of the Securities and Exchange Act, we are unable to allocate employee compensation for the year 2024.

Note 2: Mr. Pan, Yeong-Tsuen, the former President, retired on December 31, 2024, and after the Board of Directors' meeting held on December 27, 2024, Mr. Feng, Fu-An was appointed as the new President with an effective date of December 31, 2024. Mr. Lin, Ching-Chun, the former Vice President of Administration, vested in Gains Investment Corporation on August 1, 2024. After the Board of Directors' meeting on July 31, 2024, Mr. Hsu Ming-Tsung was appointed as the new Vice President of Administration with an effective date of August 1, 2024. On September 15, 2024, Mr. Ling, Yung-Fu was promoted to the position of Production Plant Director.

Note 3: On October 4, 2024, the former internal audit officer, Mr. Liu, Cheng-Yen, was transferred to the Finance Department and was temporarily replaced by Ms. Cheng Chin-Mei on the same day. On December 27, 2024, the Board of Directors appointed Ms. Yeh, Zi-Yi as the new internal audit officer with an effective date of January 1, 2025, and Ms. Cheng Chin-Mei stepped down from her position as the temporary internal audit officer on December 31, 2024, to reestablish the Finance Department.

4. An analysis of the total remuneration paid to the Company's directors, the President, and Vice Presidents as a percentage of the net income after tax for the most recent two years, and a description of the remuneration policy, standard, and package, the procedure for determining the remuneration, and the association between business performance and future risks:

- (1) An analysis of the total remuneration paid to the Company's directors, the President, and Vice Presidents by the Company and all companies in consolidated financial statements as a percentage of the net income after tax for the most recent two years:

Unit: NT\$ thousands

Year		2024			2023		
Job title	An analysis of the total remuneration paid to the Company's directors, the President, and Vice Presidents by the Company and all companies in consolidated financial statements as a percentage of the net income after tax recorded in the parent company only or individual financial statements			An analysis of the total remuneration paid to the Company's directors, the President, and Vice Presidents by the Company and all companies in consolidated financial statements as a percentage of the net income after tax recorded in the parent company only or individual financial statements			
Job title	Total remuneration	Net income after tax	Total remuneration as a % of the net income after tax	Total remuneration	Net income after tax	Total remuneration as a % of the net income after tax	
Director	4,732	49,785	9.50%	5,076	39,568	12.82%	
The President and Vice Presidents	6,070		12.19%	6,478		16.37%	
An analysis of the difference in the total remuneration as a % of the net income after tax for the most recent two years	The total compensation in 2024 has decreased compared to 2023, primarily due to the acquisition of China Steel's precision materials and organizational restructuring in 2024, which resulted in negative other equity due to exchange differences from the financial statements of foreign operating entities. In accordance with Article 41, Paragraph 1 of the Securities and Exchange Act, it is not possible to allocate compensation for directors and employees in 2024, as well as the retirement pension for the former chairman included in the compensation for 2023.						

- (2) The remuneration policy, standard, and package, the procedure for determining the remuneration, and the association between business performance and future risks:

As per Article 27 of the Company's Articles of Incorporation, where the Company makes a profit for a year, it shall allocate no less than 0.1% of the balance as employee remuneration and no more than 1% as directors' remuneration and report to the shareholders' meeting. In addition, the travel expenses of the representative of the director of the Company shall be determined with reference to the standards of the same industry. The directors' remuneration and travel expenses shall be determined by the corporate director, and the independent directors shall not participate in the company's earnings distribution, and their monthly fixed remuneration shall be determined by the board of directors with reference to the usual standards of the same industry. In accordance with the Securities and Exchange Act, a listed company shall state in its Articles of Incorporation that a certain percentage of its annual earnings is to be allocated as compensation to junior employees. Therefore, the Company amended its Articles of Incorporation to set forth at least 30% of total employee compensation shall be allocated to junior employees. The amended Articles of Incorporation were approved by the Board of Directors on February 26, 2025 and will become effective upon approval by the shareholders at the general meeting scheduled for June 19, 2025.

- (I) The Company's directors' remuneration and employee remuneration is determined in a reasonable manner based on individuals' responsibilities, their participation in, and values of their contribution to Company's business, as well as their performance evaluation results, and we should report on the affairs to the shareholders' meeting. There is no obvious association between the remuneration paid and future risks.
- The performance assessment and compensation for the directors and managers of the Company shall take into consideration the results of job performance, time dedicated to the Company, the responsibilities held, the achievement of objectives, the performance in other positions, the compensation given by the Company to those in similar positions in recent years, and the reasonableness of the performance assessment in relation to the Company's operating performance and future risks, the Company's financial condition, the performance of ESG, the compensation of peer companies, and shall be in accordance with the regulations on salary management and provisions of Article 27 of the Company's Articles of Incorporation. The relevant performance assessment and compensation reasonableness shall be reviewed by the Remuneration Committee and the Board, distributed after approval by the Board.
 - The Parent Company's performance control indicators for TTMC include the overall results of six major categories: the number of ESG-related matters achieved, management indicators of operating performance, financial indicators of operating performance, core technology capabilities, industrial safety management and alignment with group policies and business coordination. The results are linked to the adjustment of the remuneration of the Chairman and the General Manager in the following year. For the year ended December 31, 2024, the ratio of the compensation of our Chairman and President was 6.46% of the Company's net income before taxes and expenses.

Performance Indicators	The number of Items	Weighting ratio (%)
Operational Performance Management Indicators	2	22%
Operational Performance Financial Indicators	2	20%
Core Technical Capabilities	2	13%
Industrial Safety Management	1	5%
ESG	3	Additional Sub-items
Group Policy and Business Alignment	4	40%

- Employee compensation is based on the "Employee Compensation Management Regulations" approved by the Board of Directors on December 27, 2024, and takes into account the results of the annual performance evaluation. The evaluation items include financial indicators, such as shipment volume, cost reduction amount, and profit amount; non-financial indicators, such as new technological capability, attention to work safety regulations, process improvement and project completions, and customer claims and complaints, etc. Relevant performance appraisals and remuneration reasonableness are reviewed by the Remuneration Committee and the Board.

II 、Implementation of corporate governance:

(I) Operations of the Board of Directors:

On June 16, 2023, the shareholders' meeting approved the comprehensive re-election of 7 directors (including 3 independent directors) for the ninth term, with the term starting from June 16, 2023 to June 15, 2026. The Board of Directors held eight meetings during the most recent year (2024), and the overall attendance rate is as 98.21%. Directors' attendance is as follows:

Job title	Name	Attendance in person	Attendance by proxy	Attendance (%) (Note 1)	Remarks
Chairman (Note 1)	Gains Investment Corp. Representative: Lee, Chien-Hu	1	0	100%	2024.12.31 take office
	Gains Investment Corp. Representative: Lee, Chao-Hsiang	7	0	100%	2024.12.31 retired
Director	Gains Investment Corp. Representative: Wu, Jun-hui	8	0	100%	2023.06.16 re-elected
Director	United Renewable Energy Co., Ltd. Representative: Pan, Lay-Lay	8	0	100%	2023.06.16 re-elected
Director	Ever Wealthy International Corporation Representative: Hsu, Shun-Chi	NA	NA	NA	2025.03.10 new-appointed
	Ever Wealthy International Corporation Representative: Fang, Ming-Dar	8	0	100%	2025.03.10 resigned
Independent Director	Liang, Su-Mei	7	1	87.5	2023.06.16 re-elected
Independent Director	Tsai, Mi-Ching	8	0	100%	2023.06.16 re-elected
Independent Director	Fang, Cheng-Hwa	8	0	100%	2023.06.16 re-elected

Note 1: The original director representative of Gains Investment Corporation, Mr. Lee Chao-Hsiang, retired due to age on December 31, 2024, the director representative was reassigned. Mr. Lee Chao-Hsiang was elected as the new director by the board of directors on the same day. The representative director of Ever Wealthy International Corporation Mr. Fang Ming-dar, was replaced by Mr. Hsu, Shun-Chi on March 10, 2025, and the change is effective immediately..

(II) Additional information on the operations of the Board of Directors:

- (1) If the operations of the Board of Directors is under any of the circumstances below, the date of the board meeting, the session, the content of the proposal, all independent directors' opinions, and the Company's response to said opinions shall be specified:
- For matters under Article 14-3 of the Securities and Exchange Act, no independent director expressed objection or reservation during 2024. Please refer to the Additional information on the operations of the Audit Committee (1) and (12)

recent annual and important resolutions of the shareholders' meeting and board of directors up to the date of the annual report publication.

- Except for the above matters, other matters resolved by the Board of Directors with objection or reservation made by any independent directors, with records or a written statement: None.

- (2) In the event of directors' recusal from proposals, the name of director, the content of proposal, the reasons for recusal, and the participation in voting shall be specified:

The Directors comply with Article 15 of the Rules of the Procedure for Board of Directors Meetings of Thintech Materials Technology Co., Ltd., "Directors or other representatives of the juridical persons shall explain the important content of their interest or the interest of the juridical persons they represent involved in any proposal at a board meeting and shall be recused from the deliberation of the matters below and from the discussion and voting on the motion; shall not exercise their voting rights on behalf of other directors: 1. Where those whose interest or the interest of the juridical persons they represent involved may be detrimental to the Company's interest. 2. Where directors believe that they should recuse themselves. 3. Where directors should be recused by the resolution of the Board of Directors. If a director's spouse, lineal relatives within the second degree of kinship, or a company with which the director has a controlling or subordinate relation, has its own interest involved in any proposal at the meeting in the preceding paragraph, the director shall be deemed to have their personal interest involved in the motion. For directors who are not allowed to exercise their voting rights in accordance with the preceding two paragraphs, Article 180, paragraph 2 of the Company Act shall apply mutatis mutandis in accordance with Article 206, paragraph 4 of the Company Act, and such directors shall not be counted toward the number of directors present."

Date/Session of the board meeting	Content of proposal	Resolution results
2024.02.16 The 7th session of the 9th session board meeting	Discussion item No. 5: Submit the salary and adjustment case for the company's chairman and general manager in 2023.	After Chairman Lee, Chao-Hsiang, General Manager Pan, Yeong-Tsuen, the Technical Vice President, the Financial Supervisor, and the stock affairs personnel left the meeting to avoid conflict of interest, the resolution was approved by all directors present.
2024.12.17 The 12th session of the 9th session board meeting	Discussion item No.1: Submit the salary and adjustment case for the company's chairman and general manager.	After Chairman Lee, Chao-Hsiang, General Manager Pan, Yeong-Tsuen, the Technical Vice President, the Financial Supervisor, and the stock affairs personnel left the meeting to avoid conflict of interest, the resolution was approved by all directors present.
2025.02.26 The 14th session of the 9th session board meeting	Discussion item No.5: Submit the salary and adjustment case for the company's chairman and general manager.	After Chairman Lee, Chien-Hu, General Manager Feng ,Fu-An, the Technical Vice President, the Financial Supervisor, and the stock affairs personnel left the meeting to avoid conflict of interest, the resolution was approved by all directors present.
	Discussion item No.12: Lifting the non-compete restrictions for the newly added positions of the company's ninth board of directors and company managers.	After Chairman Lee, Chien-Hu, General Manager Feng ,Fu-An, the Technical Vice President, the Financial Supervisor, and the stock affairs personnel left the meeting to avoid conflict of interest, the resolution was approved by all directors present.

(III) Information on the cycle, period, scope, method, and content of the Board of Directors' and functional committee assessments :

- (1) The Company has formulated the Rules of the Performance Evaluation of the Board of Directors (approved by the Board of Directors), the amendment to which was approved by the 2nd board meeting in 2021. The Company evaluates the performance of the Board of Directors, individual directors, the Audit Committee, the Remuneration Committee, and the Risk Management Committee once per year. The results of the internal and external board performance evaluation shall be completed before the end of the first quarter of the following year. Completed before the end of the first quarter of the following year. The evaluation shall be carried out at least once every three years by an external professional independent organization or a team of external experts and scholars, and the internal and external evaluation results shall be submitted to the board of directors for that year as a reference for future selection or nomination of directors, as well as for individual directors (excluding independent directors). Performance evaluation results serve as a reference for determining the distribution of remuneration to corporate directors.
- (2) Internal assessment is as follows:

Item	Description
Cycle	Once per year
Period	January 1–December 31 each year
Scope	The performance evaluation covers the Board of Directors, individual directors, functional committees (the Remuneration Committee, the Audit Committee, and the Risk Management).
Method	Internal self-evaluation of the Board of Directors, board members' self-evaluation, peer evaluation, appointment of external professional organizations or experts for performance evaluation at least once every three years, or other appropriate methods.

Item	Description
Content	<p>1. The board performance evaluation indicators shall cover at least the aspects below: Degree of involvement in the Company's operations; improvement to the quality of the Board of Directors' decision-making; composition and selection of members of the Board of Directors; election of directors and their continuing education; internal control.</p> <p>2. The board member performance evaluation indicators shall cover at least the aspects below: Alignment with the Company's goals and mission; awareness of responsibilities as a director; degree of involvement in the Company's operations; management and communication of internal relations; directors' professional and continuing education; internal control.</p> <p>3. The functional committee performance evaluation indicators shall cover at least the aspects below: Degree of involvement in the Company's operations; awareness of responsibilities as a functional committee member; improvement to the quality of the functional committee's decision-making; composition and selection of members of the functional committees; internal control.</p>

- Self-evaluation indicators and grades for performance evaluation of the board of directors and functional committees

1 Very dissatisfied; 2 Dissatisfied; 3 Average; 4 Satisfied; 5 Very satisfied

Board performance self-evaluation	Board member performance self-evaluation	Audit Committee performance self-evaluation	Remuneration Committee performance self-evaluation	Risk Management Committee performance self-evaluation
26 self-evaluation indicators	20 self-evaluation indicators	21 self-evaluation indicators	19 self-evaluation indicators	18 self-evaluation indicators

- Self-evaluation results of 2024

1 Very dissatisfied; 2 Dissatisfied; 3 Average; 4 Satisfied; 5 Very satisfied

Board performance self-evaluation	Board member performance self-evaluation	Audit Committee performance self-evaluation	Remuneration Committee performance self-evaluation	Risk Management Committee performance self-evaluation
4.94 points	4.83 points	4.94 points	4.98 points	4.94 points

- Performance evaluation of the board of directors and director members: All indicators range from 5 points (very satisfied) to 4 points (satisfied). The board of directors operates well and meets corporate governance requirements and directors' expectations. Arranging two-way communication and exchange between board members and certified public accountants, and scanning potential risks of the industry and the Company through the Risk Management Committee to reduce the decision-making risks of the board members and the management team on 2024Q1.
- Performance evaluation of each functional committee: Each indicator ranges from 5 points (very satisfied) to 4 points (satisfied). The functional committee operates well and complies with corporate governance requirements.
- The results of the performance self-assessment described at above were reported to the Salary and Compensation Committee and the Board of Directors on Feb.26, 2025 as the results of the 2024 Annual Board Performance Evaluation.

(3) External evaluation is as follows :

Evaluation cycle/evaluation period	Assessment scope	Assessment method	Assessment content
Performed at least once every three years / 2021.07.01 ~ 2022.06.30	Board of Directors, Board Members and Functional Committees of the Board of Directors	The China Corporate Governance Association, a corporate body, reviewed in writing the relevant documents required for the assessment provided by the company, and appointed four assessment experts((Executive Committee Member and Convenor Lin, Chun-Cheng, Executive Committee Member Chiu, Cheng-Jen, Evaluation Team Leader Lu, Shu-Man, and Evaluation Specialist Chen, Yi-En) to the company on August 11, 2022 to conduct an on-site visit and interview the company's chairman and board of directors on the functionality of the company. Committee convener, general manager, deputy general manager, corporate governance director and chief auditor, etc.	Review the operation of the company's board of directors from eight aspects including board composition, guidance, authorization, supervision, communication, internal control and risk management, board of directors' self-discipline, and other aspects such as board meetings and support systems.

The company entrusted the "China Corporate Governance Association" to conduct a board of directors effectiveness evaluation in 2022 and submitted an evaluation report on August 17, 2022. The company will report the results to the board of directors and the salary and remuneration committee on October 26, 2022 and February 21, 2023. The Chinese

Corporate Governance Association issued the "Board of Directors Performance Evaluation Certificate". The overall evaluation, recommendations and the company's improvement implementation status are as follows: :

(I) Overall Comments:

- i. Your company invited a third-party professional and independent organization to assist in the performance evaluation of the Board of Directors, which demonstrates the proactive attitude of your Board of Directors in implementing the corporate governance system and enhancing the effectiveness of the Board of Directors, and seeks opportunities for further improvement through a credible and objective review.
- ii. Considering the risks that may arise in the process of transformation and innovation, the Board of Directors formally approved the establishment of a "Risk Management Committee" on July 28, 2021, which will meet at least twice a year and set up a "Risk Control Team" to provide information and risk assessment on relevant proposals, and report and discuss them with the Risk Management Committee and finally report them to the Board of Directors, which fully demonstrates that the Company attaches importance to risk control and response.
- iii. Your company attaches importance to the international trend of sustainable development and incorporates ESG-related concepts such as carbon neutrality, circular economy and social welfare into the company's long-term development strategy and implements them into its daily operations. At the same time, ESG-related issues will be incorporated into the performance indicators of senior managers and employees in each department to actively promote sustainable management.
- iv. The Company's "Management Strategy" was developed by senior management and the Board of Directors through numerous interactive meetings. The "Annual Budget" is a preliminary set of objectives, plans and operating statements proposed by the management team, which are reported and discussed by the Audit Committee and then submitted to the Board of Directors for resolution, demonstrating the professionalism and responsibility of the Board of Directors.

(II) Recommendations and Improvements in Implementation

Recommendation 1: Your company should provide a complete manual for new directors to perform their duties before they take office, and then the Corporate Governance Officer can arrange business briefings by the relevant units according to the needs of directors after they take office, so that new directors can fully understand the operation of the company. It is recommended that the Company systematize the aforementioned practices and establish a training program for new directors to strengthen the relevant systems of corporate governance.

Improvements in implementation: The Company's current practice is to provide directors with relevant laws and regulations, precautions to be taken, briefings on the Company's operations and site visits to production lines prior to their appointment, and also provide assistance in attending corporate governance-related courses, etc., but these are not explicitly provided for in the Management Regulations. The proposed amendments to certain provisions of the Code of Corporate Governance Best Practice Principles have been submitted to the Board of Directors for consideration and approval in the first quarter of 2023 to facilitate compliance.

Recommendation 2: Your company has a "Whistleblower System Management Regulations", in which the Audit Office Department receives reports of incidents, and after an internal investigation, submits them to the president or the Chairman or Independent Directors depending on the significance of the incident. However, the whistle-blower mechanism places primary importance on the knowledge of the Board of Directors, especially Independent Directors. It is recommended that the Company set up a reporting channel for the Independent Directors (or the Audit Committee) to receive reports simultaneously to further strengthen the whistle-blower mechanism.

Improvements in implementation: On August 24, 2022, the Company completed the establishment of a whistleblower mailbox as proposed; and submitted to the Board of Directors in the fourth quarter of 2022 a review of and amendments to some of the provisions of the "Internal Important Information Processing Procedures".

Recommendation 3: It is recommended that the Company establish a mechanism and procedures for the reporting of occasional material information to regulate the material events that should be reported immediately, the reporting procedures, and the reporting deadlines, etc. The reporting procedures should cover all Board members to ensure that outside directors can fully grasp material information of the Company during non-meeting periods, so that the directors can better perform their supervisory duties.

Improvements in implementation: The Company's current material incidental events are required by law to be communicated by the Finance Department to all Board members simultaneously after the release of material information, but are not explicitly stated in the operating procedures; in 2022 Q4, an amendment to Article 5 of the "Internal Important Information Processing Procedures" has been submitted to the Board of Directors for consideration, specifying that all Board members are to be included in the reporting.

(IV) The objectives of reinforcement of the competency of the Board of Directors in the current year and the most recent year and the implementation:

- Reinforce the functions of the Board of Directors and functional committees:
 - As per Article 14 of the Articles of Incorporation, there shall be seven directors on the board. With a candidate nomination system adopted, directors shall be elected by the shareholders' meeting from the list of candidates to serve a term of three years and may be re-elected.
 - The Company has established an Audit Committee, a Remuneration Committee, and a Risk Management Committee, to evaluate and manage all strategies, operations, finances, and hazards that may affect the Company's operations and profits. Each functional committee is entirely composed of independent directors. With their independence and professionalism, they strengthen the Company's corporate governance and the functions of the Board of Directors.
 - The manager reports to the board of directors on the results of the implementation of the Company's sustainable development, the operation and implementation of ethical corporate management, concerns and responses of stakeholders, intellectual property management plans and implementation, information security management implementation, etc., and includes goals and suggestions for operational strategies.
 - In order to proactively communicate with shareholders and in compliance with the global capital market's increasing emphasis on corporate governance and long-term corporate value, the Company has formulated the "Corporate Value Enhancement Plan" to disclose its operating strategies, business plans, and specific measures for corporate value enhancement, which is reviewed by the Audit Committee and then reported to the Board of Directors for approval, and is uploaded to the public information portal and the Company's website, where the information is updated at least once a year.

3. The operations of the Audit Committee:

i. The Audit Committee held six meetings during the most recent year (2024), and the overall attendance rate is as 88.89%. members' attendance is as follows:

Job title	Name	Attendance in person	Attendance by proxy	Attendance (%)	Remarks
Independent Director	Liang, Su-Mei	5	1	83.33%	Took office on The regular meeting of shareholders on June 16, 2023 passed the comprehensive re-election of the ninth directors and all were re-elected.
Independent Director	Tsai, Mi-Ching	5	1	83.33%	
Independent Director	Fang, Cheng-Hwa	6	0	100%	

ii. Additional information on the operations of the Audit Committee

(1) Where matters under Article 14-5 of the Securities and Exchange Act have not been approved by the Audit Committee but have been approved by more than two-thirds of all directors, the date of the board meeting, the session, the content of the proposal, the Audit Committee's resolution results, and the Company's response to said opinions shall be specified:

Date/Session of meeting	Content of proposal	Board of Directors Resolution results	Audit Committee Resolution results
2024.02.16 The 7th of the 9th Board of Directors' Meeting and 4th of the 4th Audit Committee Meeting	Matters discussed No. 1: The company's 2023 annual business report and financial statements.	Passed by all directors present.	Passed by all committee members present.
	Discussion item No. 3: The company's 2023 earnings distribution case.		
	Discussion Matter No. 4: Submission of the company's 2023 "Internal Control System Self-Inspection Report (including Internal Control System Statement)".		
	Discussion item No. 6: It is proposed to evaluation of the Independence of Certified Public Accountants and Audit Quality Indicator (AQI) report		
	Discussion item 7: To report on the increase in the Company's foreign exchange quota..		
2024.05.07 The 8th of the 9th Board of Directors' Meeting and 5th of the 4th Audit Committee Meeting	Discussion item 1: The Company's Consolidated Financial Statements for the First Quarter of 2024.	Passed by all directors present.	Passed by all committee members present.
	Discussion item 2: Presentation of the list of non-confirmation services of the company and its subsidiaries of 2024..	NA	Passed by all committee members present.
2024.06.17 The 9th of the 9th Board of Directors' Meeting and 6th of the 4th Audit Committee Meeting	Discussion item 1: Proposed disposal of 100% equity interest in Taicang ThinTech Materials Co., Ltd.	Passed by all directors present.	Passed by all committee members present.
	Discussion item 2: Amendments to the Company's "Rules of Organization" and "Organizational Chart".		
2024.07.31 The 10th of the 9th	Discussed matter No. 1: The Company's Consolidated Financial Statements for the Second Quarter of 2024.	Passed by all directors	Passed by all committee

Date/Session of meeting	Content of proposal	Board of Directors Resolution results	Audit Committee Resolution results
Board of Directors' Meeting and 7th of the 4th Audit Committee Meeting	Discussion Matter No. 2: The Company's short-term bank credit line increase case of 2024.	present.	members present.
	Discussion item No. 3: Report to adjust the Company's credit line for the investment company.		
	Discussion item No. 4: Report to adjust the Company's endorsement of a guarantee line for the investment company..		
	Discussion item No. 6: Amendments to the Company's "Rules and Regulations Governing the Organization of the Audit Committee"		
	Discussion item No. 7: Amendments to the Company's "Code of Corporate Governance Practices"		
2024.10.30 The 11th of the 9th Board of Directors' Meeting and 8th of the 4th Audit Committee Meeting	Discussion Matter No. 1: The Company's Consolidated Financial Statements for the Second Quarter of 2024.	Passed by all directors present.	Passed by all committee members present.
	Discussion Matters Case No. 2: Our Annual Budget of 2025.		
	Discussion Matter No. 3: The Company's Annual Audit Program of 2025 case .		
	Discussion Matter No. 4: The Company applied for a short-term bank credit line for 2025.		
	Discussion Matter No. 5: Presentation of the list of non-confirmation services of the company and its subsidiaries of 2025.		
	Discussion Matter No. 6: Presentation of ESG short-, medium- and long-term goals and the 2023 Annual Sustainability Report.		
	Discussion item No. 7: The Company intends to enter into a short-term financing arrangement with Taicang ThinTech Materials Ltd..		
	Discussion item No. 8: Revision of the Company's internal control system (including the "Internal Control System for the Management of Sustainable Information").		
	Discussion item No. 9: Amendments to the "Table of Authority" attached to the Company's Level-by-Level Scheme of Delegation		
2024.12.27 The 12th of the 9th Board of Directors' Meeting and 9th of the 4th Audit Committee Meeting	Discussion item No. 4: Discussion of auditor changes.	Passed by all directors present.	Passed by all committee members present.
2025.02.26 The 14th of the 9th Board of Directors' Meeting and 10th of the 4th Audit Committee	Discussion Matter No. 1: The Company's annual report of 2024 on Operations, Financial Statements and the Enhanced Corporate Value Program.	Passed by all directors present.	Passed by all committee members present.
	Discussion Matter No. 2: Issue of statement of appropriations of profit and losses for 2024		
	Discussion Matter No. 3: Cash dividend for capital reserve cases		
	Discussion Matter No. 4: Presentation of the Company's 2024 Annual "Self-Assessment Report on Internal Control System (Including the Statement on Internal Control System)".		
	Discussion Matter No. 6: It is proposed to evaluation of the Independence of Certified Public Accountants and Audit Quality Indicator (AQI) report		
	Discussion Matter No. 8: Increase in the Company's short-term bank credit facilities for the year 2025.		
	Discussion Matter No. 9: Draft amendments to Articles 13-3, 41 and 51 of the Company's "Code of Corporate Governance Practices".		
	Discussion Matter No. 10: Draft amendments to Articles 8-1, 10 and 18 of the Company's "Procedures for the Acquisition or Disposal of Assets".		
	Discussion Matter No. 11: Draft amendments to Articles 27 and 32 of the Articles of Association of the Company.		
	Discussion Matter No. 12: The case of lifting the restriction on non-competition for the newly added positions of the ninth term director of the Company and the manager of the Company.		

■ Except for the above matters, matters that have not been approved by the Audit Committee but have been approved by more than two-thirds of all directors: None.

- (2) In the event of independent directors' recusal from proposals, the name of independent director, the content of proposal, the reasons for recusal, and the participation in voting shall be specified: None.
- (3) Communication between independent directors and the chief internal auditor/CPAs:

① Communication between the chief internal auditor and the Audit Committee is as follows:

In addition to attending quarterly Audit Committee meetings and reporting to the Board of Directors on recent auditing business performance, internal auditing officers of the Company provide independent directors with written audit reports and improvement follow-up reports on a monthly and quarterly basis, and communicate directly with independent directors by email or phone or face-to-face as necessary, allowing them to better understand more immediately and supervise the Company's overall operational and financial risks. An interactive meeting with independent directors is held at least once a year to report on the implementation of the Company's recent audit projects, defects identified and abnormal matters in the internal control system, as well as issues improvements made and follow-up actions.

■ Communication meetings between the chief internal auditor and the Audit Committee during 2024:

Audit Committee Interaction Date	Interaction and Attendees	Communication Focus	Independent Directors' Opinions and Communication Results
2024.10.30 Audit Office and Independent Director Interaction	Independent Director Liang, Su-Mei Independent Director Tsai, Mi-Ching Independent Director Fang, Cheng-Hwa Acting Auditor Cheng Chin-Mei	1. Main findings and improvements in the audits for the first three quarters of 2024. 2. Annual Audit Plan of 2025.	The internal control of the subsidiaries has not been perfected, and the Company is requested to strengthen the supervision.

■ The chief internal auditor's attendance at the board meetings and interaction with the independent directors during 2024 are as follows:

Date/Session of the board meeting	Content of proposal	Independent directors' opinions	Response to independent directors' opinions
2024.02.16 The 7th session of the 9th session board meeting The 4th session of the 4th session Audit committee meeting	1. A total of 14 audits were performed with 14 audit reports issued from October, 2023 through December, 2023. 2. "Self-inspection report on internal control system (including internal control system statement)" for 2023.	Passed without objection	N/A
2024.05.07 The 8th session of the 9th session board meeting The 5th session of the 4th session Audit committee meeting	A total of 11 audits were performed with 11 audit reports issued from March, 2023 through January, 2024.	No opinion was expressed.	N/A.
2024.07.31 The 10th session of the 9th session board meeting The 7th session of the 4th session Audit committee meeting	A total of 14 audits were performed with 14 audit reports issued from April, 2024 through June, 2024.	No opinion was expressed.	N/A.
2024.10.30 The 11th session of the 9th session board meeting The 8th session of the 4th session Audit committee meeting	A total of 14 audits were performed with 14 audit reports issued from July, 2024 through September, 2024.	No opinion was expressed.	N/A.

② The interaction between CPAs and the Audit Committees/independent directors is as follows:

The CPAs reported to the independent directors based on their professional judgment and response to audit issues, including audit scope, audit findings, potential risks and impacts of financial statements, latest laws and information security awareness raising, internal control implementation, and other important findings, to allow each independent director to comprehensively understand CPAs' audit results and opinions.

■ Communication meetings between CPAs and the Audit Committee during 2024:

Date of meeting with the Audit Committee	Interaction and Attendees	Communication Focus	Independent Directors' Opinions and Communication Results
2024.10.30 CPA and Independent Director Interaction	Independent Director Liang, Su-Mei Independent Director Tsai, Mi-Ching Independent Director Fang, Cheng-Hwa CPA Wang, Kuo, Lee-Yuan Corporate Governance Officer Chang, Chia-Wen	I. Responsibilities of Governance Units II. Quality Management System of Chin Yip & Chung Hsin Co., Ltd. III. Scope and Method of Audit IV. Group Audit and Remote Audit - China Steel Precision Material V. Significant Accounting Policies, Significant	CPA communicate with independent directors individually without relevant records.

		Accounting Estimates, and Significant Events or Transactions VI. Assessment of Significant Risks, Critical Audit Matters, and Going Concern Assumptions VII. Significant Internal Controls Findings and Communication Matters - China Steel Precision Material Internal Control Findings Internal Control Findings VIII. Other Matters (AQI Audit Quality Indicators, Transparency Report, and Tax Related Regulations)	
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■ Communication meetings between CPAs and Managers during 2024:

Date of meeting with the Audit Committee	Interaction and Attendees	Communication Focus	Independent Directors' Opinions and Communication Results
2024.02.16 CPA and Independent Director and Management Interaction	Independent Director Liang, Su-Mei Independent Director Tsai, Mi-Ching (Video) Independent Director Fang, Cheng-Hwa CPA Wang, Chao-Chun Chairman Lee, Chao-Hsiang President Pan, Yeong-Tsuen Vice President Ling, Yung-Fu Vice President Lin, Ching-Chun Corporate Governance Officer Chang, Chia-Wen	I. Conclusion of Internal Control and Annual Financial Statement Review for 2023 II. Exploration and Recommendation on the Balance Sheet and Consolidated Profit and Loss Account for the Proposed Consolidation of Sinosteel Precision Materials III. Pre-approval of Non-confirmation Service with Corporate Governance Units IV. Carbon Fee Levy and Accounting Treatment	Based on the responses to the questions raised by the independent directors and managers, the accountants recommend the internal control environment of CSPM. to be established in the future.

■ The CPA attends the Board of Directors meetings in the first and fourth quarters of 2023 and attends the Audit Committee meeting in the fourth quarter to communicate and discuss matters related to financial reporting; the CPAs of the Company held several separate meetings with the independent directors individually through the Audit Committee based on their professional judgment.

Board of Directors Date/Session	Content of proposal	Independent directors' opinions	Response to independent directors' opinions
2024.02.16 The 7th session of the 9th session board meeting	Discussion and communication on the 2023 consolidated financial statements.	No opinion was expressed.	N/A.
2024.10.30 The 11h session of the 9th session board meeting The 8th session of the 4th session Audit committee meeting	Discussions and communications related to the third quarter of 2024 financial statements.	No opinion was expressed.	N/A.

■ 2024 Interactive Communication Meeting between Managers and Audit Committee:

Date/	Content of proposal	Independent directors' opinions	Communicate results
2024.08.28 Manager and Independent Director Interaction	Independent Director Liang, Su-Mei Independent Director Tsai, Mi-Ching Independent Director Fang, Cheng-Hwa Chairman Lee, Chao-Hsiang President Pan, Yeong-Tsuen Vice President Ling, Yung-Fu Vice President Hsu Ming-Tsung Accounting Manager Chang, Chia-Wen First level supervisor of each unit	Budget Review of 2025	Since the revenue of CSPM.has a significant impact on the financial report of TTMC, the budget review in the future will show the profit and loss of precious metals, target materials and CSPM.respectively, and will also conduct an explanatory review of the overall staffing, the basis of revenue estimation, and the operating environment, in order to help determine whether the budgeting is reasonable, and to draw up a plan to catch up with the shortfalls.

iii. Major tasks of the Audit Committee

Matters reviewed and major tasks	
1. Financial statements and accounting policies and procedures 2. Evaluation of the effectiveness of the design and implementation of the internal control system and the statement of the internal control system 3. Material loans to others and endorsements/ guarantees provided to others 4. Engaging in derivatives trading 5. Significant assets or investments in cash 6. Compliance with laws and regulations 7. The potential related-party transactions by managers or directors and potential conflicts of interest (non-compete clause)	8. Complaint report 9. Ethical management and ethical conduct audit reports 10. Subsidiaries' independent audit and investigation reports 11. Company risk management 12. CPAs' qualification and independence audits 13. Appointment, dismissal, and remuneration of CPAs 14. Appointment or dismissal of the chief financial officer and accounting officers, the internal auditor, and the corporate governance officer

● Review finance report

The Board of Directors prepared the 2024 parent company only and consolidated financial statements, a statement of earnings distribution, and a business report, among which the parent company only and consolidated financial statements have been audited by Lee-Yuan, Wang, Chao-Chun and Kuo, CPAs at Deloitte & Touche, by whom an audit report, along with an unqualified opinion, has been issued. We have reviewed said documents and did not find any misstatement.

● Evaluate the effectiveness of the internal control system

The Audit Committee evaluates the effectiveness of the policies and procedures of the internal control system (including financial, operational, risk management, information security, outsourcing, and legal compliance and other control measures) and reviews the auditing department, CPAs, and management's periodic reports and legal compliance. With reference to the Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in 2013, the Audit Committee concluded that the Company's risk management and internal control system is effective.

● Appointment of CPAs

In order to ensure the independence of the CPAs firm, the Audit Committee established an independence evaluation form with reference to Article 47 of the Certified Public Accountant Act and Statement No. 10 "Integrity, Impartiality, Objectivity and Independence" of the CPA professional and ethical guidelines, to assess the independence (whether they are related parties of the Company, have business or financial interests in each other, etc.), professionalism and appropriateness of the CPA. We require the CPAs to provide a statement of independence each year and submit it to the Audit Committee and the Board of Directors to review their independence and check whether they are a shareholder or director of the Company, have any other personal interest involved in the Company's business except for the tasks entrusted, accept gifts of great value from the Company's directors, managers, or major shareholders, and the rotation of accountants is in compliance with applicable laws and regulations. On February 21, 2023, the Audit Committee and the Board of Directors approved the appointment of CPA Wang, Chao-Chun and CPA Kuo, Lee-Yuan as CPAs from the first quarter of 2023. On February 16, 2024, the Audit Committee and the Board of Directors considered and approved "audit quality indicators (AQIs)" and that CPA Kuo, Lee-Yuan, CPA Wang, Chao-Chun as and audit team members of Deloitte & Touche met the independence assessment standards.

- iv. At the general shareholders' meeting held on June 16, 2023, all of the independent directors were re-elected for the ninth term, and the current term of the independent directors is the second term, and none of them has served for more than three terms.

4.Implementation of corporate governance:

Item	Operations			Deviation from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor
	Yes	No	Brief description	
I. Has the company formulated and disclosed the Corporate Governance Best Practice Principles in accordance with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies?	V		1. The Company formulated the Corporate Governance Best Practice Principles in March 2019, amended it as per the current regulations on July 2024, and disclosed it on the Market Observation Post System (MOPS) and the Company's website. 2. To protect shareholders' rights and interest, implement the Company's ethical management, and enhance our corporate governance and business information transparency, we have formulated the Corporate Governance Best Practice Principles, the Code of Ethical Conduct, and the Standard Operating Procedures for Handling Directors' Requests in accordance with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and implemented them accordingly.	We proceed in accordance with the Corporate Governance Best Practice Principles.
II. The Company's shareholding structure and shareholders' equity				(I)-(IV) We proceed in accordance with the Corporate Governance Best Practice Principles.
(I) Has the company formulated internal operating procedures for handling shareholders' suggestions or questions or disputes and litigation with them and complied with the procedures?	(I) V		(I) We have a spokesperson and an acting spokesperson in place and handle shareholders' suggestions and disputes with them through a shareholder service agency and attorneys.	
(II) Does the company have a list of the major shareholders with ultimate control over the company and a list of the ultimate controllers of the major shareholders?	(II) V		(II) The Company's ultimate parent company is China Steel Corporation, in which Gains Investment Corp.holds 46.90% of the shares, Ever Wealthy International Corporation holds 5.20%, and United Renewable Energy Co., Ltd. holds 6.45% for the year end December,31,2024. Its shareholder structure is simple. We keep abreast of relevant information and a list of major shareholders through a shareholder service agency. Moreover, our directors and major shareholders file a report on their shareholdings per month as required.	
(III) Has the company established and implemented a risk control and a firewall mechanisms between itself and affiliates?	(III) V		(III) We have formulated the Related Party Transaction Management Regulations and the parent-subsidiary transaction manual and clearly regulated the financial or business transactions with affiliates, while having set up a unit dedicated to the management of investees. We supervise and manage subsidiaries in accordance with the Subsidiary Supervision and Management Regulations as well as applicable laws and regulations, while providing them with advice on their operations and business management, market trends, exchange rate risks, the impact of new laws and regulations on business, as well as risks and firewall mechanism management and control to fulfill our obligations as a prudent administrator. We insist on the principles of legality and reasonableness for transactions with other enterprises in the Group.	
(IV) Has the company formulated internal regulations to prohibit insiders from using information undisclosed in the market to buy and sell securities?	(IV) V		(IV) 1. We adopt integrity and ethical management as our highest guiding principle for operations. We insist on integrity, fairness, and impartiality either externally or internally, implement ethical management, and abide by various laws and regulations, while conducting business as per Article 5 of the Ethical Corporate Management Best Practice Principles. 2. To guide our personnel's behavior to be in compliance with ethical standards and allow our stakeholders to understand the Company's ethical conduct standards, we have formulated the Code of Ethical Conduct with reference to the Guidelines for the Adoption of Codes of Ethical Conduct for TWSE/GTSM Listed Companies to prevent illegal and unethical conduct. Our directors, managers, or employees are not allowed to request or accept bribes or engage in fraudulent behavior when performing their duties. We have also formulated the Procedures for Handling Material Inside Information, the Procedures for Handling Material Inside Information and Managing Insider Trading Prevention, and the Whistleblowing Mechanism Management Regulations as per laws and regulations. 3. On May 5, 2023 and February 18, 2022, respectively, the Board of Directors approved amendments to Article 5 of the "Procedures for Prevention of Insider Trading" and Article 10 of the "Code of Corporate Governance Practices", which states that "The measures for controlling stock trading by insiders of the Company on the date of receipt of the Company's financial reports or related results include, but are not limited to, a closed period of 30 days prior to the announcement of the annual financial report and 15 days prior to the announcement of the quarterly financial report 4. The Company arranges courses on integrity management every year, and the Administration Office organizes the publicity of related laws and	

Item	Operations			Deviation from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Brief description	
			<p>regulations every year. In addition to notifying directors and insiders of the date of the meeting and the closing period of each quarterly financial report to avoid any misunderstanding of the regulations, the Company also reminded directors, managers, and employees that they should not trade their stocks during the closing period of 30 days prior to the announcement of the annual financial report and 15 days prior to the announcement of the quarterly financial report, and that "Article 43-1-1 of the Securities and Exchange Act" is not a legal requirement. In addition, the Company has implemented Article 43-1, Paragraph 1 of the Securities and Exchange Act, which prohibits insider trading, by reminding directors not to trade in their shares during the closed period of 30 days prior to the announcement of annual financial reports and 15 days prior to the announcement of quarterly financial reports, and by providing information and confidentiality agreements to shareholders who hold 5% or more of the Company's stock, with the total number of 728 attendances and 715 person-hours, and the achievement rate of the program was 100%. And reported to the Board of Directors on the promotion and implementation of integrity management on October 30, 2024.</p> <p>Disclosed the implementation results on the Company's website https://reurl.cc/j3KX3y.</p>	
<p>III. Composition and responsibilities of the Board of Directors</p> <p>(I) Has the board of directors formulated a diversity policy and specific management objectives and implemented them accordingly?</p>	(I) V		<p>(I) 1. Board diversity, professionalism, and independence:</p> <p>As per Article 14 of the Articles of Incorporation, there shall be seven directors on the board. With a candidate nomination system adopted, directors shall be elected by the shareholders' meeting from the list of candidates to serve a term of three years and may be re-elected. As per Article 20, paragraph 3 of the Company's Corporate Governance Best Practice Principles, the Company shall take into account the diversity principle for the board structure; the number of directors who also serve as the Company's managers is advised not to exceed one-third of all directors; the Company shall draw up an appropriate diversity policy as per the operations, business model, and development needs, which may include but not be limited to the two criteria below:</p> <ol style="list-style-type: none"> (1) Basic criteria and values: Gender, age, nationality, and culture, and the ratio of female directors should reach one-third of the board. (2) Professional knowledge and skills: Professional backgrounds (such as law, accounting, industry, finance, marketing, or technology), professional skills, and industry experience. <p>As per Article 20, paragraph 4 of the Company's Corporate Governance Best Practice Principles, board members should possess the knowledge, skills, and qualities needed to perform their duties. The Board of Directors as a whole should possess the capabilities and skills below to achieve the ideal goals of corporate governance:</p> <ol style="list-style-type: none"> (1) Business judgment. (2) Accounting and financial analysis. (3) Business management. (4) Crisis management. (5) Industry knowledge. (6) International market perspective. (7) Leadership. (8) Decision-making. <p>2. To enhance the diversity of board members, the targets set are as follows:</p> <ol style="list-style-type: none"> (1) The Company continues to arrange diversified education programs for its Board members to enhance their decision-making quality and supervisory skills, thereby strengthening the functions of the Board. (2) In compliance with the diversity policy, at least one seat (14.29%) is planned for a director of a different gender. (3) Independent directors shall not serve more than three consecutive terms in order to maintain their independence. (4) Board members of different genders, ages, and expertise should have the ability to make operational judgments, accounting and financial analysis, business management, crisis management, risk management, industry knowledge, international marketing, 	(I)~(IV) We proceed in accordance with the Corporate Governance Best Practice Principles.

Item	Operations			Deviation from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor															
	Yes	No	Brief description																
(II) Has the company voluntarily established other functional committees in addition to the remuneration and the audit committees established in accordance with the law? (III) Has the company formulated board performance evaluation regulations and evaluation methods, conducted performance evaluations annually and regularly, reported the results of performance evaluations to the board of directors, and adopted such results as a reference for deciding	(II) V (III) V		<p>technological innovation, leadership and decision-making, etc., covering the above four items, in order to carry out their duties with the requisite knowledge, skills, and qualities, to exercise effective supervision, and to urge the Company to abide by the law, to disclose important information in a timely manner, to maintain good business practices with the management team, and to maintain good relations with the Company's management team. We also maintain good communication channels and positive interactions with the management team to guide the execution of the Company's business and resolution of major decisions to ensure the Company's development and protection of shareholders' rights and interests, in order to achieve the ideal goal of corporate governance.</p> <p>3. Implementation:</p> <p>(1) In 2024, the seven directors of the ninth term of the Board of Directors of the Company completed a total of 52 hours of continuing education for new and renewed terms of office in accordance with the provisions of the Code of Corporate Governance Practices, including courses on corporate governance, risk management, ESG, and legal and tax matters.</p> <table border="1"> <thead> <tr> <th>Class</th><th>Corporate governance</th><th>Risk Management</th><th>ESG</th><th>Act Taxation</th></tr> </thead> <tbody> <tr> <td>Number of persons</td><td>1</td><td>4</td><td>6</td><td>2</td></tr> <tr> <td>Hours</td><td>3</td><td>12</td><td>30</td><td>7</td></tr> </tbody> </table> <p>(2) The ninth session of the Board of Directors of the Company consists of seven directors, with an emphasis on gender equality, and a total of two female directors, representing a ratio of 28.57%, which is better than the target. In order to strengthen the promotion of gender equality, it is proposed that one-third of the directors of different genders will be proposed to the Board of Directors in the general election of the Board of Directors in 2026.</p> <p>(3) The three independent directors of the Company, Liang, Su-Mei, Tsai and Mi-Ching, Fang, Cheng-Hwa, were elected on June, 2020 and re-elected in the 2023 general election of the Board of Directors, which is less than three terms.</p> <p>(4) The Company's development focuses on compliance with laws and regulations, technological innovation and integration and transformation, and takes into account the business development strategies and goals for the next five years. Therefore, in the selection of directors, the Company seeks candidates from the industry and academia based on their academic experience, age, areas of expertise, and gender balance; members of the Company's board of directors possess at least four specializations; please refer to Chapter 2.4, Disclosure of Information on Professional Qualifications of Directors and Independence of Independent Directors and Chapter 2.5, Diversity and Independence of Directors, for related charts and tables. Diversity and Independence of Directors, related charts, analyses and related implementation.</p> <p>(II) At present, the Company has established a salary and compensation committee and an audit committee. In order to accurately grasp operational and environmental risks, a risk management committee was established in 2021 and reported on its operations to the board of directors at least once a year. Relevant information has been disclosed on our company website. The above functional committees are composed of three independent directors.</p> <p>(III) The company has formulated the "Board of Directors Performance Evaluation Methods" approved by the board of directors, which will be revised and approved by the board of directors in 2021. The company conducts an annual evaluation on the performance of the board of directors, individual director members, audit committee, salary and remuneration committee and risk management committee, which is completed before the end of the first quarter of the following year. The evaluation shall be carried out at least once every three years by an external professional independent organization or a team of</p>	Class	Corporate governance	Risk Management	ESG	Act Taxation	Number of persons	1	4	6	2	Hours	3	12	30	7	
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Item	Operations			Deviation from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor																																
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the remuneration of and nominating candidates for individual directors?			<p>external experts and scholars, and the internal and external evaluation results shall be submitted to the board of directors for that year as a reference for future selection or nomination of directors, as well as for individual directors (excluding independent directors). Performance evaluation results serve as a reference for determining the distribution of remuneration to corporate directors.</p> <p>■ Internal assessment</p> <table><tr><th>Item</th><th>Description</th></tr><tr><td>Cycle</td><td>Self evaluation is conducted once per year</td></tr><tr><td>Period</td><td>January 1–December 31 each year</td></tr><tr><td>Scope</td><td>The performance evaluation covers the Board of Directors, individual directors, functional committees (the Remuneration Committee, the Audit Committee, and the Risk Management Committee.</td></tr><tr><td>Method</td><td>Internal self-evaluation of the Board of Directors, board members' self-evaluation, peer evaluation, appointment of external professional organizations or experts for performance evaluation at least once every three years, or other appropriate methods.</td></tr><tr><td>Content</td><td>1. The measurement items for the performance evaluation of the board of directors should include at least the following five aspects: (1) level of participation in the company's operations, (2) improvement of the decision-making quality of the board of directors, (3) composition and structure of the board of directors, (4) selection and continuous training of directors, and (5) internal control. 2. The measurement items for the performance evaluation of directors and members should include at least the following six aspects: (1) mastery of company goals and tasks, (2) understanding of directors' responsibilities, (3) level of participation in company operations, (4) internal relationship management and communication, (5) professional and continuous training of directors, and (6) internal control. 3. The measurement items for performance evaluation of functional committees should include at least the following five aspects: (1) level of participation in company operations, (2) awareness of functional committee responsibilities, (3) improvement of decision-making quality of functional committee, (4) composition and member selection of functional committee, and (5) internal control.</td></tr></table> <p>■ The board and functional committee performance self-evaluation indicators and rating scale: 1 Very dissatisfied; 2 Dissatisfied; 3 Average; 4 Satisfied; 5 Very satisfied.</p> <table><tr><td>Board of Directors performance self-evaluation</td><td>Board member performance self-evaluation</td><td>Audit Committee performance self-evaluation</td><td>Remuneration Committee performance self-evaluation</td><td>Risk Management Committee performance self-evaluation</td></tr><tr><td>26 self-evaluation indicators</td><td>20 self-evaluation indicators</td><td>21 self-evaluation indicators</td><td>19 self-evaluation indicators</td><td>18 self-evaluation indicators</td></tr></table> <p>■ 2024 self-evaluation results</p> <table><tr><td>Board of Directors performance self-evaluation</td><td>Board member performance self-evaluation</td><td>Audit Committee performance self-evaluation</td><td>Remuneration Committee performance self-evaluation</td><td>Risk Management Committee performance self-evaluation</td></tr><tr><td>4.94 points</td><td>4.83 points</td><td>4.94 points</td><td>4.98 points</td><td>4.94 points</td></tr></table>	Item	Description	Cycle	Self evaluation is conducted once per year	Period	January 1–December 31 each year	Scope	The performance evaluation covers the Board of Directors, individual directors, functional committees (the Remuneration Committee, the Audit Committee, and the Risk Management Committee.	Method	Internal self-evaluation of the Board of Directors, board members' self-evaluation, peer evaluation, appointment of external professional organizations or experts for performance evaluation at least once every three years, or other appropriate methods.	Content	1. The measurement items for the performance evaluation of the board of directors should include at least the following five aspects: (1) level of participation in the company's operations, (2) improvement of the decision-making quality of the board of directors, (3) composition and structure of the board of directors, (4) selection and continuous training of directors, and (5) internal control. 2. 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Board of Directors performance self-evaluation	Board member performance self-evaluation	Audit Committee performance self-evaluation	Remuneration Committee performance self-evaluation	Risk Management Committee performance self-evaluation	26 self-evaluation indicators	20 self-evaluation indicators	21 self-evaluation indicators	19 self-evaluation indicators	18 self-evaluation indicators	Board of Directors performance self-evaluation	Board member performance self-evaluation	Audit Committee performance self-evaluation	Remuneration Committee performance self-evaluation	Risk Management Committee performance self-evaluation	4.94 points	4.83 points	4.94 points	4.98 points	4.94 points	
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Item	Operations			Deviation from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor
	Yes	No	Brief description	
(IV) Does the company regularly assess the independence of the CPAs?	(IV) V		<p>①Performance evaluation of the board of directors and director members: Each indicator ranges from 5 points (very satisfied) to 4 points (satisfied). The board of directors operates well and meets corporate governance requirements and directors' expectations. Arranged two-way communication and exchanges between board members and certified public accountants, and scanned the potential risks of the industry and the Company through the Risk Management Committee to reduce the decision-making risks of the board members and the management team on the first quarter of 2025.</p> <p>②Performance evaluation of each functional committee: Each indicator ranges from 5 points (very satisfied) to 4 points (satisfied). The functional committee operates well and complies with corporate governance requirements. The above performance self-evaluation results will be reported to the Salary and Remuneration Committee and the Board of Directors on February 26, 2025 for the 2024 Board of Directors performance evaluation results.</p> <p>■ The company entrusted the "China Corporate Governance Association" to conduct an evaluation of the board of directors' effectiveness in 2022, and submitted an evaluation report on August 17, 2022. The company reported to the board of directors and the salary and remuneration committee on October 26, 2022 and February 21, 2023. result. Please refer to Chapter 2. Corporate Governance Operations, (2) Other matters that should be recorded on the operations of the Board of Directors, and (3) Evaluation of the execution status of the Board of Directors and functional committees for the company's improvement implementation status.</p> <p>(IV) The audit committee of the Company evaluates the independence and competence of its certified public accountants annually. In addition to requiring certified public accountants to provide a "detached independence statement" and "audit quality indicators (AQIs)," the audit committee evaluates the accountants based on five major aspects and 13 AQI indicators. It also verifies that the accountants are not shareholders, directors, and have no interests or business relationships other than those entrusted by the "routine non confident service list", and have not accepted gifts from Company management, and finally that accountants are rotated in accordance with relevant laws and regulations. Referring to AQI indicator information, it is confirmed that accountants and firms have better training hours, quality control, and investment than the industry average. In addition, digital and cloud audit tools will continue to be introduced to improve audit quality. The evaluation results of the most recent year have been reported on February 16, 2024 and February 26, 2024. after the audit committee discussed and approved the accountant independence, accountant rotation appointment plan and audit quality index (AQI) assessment. Presentation of the Board of Directors' Resolutions of February 16, 2024 and February 26, 2024 approving the assessment of the independence and suitability of the accountants</p>	
IV. Has the company has appointed an appropriate number of competent corporate governance personnel and designated a corporate governance officer to be responsible for corporate governance affairs (including but not limited to providing directors and supervisors with the materials required for performance of their duties, assisting directors and supervisors with compliance, handling matters related to board meetings and the shareholders' meetings, and preparing minutes of board meetings and shareholders' meetings)?	V		<p>(I) The director of Corporate Governance Officer of the Company has been appointed by the board of directors as the deputy director of Financial Accounting Officer, Chang, Chia-Wen, whose main responsibility is to supervise the operation of corporate governance. According to the authority and responsibilities of the Finance Department, competent and appropriate personnel are set up to handle corporate governance affairs, are responsible for handling director requirements, assisting directors in performing their duties, including handling matters related to meetings of the board of directors (including functional committees) and shareholders' meetings, taking meeting minutes, assisting directors in taking office and continuing their education, providing information necessary for directors to conduct business, and assisting directors in complying with laws and regulations as well as any other matters stipulated in accordance with the company's articles of association or contract.</p> <p>(II) Corporate governance affairs handled during this year:</p> <ol style="list-style-type: none"> (1) Formulated and planed relevant measures for corporate governance and ensured compliance. (2) Provided the directors with the materials needed to perform their duties and assisted them in complying with laws and regulations. (3) Planned board meetings (including all functional committee meetings), notified all directors at least seven days before such meetings, and provided adequate meeting materials, while sending the board meeting minutes to 	We proceed in accordance with the Corporate Governance Best Practice Principles.

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	Yes	No	Brief description																					
			<p>directors within 20 days after each board meeting.</p> <p>(4) The Board of Directors and the Shareholders' Meeting shall, in accordance with the law, prepare notices of meetings, meeting manuals and minutes of meetings within the statutory time limit, and deal with the registration of changes in the Articles of Association after amendments to the Articles of Association and the reappointment or re-election of directors.</p> <p>(5) Arranged continuing education courses for directors and purchased liability insurance for directors and important officers.</p> <p>(6) Maintained investor relations, held investor conferences, and established a variety of communication channels with investors.</p> <p>(7) To report to the Board of Directors the results of the examination of whether the qualifications of the independent directors complied with the relevant laws and regulations at the time of nomination and election during the term of office.</p> <p>(8) Handled other matters as specified in the Articles of Incorporation or contracts.</p> <p>(III) Corporate governance in relevant aspects of corporate social responsibility is implemented by various departments on a concurrent basis. The Finance Department is responsible for implementing corporate governance, the Administrative Management Department is responsible for implementing social charity initiatives and the ethical management policy for all employees, and the labor safety unit is responsible for implementing environmental protection initiatives. They need to report to the Board of Directors from time to time.</p> <p>(IV) Corporate Governance Officer's training: The number of statutory training hours completed by Director Chang, Chia-Wen, a corporate governance officer, in 2024, is shown in the table below:</p> <table><tr><th>Date of training</th><th>Organizer</th><th>Course</th><th>Training hours</th></tr><tr><td>2024.04.12</td><td>Taiwan Investor Relations Institute</td><td>Steering the Sail of Corporate Wisdom, Corporate Governance Leads the Way</td><td>3 hours</td></tr><tr><td>2024.04.17</td><td>Taipei Financial Research and Development Foundation</td><td>Corporate Governance Forum</td><td>3 hours</td></tr><tr><td>2023.08.20</td><td>Taiwan Investor Relations Institute</td><td>Trade Secrets and Information Security Practices and Legal Risk Management</td><td>3 hours</td></tr><tr><td>2024.09.05</td><td>Taipei Exchange</td><td>Explanation meeting for the promotion of insiders' shareholding rights of TPEX-listed and emerging companies</td><td>3 hours</td></tr></table>	Date of training	Organizer	Course	Training hours	2024.04.12	Taiwan Investor Relations Institute	Steering the Sail of Corporate Wisdom, Corporate Governance Leads the Way	3 hours	2024.04.17	Taipei Financial Research and Development Foundation	Corporate Governance Forum	3 hours	2023.08.20	Taiwan Investor Relations Institute	Trade Secrets and Information Security Practices and Legal Risk Management	3 hours	2024.09.05	Taipei Exchange	Explanation meeting for the promotion of insiders' shareholding rights of TPEX-listed and emerging companies	3 hours	
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V. Has the company has established communication channels with stakeholders (including but not limited to shareholders, employees, clients, and suppliers) and set up a section dedicated to stakeholders on the company's website to properly respond to stakeholders' major CSR issues of concern?	V		To pursue sustainable business development, we have discussed with the heads of various departments and identified the Company's major stakeholders (reviewed and approved by the senior managers), including employees, clients, suppliers (contractors), shareholders (investors), society, and government, and have maintained obstacle-free communication with them through various departments as per the scope of their business. In addition to the spokesperson and the acting spokesperson, we have set up a Stakeholders section on the website to respond to important corporate social responsibility matter concerning stakeholders. Report to the board of directors on Oct. 10, 2024 on the communication situation with stakeholders and disclose it on our company's website https://reurl.cc/A4vE2p	We proceed in accordance with the Corporate Governance Best Practice Principles.																				
VI. Does the company appoint a professional stock affairs agency to handle the affairs related to shareholders' meetings?	V		We appoint the Registrar & Transfer Agency Department, KGI Securities Co., Ltd., to handle affairs related to the general shareholders' meeting.	We proceed in accordance with the Corporate Governance Best Practice Principles.																				
VII. Information disclosures (I) Has the company set up a website to disclose information on financial business and corporate governance?	(I) V		(I) We have set up an Investor section on the Company's website, which can be linked to the MOPS, to regularly disclose the Company's financial information and other relevant information.	(I)~(III)We proceed in accordance with the																				

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(II) Does the company adopt other methods to disclose information (such as setting up an English website, designating personnel to collect and disclose company information, implementing a spokesperson system, or placing the proceeding of investor conferences on the company website)?	(II) V		(II) We have designated personnel to be responsible for collecting and disclosing the Company’s information and implemented a spokesperson mechanism to ensure that information that may affect shareholders’ and stakeholders’ decision-making process can be disclosed in a timely and appropriate manner. The Company publishes material information in both English and Chinese simultaneously. Presentations of corporate explanatory meetings, notices of shareholders’ meetings, meeting manuals, minutes of meetings, annual reports, quarterly financial reports, and important corporate governance implementation information are placed on the Company’s website in addition to MOPS to provide full disclosure of information.	Corporate Governance Best Practice Principles.																		
(III) Does the company announce and submit an annual financial report to the competent authority within two months after the end of each fiscal year and announce and submit the financial reports for the first, second, and third quarters and the operations of each month to the competent authority before a specified deadline?	(III) V		<div>(III) We used to publish the annual financial statements within three months after the end of a fiscal year in accordance with the laws and regulations. To be aligned with Corporate Governance 3.0-Blueprint for Sustainable Development, we aim to publish the annual financial statements within two months after the end of a fiscal year from 2021.</div> <div>The implementation for this year is as follows. The quarterly and annual financial statements were reviewed and approved by the Audit Committee and then approved by the resolution of the Board of Directors. We published such statements within two months after the end of the fiscal year. We also published and filed the Q1, Q2, and Q3 financial statements in advance prior to a deadline as required and disclosed them on the Company’s website at the same time. Meanwhile, the financial statements were approved by the Board of Directors or submitted to the Board of Directors seven days prior to the deadline for publication; we also published the financial statements within one day after the date of approval or submission. The approval and publication dates are as follows.</div> <table><tr><th>Approved by the Audit Committee and Board of Directors</th><th>Date of approval by the Audit Committee and Board of Directors</th><th>Date of publication</th></tr><tr><td>The 2023 financial statements</td><td>2024/02/16</td><td>2024/02/16</td></tr><tr><td>The 2024 Q1 financial statements</td><td>2024/05/07</td><td>2024/05/07</td></tr><tr><td>The 2024 Q2 financial statements</td><td>2024/07/31</td><td>2024/07/31</td></tr><tr><td>The 2024 Q3 financial statements</td><td>2024/10/30</td><td>2024/10/30</td></tr><tr><td>The 2024 financial statements</td><td>2025/02/26</td><td>2025/02/26</td></tr></table>	Approved by the Audit Committee and Board of Directors	Date of approval by the Audit Committee and Board of Directors	Date of publication	The 2023 financial statements	2024/02/16	2024/02/16	The 2024 Q1 financial statements	2024/05/07	2024/05/07	The 2024 Q2 financial statements	2024/07/31	2024/07/31	The 2024 Q3 financial statements	2024/10/30	2024/10/30	The 2024 financial statements	2025/02/26	2025/02/26	
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(IV) Does the Company have other important information that facilitates the understanding of the operations of corporate governance (including but not limited to employee rights, employee care, investor relations, supplier relations, stakeholders’ rights, directors’ and supervisors’ continuing education, the implementation of risk management policies and risk measurement standards, the implementation of client policies, and the company’s purchase of directors liability insurance)?	V		<div>(I) Employee rights and interest:</div> <div>We comply with labor laws and regulations on human rights at home and abroad and treat fairly and respect all employees, including:</div> <div>1. Formulated working conditions in accordance with labor laws and regulations.</div> <div>2. Provided equal job opportunities to all job seekers in accordance with the Employment Service Act.</div> <div>3. Held communication meetings between supervisors and employees from time to time.</div> <div>4. Launched a staff service hotline at 1805 (sounds like “help you and me in Chinese”) and a staff message board.</div> <div>5. Launched the service hotline at 1805 for sexual harassment complaints and a dedicated email inbox.</div> <div>6. Recruited medical staff to provide employees with health consultation services on site.</div> <div>7. Provided employees with free health examination and consultation service per year.</div> <div>8. Held a labor-management meeting per quarter.</div> <div>9. Convened the Occupational Safety and Health Committee per quarter.</div> <div>10. Convened the Employee Welfare Committee from time to time.</div> <div>11. Provide an anonymous complaint mailbox that is accessible to every employee and is not subject to camera shooting.</div> <div>12. Organize activities to select and commend outstanding practitioners. The recognition activities encourage colleagues to be conscientious and conscientious and contribute to the company’s operating performance.</div>	We proceed in accordance with the Corporate Governance Best Practice Principles.																		

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	Yes	No	Brief description	
			<p>technological innovation, industrial competitiveness, etc. It is used to promote talents, enhance overall morale, and gather colleagues' centripetal force.</p> <p>13. Important excerpts of the year:</p> <ul style="list-style-type: none"> ■ Four labor-management meetings have been held in 2024, with 6 labor and management representatives each as members. ■ In 2024 of Occupational Nursing provides 12 hours of on-site service every month; occupational medicine specialists provide 3 hours of on-site service every four months; and health service physicians provide 2 hours of on-site service every four months. ■ Entrust qualified operating environment monitoring agencies to conduct testing on March, June, September and December, 2024. ■ In 2024, 4 Occupational Safety and Health Committee and 8 Employee Welfare Committee meetings were held. ■ The company is equipped with an automatic external electric defibrillator (AED), and the Labor Safety Office arranges basic first aid training courses for first responders every year. ■ In 2024, a total of 1 colleagues stood out and won the title of outstanding practitioners and received the commendation on behalf of the Southern Taiwan Science and Technology Parks Authority <p>(II) Employee care</p> <ol style="list-style-type: none"> 1. The Company has passed the audit and verification by the ISO14001 environmental management system, the ISO 45001 occupational safety and health management system, thereby providing a safe work environment to our employees. 2. We purchase labor and health insurance for employees as per labor and health insurance laws and regulations, and they are entitled to childbirth, illness, medical treatment, and other benefits and allowances. 3. We have established an Employee Welfare Committee, which hold activities, including birthday celebrations and employee travel on a regular basis to relax employees' body and mind, thereby improving their quality of life. 4. We facilitate the development of clubs, and employees can freely participate in the cycling, badminton, volunteer, softball, photography, gardening, health promotion clubs, for employees to bond. 5. We signed a contract with a nearby preschool to provide convenient childcare services. 6. We also have facilities in place, including breastfeeding rooms, a collection of books, and large indoor and outdoor parking spaces, for employees. 7. We grant various cash gifts, education scholarships, as well as wedding and funeral allowances on a regular basis per year. 8. We provide employees with additional production and sales bonuses as per the Company's quarterly operating performance. 9. The Company was honored with the 2024 Annual Award of Excellence in Promoting Workplace Equalization in the Southern Science Park. <p>(III) Client relations</p> <ol style="list-style-type: none"> 1. We regularly visit clients, engage in technical exchanges with them, and assist them in improving process technology and solving materials and processing technology issues, to establish long-term partnerships on the basis of mutual trust. 2. We require all sales personnel to strictly keep confidential clients' business information in accordance with the confidentiality agreements. 3. We have digital supply chain and electronic sales systems to provide clients with comprehensive supporting services. 4. We conduct a client satisfaction survey in the fourth quarter per year. 5. Annual Important Excerpts: <ul style="list-style-type: none"> ● We participated in SEMICOM Taiwan 2024. ● In 2024, we will continue to sign "NDA confidentiality agreements" with specific customers to strengthen cooperative relationships. ● Regularly hold technical exchange meetings with the technical department of China Steel in 2024 to improve the quality of technology research and service. ● The average score of the 2024 client service and satisfaction survey is higher than 135 points (out of 145 points). <p>(IV) Supplier (contractor) relations</p> <ol style="list-style-type: none"> 1. Provide product purchasing specifications. 	

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	Yes	No	Brief description	
			<p>2.Promote supplier selection, assessment, auditing and coaching visits to factories. Regular risk assessment and identification to strengthen sustainable supply chain.</p> <p>3.Exchange product information from time to time, grasp the pulse of raw material trends, and forecast stocking management.</p> <p>4. Annual Important Excerpts:</p> <ul style="list-style-type: none"> ● New suppliers are evaluated, introduced and signed the "Sustainable Development Declaration"; the original suppliers are updated to sign the "Guarantee for Non-Use of Hazardous Substances". ● Self-built project system program for real-time tracking and implementation of evaluation management for various suppliers. ● Signed NDA with important raw material suppliers. ● The average supplier quarterly evaluation score in 2024 is 89.63 points, and the rate of qualified suppliers in the raw material quarterly evaluation is 100%; the average annual supplier evaluation score is 86.8 points, meeting the second-level and above standards. <p>(V) Shareholder (investor) relations</p> <ol style="list-style-type: none"> 1. We regularly disclose our revenue and irregularly disclose the material information on major resolutions by the Board of Directors and shareholders' meeting on the MOPS in both Chinese and English as per laws and regulations. 2. We hold the general shareholders' meeting regularly per year and adopt electronic voting to allow investors to vote on proposals and express their opinions. 3. We regularly publish financial reports and annual reports on the MOPS and publish the electronic versions on the Company's website at the same time for the public to download and check. 4. We participate in investor conferences held by securities firms at home and abroad from time to time. 5. We amend internal control management regulations and rules from time to time as per laws and regulations and upload them to the Company's website and the MOPS. 6. We release information on company operations, technology, finance, corporate governance, and ethical management from time to time on the Company's website. 7. Annual Important Excerpts: <ul style="list-style-type: none"> ● We issued the notes to the revenue announcement before the tenth day of each month to indicate the proportion of precious metal sales to the total revenue, allowing shareholders and investors to be informed of our operating information and improve the quality of our information disclosures. ● In 2024, major resolutions of the board of directors and shareholders' meetings, as well as major non routine company news, were simultaneously released in both Chinese and English at the Public Information Observatory. The Sustainable Development Report includes ESG operations, fully disclosing business decisions, and enhancing the quality of information disclosure. ● On March 2024, the Company completed the disclosure of the English version of the shareholders' meeting handbook, the annual report and the FY2023 financial report, as well as the issuance of a total of eight Chinese and English financial reports for the period of 2022 to 2023, which not only complied with the regulations of the FSC, but also enriched the English webpage to enhance the understanding of the Company's information by the overseas Chinese Shareholders and the investors. ● A regular shareholders' meeting will be held at the company on April 10, 2024, chaired by the chairman. In addition to answering shareholders' questions directly, the management team also has good interactions with shareholders. ● Complete the board of directors' performance self-evaluation in December 2024 and disclose the results on the company's website. ● On July 19, 2024, the Company was invited to participate in a corporate presentation hosted by Quni Jinding Securities, and on November 21, 2024, the Company was invited to participate in a corporate presentation hosted by Fubon Securities for the China Steel Group to explain to investors the 	

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	Yes	No	Brief description	
			<p>Company's operations and future trends.</p> <p>(VI) Society</p> <ol style="list-style-type: none"> 1. We participate in a variety of seminars, forums, public hearings, training courses, exchanges, and mutual visits on policies and laws from time to time. We also publish press releases and interview the spokesperson from time to time. 2. We visit the chief of village per quarter to understand the village's relevant activities and needs and provide resources and assistance needed in a timely manner. 3. We joined the Kaohsiung Personnel Representative Association and participate in its regular meetings and information exchanges. 4. Annual Important Excerpts: <ul style="list-style-type: none"> ● Neighborhood safety boxes are donated monthly and distributed to marginalized households in urgent need of help through the district chief. In 2024, a total of 20 households will be distributed through the district chief. In the past eight years, a total of approximately 280 marginalized households have been donated, with the hope that the society will continue to be good. ● In 2024, a rescue campaign was held to encourage employees to purchase overproduced and unsold agricultural products. A total of 3,000 kilograms were purchased from the Tainan Wendan Park for three years. ● Every year, we assist local people with disabilities with employment and training opportunities. In 2024, we assisted 18 people, and provided a total of 73 people with disabilities a self-sufficient work stage in the past four years. ● In response to World Vision Taiwan's red envelope spreading love campaign, the company set up a voluntary donation box for employees, raising a total of NT\$18,000 and has been accrued \$43,000 over a period of two years. ● Set up the ESG Friendly Train with 36 volunteers, calling on colleagues to participate in volunteer activities and responding to the Kaohsiung Municipal Government's environmental protection volunteers, patrolling the nearby Kajia coastline to "reshape the clean coastline" to create a friendly living environment and cooperating with the Kaohsiung City Rehabilitation Institute for the Blind in organizing activities for the blind to listen to vocational bats. <p>(VII) Government</p> <ol style="list-style-type: none"> 1. We visit elected representatives to communicate reasonable regulations and policies with competent authorities. 2. We participate in symposiums, seminars, and various evaluations organized by competent authorities from time to time. 3. Annual Important Excerpts: <ul style="list-style-type: none"> ● Attend the employer symposium organized by the Kaohsiung Labor Bureau Training and Employment Center in 2024 to understand relevant government policies. ● In 2024, participated in activities related to the Southern District Human Resources Development Center of the Kao P'ing P'eng Tung Branch of the Labor Development Department of the Ministry of Labor, as well as a gave a special lecture on silver haired labor at the Southern District Silver Hair Human Resources Center and was also selected as the winner of the 2024 Excellent Enterprise Award for "Promoting Workplace Equalization" in the Southern Taiwan Science Park. ● We participated in seminars and forums on laws online and regulations, promotion of labor-management relations, work safety, and employee health organized by Kaohsiung City Government and the Southern Taiwan Science Park Bureau, Ministry of Science and Technology, during 2024. <p>(VIII) Succession plans for board members and key management personnel and implementation</p> <p>As per the Company's succession plan, in addition to excellent professional capabilities and management skills, a successor must have values consistent with the Company's, and they should be honest, ethical, innovative, and highly motivated. The training for the successors to the top-level management covers management and professional capabilities, job rotation, transfer to other</p>	

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	Yes	No	Brief description	
			<p>companies in the Group, to comprehensively cultivate their management skills as top-level managers.</p> <p>1. A succession plan for board members:</p> <ul style="list-style-type: none"> • We adopt a candidate nomination system, and the term of office for directors is three years, and they may be re-elected. Unless otherwise stipulated by laws or the Articles of Incorporation, the election of directors should proceed in accordance with the Rules of Election of Directors, with the overall board structure, basic criteria and values (including gender, age, nationality, and culture), as well as professional knowledge and skills (including professional backgrounds, professional skills, and industry experience) considered. • To achieve the ideal goal of corporate governance, board members should possess the following knowledge, skills, and qualities needed to perform their duties: (1) Business judgment; (2) accounting and financial analysis; (3) business management; (4) crisis management; (5) industry knowledge; (6) an international market perspective; (7) leadership; (8) decision-making. • The Company selects successors to directors through the methods below: (1) The incumbent directors recommend suitable candidates; (2) shareholders recommend candidates for directors; and (3) the board performance evaluation results are adopted as a reference for the nomination for directors. <p>2. A succession plan for key management personnel:</p> <ul style="list-style-type: none"> • The Company's top-level managers, including the Chairman, the President, and the Executive Vice President, are selected by the parent company, and they have the relevant professional, management capabilities, and an international perspective. As per the Company's succession plan, in addition to excellent professional capabilities and management skills, a successor must have values consistent with the Company's, and they should be honest, ethical, innovative, and highly motivated. <p>The Chairman Lee, Chao-Hsiang and President Pan, Yeong-Tsuen retired on December 31, 2024, and were reassigned by the parent company, of Gains Investment Corporation, to the position of corporate director representative, Lee, Chien-Hu, and recommended Feng, Fu-An as the general manager, who was elected by the Board of Directors to serve as the Chairman of the Board of Directors of the Company and agreed to the employment of the position of President, respectively; and Vice President Lin, Ching-Chun was assigned by Gains Investment Corporation on April 1, 2021 and returned to the parent company on August 1, 2024, and recommended Hsu Ming-Tsung to take over the position of Executive Vice President.</p> <ul style="list-style-type: none"> • In addition to inventorying and selecting potential successors, the succession training program for key management personnel is complemented by a personal development plan and proxy counseling system to help them effectively improve their succession skills and shorten the time required to take over the company. In terms of the design of the training mechanism, the potential successors are arranged to attend internships at the Group's parent company or affiliated companies. In addition, a complete management development program is also provided, and a management elite class has been held since 2016 with the help of the SSPIA teachers' qualifications and resources in order to strengthen the ability of business management and operation and management, including such important issues as strategic planning, operation and management, leadership, and organizational and managerial changes, etc., so as to cultivate the management talents that are needed in the future. In the fourth quarter of 2024, we held a 6-hour course on "New Age Coaching Leadership and Management", which was attended by 17 students, and we have trained about 35 students since 2020. In order to cultivate material development professionals for the semiconductor industry, we invited professional teachers from ITRI to teach the course, and the number of trainees was nearly 40. • In response to the Company's acquisition of Changzhou ChinaSteel Precision Material Ltd., the Board of Directors approved the appointment of the Chairman and the President of, to strengthen the supervision of the 	

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			<p>operation and management of Changzhou ChinaSteel Precision Material Ltd. on June, 2024. In order to strengthen the internal control of China Steel Precision Material Ltd. The Company has been assigned the auditor, senior Engineer to conduct the auditing and reviewing work.</p> <ul style="list-style-type: none"> •The implementation of succession planning for key management personnel in recent years has been disclosed on the Company's website/Investor Relations/Corporate Governance/Succession Planning https://reurl.cc/RW0M26. <p>(IX) Purchase of directors liability insurance We purchase liability insurance for directors and independent directors each year and reported to the 10th meeting of the 9th Board of Directors on July 31, 2024 and disclosed the information on the MOPS in the following month (August 7, 2024).</p> <p>(X) Directors' continuing education The Company's directors (including independent directors), managers, Chief Accounting Officer and the substitute thereof, as well as auditors and substitutes thereof all have relevant industry or professional backgrounds and practical experience in business management, and they take courses on corporate governance from time to time in accordance with the Corporate Governance Best Practice Principles and applicable laws and regulations. All directors (including independent directors) have completed six or 12 hours of course credits for 2024 and declared the information as required. See (Note 1) for details of directors' (including independent directors'), managers', and their substitutes' training.</p>	
<p>IX. Please specify any improvements made as per the results of the corporate governance evaluation announced by the Corporate Governance Center, Taiwan Stock Exchange Corporation, in the most recent year and put forth prioritized measures to improve those that have not yet improved: Based on the results of the 11th (2024) corporate governance assessment released, the company plans to propose improvements in 2024 as follows:</p> <p>1.#4.23 Does the Company disclose its policy on linking senior managers' compensation to ESG-related performance evaluations.?</p> <p>Note: In compliance with the requirements of the Corporate Governance Assessment, the disclosure of ESG-related performance assessment items for the GM and VP or other equivalent ranks (e.g., CEO, VP, President, VP, etc.) has been planned and is expected to be presented in the 2025 annual assessment.</p>				

Note 1: The courses taken by directors (including independent directors), managers, the Chief Accounting Officer and the substitute thereof, as well as auditors and substitutes thereof:

(1) Directors' continuing education during 2024

The Company has a total of seven directors (including three independent directors) on the 9th board. For the year ended December 31, 2004, the Company completed the required number of training hours for new and renewed appointments in accordance with the law, of which 3 hours/1 attendance for corporate governance, 12 hours/4 attendances for risk management, 30 hours/6 attendances for ESG, and 7 hours/2 attendances for legal and tax affairs, totaling 52 hours, which is in compliance with the requirements of the Code of Practice on Corporate Governance.

Job title	Name	Date of taking office	Date of initial appointment	Date of training		Organizer	Course	Training hours	Total number of hours of study in the year	Note
				From	Through					
Representative of the director,	Lee, Chien-Hui	2024/12/31	2024/12/31	2024/07/03	2024/07/03	Taiwan Stock Exchange	2024 Cathay Pacific Sustainable Finance and Climate Change Summit	3	12	ESG
				2024/05/16	2024/05/16	Taiwan Securities Over-the-Counter Trading Center	Sustainability Disclosure Practical Workshop	9		ESG
Representative of the director,	Wu, Chun-Hui	2023/06/16	2019/06/11	2024/11/05	2024/11/05	Taiwan Investor Relations Institute	Carbon and Carbon Connections - Talking about Carbon Fee, Carbon Tax, Carbon Rights and Carbon Trading	3	6	ESG
				2024/08/20	2024/08/20	Taiwan Investor Relations Institute	Trade Secrets and Information Security Practices and Legal Risk Management	3		Risk Management
Representative of the director, Portal International IPRs Service Co., Ltd.	Pan, Lay-Lay	2023/06/16	2021/09/30	2024/11/05	2024/11/05	Taiwan Investor Relations Institute	Carbon and Carbon Connections - Talking about Carbon Fee, Carbon Tax, Carbon Rights and Carbon Trading	3	6	ESG
				2024/08/20	2024/08/20	Taiwan Investor Relations Institute	Trade Secrets and Information Security Practices and Legal Risk Management	3		Risk Management
Representative of the director, Portal International	Fang, Ming-Dar	2023/10/01	2002/10/01	2024/09/30	2024/09/30	Taiwan Stock Exchange	Strengthening Taiwan Capital Markets Summit	3	9	Act Taxation
				2024/09/06	2024/09/06	Securities & Futures Institute	2024 Annual Insider Trading Prevention Seminar	3		corporate governance

Job title	Name	Date of taking office	Date of initial appointment	Date of training		Organizer	Course	Training hours	Total number of hours of study in the year	Note
				From	Through					
IPRs Service Co., Ltd.				2024/05/17	2024/05/17	Securities & Futures Institute	Sustainable Development Seminar	3		ESG
Independent Director	Liang, Su-Mei	2023/06/16	2004/05/20	2024/11/08	2024/11/08	Taiwan Project Management Association (TPMA)	Mergers and Acquisitions Strategies - Exploring the Laws and Practices of Mergers and Acquisitions on NOV.11 in Kaohsiung	4	7	Act Taxation
				2024/08/20	2024/08/20	Taiwan Investor Relations Institute	Trade Secrets and Information Security Practices and Legal Risk Management	3		Risk Management
Independent Director	Tsai, Mi-Ching	2023/06/16	2020/06/11	2024/06/19	2024/06/19	Taiwan Investor Relations Institute	Carbon Exchange & Data-based Carbon Reduction, Operation Management Upgrade	3	6	ESG
				2024/06/19	2024/06/19	Taiwan Investor Relations Institute	Practice Sharing for Sustainability Reporting	3		ESG
Independent Director	Fang, Cheng-Hwa	2023/06/16	2020/06/11	2024/11/05	2024/11/05	Taiwan Investor Relations Institute	Carbon and Carbon Connections - Talking about Carbon Fee, Carbon Tax, Carbon Rights and Carbon Trading	3	6	ESG
				2024/08/20	2024/08/20	Taiwan Investor Relations Institute	Trade Secrets and Information Security Practices and Legal Risk Management	3		Risk Management

(2) Managers' continuing education during 2024

- The Company's President, Vice Presidents, Chief Accounting Officer (including the substitute thereof), auditors (including the substitutes thereof), chiefs of plants, department heads, as well as managers, assistant managers, and administrators at various departments have all completed the annual required hours of training on corporate governance, ethical management, risk management, and operational management. This is in compliance with the Corporate Governance Best Practice Principles.
- In order to enhance the leadership ability of our internal management, we invited the Southern Taiwan Science Park Administration of the National Science and Technology Commission (NSTC) and the Southern Taiwan Science Park Industry Association (SSPIA) to jointly hold a 6-hour "New Era Coaching Leadership and Management Course" on September 11, 2024, which was attended by a total of 14 executives of the second level or above from within the company.
- On July 19 and 22, 2024, a professional instructor from an external consulting firm was hired to conduct "IATF16949 ISO9001 QC080000 Internal Audit Staff Training" for 6 hours, and 22 representatives from each unit were dispatched.

Job title	Name	Date of taking office	Date of training		Organizer	Course	Training hours
			From	Through			
President	Feng ,Fu-An	2024/12/31	2024/08/20	2024/08/20	Taiwan Investor Relations Institute	Trade Secrets and Information Security Practices and Legal Risk Management	3
			2024/11/05	2024/11/05	Taiwan Investor Relations Institute	Carbon and Carbon Connections - Talking about Carbon Fee, Carbon Tax, Carbon Rights and Carbon Trading	3
Vice President	Lin, Ching-Fu	2014/06/03	2024/08/20	2024/08/20	Taiwan Investor Relations Institute	Trade Secrets and Information Security Practices and Legal Risk Management	3
			2024/11/05	2024/11/05	Taiwan Investor Relations Institute	Carbon and Carbon Connections - Talking about Carbon Fee, Carbon Tax, Carbon Rights and Carbon Trading	3
Vice President	Hsu Ming-Tsung	2024/08/01	2024/08/20	2024/08/20	Taiwan Investor Relations Institute	Trade Secrets and Information Security Practices and Legal Risk Management	3
			2024/11/05	2024/11/05	Taiwan Investor Relations Institute	Carbon and Carbon Connections - Talking about Carbon Fee, Carbon Tax, Carbon Rights and Carbon Trading	3
Head of Finance and Accounting	Chang, Chia-Wen	2021/03/01	2024/08/26	2024/08/27	Taipei Financial Research and Development Foundation	Accounting Supervisor of Issuer Securities Dealers Stock Exchange Continuing Education Courses	12
Corporate governance Manager	Chang, Chia-Wen	2021/10/29	2024/04/12	2024/04/12	Taiwan Investor Relations Institute	Steering the Sail of Corporate Wisdom Corporate Governance Leads the Way	3
			2024/04/17	2024/04/17	Taiwan Financial Research Institute	Corporate Governance Forum	3
			2024/08/20	2024/08/20	Taiwan Investor Relations Institute	Trade Secrets and Information Security Practices and Legal Risk Management	3
			2024/09/05	2024/09/05	Over-the-counter (OTC) Trading Center	Kaohsiung Session on Insider Shareholding Advocacy for OTC and Emerging Companies	3
Substitute for Accounting Supervisor	Kan Ka-Shui	2024/02/01	2024/08/26	2024/08/27	Taipei Financial Research and Development Foundation	Continuing Education Course for Accounting Supervisors of Issuers, Securities Dealers and Stock Exchanges	12
Substitute for auditor	Cheng Chin-Mei	2024/10/04	2024/10/23	2024/10/25	Internal Audit Association of the Republic of China	Pre-service Training Workshop for Entry-level Internal Auditors of Enterprises	18
Business Department Head	Lin, Yu-Chuan	2022/09/16	2024/9/11	2024/9/11	Southern Taiwan Science and Technology Association	New Age Coaching Leadership Management	6
Technology Department Head	Kuan, Chi-Yun	2022/09/16	2024/09/11	2024/09/11	Southern Taiwan Science and Technology Association	New Age Coaching Leadership Management	6
Production Plants Acting plant Director	Ling, Yung-Fu	2024/09/15	2024/03/11	2024/03/27	Metal Industry Research and Development Center	Type A Occupational Safety and Health Operations Supervisor	42
			2024/06/11	2024/06/11	Kaohsiung City Environmental Protection Bureau	Coast Guard Volunteer Leader Input Meeting of 2024	3
			2024/08/29	2024/08/29	ThinTech Technology Material Co.	Semiconductor Course 1 - Introduction to Semiconductors and Packaging Processes	2
Production Plants Deputy Chief of the Production Plant	Kuo, Shu-Kai	2021/03/01	2024/09/13	2024/09/13	ThinTech Technology Material Co.	Information Safety Education and Training	2
			2024/11/05	2024/11/05	Taiwan Investor Relations Institute	Carbon and Carbon Connections - Talking about Carbon Fee, Carbon Tax, Carbon Rights and Carbon Trading	3
			2024/09/11	2024/09/11	Southern Taiwan Science and Technology Association	New Age Coaching Leadership Management	6

Job title	Name	Date of taking office	Date of training		Organizer	Course	Training hours
			From	Through			
Quality Assurance Department Head	Juan, Wei	2008/03/17	2024/09/11	2024/09/11	Southern Taiwan Science and Technology Association	New Age Coaching Leadership Management	6
Administrative Management Department Head	Huang, Jung-Chang	2023/07/01	2024/09/11	2024/09/11	Southern Taiwan Science and Technology Association	New Age Coaching Leadership Management	6
Manager of Information security	Wan,Chien-hung	2022/11/23	2024/12/13	2024/12/13	CIO Association of Taiwan	New Era Coaching Leadership Management	8
			2024/05/14	2024/05/16	IT home	025 CIO Insight Survey Release	24
			2024/07/30	2024/07/30	ThinTech Technology Material Co.	CYBERSEC Taiwan Capital Security Conference of 2024	4
			2024/09/13	2024/09/13	ThinTech Technology Material Co.	TeamT5 Education and Training	2
Information security personnel	Chen, Chia sheng	2022/11/23	2024/07/30	2024/07/30	IT home	Information Security Education and Training	3
			2024/05/14	2024/05/16	IT home	TeamT5 Education and Training	24
Esg Group	Yeung, Hui- Hung Wang, Zhen-Jian Cheng Chin-Mei Chung, yuk-ching Lan, Ching-Chou Wu, yung-Lin	NA	2024/11/05	2024/11/05	Taiwan Investor Relations Institute	Carbon and Carbon Connections - Talking about Carbon Fee, Carbon Tax, Carbon Rights and Carbon Trading	3

ThinTech Materials Technology Co., Ltd.

Code of Ethical Conduct

Article 1 (Purpose and rationale for this guideline)

In order to guide the behavior of the Company's personnel in conforming to ethical standards and to enable the Company's stakeholders to understand the Company's standards of ethical behavior, I hereby formulate this standard with reference to the "Reference Sample of Code of Ethical Conduct for Listed and OTC Companies".

Article 2 (Scope of application of the Guidelines)

This standard applies to "officers of the Company", which includes the directors and all employees of the Company.

Article 3 (Standards of Ethical Behavior)

In the performance of their duties, the Company's personnel shall comply with the relevant laws and regulations and the provisions of this Code, and shall adopt a proactive and responsible attitude, abandon selfishness, emphasize teamwork, and adhere to the principles of honesty and credit, in order to comply with the Company's required standards of ethical behavior.

The Company's directors and managers (i.e., those who are in charge of each division of the Company at the factory level or above and equivalent, auditors, and others who have the right to manage the Company's affairs and sign the contract) shall take the lead in setting an example and promoting the implementation of the provisions of this Code.

Article 4 (Prevention of conflict of interest)

The officers of the Company shall perform their duties faithfully and conduct business in an objective and efficient manner for the benefit of all shareholders. In the event of a conflict between his/her own interests and the interests of the Company, he/she shall give priority to the interests of the Company and shall refrain from utilizing his/her position or duties in such a way as to give improper benefits to the following persons or enterprises:

1. Relatives including himself/herself, his/her spouse, parents, children, or third degree of kinship.
2. Enterprises in which the person in the preceding paragraph has a substantial financial interest, directly or indirectly.
3. Enterprises in which the person himself/herself is also the chairman of the board of directors, an executive director, or a senior manager.

The Company shall pay special attention to any loan of funds, significant asset transactions, purchase (sale) transactions, or provision of guarantees to any of the persons or enterprises listed in the preceding paragraph.

Article 5 (Competition Prohibition)

If a director engages in an act of competing with the Company, he/she shall report to the shareholders' meeting and obtain permission in advance in accordance with the Company Law; if a manager engages in an act of competing with the Company, he/she shall report to the board of directors and obtain permission in advance in accordance with the Company Law.

Article 6 (Avoidance of Opportunities for Self-Interest)

The Company shall avoid opportunities for personal gain by the Company's officers (1) through the use of Company property, information, or by virtue of their official position; (2) through the use of Company property, information, or by virtue of their official position; and (3) in competition with the Company. Whenever there is an opportunity for the Company to make a profit, it shall be the duty of the directors or managers to increase the amount of legitimate and lawful benefits available to the Company.

Article 7 (Obligation to report the truthfulness of transactions)

If an employee of the Company engages in a transaction with another person in connection with the performance of his or her duties, he or she shall accurately report the contents of the transaction and shall not conceal or misrepresent the transaction in a manner that would jeopardize the Company's rights and interests.

Article 8 (Duty of confidentiality)

Unless authorized or required by law to do so, employees of the Company shall be responsible for the careful management and confidentiality of matters or confidential information that come to their knowledge in the course of their duties. Unless disclosed by the Company or provided for the purpose of carrying out duties, the information shall not be divulged to others or used for purposes other than those for which it was provided; the same applies to information provided after termination of employment.

The information that should be kept confidential in the preceding paragraph includes the Company's personnel and customer information, inventions, business secrets, technical information, product design, manufacturing expertise, financial accounting information, intellectual property rights, and all other unpublished information that may be used by competitors or leaked to the detriment of the Company or its customers.

Article 9 (Fair Dealing)

The Company's personnel shall treat business counterparts, competitors and employees fairly and shall not obtain improper benefits through manipulation, concealment, misuse of information obtained in the course of their duties, misrepresentation of material matters or other unfair dealing practices.

Article 10 (Insider Trading)

Any information that comes to the attention of the Company's personnel in the course of their duties that may materially affect the trading price of the Company's securities shall be kept strictly confidential in accordance with the Securities and Exchange Act and shall not be utilized to engage in insider trading until the information is disclosed to the public.

Article 11 (Protection and Proper Use of Company Assets)

It is the responsibility of the Company's personnel to protect the Company's assets and to ensure that they are used effectively and lawfully in the conduct of the Company's affairs to avoid theft, neglect or waste.

Article 12 (Compliance)

The Company's personnel shall comply with all laws and regulations and company policies governing the Company and shall comply with the Securities and Exchange Act.

Article 13 (Political Contributions and Activities)

Company personnel should refrain from influencing Company employees in any way to make political contributions, to support particular parties or candidates, or to engage in other political activities.

Article 14 (Reporting Obligations and Protections)

The Company shall promote ethics within the Company and encourage employees to take the initiative to report any violation of laws, regulations or this Code to their managers, internal audit supervisors or other appropriate supervisors, and to provide sufficient information to enable the Company to deal with the situation in a timely manner. To encourage employees to report violations, the Company shall establish a specific reporting system that allows for anonymous reporting and lets employees know that the Company will make every effort to protect the safety of the reporting party from threats. The person reported shall not threaten or retaliate against the person who made the report.

Article 15 (Handling of Violations of the Guidelines)

In the event that an employee of the Company violates the provisions of this Code, he or she shall be punished

in accordance with the relevant regulations, depending on the severity of the violation; the same applies to department heads who knowingly fail to correct the violation or who fail to comply with the Company's regulations.

In the event that a director or manager is suspected of violating the Code of Ethical Conduct, the Company shall deal with the matter in accordance with the relevant internal regulations of the Company, and shall immediately disclose on the Market Observation Post System (MOPS) of the Taiwan Stock Exchange Corporation (TSE) the name of the person who violated the Code of Ethical Conduct, his/her name, the date of the violation, the reasons for the violation, the criteria for the violation, and the circumstances under which the violation was dealt with, in accordance with the law.

Any employee of the Company who is penalized for violating the provisions of this Code of Ethics may file a complaint for relief in accordance with the relevant regulations.

Article 16 (Procedures for Exemption)

Directors and managers may be exempted from the application of certain provisions of these Guidelines after the board of directors resolves to exempt them for justifiable reasons.

The foregoing information shall be immediately disclosed on the Market Observation Post System of the Taiwan Stock Exchange Corporation (the "Market Observation Post System") to disclose the title and name of the exempted person, the date of the Board of Directors' approval of the exemption, the period of time during which the exemption is applicable, the reason for the exemption, and the criteria for the exemption.

Article 17 (Method of Disclosure)

The Company shall disclose this Code of Ethical Conduct on the Company's website, annual reports, public statements, and the Market Observation Post System (MOPS), as well as in the event of any amendments thereto.

Article 18 (Organization and Responsibility)

In order to soundly implement the Code of Ethical Conduct, the Company shall establish a dedicated unit responsible for the formulation of the Code of Ethical Conduct and programs, which shall be supervised by the auditors and reported to the Board of Directors on a regular basis.

Article 19 (Enforcement)

After the Audit Committee's approval, the Board of Directors' Meeting shall approve the implementation of these standards and submit them to the shareholders' meeting for approval, and the same applies to any amendments.

Article 20 This Code was established on March 17, 2015

The first amendment was made on April 27, 2021

(V) The composition, responsibilities, and operations of the Remuneration Committee:

1. Information on members of the Remuneration Committee

Feb. 29, 2024

Criteria Identity/Name		Professional qualifications and experience (Note 1)	Independence (Note 2)	Number of other public companies where the individual serves as a member of the remuneration committee concurrently
Independent Director	Liang, Su-Mei Liang, Su-Mei	<p>Specialties: Passed the Accountant Examination of the R.O.C., financial planning, accounting, and risk management</p> <p>Education: Master of Finance, National Sun Yat-sen University</p> <p>Other major positions: Partner, Zhongjia CPAs & Co., Independent Director, Bin Chuan Enterprise Co., Ltd., and the convener of the Company's Audit Committee Convener, Remuneration Committee, and Risk Management Committee (since June 2020)</p> <p>Experience: Assistant Manager, Deloitte & Touche, independent director and member of the Audit Committee, Bin Chuan Enterprise Co., Ltd. (from May 2004 to June 2022)</p>	<p>The three independent directors have met the criteria below during the two years before being elected and during the term of office:</p> <ol style="list-style-type: none"> 1. Is not elected as a government agency, juridical person, or its representative as defined in Article 27 of the Company Act. 2. Is not and spouse and relatives within the second degree of kinship thereof are not serving as directors, supervisors, or employees of the Company or its affiliates. 3. Is not serving as a director, supervisor, or employee of a company with specific relations with the Company. 4. Is not a director, supervisor, manager, or employee at a specific company or institution with financial relations or business dealings with the Company. 5. Did not receive remuneration for providing business, legal, financial, accounting, or other services to the company or its affiliates in the last two years. 	0
Independent Director Convener	Tsai, Mi-Ching	<p>Specialties: Engineering science R&D, technological innovation, and risk management</p> <p>Education: Doctoral degree, Engineering Science, University of Oxford, UK</p> <p>Other major positions: Chair Professor, Department of Mechanical Engineering, National Cheng Kung University, Director, Electric Motor Technology Research Center, National Cheng Kung University, independent director, Jufan Industrial Co., Ltd. (since September 2021), and member of the Company's Audit Committee, Remuneration Committee Convener, and Risk Management Committee (since June 2020)</p> <p>Experience: Deputy Minister of Ministry of Science and Technology, Executive Yuan, Chairman, Metal Industries Research & Development Center, Director, Innovation Headquarters, National Cheng Kung University, Secretary General, Academia-Industry Consortium for Southern Taiwan Science Park, National Cheng Kung University, Director, Research NCKU, National Cheng Kung University, and head of the Engineering Technology Development Department, National Science Council, Executive Yuan, Winner of the 5th Presidential Innovation Award in 2022 and awarded the 28th National Lecture by the Ministry of Education</p>		1
Independent Director	Fang, Cheng-Hwa	<p>Specialties: Finance, marketing, corporate governance, and risk management</p> <p>Education: MBA, University of Central Missouri</p> <p>Other major positions: Convener of the Company's Risk Management Committee, member of the Audit Committee and the Remuneration Committee (June 2020 to date)</p> <p>Experience: Director, Operating Department, Cowealth (China) Medical Technology Co., Ltd., Shanghai Branch, President, Medtecs (Taiwan) Corp., President, Chow Sang Sang Jewellery (Taiwan) Limited, Taiwan Branch (BVI), and President, Megaful Co., Ltd.</p>		0

Note: Please refer to the information on directors' professional qualifications and the independence of independent directors and the diversity and independence of the Board of Directors for relevant information. All our independent directors have met the independence criteria.

2. The operations of the Remuneration Committee

(1) There are three members in the Remuneration Committee.

The term of office of the current term of committee members is from Aug. 02, 2023 through June 15, 2026. The Remuneration Committee held three (A) meetings during the most recent year (2024), and the overall attendance rate is as 100%. committee members' attendance is as follows:

Job title	Name	Attendance in person (B)	Attendance by proxy	Attendance (%) (B/A) (Note 1)	Remarks
Committee member	Liang, Su-Mei	3	0	100%	Took office on 2023.08.02
Convener	Tsai, Mi-Ching	3	0	100%	
Committee member	Fang, Cheng-Hwa	3	0	100%	

(2) Additional information:

①If the Board of Directors did not adopt or amend the Remuneration Committee's suggestions, the date of the board meeting, the session, the content of the proposal, the results of the resolutions by the Board of Directors, and the Company's response to said opinions shall be specified (if the remuneration approved by the Board of Directors is better than the Remuneration Committee's suggestions, the difference and the reasons therefor shall be specified): None.

②For proposals resolved by the Remuneration Committee, if any members expressed objection or reservation with a record or written statement, the date of the Remuneration Committee meeting, the session, the content of the proposal, all members' opinions, and the response to the members' opinions shall be specified: None.

Remuneration Committee meeting Date/Session	Content of proposal	Independent directors' opinions	Response to independent directors' opinions
2024.02.16 3rd meeting of the 5th term Remuneration Committee Meeting	I. Adjustment of the salary of the Chairman and President of the Company for the year 2023. II. Presentation of the Company's 2023 Annual Report on Directors' Compensation and Employees' Compensation.	Passed by all committee members present.	Approved by all the directors present after submitted to the Board of Directors.
2024.06.17 4th meeting of the 5th term Remuneration Committee Meeting	I. Amendments to the Company's "Salary Regulations". II. Adjustment of the subsidy for carriages of the Company's directors for attending meetings.	Passed by all committee members present.	Approved by all the directors present after submitted to the Board of Directors.
2024.12.27 5th meeting of the 5th term Remuneration Committee Meeting	I. Draft amendments to the Company's "Regulations Governing the Disbursement of Production and Marketing Surplus Bonus" and a new draft of the "Regulations Governing the Management of Employee Compensation" were prepared. II. To prepare a proposal for the remuneration of the Chairman and President of the Company.	Passed by all committee members present.	Approved by all the directors present after submitted to the Board of Directors.
2025.02.26 6th meeting of the 5th term Remuneration Committee Meeting	To prepare a proposal for the remuneration of the Chairman and President of the Company.	Passed by all committee members present.	Approved by all the directors present after submitted to the Board of Directors.

Note: The implementation and results of the "Performance Evaluation of the Board of Directors and Functional Committees" for FY2024 were reported to Remuneration Committee on February 16, 2025.

3. Major tasks of the Remuneration Committee:

Major tasks
1. Formulated policies and systems for the evaluation of the Chairman's, the President's, and Vice Presidents' performance and regularly reviewed their individual performance. 2. Formulated and regularly reviewed and evaluated the remuneration policies, systems, standards, and structures for directors, the Chairman, the President, and Vice Presidents.

(VI) The composition, responsibilities, and operations of the Risk Committee:

1. The organization of the Risk Management Committee

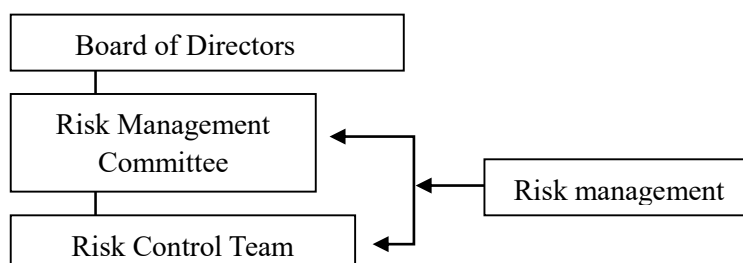
●Risk management policies and procedures

To reinforce the operation mechanism of the Company's risk management, strengthen the integrated risk management communication platform, establish a well-functioning risk management mechanism, thereby ensuring effective risk management and facilitating the Company's stable operations and sustainable development, we have formulated the Risk Management Policies and Procedures, which was approved by the Board of Directors on July 28, 2021 as the Company's highest guiding principle for risk management. We regularly assess risks per year and have formulated risk management policies for each risk to effectively identify, measure, and control our various risks and control the risks arising from business activities at an acceptable level.

●Scope of risk management

We are committed to integrating and managing all potential strategic, operational, financial hazards and risks that may affect our operations and profits in a proactive and cost-effective manner, with the aim of ensuring appropriate risk management for all stakeholders, including the management of operational, financial, information security, environmental, and compliance risks.

●Organizational structure



2. Members and operations of the Risk Management Committee

(1) There are three members in the Risk Management Committee.

The term of the current members: from August 2, 2023 to June 15, 2026, with a total of two(A) meetings of the Risk Management Committee in the most recent (2024) year, and the overall attendance rate is as 83.33%; the professional qualifications and experience of the members, their attendance are as follows:

Job title	Name	Professional qualifications and experience	Attendance in person (B)	Attendance (%) (B/A)	Remarks
Committee member	Liang, Su-Mei	Please refer to the information on members of the Remuneration Committee	1	50%	Board of Directors 2023.08.02 Took office after appointment
Committee member	Tsai, Mi-Ching	Please refer to the information on members of the Remuneration Committee	2	100%	
Convener	Fang, Cheng-Hwa	Please refer to the information on members of the Remuneration Committee	2	100%	

(2) The operations of the Risk Management Committee

Actively promote the implementation of risk management mechanism and report its operation to the Board of Directors once a year. The operations on Oct.30, 2024 are as follows:

1.	The 1st Risk Management Committee of the second term was convened on August 2, 2023 and Mr. Fang, Cheng-Hwa was elected as the Convenor.
2.	The 2nd Risk Management Committee of the second term will be convened on October 23, 2023. (1) Issue 1: To present a report on the conclusion of the seven risk issues of the First Risk Management Committee. (2) Issue 2: To report on the second Risk Management Committee, the Company submitted six risk proposals, including the risk assessment of internal and external information security management, the risk of HS CODE checking, the financial risk assessment of precious metal futures operation, the risk assessment of raw material supply due to the international and cross-strait situation, the risk assessment of semiconductor product development, and the risk assessment of electricity tariff increase, etc., of which the two proposals, namely, the risk of information security and the risk of HS CODE tax reimbursement, were classified as medium risks. The information security and HS CODE tax reimbursement risks were categorized as medium risks.
3.	The 3rd Risk Management Committee of the second term will be convened on May 7, 2024. Theme of the meeting: Report on the 6 issues, description of the risks of each issue and formulation of countermeasures.
4.	The 4th Risk Management Committee of the second term will be convened on September 20, 2024 and members of the subcommittees reported on the implementation of the various issues.

5. The 5th Risk Management Committee of the second term will be convened on October 30, 2024
Theme of the meeting: Report on the six issues, description of the risks of each issue, formulation of countermeasures, and description of the progress of the implementation of each motion.

Considering the international situation factors, the risk management staff team scanned the risk factors of the Company's operation, and be found that there were two moderate and four low risk issues, and proposed implementation countermeasures to reduce the overall operational risk. The implementation progress of the two moderate risk issues is explained as follows:

(I) Risk assessment of information security equipment and protection.

In the process of information system operation, when subjected to external threats, due to the weakness of the information assets themselves may trigger a variety of threats, such as data processing errors, network damage, equipment / data theft, software errors, computer fraud, unauthorized access, computer component failure, sabotage, natural disasters, equipment misuse, viruses, Trojan horses, or information service outages, and so on; coupled with core In addition, the aging of the core equipment makes it impossible to effectively form a defense force to eliminate the risk of external threats. The corresponding countermeasures for the risks are summarized below:

Inventory and classification	Identify information assets, categorize appropriate weaknesses and threats into relevant information asset categories, identify the requirements for information security protection, and prioritize countermeasures to be implemented.
Replace old with new	Conduct a software and hardware inventory based on performance, security, development, and other characteristics, and include it in the 2025 budget.
Building an information security management system	Through the experience of self-developed information systems in recent years, we have planned and established a "Information Security Management System".
Legality	According to Article 9-1 of the "Guidelines for the Security Control of Information Security of TWSE/TPEX Listed Companies", in November 2022, a dedicated information security supervisor and qualified personnel were put in place to strengthen the security protection management mechanism of information security.

◆ Progress of implementation:

The cumulative number of monthly information security awareness-raising sessions in 2024 has reached 9. This year, there were 2 information security penetration sessions, with a total of 5 people (including subsidiaries) successfully penetrated, and 3 educational trainings were arranged for 3 days and 3 sessions in September and October respectively, with a total of 86 participants, in order to enhance the information security awareness of our colleagues.

After several consecutive years of organizing penetration tests, the information security awareness of colleagues has gradually spread, but there are still some less alert colleagues, and the information unit has been listed as a key target of concern for tracking and management at any time.

Years	2022	2023	2024
Numbers	9	2	5
Percentage of successful penetration	4.1%	1.8%	3.8%

- ◆ Courses on risk awareness and prevention, such as information security and risk management of FY2024, the number of trainees for the year was 124, with a total of 372 hours.

(II) International HS Code checking risk:

The main reason is that TCMC 's finished copper sheet (processed) was declared at zero rate HS-Code, and after the customs audit, it was determined that the product did not qualify for the export tax refund (which needs to be regarded as domestic sales to pay VAT), and other target material industries also had the same audit situation, and is now cooperating with the Customs to investigate the case, and the amount of the back-tax has yet to be approved, which causes the company to incur an increase in the operating expenses of the operating risk.

In addition to the above, the company is required to pay the correct tax rate according to the HS Code (including late payment), the anti-smuggling unit is also involved in the investigation, and the person in charge of the company in serious cases will be sent to the court, which will result in the risk of the company's integrity management and the import and export of other products. After our subsidiary, TCMC, discussed and communicated with the relevant units of the Customs and Excise Department, it is not yet in line with the case of concealment and misrepresentation.

◆ The risk-responsive policies are formulated as follows

① Regular implementation of Customs HS-Code pre-categorization

In order to avoid the suspicion of Customs audit, the customs officers need to review the HS-Code of raw

materials or finished products involved in zero-rated (import and export tax rebate) every year, and submit the HS-Code declared by customs brokers or by themselves to the Customs for the pre-categorization audit and obtaining the certificates to facilitate the early detection of non-applicable HS-Code and corrections in accordance with the adjustment of laws and regulations.

② Real-time update of Customs and Excise Department's legal information

Customs officers should keep track of the latest standard orders published on the official website of the Customs, participate in import and export related seminars or have regular business exchanges with customs brokers to conduct self-checks at the time of filing, and find out whether the HS-Code needs to be corrected at an early stage, so as to prevent false declarations and fraudulent export tax refunds from being recognized.

◆ Progress of implementation:

TCMC has completed the payment of back taxes in installments for the year ended December 31, 2024, and has explained to the State Administration of Taxation (SAT) and the import/export inspectors of the Customs and Excise Department that the error was due to the updating of the laws and regulations and the lack of thorough examination by the customs broker, which resulted in the misuse of the HS-Code declaration, and that there is no significant tax risk loss to the Company yet. In addition to the correction of HS-Code declaration for the above mentioned products, with the relocation of TCMC disposal to CSPM, the above mentioned countermeasures will be implemented to minimize the risk.

3. Additional Information:

- (1) If the Board of Directors does not adopt or amend the Risk Management Committee's recommendations, it should state the date and period of the Board meeting, the content of the motion, the result of the Board's resolution, and the Company's handling of the Risk Management Committee's opinion: N/A.
- (2) If there are any objections or reservations from the Risk Management Committee and they are recorded or stated in writing, the Risk Management Committee shall state the date and period of the Risk Management Committee, the content of the motion, the opinions of all the members, and the handling of the opinions of the members: N/A.

Risk Management Committee meeting Date/Session	Content of proposal	Independent directors' opinions	Response to independent directors' opinions
2024.05.07 3rd meeting of the 2nd term Risk Management Committee Meeting	I. Risk Assessment of Internal and External Information Security Management II. Risk Assessment of HS CODE Checking III. Financial Risk Assessment of Precious Metals Futures Operation IV. Risk Assessment of Raw Material Supply by International and Cross-Strait Situation V. Risk Assessment of Semiconductor Product Development VI. Risk Assessment of Electricity Price Increase	Passed by all directors present.	N/A.
2024.10.30 4th meeting of the 2nd term Risk Management Committee Meeting	I. Risk Assessment of Internal and External Information Security Management II. Risk Assessment of HS CODE Checking III. Financial Risk Assessment of Precious Metals Futures Operation IV. Risk Assessment of Raw Material Supply by International and Cross-Strait Situation V. Risk Assessment of Semiconductor Product Development VI. Risk Assessment of Electricity Price Increase	Passed by all directors present.	N/A.

(3) Major tasks of the Remuneration Committee:

Major tasks
<ol style="list-style-type: none"> 1. Review various operational operations, scan relevant risks, and the risk management and control task force will formulate countermeasures as per the degree of risks and discuss them with the Risk Management Committee to make suggestions to the Board of Directors. 2. Assess risks arising from the procurement of various raw materials based on the international situation and the development of the pandemic and pay attention to the impact of changes in the international situation on the supply of raw materials to put forth countermeasures in a timely manner.

(VII) Promotion of sustainable development:

Item	Status of Implementation			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Brief description	
I. Has the company established a governance structure to promote sustainable development and set up a dedicated (concurrent) unit to promote sustainable development, governed by the senior management as authorized by the board of directors, which supervises the implementation?	V		<p>I. In alignment with the short-, medium-, and long-term ESG blueprint, the Board of Directors delegated the senior management to organize a CSR task force in May 2021 (Production Plant, Quality Assurance Department, Technology Department, Finance Department, Business Department, Administrative Management Department, and Labor Safety Office) to be responsible for promoting and implementing a sustainable development plan, and we renamed the CSR task force the ESG task force in March 2022 in alignment with the amendment to the law. It is responsible for integrating strategic policies and implementation results related to the environment, occupational safety, employee care, social care, corporate governance, and stakeholder communication generated by cross departmental operations of the company. Report to the board of directors at least once a year.</p> <p>II. Convened by the Vice President of Technology and directed by the Chairman of the Board of Directors, a total of four meetings will be held in 2024, with motions that include (1) continuing to identify sustainability-related issues and formulate action plans to address them, such as the risks and opportunities of climate change (TCFD) and the enhancement of industry-specific indicators for disclosure (SASB); (2) the objectives of and policy revisions to sustainability-related issues, such as greenhouse gas inventories and verifications, carbon-neutral pathways, energy sources; and benchmark year for carbon emissions (3) Revision of ESG short-, medium- and long-term goals and their implementation, with the completion of the verification scheduled for 2028.</p> <p>III. On July 1, 2022, the Board of Directors of the Company approved the greenhouse gas inventory and verification schedule, and the implementation will be reported to the Board of Directors every quarter. The implementation of the Company's ESG sustainable development will be reported to the Board of Directors at least once a year, with the most recent report being filed on Oct. 30, 2024, and the 2024 short-, medium- and long-term development goals were revised on May 7 and October 30, 113, respectively, and were approved by the Board of Directors and the Audit Committee on record. For ESG short, medium, and long-term plan goals and results, please refer to the Company's website https://reurl.cc/YVKMGX</p>	It is aligned with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.
II. Does the company conduct risk assessments of environmental, social, and corporate governance issues related to company operations as per the principle of materiality? Has the company formulated relevant risk management policies or strategies?	V		<p>I. The information disclosed in the ESG Report covers all relevant operating systems and activities of all TTMC's plants in Taiwan from January 1, 2023 through December 31, 2023, with a focus on the management and performance of material topics without including the investees' operating performance (This part is included in the assessment scope of the Risk Management Committee). The amounts in the financial statements are presented in New Taiwan dollar (NTD), and the environment, safety, and health performance and data are presented in internationally accepted ways or indicators required by law.</p> <p>II. Based on the identified operational impacts, the Company evaluates potential risks, takes into account government regulations related to the Company's operations, management requirements of the parent company, and the Company's vision and business strategy of senior management, formulates various risk response measures, and establishes risk prevention and control mechanisms. It is expected that through the good operation of the operation management and internal control system, the possible risks will be minimized, and continuous improvement and refinement will be made to achieve the ultimate goal of sustainable operation of the enterprise.</p> <p>III. As per the materiality principle for sustainable development, we assess environmental, social, economic, and corporate governance risks and have formulated effective risk management policies and management strategies and practices to effectively identify, measure, evaluate, monitor, and control potential risks, to alleviate the impact of relevant risks, and we have disclosed such information on the Company's website (see Sustainable Development - Risk Management).</p>	It is aligned with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.

Item	Status of Implementation				Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor													
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			<table><tr><td>Material issue</td><td>Risk</td><td>Risk management policy or strategy</td></tr><tr><td>Environment</td><td>Environmental and ecological protection</td><td>The Company is committed to environmental protection and energy-saving and carbon reduction production. We adopt the Plan-Do-Check-Act (PDCA) management cycle to effectively alleviate the emissions of pollution and the impact on the environment. In response to the government's green energy policy, we have built solar power facilities on the rooftop and adopted refining technology to recycle and reuse all available precious metals to create a green economic cycle, and complete the carbon neutrality path planning of the Company in 2050 while drawing up plans and programs per year, following up on and reviewing the progress regularly to ensure that we achieve goals.</td></tr><tr><td rowspan="2">Society</td><td>Occupational safety</td><td>The Company passed the OHSAS18001 occupational safety and health management system certification for the first time in 2008 and continued to improve the effectiveness of the system through the PDCA model. In 2019, we successfully switched to ISO45001:2018. Each plant inspects operations for occupational risks every day. The Occupational Safety and Health Committee holds regular meetings to review and improve relevant issues and raises people's awareness with cases/false alarms in the Group to duly implement the occupational safety and health management system. Secondly, we hold firefighting exercises and occupational safety education and training regularly per year and organize activities in the themes of traffic safety and electrical fire prevention, increase employees' awareness of zero accident, and enhance their emergency response skills. We also cooperated with customers to promote the trial operation project of OSH guidance on optimizing supply chain by the Occupational Safety Department (the self-evaluation result advanced to the leading indicator Group 1+). In 2024, there will be more than 376 6S inspections, workplace safety audits, and labor safety unit safety observations and audits.</td></tr><tr><td>Product safety</td><td>All our products are in compliance with government regulations and the EU RoHS Directives. To ensure that the products we provide are free of controlled substances, we passed the QC080000 verification in 2010 and combine product safety elements in the design and development stage through the rigorous ISO9001 quality management system to provide clients with safe and secure products. In addition, we actively conduct customer satisfaction surveys on a regular basis per year, and the partnerships on the basis of mutual benefit and shared prosperity with clients are the cornerstone of the Company's sustainable development.</td></tr><tr><td>Corporate governance</td><td>Socioeconomic and legal compliance</td><td>To protect shareholders and stakeholders' rights and interest, implement the corporate governance blueprint, and strengthen corporate governance, we have set up a Board of Directors, a Remuneration Committee, an Audit Committee, a Risk Management Committee, a unit in charge of implementation of CSR initiatives, and an ESG task force, as well as engaged a Corporate Governance Officer. We actively implement corporate governance and adopt an electronic voting and case-by-case voting mechanism for the shareholders' meetings, and have improved the transparency of information disclosures, and formulated the Corporate Governance Best Practice Principles, the Ethical Corporate Management Best Practice Principles, the Code of Ethical Conduct, and the Insider Trading Prevention Management Procedures. We participate in the corporate governance evaluation every year and raise employees' awareness of the ethical management policy to prevent illegal and unethical conduct, bribery, or fraud.</td></tr></table>	Material issue	Risk	Risk management policy or strategy	Environment	Environmental and ecological protection	The Company is committed to environmental protection and energy-saving and carbon reduction production. We adopt the Plan-Do-Check-Act (PDCA) management cycle to effectively alleviate the emissions of pollution and the impact on the environment. 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III. Environmental issues					(I)~ (IV)It is aligned with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.													
(I) Has the company set up an appropriate environmental management system as per its industrial characteristics?	(I) V		(I) We have established the following environmental protection management systems on the basis of the business philosophy of “fulfilling environmental responsibility”: 1. We established an environment management system and obtained ISO14001 certification. The latest certificate is valid from July 30, 2022 to July 29, 2025. 2. The factory management unit shall assign dedicated personnel to maintain and maintain environmental protection and prevention equipment, and implement a daily inspection system to ensure the normal operation of environmental protection and prevention equipment. 3. We set up an environmental protection unit with appropriate personnel to be dedicated to implementing various environmental protection tasks. 4. Environmental management representatives regularly hold management review meetings to ensure the normal operation of the environmental management system. 5. We conduct greenhouse gas inventory per year, follow up on the emission reduction results, and disclose it in the ESG report and on the Company's website: https://reurl.cc/YVKMGX .															
(II) Is the company committed to improving resource use efficiency and adopting recycled materials with low environmental impact?	(II) V		(II) The Company's strategies for improving the use efficiency of various resources are as follows: 1. Adopt green procurement and avoid the use of disposable consumables. 2. Develop eco-friendly products and those with low impact on the environment to extend the life cycle of materials. 3. Launch corrosion-resistant and high-temperature-resistant products to help															

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(III) Has the company assessed its current and future potential risks and opportunities of climate change and taken countermeasures against climate-related issues?	(III) V		<p>downstream businesses enhance equipment specifications and production capabilities and reduce environmental pollution caused by material loss.</p> <p>4. Adopt a tailings re-refining process to recycle raw materials (such as silver and indium tailings) and improve the recycling rate through in-plant refining, remelting, and purification process technologies.</p> <p>5. Adopt durable materials for most of the targets packaging, which can be recycled and reused by clients (such as aluminum or wooden boxes) to improve the use rate of consumables.</p> <p>6. Resource recycling: Vigorously reduce and classify waste to increase the recycling rate of resources/waste.</p> <p>7. Waste cleaning: Have the business waste from the processes collected and disposed of by a management company endorsed by the Environmental Protection Administration, to ensure that the waste is disposed of properly and legally.</p> <p>8. Energy conservation and carbon reduction: Through production capacity planning, equipment availability adjustment, and regular raising of awareness of turning off power supply at any time; is committed to digitalizing paperwork to reduce paper consumption, thereby alleviating the impact on the environment.</p> <p>The results of the implementation of source reduction and resource recycling are summarized in the table below (in tonnes):</p> <table><tr><td>Source reduction and resource recycling measures</td><td>2023</td><td>2024</td></tr><tr><td>1. Silver refining recycling</td><td>5.649</td><td>4.372</td></tr><tr><td>2. Alumina refining recycling</td><td>3.886</td><td>3.3</td></tr><tr><td>3. Tin-zinc bonding material recycling</td><td>41.763</td><td>35.124</td></tr><tr><td>4. Empty acid drums recovered and recycled by the original manufacturer</td><td>0.36</td><td>0.864</td></tr><tr><td>5. Aluminum head and tailings recovered by the original manufacturer for remanufacturing and reuse</td><td>91.677</td><td>90.323</td></tr></table>	Source reduction and resource recycling measures	2023	2024	1. Silver refining recycling	5.649	4.372	2. Alumina refining recycling	3.886	3.3	3. Tin-zinc bonding material recycling	41.763	35.124	4. Empty acid drums recovered and recycled by the original manufacturer	0.36	0.864	5. Aluminum head and tailings recovered by the original manufacturer for remanufacturing and reuse	91.677	90.323	
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			<p>(III) The Company has evaluated the risks and opportunities of climate change to the company in accordance with the TCFD recommended bookshelf structure published by the Financial Stability Board, and drafted our TCFD structure.</p> <table><tr><td>Governance</td><td><ul style="list-style-type: none">The Board of Directors authorizes the senior management to convene the "Sustainable Development Group" (the manufacturer, the Quality Assurance Department, the Technology Department, the Finance Department, the Business Department, the Administrative Management Department and the Labor Safety Office) to promote sustainable development, serve as a cross departmental communication platform that integrates up and down and connects horizontally, report the implementation results and future work plans to the Board of Directors at least once a year, and also report climate change related issues to the Board of Directors.The Company will also prepare improvement measures based on the risks related to changes, and incorporate them into the management objectives of the Company level ESG. Regular supervisor meetings will be expanded every month for review.Established the Greenhouse Gas Inventory and Reduction Promotion Team with four working groups (data collection, reduction technology, process emission reduction, and mobile source emission reduction) responsible for promoting the work related to energy saving and carbon reduction, and held quarterly meetings to track and report the results of the implementation to the Board of Directors on a regular basis.</td></tr><tr><td>Strategy</td><td><ul style="list-style-type: none">Based on the climate risk and opportunity factors suggested by TCFD, we evaluate the short-, medium-, and long-term risk and opportunity values in terms of</td></tr></table>	Governance	<ul style="list-style-type: none">The Board of Directors authorizes the senior management to convene the "Sustainable Development Group" (the manufacturer, the Quality Assurance Department, the Technology Department, the Finance Department, the Business Department, the Administrative Management Department and the Labor Safety Office) to promote sustainable development, serve as a cross departmental communication platform that integrates up and down and connects horizontally, report the implementation results and future work plans to the Board of Directors at least once a year, and also report climate change related issues to the Board of Directors.The Company will also prepare improvement measures based on the risks related to changes, and incorporate them into the management objectives of the Company level ESG. Regular supervisor meetings will be expanded every month for review.Established the Greenhouse Gas Inventory and Reduction Promotion Team with four working groups (data collection, reduction technology, process emission reduction, and mobile source emission reduction) responsible for promoting the work related to energy saving and carbon reduction, and held quarterly meetings to track and report the results of the implementation to the Board of Directors on a regular basis.	Strategy	<ul style="list-style-type: none">Based on the climate risk and opportunity factors suggested by TCFD, we evaluate the short-, medium-, and long-term risk and opportunity values in terms of															
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			<div> <div> <p>occurrence rate, frequency, and possible impacts, and identify the priority entities and transformation risks.</p> <ul style="list-style-type: none"> Through cross-departmental discussions on the identified climate-related risks and opportunities, and based on the professional experience of each unit, we assessed the potential operational and financial impacts of major climate risks and opportunities on the company, analyzed the climate scenarios and ranked the risks, and identified the transformation risks in accordance with the International Energy Agency (IEA) Global Energy Outlook (GEO) 2022, which is the most comprehensive global energy outlook for the world's energy resources. The analysis is based on the methodology of the Sixth Assessment Report (AR6) to be released by the Intergovernmental Panel on Climate Change (IPCC) in August 2021. </div> <div> <p>Risk management</p> <ul style="list-style-type: none"> The Sustainable Development Group held a meeting to discuss the TCFD, and according to its structure, through cross-departmental discussions, analyzed the impacts of policies and regulations, technology, market and reputation, and the immediate and long-term climate risks on the Company, and carried out identification reviews from time to time to ensure that the results of the identification are in compliance with the current situation. Based on the identification of climate risks, the Company will conduct an analysis of the impacts on the Company's business. Based on the results of climate risk identification, the Sustainable Development Team, through the Greenhouse Gas Inventory and Reduction Promotion Team, will develop a response plan, which will be included in the routine meetings for tracking and management, and the working group will follow the PDCA cycle for improvement, so that effective management can be achieved through long-term and continuous improvement. </div> <div> <p>Indicators and Objectives</p> <ul style="list-style-type: none"> As a manufacturing industry that relies heavily on electricity and essential water usage, the Company must manage its reduction targets in the areas of energy, carbon reduction, water resources, and resource recycling, and actively seek out possible reduction opportunities to make its operations more resilient. Since 2017, we have been cooperating with the requirements of the Competent authority, the South Science and Technology Administration, and regularly conducting greenhouse gas inventory operations in accordance with the Environmental Protection Agency's greenhouse gas emission inventory and registration guidelines, as well as the greenhouse gas emission coefficient management table version 6.0.4, and disclosing the inventory results. Accepted the latest version of ISO 14061-1:2018 from the South Science and Technology Administration to provide guidance on GHG inventory operations, establish the capability of independent GHG inventory, and complete the reporting of GHG emissions from the inventoried plants. Formulate short-, medium-, and long-term goals for energy management, water resources, and GHG management (refer to ESG goals). </div> </div> <p>In accordance with the framework of TCFD's climate-related financial disclosure recommendations, TTMC performs the identification and ranking of climate-related risks/opportunities. With reference to the research reports of international organizations on climate risks and opportunities, and the disclosure model of our parent company, ChinaSteel, identifies and defines the company's risk/opportunity items through the discussion of the company's internal sustainability group, and</p>	

Item	Status of Implementation			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor												
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			<p>then evaluates the risks of climate change and the measures to be taken to respond to such risks. In order to disclose meaningful climate-related risk information, we have established priorities for measuring, evaluating, managing, and reporting climate-related financial information, incorporated climate assessment, monitoring, and management into our daily business activities, and then developed and refined policies, processes, and implementations to enable investors to understand how we are responding to climate change.</p> <p>In accordance with the guidelines recommended by the TCFD, the first plan of TTMC for 2022 will use Scenario Analysis and Climate-Related Issues in evaluating climate-related risks/opportunities in response to actions, with the aim of incorporating the development and potential impacts of climate-related risks and opportunities under different conditions into the organization's decision-making plan, and helping the organization understand the impacts of its climate-related risks and opportunities, so as to help the organization to understand its climate-related risks and opportunities. It is designed to incorporate the development and potential impacts of climate-related risks and opportunities under different conditions into an organization's decision-making plans and to help the organization understand its future performance under different scenarios. However, the Company does not currently use internal carbon pricing as a planning tool. It is also exploring replacing energy consuming equipment with energy-efficient equipment For a detailed explanation of the Company's climate change risk and opportunity analysis, please refer to the sustainability report and the Company website https://reurl.cc/YVKMGX .</p> <table><tr><th>Climate Risk</th><th>Risk Description</th><th>Measures</th></tr><tr><td rowspan="4">Transformation Risks</td><td>In response to customers' requests for carbon reduction, we have raised the energy efficiency standards of our assets and actively invested in energy management systems (EMS) in conjunction with production technology upgrades, thereby increasing costs.</td><td><ul style="list-style-type: none">■ To set internal carbon reduction targets and review the management on a regular basis.■ Will invest in a digitized dynamic energy information management system, real-time monitoring and rolling review to improve energy efficiency.■ Continuing the expansion of solar power generation in the new plant in the future.</td></tr><tr><td>In response to international initiatives and the company's carbon reduction targets, we continue to increase the proportion of renewable energy used, which in turn increases operating costs.</td><td><ul style="list-style-type: none">■ To achieve the target of reducing energy intensity of products through actual carbon reduction actions.■ Continuously invest in the development of short-chain low-carbon manufacturing processes to enhance market competitiveness.</td></tr><tr><td>Increase in operating costs due to the payment of carbon fees in response to emerging national carbon reduction laws and regulations (e.g., the Climate Change Response Act).</td><td><ul style="list-style-type: none">■ Regularly identify and review emerging carbon reduction regulations and actuarially calculate carbon reduction costs as reference for internal carbon pricing.</td></tr><tr><td>The process of low-carbon transformation may result in an increase in product costs due to an increase in the cost of raw</td><td><ul style="list-style-type: none">■ Actively choose to implement the localization of suppliers, the increase of inventory tax, or long-term procurement planning</td></tr></table>	Climate Risk	Risk Description	Measures	Transformation Risks	In response to customers' requests for carbon reduction, we have raised the energy efficiency standards of our assets and actively invested in energy management systems (EMS) in conjunction with production technology upgrades, thereby increasing costs.	<ul style="list-style-type: none">■ To set internal carbon reduction targets and review the management on a regular basis.■ Will invest in a digitized dynamic energy information management system, real-time monitoring and rolling review to improve energy efficiency.■ Continuing the expansion of solar power generation in the new plant in the future.	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(IV) Has the company counted the greenhouse gas emissions, water consumption, and total weight of waste over the past two years and formulated policies on greenhouse gas reduction, water consumption reduction, or other waste management?	(IV) V			materials.	to diversify and reduce risks.
			Entity Risk	Increased frequency and severity of extreme weather events such as typhoons, floods and droughts have impacted production by preventing normal production or distribution along the supply chain.	■ Formulate emergency response plans for typhoons, floods, droughts, and other natural disasters, and set up interdepartmental teams to carry out related dispatch operations and take appropriate response actions to prevent or minimize the impact on the Company's operating losses in the event of a natural disaster.
				Rising global sea levels and inundation of coastal port areas have impacted production.	■ Enhance the plant's ability to respond to flooding. ■ Evaluate the establishment of factories in high-altitude areas or strategic alliances with industry players in high-altitude areas.
			Opportunities	■ Entered into the supply of third-generation semiconductor targets for electric vehicle wafer applications, crossing over into the electric vehicle supply chain. ■ Continuous research and development of low-carbon short-chain production technology and low-carbon products have been favored by customers. ■ In response to the low-carbon transformation, the Company has the opportunity to enter the diversified renewable energy industry and enhance its competitiveness.	
			(IV) 1. We have formulated and implemented low-carbon manufacturing and circular economy resource and carbon emission reduction policies and incorporated them into the environmental management system to ensure proper implementation: (1) Adoption of low-carbon manufacturing: Continue to use the best technology to reduce greenhouse gas emissions and become a high-quality supplier in low-carbon industries. (2) Circular economy resources: Continue to recycle various metal resources to ensure circular economy to reduce carbon emissions effectively. 2. The details of our greenhouse gas emissions, water consumption, and total weight of waste, as well as the policies on greenhouse gas reduction, water consumption reduction, or other waste management are specified below: (1) Greenhouse gas emission management and reduction targets: ● In order to continuously achieve the international trend of reduction, the Company conducts reduction tracking through the Greenhouse Gas Inventory and Reduction Team, and proposes a carbon neutral pathway plan for the period from 2022 to 2050, with green electricity, green hydrogen, and electric vehicles as the main concepts, and implements carbon reduction in the design and selection of non-carbon-emitting materials, power-saving production, and green transportation, etc. The Company has implemented an annual Greenhouse Gas Inventory since 2017 to establish a baseline of greenhouse gas emissions based on unit. Since 2017, the Company has been conducting annual greenhouse gas inventories and establishing a greenhouse gas emission baseline based on the amount of carbon emissions per unit of product (hereinafter referred to as intensity). The Company has set 2017 year as the baseline year for energy conservation and carbon reduction, and plans to reduce the amount of emissions year by year in order to achieve the long-term		

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			<p>goal of carbon management of carbon neutrality by 2050. In fiscal year 2023, the Company's direct greenhouse gas (Category 1) emissions will be 192.703 metric tons of CO₂e/year, accounting for 9.87% of total emissions, indirect greenhouse gas (Category 2) emissions will be 1760.280 metric tons of CO₂e/year, accounting for 90.13% of total emissions, and there are no statistics on other indirect (Category 3) emissions.</p> <p>● In 2024, the Company's direct GHG (Category 1) emissions amounted to 205.283 metric tons of CO₂e/year, accounting for 9.93% of the total emissions, indirect GHG (Category 2) emissions amounted to 1,863.008 metric tons of CO₂e/year, accounting for 90.07% of the total emissions, and there were no statistics related to the other indirect (Category 3). And the total GHG emissions were 2,068.292 metric tons of CO₂e/year, a decrease of 858.457 metric tons of CO₂e (29.34%) compared to the 106th base year, and the intensity of GHG emissions was reduced by 11.45% compared to the 106th base year, achieving the annual carbon reduction target of 3%.</p> <p>▼ The amount of greenhouse gas emissions over the last two years: The data on Scopes 1 and 2 emissions is within the boundaries of the parent company's plants in Taiwan and has not been verified by a third party.</p> <table border="1"> <thead> <tr> <th>Year</th><th>Direct Scope 1 (t CO₂e)</th><th>Indirect energy Scope 2 (t CO₂e)</th><th>Other indirect Scope 3 (t CO₂e)</th><th>Carbon emissions per unit product (t CO₂e/per ton of product)</th></tr> </thead> <tbody> <tr> <td>2017</td><td>335.469</td><td>2591.28</td><td>No data available</td><td>5.62</td></tr> <tr> <td>2023</td><td>192.70</td><td>1760.28</td><td>No data available</td><td>5.13</td></tr> <tr> <td>2024</td><td>205.28</td><td>1863.01</td><td>No data available</td><td>4.98</td></tr> </tbody> </table> <p>(2) Energy management and reduction targets:</p> <ul style="list-style-type: none"> ● The Company's energy efficiency improvement policy is focused on updating power-consuming equipment and reducing unnecessary power consumption, while our renewable energy policy is mainly about the establishment of solar power facilities and the purchase of renewable energy certificates. ● In view of the three major types of energy used by the company, including electricity, natural gas, and vehicle fuel, and in order to effectively enhance the efficiency of energy use and continue to improve it, TTMC has set energy-saving targets for the top three items (electricity, transportation diesel fuel, and natural gas) in terms of energy intensity of its production as the energy performance index for the whole plant, and therefore, with 2017 year as the base year, the energy intensity will be reduced by more than 3% per annum. ● In terms of daily energy saving and process equipment, in 2022~2024, we planned to replace energy-saving equipment, such as inverter pumps, motors, and inverter energy-saving air compressors, etc. Examples of such equipment are as follows: <ul style="list-style-type: none"> A. Replacement of 220V, 30HP air compressors (fixed-frequency type) with 380V, 10HP air compressors (variable-speed rotary type). B. Replace the motor with a high efficiency motor (IE3). C. Replace 1 set of 150RT cooling water tower. Replace 2 sets of 175RT cooling towers with new cooling materials. Integrate the cooling tower equipment to save energy. D. Add time controller to set LED ON/OFF. E. Forging group exhaust equipment energy saving. F. The air compressor for dust collector uses time controller to manage the idle time of the equipment. G. Ventilation cabinet off-peak load shedding. 	Year	Direct Scope 1 (t CO ₂ e)	Indirect energy Scope 2 (t CO ₂ e)	Other indirect Scope 3 (t CO ₂ e)	Carbon emissions per unit product (t CO ₂ e/per ton of product)	2017	335.469	2591.28	No data available	5.62	2023	192.70	1760.28	No data available	5.13	2024	205.28	1863.01	No data available	4.98	
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			<p>H. Cooling water tower equipment integrates energy savings.</p> <ul style="list-style-type: none"> In 2024, we continued to implement various energy-saving measures through energy conservation programs, short-chain manufacturing process improvement, circular economy business model, upgrading of power-consuming equipments, and implementation of load shedding at regular intervals, etc. In 2024, we achieved a power saving rate of 19.37% compared to the base year of 2017, and a decrease in energy intensity per unit of product by 10.57% compared to the base year of 2017, which was already in line with the target of a 3% decrease.. <p>▼Electricity saving and energy intensity reduction in the last two years: Information on the parent company's Taiwan plant, not yet verified by a third party.</p> <table border="1"> <thead> <tr> <th>Year</th><th>Annual electricity consumption (kWh)</th><th>Annual Electricity Consumption Electricity saving rate %</th><th>Unit product energy intensity (MJ/kg product)</th><th>Unit Product Energy Intensity Reduction Rate (%)</th></tr> </thead> <tbody> <tr> <td>2017</td><td>4,677,400</td><td>Base year</td><td>40.45</td><td>Base year</td></tr> <tr> <td>2023</td><td>3,556,121</td><td>23.97%</td><td>40.16</td><td>0.72</td></tr> <tr> <td>2024</td><td>3,771,272</td><td>19.37%</td><td>36.17</td><td>10.57</td></tr> </tbody> </table> <p>(3) Water resource management and reduction targets:</p> <p>The Company takes water conservation measures, classifies and diverts wastewater and sewage, and has set up rainwater and air-conditioning condensate and process cooling water recycling systems and process waste water recovery systems to lay a solid foundation for process water recycling and reuse. With the year of 2017 as the base year, we have set short- and medium-term targets to reduce water consumption by 3% or higher per year by 2025.</p> <ul style="list-style-type: none"> TTMC's water is mainly used in three areas, namely, water for people's livelihood, target cleaning wastewater, and process cooling water, and we have been committed to improving water efficiency and recycling water at multiple levels, which means that "a drop of water can be recycled three times", and our recycling rate is 87.2%, which is higher than the standard recycling rate of 75% stipulated by the Southern Taiwan Science Park. 2021 is the year of the most severe drought since 1947, and the Company has been cooperating with the Park Administration to release the water condition light signals for each stage of the drought. In 2021, the most severe drought since 1947, we cooperated with the Park Authority in issuing various stages of water condition signals to activate emergency response measures for drought, and even spared no expense in adopting the ion exchange resin regeneration equipment during the red light water restriction crisis, and reused more than 50% of the process effluent in cooling water after treating the effluent in compliance with the "Recommended Basic Quality of Reclaimed Water for Industrial Purposes - Use in Cooling Water". Although the water situation has stabilized in 2022, the Company, adhering to the spirit of continuous improvement of the sustainable water resources policy, started to plan for the installation of a monthly-rental RO reverse osmosis reclamation plant in early 2022 to replace the original short-term resin reclaimed water plant, with a capacity of 1 ton per hour of reclaimed water, and to reclaim more than 50% of the process bleed-off water for reuse in cooling water on a regular basis. The installation of reclaimed water equipment has been completed at the end of 2022, and will be commissioned in January 2023. The average daily water consumption in 2023 will be reduced from 44 tons to 33 tons compared with the base year, and still maintaining the reduction Targets of 2023 ongoing Recycled Water Programs on 2024, in the future, we will cooperate with the government's policy of reclaiming sewage and reclaiming water to use reclaimed water for the cooling water of the manufacturing process, which is 10 Yuan more than 	Year	Annual electricity consumption (kWh)	Annual Electricity Consumption Electricity saving rate %	Unit product energy intensity (MJ/kg product)	Unit Product Energy Intensity Reduction Rate (%)	2017	4,677,400	Base year	40.45	Base year	2023	3,556,121	23.97%	40.16	0.72	2024	3,771,272	19.37%	36.17	10.57	
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			<p>the total cost of water per unit than that of using tap water. However, compared to the high price of \$600 per kWh that we have to pay for water in times of shortage, it emphasizes the importance of over-deployment of water resources.</p> <p>● In 2024, water consumption was 29.40% lower than the base year of 2017, and the water saving rate per unit of product water consumption was 8.74%, which was 3% of the water saving target.</p> <p>▼The water consumption over the past two years: It is based on the data on the parent company's plants in Taiwan, which has not been verified by a third party yet.</p> <table><tr><th>Year</th><th>Total water consumption Metric ton/Year</th><th>Water consumption reduced %</th><th>Water consumption per unit product (liter/per kg of product)</th><th>Water Intensity Saving %</th></tr><tr><td>2017</td><td>16,067</td><td>Base year</td><td>30.87</td><td>Base year</td></tr><tr><td>2023</td><td>11,873</td><td>26.10%</td><td>31.21</td><td>-1.08%</td></tr><tr><td>2024</td><td>11,344</td><td>29.40%</td><td>25.65</td><td>8.74%</td></tr></table> <p>(4) Waste management:</p> <p>●The waste produced by our plants is classified in compliance with the environmental protection regulations, and we have a waste storage area in place for proper storage, and outsource the treatment of all waste to third parties (transport it to another site for disposal); we do not dispose of it directly (direct disposal). We appoint qualified companies to collect, dispose of, and reuse the waste legally in accordance with the contract and legal requirements and file a report on such information regularly online. We passed the ISO 14001 environmental management system verification. On a daily basis, the environmental safety personnel shall prepare a waste output/removal balance sheet for statistical control, and report the output of the previous month's waste on the Internet before the end of each month according to the provisions of the Environmental Protection Agency, and immediately review the reduction measures with the production unit in case of abnormal waste output.</p> <p>● "Zero waste" is the ultimate goal of the Company's waste management, which will continue to promote the circular economy. With the strategy of reducing the total amount of waste and recycling waste, the Company will promote green procurement and avoid the use of disposable consumables through source management measures such as process technology improvement and raw material reduction; The secondary refining process can fully recover and utilize raw materials (such as silver, indium, and other scrap materials), and improve the reuse rate through in-plant refining, remelting, and purification recovery process technology; The packaging of target products is mostly made of durable materials. By recycling and reusing at the client end (such as aluminum or wooden boxes), the utilization rate of consumables can be improved to reduce waste output and achieve the goal of waste reduction.</p> <p>●Based on the unit product waste output of 2022, the Company set the annual unit product waste output to decrease year by year. In 2024, the unit product waste output will be 0.278 tons of waste per ton of product, and the waste reduction rate will be 19.44%. The reduction target has been achieved.</p> <p>▼The waste disposed of over the past two years: It is based on the data on the parent company's plants in Taiwan, which has not been verified by a third party yet.</p> <table><tr><th>Year</th><th>Hazardous waste (tonnes)</th><th>Non-hazardous waste</th><th>Annual waste output</th><th>Waste output per unit of product</th><th>Reduction rate of waste per unit of</th></tr><tr><td></td><td></td><td></td><td></td><td></td><td></td></tr></table>	Year	Total water consumption Metric ton/Year	Water consumption reduced %	Water consumption per unit product (liter/per kg of product)	Water Intensity Saving %	2017	16,067	Base year	30.87	Base year	2023	11,873	26.10%	31.21	-1.08%	2024	11,344	29.40%	25.65	8.74%	Year	Hazardous waste (tonnes)	Non-hazardous waste	Annual waste output	Waste output per unit of product	Reduction rate of waste per unit of							
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IV. Social issues																															
(I) Does the company formulate relevant management policies and procedures in accordance with applicable laws and the International Bill of Human Rights?	(I) V		(I) Human rights policy: We protect the basic human rights of employees and all stakeholders to achieve sustainable development, support and voluntarily abide by the international human rights conventions, including the Universal Declaration of Human Rights, and have formulated the employee appointment management regulations as the Company's human rights policy in accordance with the aforementioned guiding principles and the domestic Labor Standards Act, the Act of Gender Equality in Employment, the Occupational Safety and Health Act, and other applicable labor laws and regulations. We do not discriminate against employees in recruitment or at work or in terms of salary, promotions, bonuses, training opportunities, or retirement due to race, social class, language, ideology, religion, party affiliation, place of origin, place of birth, gender, sexual orientation, age, marital status, appearance, facial features, disabilities, zodiac signs, blood types, or past union membership status. The Company's human rights policy is centered on the elimination of any violations and infringement of human rights, allowing all our employees to be treated in a reasonable and dignified manner. We also send people to receive on-the-job training in respect of human rights assessment, specific measures for human rights risk mitigation (including providing a safe work environment, eliminating discrimination and ensuring equal work opportunities, as well as prohibiting child labor and forced labor to maintain physical and psychological balance) in accordance with the applicable laws and regulations. In addition, we offer health promotion and awareness-raising courses in cooperation with local health authorities. We disclosed relevant policies and procedures in Chapter 5 Labor-management relations and Employee Care on the Company's website. https://reurl.cc/ZZobZg				(I)-(VI) are aligned with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.																								
(II) Has the company formulated and implemented reasonable employee benefit measures (including remuneration, leave, and other benefits) and reflected business performance or achievements in employee remuneration appropriately?	(II) V		(II) The Company is a friendly workplace with reasonable employee benefit measures implemented: 1.The Company has established work rules and related personnel management regulations covering basic salary, working hours, vacations, pension, labor insurance, and compensation for occupational accidents, all of which are in accordance with the relevant provisions of the Labor Standards Law. The Employee Welfare Committee operates through a welfare committee elected by the employees to handle various welfare matters. In 2024, the Company allocated approximately NT\$4.6 million for employee welfare to plan and provide quality benefits for employees, such as employee travel subsidies, subsidies for arts and culture courses, birthday gift certificates, wedding subsidies, maternity subsidies, funeral subsidies, and free health checkups, among other benefits. In addition, the company has a lounge and parking lot, provides factory transportation, dormitory and other welfare measures to serve all employees. The company regularly organizes birthday celebrations, trips and other activities to regulate the body and mind of employees and improve the quality of life. Encourage the development of social club employees can freely participate in the iron horse club, voluntary work club, softball club, photography club, badminton club , gardening club, health club, etc., to enhance the friendship of employees. 2. The Company has long been concerned about the friendly environment of the workplace for its employees. In accordance with the Labor Standards Act and the Gender Equality Act, the Company has established physiological leave, maternity leave, abortion leave, paternity leave, maternity leave, maternity leave, and maternity protection for women's physiological characteristics, as well as a system of parental leave,																												

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			<p>breastfeeding leave, and family care leave. The paternity leave and maternity leave are adjusted to seven days by law, and the extra two days are paid by the company. Employees may apply for family care leave upon request, and employees who are raising children under the age of five may apply for parental leave that reduces their working hours by one hour per day in 2024, in order to take care of both their work and their lives at the same time. In addition, the company's health protection plan for female employees is as follows.</p> <table><tr><th>Pregnancy</th><th>Birth</th><th>Breastfeeding</th><th>Parenting</th></tr><tr><td>Reduce uncertainty</td><td>Reduce physical and mental stress</td><td>Encourage breastfeeding</td><td>Work-life balance</td></tr><tr><td>Psychological support and pregnancy information</td><td>Substantial maternity benefits better than legal leave</td><td>Friendly nurturing environment emphasizes privacy and safety</td><td>Complete reinstatement assistance to improve the care of your family members.</td></tr><tr><td>■ Clinical Services specializes in maternal counseling, providing both physical and psychological care.</td><td>■ offers comprehensive group insurance and services.</td><td>■ provides family care and parental leave.</td><td>■ Assisting colleagues who have returned to work after childbirth by providing them with appropriate work arrangements and flexible workplaces.</td></tr><tr><td>■ Organize motherhood care seminars to provide explanations on prenatal care, postpartum health, breastfeeding, infant allergies, and childcare welfare. ■ Launched the Maternal and Sexual Employee Health Protection Program to identify and assess hazards and classify risks for management and protection.</td><td>■ Provides 56 days of maternity leave in compliance with the statute, 7 days of paid leave for paternity exams and paternity leave; and may be requested during a spouse's pregnancy up to 15 days after delivery.</td><td>■ Set up access control in the breastfeeding room and have it managed by a dedicated operator. ■ Purchase bottle sterilizers, special detergents and breastmilk refrigerators for lactation rooms.</td><td>■ Provides a better-than-regulation childcare hold system, with 3 male and 4 female applications for childcare holds in the three years from 2021 to 2024, and a 100% return rate. ■ Contracts with child care and parent-child activity organizations to provide more favorable and safe organizational information.</td></tr></table> <p>3.The company was awarded the 2020 and 2024 Merit Prizes for “Promotion of Workplace Equalization” Merit Award by the Southern Taiwan Science Park Administration, Ministry of Science and Technology. The ratio of our male to female employees is five to one, the ratio of first-line male to female managers or above is nine to two, and the ratio of middle male to female managers or above is 19:7, and the proportion of female managers is 26.92%, fully indicating our gender equality in the workplace.</p> <table><tr><th>Ratio of female supervisors in the past two years</th><th>% in 2022</th><th>% in 2023</th><th>% in 2024</th></tr><tr><td>Female proportion</td><td>16.43%</td><td>16.67%</td><td>17.96%</td></tr></table>	Pregnancy	Birth	Breastfeeding	Parenting	Reduce uncertainty	Reduce physical and mental stress	Encourage breastfeeding	Work-life balance	Psychological support and pregnancy information	Substantial maternity benefits better than legal leave	Friendly nurturing environment emphasizes privacy and safety	Complete reinstatement assistance to improve the care of your family members.	■ Clinical Services specializes in maternal counseling, providing both physical and psychological care.	■ offers comprehensive group insurance and services.	■ provides family care and parental leave.	■ Assisting colleagues who have returned to work after childbirth by providing them with appropriate work arrangements and flexible workplaces.	■ Organize motherhood care seminars to provide explanations on prenatal care, postpartum health, breastfeeding, infant allergies, and childcare welfare. ■ Launched the Maternal and Sexual Employee Health Protection Program to identify and assess hazards and classify risks for management and protection.	■ Provides 56 days of maternity leave in compliance with the statute, 7 days of paid leave for paternity exams and paternity leave; and may be requested during a spouse's pregnancy up to 15 days after delivery.	■ Set up access control in the breastfeeding room and have it managed by a dedicated operator. ■ Purchase bottle sterilizers, special detergents and breastmilk refrigerators for lactation rooms.	■ Provides a better-than-regulation childcare hold system, with 3 male and 4 female applications for childcare holds in the three years from 2021 to 2024, and a 100% return rate. ■ Contracts with child care and parent-child activity organizations to provide more favorable and safe organizational information.	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(III) Does the company provide employees with a safe and healthy work environment	(III) V		<table><tr><td>in total employees (%)</td><td></td><td></td><td></td></tr><tr><td>Female proportion in all supervisors (%)</td><td>26.09%</td><td>26.09%</td><td>26.92%</td></tr><tr><td>Female proportion in top-level managers (%)</td><td>18.18%</td><td>18.18%</td><td>18.18%</td></tr></table>				in total employees (%)				Female proportion in all supervisors (%)	26.09%	26.09%	26.92%	Female proportion in top-level managers (%)	18.18%	18.18%	18.18%
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<p>4. We emphasize the diversity of our employees and employ more physically and mentally challenged employees than the number stipulated in the Protection of the Rights and Interests of the Physically and Mentally Handicapped Act (2 employees are required by law, but 3 are actually employed, and each person with severe physical or mental handicap or above shall be counted as two persons). Currently, 100% of our employees are of R.O.C. nationality, and we accept various ethnic groups and respect their cultures and customs. The current ratio of mentally and physically challenged employees is 1.45%. The number of employees under the age of 30 is 1%; the number of employees between the ages of 30 and 50 is 75.73%; and the number of employees over the age of 50 is 23.3%.</p> <p>5. The Company's employee compensation policy is calculated in accordance with Article 27 of the Company's Articles of Incorporation and the "Regulations Governing Employee Compensation". The basic salary ratio for female and male employees is 1:1, and the bonus for sales and production surplus is 20% of the quarterly profit to be shared with colleagues to achieve incentives, and based on the individual's ability to contribute to the company and consider the results of the performance evaluation, which includes financial indicators, such as shipment volume, cost reduction, and profitability, etc., and non-financial indicators, such as the ability of new technologies, zero-errorism, process improvement, and the number of completed projects, etc. The related performance evaluation includes the reduction of customer claims and complaints, Non-financial indicators such as new technology capability, zero work safety incidents, process improvement and number of completed projects, reduction in the number of customer claims and complaints, etc., and the related performance evaluation and reasonableness of the remuneration have been scrutinized by the Compensation Committee and the Board of Directors, and the Board of Directors has approved the appropriation of up to 10% of the total amount of employees' remuneration for distribution.</p> <p>6. The Company has established a "Salary and Compensation Committee" to provide employees with competitive salaries and to reward them with transparent and equal compensation policies. For junior commissioners in the same position, all employees are offered the same salary. For those with relevant professional and working experience, the salary is approved according to the recruit's academic qualifications, specialties, and certificates, and there is no difference in salary based on gender or ethnic group. The median salary of female employees is 11.28% higher than that of male employees, and the average salary of female employees is 4.16% higher than that of male employees. The average salary adjustment rate of the Company for the year 2024 was 3.85% and the maximum was 5.3%.</p> <table><tr><td>Average employee remuneration</td><td>2022</td><td>2023</td></tr><tr><td>Average salary of full-time employees in non management positions</td><td>NT\$ 793 thousand</td><td>NT\$ 738 thousand</td></tr><tr><td>Median salary of full-time employees in non management positions</td><td>NT\$ 751 thousand</td><td>NT\$ 730 thousand</td></tr></table> <p>7. Although the Company has not established a labor union, employees are free to participate in labor unions. As of the end of 2024, 3 of the Company's employees were members of China Steel's labor union and 46 were members of the China Steel Group's labor union, and I have not signed a group agreement because the labor union has not requested a group agreement.</p>				Average employee remuneration	2022	2023	Average salary of full-time employees in non management positions	NT\$ 793 thousand	NT\$ 738 thousand	Median salary of full-time employees in non management positions	NT\$ 751 thousand	NT\$ 730 thousand						
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(III) • Occupational safety and health management policy is centered on the principles of hazard elimination, all-employee participation, continuous																		

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and offer safety and health education to employees regularly?			<p>improvement, and health promotion.</p> <p>(1) We manage to eliminate hazards, mitigate occupational safety and health risks, create a safe and healthy work environment, prevent work-related injuries, ill health, diseases, and accidents, and continuously provide workers with consultation and participate in safety and health management affairs. (2) We manage to protect the safety and health of all employees as well as suppliers, contractors, visitors, and other workers in the Company.</p> <ul style="list-style-type: none">• The Company has passed the ISO45001 occupational safety and health verification. The latest certificate is valid from 2022.07.30 through 2025.07.29. Through the PDCA mechanism, we implement safety and health management in an all-round manner and develop a healthy work environment. To effectively discuss and solve practical issues, we established an Occupational Safety and Health Committee. Each production unit shares the safety and health information in the work environment per quarter with other units to avoid recurrence of similar issues. The chair of the committee is served by the President concurrently, and the secretary-general is served by the Chief of the Production Plant concurrently. The labor representatives of each unit account for one-third or more of the total number of members; the Occupational Safety and Health Committee holds routine meetings per quarter. In addition, we have established an Employee Welfare Committee in accordance with the law and regularly offer cultural and health education courses per year to protect our employees' physical and psychological health. We encourage employees to participate in social charity activities and commend and reward them where appropriate. <p>1. Operational safety inspection: We regularly organize employee health examinations every year and improve unsafe actions and equipment during on-site operations. The labor safety unit and the heads of the on-site units inspect the site from often; the Deputy Chief of the Production Plant inspects the site based on a 6S model with the committee members from the on-site units per month; the President leads the Company's first-line and middle managers to jointly conduct a 6S inspection every two months and the first and second level executives of the Company led by the General Manager to inspect the site together, while reviewing the on-site defects at the meetings of the Occupational Safety and Health Committee for improvement.</p> <table><tr><th colspan="2">Occupational safety inspection</th></tr><tr><td>6S inspection</td><td>Each member of the committee assigns a team leader to inspect with the labor safety unit.</td></tr><tr><td>Occupational safety inspection</td><td>The general manager will lead the inspections of the production plant and the chemical analysis section.</td></tr><tr><td>On-site managers' management by wandering around</td><td>Daily inspections from time to time.</td></tr><tr><td>Labor safety unit</td><td>Inspections shall be conducted at least 3 times a week from time to time.</td></tr></table> <p>2. Risk identification and work environment monitoring: Each unit identifies hazards and assesses risk and evaluates the potential physical, chemical, biological, and ergonomic hazards and risk levels associated with supplies, machines, equipment, operating environment, personnel, guests, contractors, and suppliers involved in the Company's operations through system management, while adopting improvement plans to reduce and respond to hazard and risks, thereby ensuring the safety and health of all colleagues in the Company. We appointed a qualified work environment monitoring institution to conduct measurement of chemical and physical factors in the environment every three months or every six months in accordance with the "Regulations on the Labor Work Environment Monitoring Implementation and the Evaluation and Grading Management Measures for Hazardous Chemicals". The chemical factors include carbon dioxide, dust, organic solvents, and specific chemical substances, while the physical factors include noise, humidity, and temperature. The institution determined the measurement results were in compliance with laws and regulations and provided the results to the head of each unit for announcement; the results were also reported to the</p>	Occupational safety inspection		6S inspection	Each member of the committee assigns a team leader to inspect with the labor safety unit.	Occupational safety inspection	The general manager will lead the inspections of the production plant and the chemical analysis section.	On-site managers' management by wandering around	Daily inspections from time to time.	Labor safety unit	Inspections shall be conducted at least 3 times a week from time to time.	
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			<p>Occupational Safety and Health Committee. We quickly improved and rectified issues to ensure employees' health. We completed monitoring at a total of 127 monitoring points (including areas and individuals) during 2022 in the work environment.</p> <p>3. Education and training: The head of each on-site unit raises people's awareness from time to time every monthly; the labor safety unit also offers education and training courses from time to time per year to teach employees safety and health knowledge, thereby enhancing our personnel's safety and health concept as a whole (at least ten safety and health courses per year and safety and health information disclosed on the Company's intranet on a regular basis).</p> <p>4. Implement the results: (1) Checking of various works in 2024</p> <table><tr><th colspan="2">Occupational safety inspection</th></tr><tr><td>6S inspection</td><td>11 times.</td></tr><tr><td>Occupational safety inspection</td><td>15 times.</td></tr><tr><td>On-site managers' management by wandering around</td><td>Daily inspections from time to time.</td></tr><tr><td>Labor safety unit</td><td>At least 350 unscheduled inspections per week.</td></tr></table> <p>(2) Backup Security Management The Company classifies its equipment and classifies dangerous machinery and equipment in accordance with the law, and conducts detailed inspections to ensure the safe operation of the equipment.2024 The Company's dangerous machinery consists of 21 sets of fixed cranes, 8 sets of forklifts, and 1 set of power punching and shearing machines, totaling 30 sets, which are subject to regular inspections in accordance with the "Regulations on the Safe Inspection of Hazardous Machinery and Equipment," which ensures that the use of the equipment is safe. The safety of the equipment is ensured.</p> <p>(3) In 2024, a total of 143 monitoring points (including regional and individual) were completed.</p> <p>(4) Emergency response is to enhance the ability to respond to accidents in order to avoid or minimize injuries to personnel, property damage, and environmental impacts. Through regular emergency response drills, personnel are trained to respond quickly to emergencies, conduct rescue operations, and minimize risks and damages, as well as implement self-defense and firefighting formation drills and toxic disaster drills.</p> <p>▼Perform disaster prevention drills in accordance with ISO-14001 emergency response procedures; no fire incidents in 2024; no related improvement measures.</p> <table><tr><th>year</th><th>Fire Drill</th><th>Poison Drill</th><th>Fire Statistics</th><th>Casualties (%)</th></tr><tr><td>2023</td><td>2 times</td><td>1</td><td>0set</td><td>0 people (0%)</td></tr><tr><td>2024</td><td>2 times</td><td>1</td><td>0set</td><td>0 people (0%)</td></tr></table> <p>▼The occupational safety education and training and awareness raising over the past three years</p> <table><tr><th>Category</th><th>Number of on-the-job trainees for safety and health certificates</th><th>Number of participants in the safety and health education and training</th><th>Number of pieces of awareness-raising information on safety and health on the portal</th></tr><tr><td>2022</td><td>60</td><td>1208</td><td>128</td></tr><tr><td>2023</td><td>43</td><td>1246</td><td>108</td></tr><tr><td>2024</td><td>49</td><td>851</td><td>105</td></tr></table> <p>▼Occupational safety performance over the past three years - employee disabling injuries</p> <table><tr><th>Year</th><th>2022</th><th>2023</th><th>2024</th></tr><tr><th>Category</th><th>Number of</th><th>Number of</th><th>Number of</th></tr></table>	Occupational safety inspection		6S inspection	11 times.	Occupational safety inspection	15 times.	On-site managers' management by wandering around	Daily inspections from time to time.	Labor safety unit	At least 350 unscheduled inspections per week.	year	Fire Drill	Poison Drill	Fire Statistics	Casualties (%)	2023	2 times	1	0set	0 people (0%)	2024	2 times	1	0set	0 people (0%)	Category	Number of on-the-job trainees for safety and health certificates	Number of participants in the safety and health education and training	Number of pieces of awareness-raising information on safety and health on the portal	2022	60	1208	128	2023	43	1246	108	2024	49	851	105	Year	2022	2023	2024	Category	Number of	Number of	Number of
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(IV) Has the company established an effective career development training program for employees?	(IV) V		<table><tr><td></td><td>cases</td><td>cases</td><td>cases</td></tr><tr><td>Employees' disabling injury frequency / rate</td><td>1</td><td>1</td><td>0</td></tr><tr><td>Contractors' disabling injury frequency/ rate</td><td>0</td><td>0</td><td>0</td></tr><tr><td>Major occupational accident</td><td>0</td><td>0</td><td>0</td></tr></table>					cases	cases	cases	Employees' disabling injury frequency / rate	1	1	0	Contractors' disabling injury frequency/ rate	0	0	0	Major occupational accident	0	0	0
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(V) Does the company comply with applicable laws and international standards regarding issues, such as customer health and safety, customer privacy, as well as marketing and labelling of products and services? Has it formulated relevant policies and complaint procedures to protect consumers' or customers' rights and interests?	(V) V		<p>(IV) The Company takes long-term talent cultivation as its primary task, and according to the needs of organizations, departments and employees, in order to help employees improve and refine their knowledge and skills, establishes a career competency development plan, in addition to appropriate internal recruitment and rotation, and plans internal and external training plans, including newcomer training, professional advanced training, supervisor training, etc., in order to help colleagues continue to learn and grow through multiple learning methods, and introduce relevant training courses such as the importance of workplace ethics and ethical management concepts to cultivate their key competencies. On the end of December,2024, the total number of vocational training sessions was1,620, with 3,264 person-hours, Staff training fee NT\$137 thousand. We review and provide feedback during regular annual performance reviews to assist our employees in developing the best workplace competency plans and to strengthen the Company's human capital base accordingly.</p> <p>(V) Since we adopted the ISO9001 quality management system in 2006, we have constantly made adjustments based on the overall demand for quality and the production and sales trends to reform and innovate our quality management required for the modern era. As the ISO 9001: 2015 quality management system was converted, we have implemented an integrated management system (the quality management system and the environment/safety management system) since 2017, with the aim of providing products and services in a consistent manner to satisfy clients' needs and legal requirements and selling products at home and abroad in compliance with applicable laws and regulations and international guidelines, thereby protecting clients' health and safety and customer privacy and ensuring proper marketing and labelling. The Company publicizes the confidentiality agreement for customers' business information to all businesses and signs the "NDA Confidentiality Agreement" with specific customers to safeguard customers' privacy rights or customer data, so as to strengthen the cooperative relationship. We set up an email service platform on the official website; our sales personnel are responsible for handling clients' complaints to timely understand their needs and expectations and continue to improve products and services, with a view to achieving the goal of sustainable business development, and protecting customer health and safety, customer privacy, and consumer rights and interests.</p>																			
(VI) Has the company formulated a supplier management policy, required suppliers to follow applicable regulations on issues, such as environmental protection, occupational safety and health, or labor rights? The implementation thereof?	(VI) V		<p>(VI) Effective management of the supply chain is one of the most important aspects of enhancing an organization's competitiveness. In addition to quality and cost considerations, the sustainable development behavior of suppliers is the most important consideration in supplier management. In order to enable the operation of the strategic supply chain program, the Company has established four major management policies and follows the relevant regulations of the "Supplier Management Procedures" to define and select qualified suppliers in a prudent manner through appropriate supplier evaluation, supplier selection, evaluation, and periodic assessment by the responsible units, and to strengthen the supplier management surveys on environmental safety and hygiene, labor, and ethics, so as to enable stakeholders and suppliers in the supply chain to We also strengthen the management survey on environmental safety and health, labor, and ethics of suppliers so that stakeholders and suppliers in the supply chain can be informed and reach a consensus, and the supply chain can be made more sustainable.</p> <table><tr><td>Supplier assessment standard</td><td>1. Ten assessment items meeting four dimensions: price, delivery time, degree of adaptability, quality/HSF system, product development, design and change, environment, safety and health, labor and human rights, education and training.</td></tr></table>				Supplier assessment standard	1. Ten assessment items meeting four dimensions: price, delivery time, degree of adaptability, quality/HSF system, product development, design and change, environment, safety and health, labor and human rights, education and training.														
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			<table><tr><td></td><td>2. Sign the "Declaration on Sustainable Development of Suppliers", "Warranty on Non use of Hazardous Substances Management", and "Conflict Minerals Policy Statement".</td></tr><tr><td></td><td>3. Those who meet the quality and environmental safety and hygiene evaluation standards and pass sample detection, document review, and on-site evaluation.</td></tr><tr><td></td><td>4. Periodic quarterly and annual assessments.</td></tr><tr><td>Extra points</td><td>If a supplier has obtained a certificate related to environmental protection or hazardous substances management (ISO14001, IATF16949, or QCO8000) or the Responsible Business Alliance (RBA) Code of Conduct, it will get additional points, so as to guide and require suppliers to follow and abide by the code and the Company's sustainable development policies and commitment, environment, safety, and health policies. They also need to cooperate with our relevant inspections, regular inspections and audits and are not allowed to, directly or indirectly, offer our employees rebates, commissions, improper gifts, rewards, etc.</td></tr><tr><td>Hierarchical management</td><td>The appraisal grade is divided into four levels according to the score range, and there are four procurement forms, such as priority procurement, normal procurement, counseling manufacturers and unqualified manufacturers, and relevant countermeasures are taken.</td></tr></table> <p>●The international political and economic situation and the global supply chain faced many downside risks and challenges in 2024. The escalating geopolitical shocks are affecting the economic outlook, and the frequent supply chain disruptions have made enterprises fully recognize that the response to these risks is no longer sufficient to cope with the situation, and that they have to proactively utilize innovative technologies and systems in order to ensure their revenue. In view of this, the Company plans to develop its own project system program to immediately track and implement the management of various supplier evaluations. The quarterly evaluation results of the 113th evaluation team achieved an average score of 89.63 points for each quarter, a passing rate of 100%, and an average score of 86.8 points for the annual evaluation, which is in line with the normal purchasing level distance standard. In addition, we also control comprehensive supply chain audits and reviews; establish a value chain for key raw materials to ensure the safe and stable supply of goods from the source of supply; configure the supply chain for multi-party transfers, and utilize de-mediatization, localization, and diversification of the supply chain to control costs and increase the benefits of transfer trends; and link the waste circular economy to strengthen the resilience and inclusiveness of the supply chain, with the benefits becoming increasingly apparent.</p>		2. Sign the "Declaration on Sustainable Development of Suppliers", "Warranty on Non use of Hazardous Substances Management", and "Conflict Minerals Policy Statement".		3. Those who meet the quality and environmental safety and hygiene evaluation standards and pass sample detection, document review, and on-site evaluation.		4. Periodic quarterly and annual assessments.	Extra points	If a supplier has obtained a certificate related to environmental protection or hazardous substances management (ISO14001, IATF16949, or QCO8000) or the Responsible Business Alliance (RBA) Code of Conduct, it will get additional points, so as to guide and require suppliers to follow and abide by the code and the Company's sustainable development policies and commitment, environment, safety, and health policies. They also need to cooperate with our relevant inspections, regular inspections and audits and are not allowed to, directly or indirectly, offer our employees rebates, commissions, improper gifts, rewards, etc.	Hierarchical management	The appraisal grade is divided into four levels according to the score range, and there are four procurement forms, such as priority procurement, normal procurement, counseling manufacturers and unqualified manufacturers, and relevant countermeasures are taken.	
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V. Has the company referred to the internationally accepted reporting standards or guidelines to prepare reports, such as ESG reports that discloses the company's non-financial information? Has a third-party verification entity provided assurance or assurance opinion for said report?	V		Although the Company's capitalization of \$108.5 million does not meet the preparation standard of \$2 billion, in order to achieve sustainable development, the Company will continue to voluntarily prepare the Company's 2023 Sustainability Report in 2024, which will serve as an important channel for the communication of non-financial information, as well as an overall review and enhancement of sustainability performance, focusing on the Company's corporate governance, operating results and performance, environmental protection, and social participation practices and results. This report is prepared in accordance with the core of GRI Standards for Sustainability Reporting (GRI Standards), and will be completed by August 19, 2024 with reference to SASB, and will be published on the Market Observation Post System (MOP) and the Company's website simultaneously. This report is expected to be verified or assured by a third party in 2028.	As the Company has not yet met the criteria for preparing such a report mandatorily, it is not applicable, but we voluntarily prepared an ESG report in alignment with the sustainable development blueprint.										

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VI. Where the company has formulated its own sustainable development code in accordance with the Sustainable Development Best Practice Principles, please specified the differences between the implementation and the principles: The Company's Board of Directors approved the "Corporate Social Responsibility (CSR) Code of Practice" on July 28, 2021, which was renamed to the "Sustainability Code of Practice" in accordance with the Corporate Governance 3.0 - Blueprint for Sustainable Development approved by the Board of Directors on April 27, 2022, and was compiled and prepared in accordance with the guidelines of the GRI Standards for sustainability reporting (GRI Standards 2021) established by the Global Sustainability Standards Board (GSSB), indicators and guidance on the Task Force on Climate-related Financial Disclosures (TCFD) recommendations.																									
VII. Other important information that facilitates the understanding of the promotion of sustainable development: ▼ The concrete benefits of investing in energy-saving or green energy-related environmentally sustainable machinery and equipment and investing in domestic green energy's peripheral industries in 2024 are as follows:																									
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▼ Implement achievements of ESG sustainable development in 2024 (1) Awards/Promotions ➢ Selected by the Southern Taiwan Science Park for the 113th Annual "Promotion of Workplace Equalization" Outstanding Employer Recognition and Prize. ➢ According to the "2024 Corporate 1.5°C Carbon Reduction White Paper" published by World Magazine on November, 2024, the Company's carbon reduction benefits and planning blueprints are ranked as "Outstanding Effectiveness" manufacturers after evaluating the environmental data disclosed by the 967 enterprises that have published sustainability reports in Taiwan using the "Corporate Carbon Reduction Thermometers" (TRIPs); this evaluation demonstrates that the Company is highly active in ESG carbon reduction. The evaluation demonstrates that the Company is highly motivated to reduce carbon emissions through ESG, and that continued promotion will bring the goal of "Net Zero Carbon Emissions" one step closer. (2) The objectives and implement achievements of ESG's short-term and medium-term sustainable development plan this year are briefly summarized in the following table:																									
<table><tr><th>E environment</th><th>Objective</th><th>Implementation results Data boundary: Information on the parent company's Taiwan plant area</th></tr><tr><td>Energy intensity</td><td>Decrease by 1%</td><td>Decreased by 10.57% in 2024 from base year</td></tr><tr><td>GHG emissions intensity</td><td>Decrease by 3%</td><td>Decrease by 11.45% in 2024 from base year</td></tr><tr><td>Achieving carbon reduction through low-carbon manufacturing (Total electricity consumption decreased over the same period)</td><td>Decrease by 1%</td><td>Increase 2,151,500 kWh or 6.05% in 2024 from last year (mainly due to 16.24% increase in shipments from the same period last year)</td></tr><tr><td>Recycle the water system and reduce the usage amount of tap water</td><td>Decrease by 5%</td><td>Down 29.40% in 2024 from base year</td></tr><tr><td>Planned shipment in bulk to reduce vehicle dispatching and fuel for transportation</td><td>Train number: 3</td><td>up to 3 times per week compared to base period (2021) Gasoline and diesel down 44.24% and 16.01% respectively</td></tr><tr><td>Intelligent energy-saving planning through phased installation of smart meters</td><td colspan="2">In 2024, an energy consumption monitoring system was installed for the central air-conditioning (chilled water mainframe system) in the office area, which serves as the basis for intelligent control and energy saving.</td></tr></table>					E environment	Objective	Implementation results Data boundary: Information on the parent company's Taiwan plant area	Energy intensity	Decrease by 1%	Decreased by 10.57% in 2024 from base year	GHG emissions intensity	Decrease by 3%	Decrease by 11.45% in 2024 from base year	Achieving carbon reduction through low-carbon manufacturing (Total electricity consumption decreased over the same period)	Decrease by 1%	Increase 2,151,500 kWh or 6.05% in 2024 from last year (mainly due to 16.24% increase in shipments from the same period last year)	Recycle the water system and reduce the usage amount of tap water	Decrease by 5%	Down 29.40% in 2024 from base year	Planned shipment in bulk to reduce vehicle dispatching and fuel for transportation	Train number: 3	up to 3 times per week compared to base period (2021) Gasoline and diesel down 44.24% and 16.01% respectively	Intelligent energy-saving planning through phased installation of smart meters	In 2024, an energy consumption monitoring system was installed for the central air-conditioning (chilled water mainframe system) in the office area, which serves as the basis for intelligent control and energy saving.	
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Conduct ISO-14064 greenhouse gas inventory			<p>(1) In the second quarter of fiscal year 2024, the total number of internal audits and total number of non-conformities was 41, and 0 non-conformities were found. Through internal audits, we found opportunities for improvement and implemented the necessary measures to improve the ISO14064-1 greenhouse gas inventory system.</p> <p>(2) It is expected that third party external forensic operations will be implemented in 2025.</p> <p>(3) Expected in the second quarter of 2025; Execute the first third-party external verification.</p>	
Environmental and ecological protection			Since 111 years ago, the company has accumulated tree planting activities, and under the leadership of the chairman and general manager, the company has completed the planting of several hundred plants, such as Buddhist pines and fuchsias, and has planted about 200 trees and 1,500 shrubs in total. The total area of greening reached 1,440 square meters, and the greening rate of the plant area was about 4.8%, which could reduce carbon dioxide by about 2,160 kilograms per year.	
S social objectives		Implementation results		
Caring for the underprivileged and our neighbors, while making donations to help the nearby village children every year.		In 2024, approximately 20 households received some form of charity, and in the past eight years, a total of 280 marginalized families have received donations, in order to continuously improve society.		
Industry-university cooperation		On October 26, 2023, the company signed a letter of intent with the School of Design of National Cheng Kung University to develop 15 digital models of titanium and civil product designs, and to promote a platform for industry-academia collaboration and talent development. TTMC and National Cheng Kung University's School of Planning and Design co-organized the "Innovation, Happiness, and Sustainability - Titanium Achievement Exhibition" presentation was successfully completed on May 30, 2024.		
Social welfare activities		<p>1. The Rescue Excess Buntan campaign purchased a total of 800 kilograms from the Tainan Buntan Park to minimize the impact on farmers, and from 2022 to 2024, purchased a total of 3,000 kilograms from the Tainan Buntan Park.</p> <p>2. Each year, we prioritize lunch and dinner meals and cooperate with the sheltered workshop operated by the Kaohsiung Chinese Food Service Workers' Union, commissioned by the Kaohsiung City Government, to assist physically and mentally challenged people in the local community with employment and training opportunities; the goal was to have 18 people, and we accomplished 18 people in 2024, providing 73 physically and mentally challenged people with the opportunity to become self-sustaining workers in the four years.</p> <p>3. In response to World Vision Taiwan's Red Packet Campaign, the company set up a voluntary donation box for employees. In 2024, the company set up a voluntary donation box for employees and raised a total of NT\$18,000, accumulating NT\$43,000 in 2 years.</p> <p>4. ESG Friendly Train, responding to the Kaohsiung City Government's environmental volunteers</p> <p>■ Kaohsiung City Environmental Protection Bureau called for the protection of the coastal environment, to protect and restore coastal resources and ensure water resources, and fulfill their social responsibility. TTMC actively participates in this effort by establishing the Xincou Coastal Patrol Volunteer Team under the flag of the Kaohsiung Municipal Environmental Protection Bureau, with 36 volunteers patrolling the neighboring coastline of Kajia, in order to create a friendly living environment with the aim of "reshaping the clean coastal landscape" and to realize the goal of zero loss of the natural coastline.</p> <p>Under the leadership of the chairman of the board of directors, TTMC colleagues organized a beach cleaning activity at the beach of Kajia Coastal Park on September 12, 2024 with the theme of "2024 Beach Cleaning General Mobilization". 32 people participated in the activity, and a total of 153 kilograms of garbage was cleared out on the day of the activity, which was an outstanding result.</p> <p>On September 21, 2024, TTMC volunteered with the Kaohsiung City Rehabilitation Institute for the Blind to organize a baseball activity for blind people, leading eight blind people to experience the baseball game at the Clarion Lake Baseball Stadium, feeling the atmosphere of the scene, and at the same time, reminding them of the safety of going up and down stairs, thresholds, and up and down ramps, and other safety precautions.</p>		
Develop materials for advanced medical equipment		In order to localize and domesticate the materials for medical equipment, the Company completed the development of materials for BNCT (Boron Neutron Capture Therapy) equipment in Taiwan and became the supply chain partner for the installation of Taiwan's first accelerator-type Boron Neutron Capture Therapy (AB-BNCT) equipment by Ho-Jung in the		

Item	Status of Implementation			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Brief description	
			Hsinchu branch of the Hospital of the Chinese University of Medical Science and Technology, and completed the shipment of the two sets of finished products.	
Manpower development and occupational safety and health			<p>1.The Company participates in market salary surveys each year and adjusts salaries in accordance with market salary levels, economic trends and individual performance to maintain overall salary competitiveness. salary adjustments averaged 3.45% in 2023, and the Board of Directors approved salary adjustments averaging 3.85% in 2024.</p> <p>2. 26.92% of female supervisors in management positions.</p> <p>3. Number of occupational accidents: 0; occupational accident rate: 0%.</p> <p>4. We conduct annual health checkups for all employees in compliance with regulations and conduct proactive questionnaire surveys through online questionnaires in the month of health checkups for human-caused hazards and overload hazards, and track them for continual improvement, and advocate preventive medicine for the promotion of health for all employees in the plant.</p> <p>5.On the end of 2024, the prevention of abnormal work overload hazards (including health abnormal inspection and tracking management) totaled 115 times.</p> <p>6. In 2024, there were 8 suspected hazardous persons in the Human Factors Engineering Hazard Questionnaire Survey with a score of more than 3 in any part of the plant, an decrease of 4 compared to last year, and a preliminary analysis showed that the suspected hazardous parts were not the same in the same department, and the preliminary judgment was that the relationship with the operation might not be significant. On September 21, the suspected workers were interviewed on site by an occupational medicine specialist.</p>	
G governance objectives		Implementation results		
Rolling-type sound corporate governance and maintaining a second level gap in corporate governance evaluation		In 2024, the 10th Corporate Governance Assessment, the Company was ranked in the second tier of all listed companies, and has been ranked in the second tier for five consecutive years, with a total score of 93.61. The Company has also been ranked in the second tier of the Corporate Governance Assessment for six consecutive years.		
Preparation of the English version of the annual report, shareholders' meeting manual and final financial report.		On March 2024, we completed the disclosure of the English version of the shareholders' meeting handbook, the annual report and the annual financial report of 2023, the issuance of the FY2022 to FY2023 financial report in English and Chinese, and the internal rules and regulations of the company, which are 17 pieces, in addition to complying with the regulations of the FSC, and enriching the English webpage to enhance the understanding of the company's information by overseas shareholders and investors.		
Establishment of Risk Management Committee (The third functional committee was established in 2021)		<p>The second Risk Management Committee (RMC) resolved to scan six risk proposals in 2023: risk assessment of internal and external information security management, HS CODE checking risk, financial risk assessment of precious metal futures operation, risk assessment of international and cross-strait situation on raw material supply, risk assessment of semiconductor product development, and risk assessment of electricity tariff increase, etc., with two proposals on information security and HS CODE classified as medium risk. Among them, the information security and HS CODE are classified as medium risk, and the implementation status for 2024:</p> <p>(1) Information security was completed in August with the introduction of EDR (Endpoint Threat Detection and Response Service) and MDR (Managed Detection and Response), which can help to identify the abnormal risk of the system, and it is extremely helpful to the company's information security enhancement.</p> <p>(2) Due to the misuse of HS-CODE in the declaration of finished products, TCMC was recognized by the Customs as not complying with the requirements for export tax rebate after the customs audit, and has paid back the tax, which has not yet resulted in any significant loss of tax risk to the Company.</p>		
Volunteer to prepare a "Sustainability Report" and receive awards		Continuing to voluntarily prepare the 2023 Annual Sustainability Report of TTMC, upholding the belief in sustainable development, referring to the SASB and TCFD standards and disclosing ESG-related information, which was approved by the Board of Directors and the Audit Committee on May 7, 2024 and October 30, 2024, respectively, and is expected to be completed by the FY2028 to check for the third-party certification.		
The completion rate of information security awareness education and training is 100%		1. The total number of internal and external training and counseling on information security education for FY2024 was 142 person-times and 474 hours (100%), and there were no major information security incidents in the Company and CSC Precision Materials (an important subsidiary).		

Item	Status of Implementation			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor												
	Yes	No	Brief description													
			2. The penetration test has been held for four consecutive years and has been effective in raising staff awareness of information security. The percentage of successful penetration is as follows: <table><tr><td>year</td><td>2022</td><td>2023</td><td>2024</td></tr><tr><td>Number of Persons</td><td>9</td><td>2</td><td>5</td></tr><tr><td>Percentage of successful penetration</td><td>4.1%</td><td>1.8%</td><td>3.8%</td></tr></table>	year	2022	2023	2024	Number of Persons	9	2	5	Percentage of successful penetration	4.1%	1.8%	3.8%	
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Formulate a smart property patent management plan		1. The Company provides training and education on the management of trade secrets to our staff, and revise the “Intellectual Property Management Regulations” and “Patent Management Practices” to improve the management methods. 2. The total number of patent applications filed worldwide is 24, the total number of granted applications is 15, and the total number of maintenance applications is 10. 3. 16 confidential documents are listed in the company's technology research and development. 4. 16 trademarks (11 in Taiwan, 3 in China, and 2 in Japan).														
Board of Directors		1. 7 directors, of which 3 are independent directors. 2. The number of female directors was 2 (28.57%). 3. Attendance rate of directors at board meetings was 98.21%. 4. 100% of Directors and Supervisors' training hours meet the training requirements. 5. Investor communication: The Company held 2 legal meetings in a year. (On July 19, 2024, the Company was invited to participate in a corporate presentation organized by SinoPac Securities and on November 21, 2024, the Company was invited to participate in a group corporate presentation organized by Fubon Securities.)														

VIII · Implementation of Climate-related Information

item	Status of implementation
<p>1. Describes the oversight of the Board and Management's, governance of climate-related risks and opportunities.</p> <p>2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the organization (short, medium, and long term).</p> <p>3. Describe the financial impacts of extreme climate events and transformational actions.</p> <p>4. Describe how the process of identifying, assessing, and managing climate risk is integrated into the overall risk management system.</p> <p>5.If scenario analysis is used to assess the resilience to climate change risk, describe the scenarios, parameters, assumptions, analytical factors, and key financial impacts.</p> <p>6.If there is a transition plan for managing climate-related risks, describe the content of the plan and the metrics and objectives used to identify and manage physical and transition risks.</p>	<p>1. The Board of Directors authorizes senior management to convene a "Sustainable Development Team" (Production Plant, Quality Assurance Division, Technology Division, Finance Division, Business Division, Administration Division and Labor and Safety Office) to promote sustainable development and to serve as a cross-departmental communication platform for upward and downward integration and horizontal linkage, and to report to the Board of Directors on the results of the implementation of the work and the future work plan at least once a year, and to report to the Board of Directors on the issues related to climate change.</p> <p>2. Based on the climate risk and opportunity factors suggested by TCFD, evaluate the short, medium, long term risk and opportunity values by the occurrence rate, frequency and possible impacts, and identify the priority entities and transformation risks. Through cross-departmental discussions on the identified climate-related risks and opportunities, and based on the professional experience of each unit, we assessed the potential operational and financial impacts of major climate risks and opportunities on the company, analyzed the climate scenarios and ranked the risks, and identified the transformation risks in accordance with the International Energy Agency's (IEA) Global Energy Outlook (WEO) 2022, which is the most comprehensive and comprehensive global climate risk analysis and risk management framework. Transformation risk was analyzed based on the three scenarios of the World Energy Outlook (WEO) of the International Energy Agency (IEA), and physical risk was analyzed based on the Sixth Assessment Report (AR6) released by the Intergovernmental Panel on Climate Change (IPCC) in August 2021, which is a methodology to analyze the impact of climate scenarios on the Company's operations and finances. The analysis is based on the AR6 methodology.</p> <p>3. With reference to the above scenarios and assumptions on the future climate trends in Taiwan, the Company estimates that under the ideal mitigation scenario (SSP1-2.6) and the worst case scenario (SSP5-8.5), the possible negative impacts on the Company due to extreme weather events in the middle of the 21st century (2050) are as follows:</p> <ol style="list-style-type: none"> ① The maximum number of consecutive days without rainfall in a year will increase by approximately 5.5%, which may result in losses due to droughts, the need to use water trucks to carry water, and the reduction or shutdown of production due to insufficient water intake, which is estimated to account for 8.3% of ThinTech's annual revenues. ② The proportion of strong typhoons has increased by approximately 100% and the intensity of rainstorms has increased by approximately 20%, and it is estimated that the losses of the Company due to typhoons and rainstorms will double compared to 2022. <p>4. The Sustainable Development Group held a meeting to discuss the TCFD, and according to its structure, through cross-departmental discussions, analyzed the impacts of policies and regulations, technology, market and reputation, and immediate and long-term climate risks on the Company one by one, and carried out identification reviews from time to time to ensure that the results of the identification are in compliance with the current situation.</p> <p>Based on the results of climate risk identification, the Sustainable Development Team and the Greenhouse Gas Inventory and Reduction Promotion Team will work out a response plan, which will be included in the routine meetings for tracking and management, and the working group will follow the PDCA cycle for improvement, so that effective management can be achieved through long-term and continuous improvement.</p> <p>5.TTMC has modeled the transition risk scenarios with reference to the three major scenarios explored by WEO in 2022, which are categorized as follows, primarily based on different assumptions about government policy:</p> <ol style="list-style-type: none"> ① Stated Policy Scenario (STEPS) describes the trajectory of development under the current policy environment. ② The APS assumes that the government's declared targets are met in full and on time, including the long-term net-zero emissions target and the energy access target. ③ The Net Zero Emissions Scenario (NZE) for 2050 proposes a scenario that stabilizes global average warming at 1.5°C and achieves universal access to modern energy by 2030. <p>The simulated physical risks were analyzed in accordance with the IPCC AR6 methodology, and the possible impacts of production in Taiwan production bases were simulated under ideal mitigation scenarios (SSP1-2.6) and worst case scenarios (SSP5-8.5) with reference to the "Summary of Scientific Key Points of the Sixth Assessment Report of the IPCC on Climate Change and Updated Report on Climate Change Analysis in Taiwan" to assess the impacts of extreme climate events on the distribution of Taiwan customers. The impacts of extreme weather events on customer distribution in Taiwan were assessed.</p> <p>6. In terms of the matrix analysis of the degree of impact and likelihood of occurrence of the transformation plan for managing climate-related risks, the first priority is to meet the requirements of TTMC's major customers, who hope to reduce carbon emissions by 20% by 2020-2030. It is necessary to improve the energy and resource efficiency standards of various assets and actively invest in energy management systems (EMS) combined with production technology upgrades to increase costs. The contents and goals of the plan include:</p> <ol style="list-style-type: none"> ① Reduce greenhouse gas emissions year by year from 2017 onwards, and achieve the goal of reducing greenhouse gas emissions through measures such as energy-saving training, daily power conservation, process equipment efficiency and load reduction, and traffic and transportation control and optimization, but the rate of reduction is

<p>7. If internal carbon pricing is used as a planning tool, the basis for price setting should be stated.</p> <p>8. If climate-related targets are set, the activities covered, the scope of greenhouse gas emissions, the planning period, and the annual progress of achievement should be described; if carbon offsets or renewable energy certificates (RECs) are used to achieve the relevant targets, the source and quantity of carbon reduction credits or the quantity of renewable energy certificates (RECs) offset should be described.</p> <p>9. GHG inventory and confirmation situation (fill in 1-1 separately).</p>	<p>decreasing year by year, highlighting the difficulty of reducing emissions year by year.</p> <p>② In accordance with the 2020~2030 Carbon Reduction Target Scenario (APS) for major customers, the implementation of the APS from 2020 to 2022 has already resulted in a carbon reduction benefit of approximately 4%. The next 6% carbon reduction target of TTMC is expected to be toward energy saving in refrigeration (air conditioning) equipment. According to the WEO 2022 Executive Summary report, there is a need to focus on the demand for refrigeration, which will be the second largest source of overall growth in global electricity demand over the next few decades (the first being electric vehicles). Many of the air conditioners currently in use are only required to meet lower energy efficiency standards, and the need to raise energy efficiency standards will increase costs considerably.</p> <p>③ On the other hand, we are actively investing in the construction of an energy management system (EMS) to diagnose equipment operation problems, correctly identify the causes of energy consumption, monitor system performance over the long term, develop energy-saving management strategies and track benefits, manage and control electricity consumption, and provide a specific basis for budgeting and execution of operation and maintenance costs.</p> <p>④ It is estimated that in the STEPS scenario, the increase in manufacturing costs by 2030 will be about 1% per year compared to the APS scenario, where the energy conservation of refrigeration (air-conditioning) equipment and energy management system (EMS) measures are invested in the above scenarios.</p> <p>7. The Company does not use internal carbon pricing as a planning tool.</p> <p>8. Refer to 1-1 and 1-2 below.</p> <p>9. Refer to 1-1 below.</p>
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1-1-1 Greenhouse Gas Inventory and Confirmation Situation of the Company in the Last Two Years

1-1-1 Greenhouse Gas Inventory Information

Greenhouse gas emissions for the last two years are summarized in the table below: The inventory in areas 1 and 2 is for the parent company's Taiwan plant and has not been verified by a third party.

Year	Direct Scope I (tons CO ₂ e)	Energy Indirect Scope II (tons CO ₂ e)	Other Indirect Scope III (tons CO ₂ e)	Intensity (tons CO ₂ e/ton of product)
2017 (Base Year)	335.469	2591.280	No statistics available	5.62
2023	192.70	1760.28	No statistics available	5.13
2024	250.28	1863.01	No statistics available	4.98

1-1-2 Greenhouse Gas Verification Information

The Company expects to conduct an external verification of GHG emissions in 2026.

1-2 Greenhouse Gas Reduction Targets, Strategies and Specific Action Plans

In order to continue to achieve the international reduction trend, the Company conducts reduction tracking through the greenhouse gas inventory and reduction team, and proposes a carbon neutral pathway plan for 2022 to 2050, with green electricity, green hydrogen, and electric vehicles as the main concepts, and implements carbon reduction in the design and selection of non-carbon emitting materials, power-saving production, and green transportation, etc. The Company has implemented an annual greenhouse gas inventory since 2017, and the reduction plan is based on the following units, the Company has been conducting annual greenhouse gas inventories to establish a greenhouse gas emission baseline based on the amount of carbon emissions per unit of product (greenhouse gas emission density). The Company has set 2017 as the baseline year for energy conservation and carbon reduction, and plans to reduce the amount of carbon emissions year by year in order to achieve the long-term goal of carbon management of carbon neutrality by 2050.

Carbon Neutral Path Planning Table			
	Short-term Objectives	Medium Term Objectives	Long-term goals
Time	2025 年	2030 年	2050 年
Carbon Reduction Targets	25% reduction from 2017 emissions	40% reduction in emissions from 2017	To achieve carbon neutrality as a goal
Strategies and Specific Action Plans	<ol style="list-style-type: none"> 1. Discontinue the energy-consuming process. 2. Cover bonding hot plate with thermal blanket. 3. Reduce load on non-essential equipment. 4. Optimize air-conditioning and cooling water system performance. 5. Optimize logistics routes. 6. Installation of solar power generation equipment. 7. Replacement of energy-saving equipment (replacement of energy-saving lamps, air compressors, chilled water mainframes...) 8. Other feasible solutions. 	<ol style="list-style-type: none"> 1. Evaluating hydrazine smelting fuels by replacing natural gas with electricity, green chlorine, or other carbon-free fuels. 2. Replace oxyacetylene cutting with oxyhydrogen cutting machine for metal cutting. 3. Revise the SOP for mold heating in the silver production line to reduce the consumption of natural gas. 4. Gradually replace air conditioners with environmentally friendly refrigerants. 5. Gradually replace gasoline-powered buses with electric or petrol-electric vehicles. 6. Purchase green electricity year by year. 7. Other feasible options. 	<ol style="list-style-type: none"> 1. Gradually replace diesel trucks with electric or petrol-electric trucks. 2. Fully utilize factory space to install renewable energy generators. 3. Purchase green electricity year by year.

In 2024, the Company's direct GHG emissions (Scope 1) amounted to 205.283 metric tons of CO₂e/year, accounting for 9.93% of the total emissions, indirect GHG emissions (Scope 2) amounted to 1,863.008 metric tons of CO₂e/year, accounting for 90.13% of the total emissions, and there were no statistics related to other indirect (Scope 3).

Total greenhouse gas emissions in 2024 will be 2,068.292 metric tons of CO₂e/year, a decrease of 858.457 metric tons of CO₂e (29.34%) compared to the base year of 2017, with a reduction of 11.45% in greenhouse gas emissions intensity compared to the base year of 2017, meeting the annual carbon reduction target of 3%.

The information disclosed below is the information of our parent company's Taiwan plant and has not been verified by a third party.

▼ Statistics on Greenhouse Gas Emissions in the Past 8 Years

year	Carbon Emissions (metric tons CO ₂ e)	Annual Carbon Emission Reduction Rate	Total Product Sales Volume (kg)	Greenhouse Gas Emission Intensity (kg CO ₂ e/kg product)	Greenhouse Gas Emission Intensity Carbon Reduction Rate (%)	
2017	2,926.749	Base year	520,421	5.62	Base year	
2018	2,730.229	6.71%	526,856	5.18	↓	7.85%
2019	2,385.513	18.49%	519,900	4.59	↓	18.41%
2020	2,391.705	18.28%	554,115	4.32	↓	23.25%
2021	2,227.680	23.89%	535,522	4.16	↓	26.03%
2022	2,033.373	30.52%	404,630	5.03	↓	10.64%
2023	1,952.982	33.27%	380,464	5.13	↓	8.72%
2024	2,068.292	29.34%	442,258	4.98	↓	11.45%

year	Total Emissions	Direct GHG Emission Scope I		Indirect Gas Emission Scope II		Other Indirect Emissions Scope III	
	Metric tons of CO2e/year	Metric tons of CO2e/year	Percentage	Metric tons of CO2e/year	Percentage	Metric tons of CO2e/year	Percentage
2017	2,926.749	335.469	11.46%	2591.280	88.54%	No statistics available	
2018	2,730.229	314.673	11.53%	2415.556	88.47%	No statistics available	
2019	2,385.513	290.362	12.17%	2095.150	87.83%	No statistics available	
2020	2,391.705	241.720	10.11%	2149.986	89.89%	No statistics available	
2021	2,227.680	224.288	10.07%	2003.391	89.93%	No statistics available	
2022	2,033.373	206.808	10.17%	1826.565	89.83%	No statistics available	
2023	1,952.982	192.703	9.87%	1760.280	90.13%	No statistics available	
2024	2,068.292	205.283	9.93%	1,863.008	90.07%	No statistics available	
Remarks: Direct GHG emissions include stationary combustion emission sources, mobile combustion emission sources, fugitive emission sources, process emission sources, etc.; indirect GHG emissions, the main source of which is purchased electricity.							

(VIII) Implementation of ethical management:

Item	Operations			Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the reasons therefor
	Yes	No	Brief description	
I. Formulation of ethical management policies and plans (I) Has the company formulated an ethical management policy approved by the board of directors and disclosed the policy and practice of ethical management in its regulations and public documents? Are the board of directors and the senior management committed to actively implementing the policy?	(I) V		(I) 1. The Board of Directors of the Company formulates the “Ethical Corporate Management Best Practice Principles”, the “Code of Ethical Conduct”, the “Insider Trading Prevention Management Procedures”, and the “Procedures for Handling Material Inside Information” to specify the matters to be paid attention to by all employees of the Company in the implementation of business; Adhering to the business philosophy of integrity, transparency, and responsibility, we comply with the Company Act, the Securities and Exchange Act, the Business Entity Accounting Act, the Political Donations Act, the Anti-Corruption Act, the Government Procurement Act, the Act on Recusal of Public Servants Due to Conflicts of Interest, the regulations on listing on Taiwan Stock Exchange and Taipei Exchange, and other laws and regulations on business conduct, to enhance our ethical management. The Company's Rules of the Procedure for Board of Directors Meetings has specified a mechanism for directors to recuse themselves from discussion and voting on proposals in board meetings, in which their person interest is involved, and we also specify the punishments for employees receiving improper gifts in the work rules and the labor contract, as the basis for implementing ethical management. 2. Before new directors and top-level managers take office, we raise their awareness of the Ethical Corporate Management Best Practice Principles, the Code of Ethical Conduct, the Insider Trading Prevention Management Procedures, and the Procedures for Handling Material Inside Information, and laws on insider trading and insider equity at companies listed on Taipei Exchange or the emerging stock market and matters to be noted; require them to sign major ethics statements, including the Declaration of No Violation of Integrity Principles, the Institutional Director/Independent Director Confidentiality Agreement, and the Insider Trading Prevention Confidentiality Agreement. In addition, we request independent directors to issue the Independent Director Nominee Statement, the Independent Director Statement upon Elected, and the Independent Director Statement in Office; the Company issued the Independent Director Checklist upon Elected and in Office as required. 3. The Company arranges courses related to ethical management every year, and the Administrative Management Department raised new and existing directors, managers, and employees' awareness of applicable laws and regulations at least once every year and send presentation files to all directors, managers, and employees, and disclose the implementation results on the Company's website and in this annual report.	(I)-(III)It is aligned with the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies.
(II) Has the company established an assessment mechanism for the risk of unethical conduct to regularly	(II) V		(II) The Company has clearly stipulated in the Ethical Corporate Management Best Practice Principles that directors, managers, employees, or persons with substantive control over the Company shall not directly or indirectly offer, promise to offer, request or	

Item	Operations			Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the reasons therefor
	Yes	No	Brief description	
<p>analyze and evaluate the business activities with high risk of unethical conduct within the business scope and formulated a prevention plan accordingly, at least covering the prevention measures for the acts under each subparagraph under Article 7, paragraph 2 of the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies?</p> <p>(III) Has the company clearly specified operating procedures, guidelines for conduct, and a violation punishment and complaint system in the unethical conduct prevention plan and duly implemented them? Does the company regularly review and revise said plan?</p>	(III) V		<p>accept any improper benefits, nor commit unethical acts including breach of ethics, illegal acts, or breach of fiduciary duty and disclosed it on the Company's intranet for all employees follow accordingly. The Company's auditors have included business activities at a high risk of unethical conduct, including level-by-level delegation and job substitution, credit management, compliance during operations, return and exchange, discount, and client complaint response, in the annual audit plan and implemented it accordingly.</p> <p>The scope of the prevention program under Article 7 of the Company's Ethical Corporate Management Best Practice Principles:</p> <p>The Company shall establish an assessment mechanism for the risk of unethical conduct to regularly analyze and evaluate the business activities at a high risk of unethical conduct within the business scope, as per which it shall formulate a prevention program accordingly and regularly review the appropriateness and effectiveness of the prevention program.</p> <p>The Company's prevention program shall at least cover preventive measures for the acts below:</p> <ol style="list-style-type: none"> I. Offering and acceptance of bribes. II. Illegal political donations. III. Improper charitable donations or sponsorship. IV. Offering or acceptance of unreasonable gifts, hospitality, or other improper benefits. V. Misappropriation of trade secrets or infringement of trademarks, patents, copyrights, or other intellectual property rights. VI. Engaging in unfair competitive practices. VII. Damage directly or indirectly caused to rights or interest, health, or safety of consumers or other stakeholders in the course of research and development, procurement, manufacturing, provision, or sale of products and services. <p>(I) The Company has specified in the unethical conduct prevention program the Ethical Corporate Management Best Practice Principles, the Code of Ethical Conduct, the Insider Trading Prevention Management Procedures, the Procedures for Handling Material Inside Information, and the Whistleblowing System Management Regulations to clearly define illegal acts as well as the reporting channels and processing procedures in the event of any violations. The disciplinary actions are taken in accordance with the work rules and are included in the annual audit plan per year to review the Company's compliance. The Audit Committee regularly checks the implementation of the integrity management and reports to the Board of Directors. In addition, we review the above management regulations annually and amend them immediately, if necessary, to conform to practice.</p> <p>(II) The Board of Directors regularly tracks the progress of improvement after the audit recommendations are presented and submits the completed improvement measures to the independent directors for review in accordance with regulations, which is an important mechanism for the Board of Directors to supervise the implementation of the integrity management policy.</p>	
<p>II. Implementation of ethical management</p> <p>(I) Does the company evaluate each counterparty's records for ethics? Has the company specified the terms of ethical conduct in each contract signed with each counterparty?</p> <p>(II) Has the company established a dedicated (concurrent) unit under the board of directors to conduct ethical corporate management, regularly (at least once a year) report to the board of directors on its ethical management policies and</p>	(I) V (II) V		<p>(I) Before engaging in formal business activities with business partners, we conduct evaluations of their ethical conduct and other indicators and require them to include ethical management in the contract terms or clearly define integrity requirements after we proceed to work with them, to show their compliance with our regulations on integrity.</p> <p>(II) We offer courses on ethical management every year, and the Administrative Management Department is responsible for offering relevant ethical management courses and holding awareness-raising events each year. The heads of various departments assist in promoting ethical management policies and prevention programs. The audit unit regularly audits the implementation of our ethical management and reports on its</p>	(I)-(V) It is aligned with the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies.

Item	Operations			Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the reasons therefor															
	Yes	No	Brief description																
prevention plans for unethical conduct, and supervise the implementation?			implementation to the Board of Directors, with the last such report being on Oct. 30, 2024, from which the implementation results have since been disclosed on the website and in this annual report.																
(III) Has the company formulated policies to prevent conflicts of interest, provided appropriate methods for stating one's conflicts of interest, and implemented them appropriately?	(III) V		(III) The Company has formulated the Rules of the Procedure for Board of Directors Meetings, the Ethical Corporate Management Best Practice Principles, the Code of Ethical Conduct, the Insider Trading Prevention Management Procedures, and the Procedures for Handling Material Inside Information as per law to cope with directors' managers' or employees' interest conflicting with the Company's. We also raise their awareness in this regard from time to time. In the case of a conflict of interest in the Company's business, such personnel should inform their supervisors in advance and avoid such a conflict. The Whistleblowing Mechanism Management Regulations are adopted as a reference for the reporting channels and handling procedures in the event of any violations.																
(IV) Has the company established an effective accounting system and an internal control system for the implementation of ethical management and assigned the internal audit unit to formulate relevant audit plans based on the assessment results of the risk of unethical conduct and audit the compliance with the unethical conduct prevention plan accordingly or commissioned a CPA to perform such audits?	(IV) V		(IV) The Company has established an effective accounting system and an internal control system in accordance with the Ethical Corporate Management Best Practice Principles. We implement the systems based on the principle of integrity and review them at any time to ensure that they continue to be effective. The auditors regularly audit the compliance with the systems in the preceding paragraph and prepare an audit report and submit it to the Board of Directors. The Company's internal audit unit has formulated relevant audit plans based on the risk assessment results and audited and prevented unethical conduct accordingly. No unethical conduct occurred in the Company during 2023.																
(V) Does the company regularly hold internal and external education and training on ethical management?	(V) V		<p>(V) The Company regularly plans and conducts training courses on the Code of Conduct, corporate governance, and other integrity management related courses for directors, managers, and new and existing employees, and arranges for relevant personnel to receive internal and external training courses as needed. In 2024, the actual implementation of internal and external education and training (including courses and training on information security and confidentiality, laws and regulations, insider/short term trading and stock market volatility related laws and regulations, corporate integrity management, code of ethical conduct, work rules, production management, production operation training, safety and health in-service education and training, and internal control) totaled 1,620 persons, excluding members of the Board of Directors, work rules, production management, production operation training, safety and health on-the-job education and training, and internal control, etc.), excluding directors, totaled 1,620 person-times and 3,264 person-hours, with a cumulative average of 15.77 hours per person. The following information is disclosed in accordance with corporate governance and integrity management:</p> <ol style="list-style-type: none"> 1. A total of 7 directors (including 3 independent directors), the head of corporate governance, the head of finance and treasury, and the auditors (including agents) of the Company, who were newly appointed and reappointed in 2024, have completed a total of 52 hours of training as required by the law, which is in compliance with the provisions of the Code of Corporate Governance Practices. <table border="1"> <thead> <tr> <th>Class</th><th>Corporate governance</th><th>Risk Management</th><th>ESG</th><th>Act Taxation</th></tr> </thead> <tbody> <tr> <td>Number of persons</td><td>1</td><td>4</td><td>6</td><td>2</td></tr> <tr> <td>Hours</td><td>3</td><td>12</td><td>30</td><td>7</td></tr> </tbody> </table> <ol style="list-style-type: none"> 2. We reported to the Board of Directors on the operation and implementation of ethical management on Oct. 30, 2024. (1) Our education and training system is divided into internal training, external training and on-the-job training. 	Class	Corporate governance	Risk Management	ESG	Act Taxation	Number of persons	1	4	6	2	Hours	3	12	30	7	
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			<p>(2) In 2024, directors, managers, and employees attended internal and external training courses related to honest management and ethical code of conduct, as well as courses on the prohibition of insider trading, in which directors were reminded that they should not trade in their shares during the closed period of 30 days prior to the announcement of the annual financial report and 15 days prior to the announcement of the quarterly financial report, and that the “Article 43-1-1 of the Securities and Exchange Act” had been implemented to ensure that shareholders holding 5% or more of the shares of the Company would be informed of this prohibition, and that a total of 728 meetings were held and 715 hours were spent on this matter. As shown in the table below, the Company has complied with the requirements of the Code of Corporate Governance Practices. The results of the above implementation are disclosed on the Company's website https://reurl.cc/MRXI8m.</p> <table><tr><th>Internal/External training</th><th>Category of course</th><th>Number of people</th><th>Number of hours</th></tr><tr><td>External training</td><td>Internal audit</td><td>24</td><td>168</td></tr><tr><td>Internal/External training</td><td>Information Security</td><td>83</td><td>222</td></tr><tr><td>External training</td><td>corporate governance</td><td>1</td><td>3</td></tr><tr><td>External training</td><td>Risk management</td><td>8</td><td>24</td></tr><tr><td>External training</td><td>ESG Related Courses</td><td>6</td><td>30</td></tr><tr><td>External training</td><td>Discussion on the Labor Incident Act</td><td>23</td><td>95</td></tr><tr><td>Internal training</td><td>Research on Labor Laws and Related Ordinances</td><td>7</td><td>23</td></tr><tr><td>Internal awareness-raising event</td><td>In 2024 the Board of Directors held 8 board meetings and announced in writing on 1/15, 4/15, 7/8, and 10/11 to new and existing directors, managers, employees, significant units and subsidiaries that they should not trade their shares during the closed period of 30 days prior to the announcement of the annual financial report and 15 days prior to the announcement of the quarterly financial report, respectively.</td><td>166</td><td>100%</td></tr><tr><td>Internal awareness-raising event</td><td>On January, April, July, August, October, and December, 2024, the Company provided written guidance to new and existing directors, managers, employees, significant units, and subsidiaries regarding the laws and regulations on “Stock Option Changes by Insiders and Their Affiliates,” “Vesting Rights for Insider and Short-Term Trading,” “Stock Price Manipulation,” and “Acquisition of Large Quantities of Equity Shares and Treasury Shares,” respectively.</td><td>177</td><td>100%</td></tr><tr><td>Internal awareness-raising event</td><td>In 2024, the Company conducted company-wide 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office.</td><td>3</td><td>100%</td></tr><tr><td rowspan="3">Signing the Declaration of Integrity in Business</td><td>1.Signing of a confidentiality agreement by newly hired employees</td><td>1</td><td>100%</td></tr><tr><td>2.The new manager signs a declaration of integrity (e.g., a declaration of no breach of the principle of integrity, a confidentiality agreement, etc.).</td><td>3</td><td>100%</td></tr><tr><td>3.Signed 41 Customer Confidentiality Agreements (CCAs) or 23 NDAs with specific customers.</td><td>64</td><td>100%</td></tr><tr><td>Supplier Commitment</td><td>New suppliers sign the "Declaration of Sustainable Development" and "Hazardous Substances Non-Use Guarantee".</td><td>6</td><td>100%</td></tr></table>	Internal/External training	Category of course	Number of people	Number of hours	External training	Internal audit	24	168	Internal/External training	Information Security	83	222	External training	corporate governance	1	3	External training	Risk management	8	24	External training	ESG Related Courses	6	30	External training	Discussion on the Labor Incident Act	23	95	Internal training	Research on Labor Laws and Related Ordinances	7	23	Internal awareness-raising event	In 2024 the Board of Directors held 8 board meetings and announced in writing on 1/15, 4/15, 7/8, and 10/11 to new and existing directors, managers, employees, significant units and subsidiaries that they should not trade their shares during the closed period of 30 days prior to the announcement of the annual financial report and 15 days prior to the announcement of the quarterly financial report, respectively.	166	100%	Internal awareness-raising event	On January, April, July, August, October, and December, 2024, the Company provided written guidance to new and existing directors, managers, employees, significant units, and subsidiaries regarding the laws and regulations on “Stock Option Changes by Insiders and Their Affiliates,” “Vesting Rights for Insider and Short-Term Trading,” “Stock 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Item	Operations			Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the reasons therefor
	Yes	No	Brief description	
<p>III. Implementation of the Company's whistleblowing system</p> <p>(I) Has the company formulated a specific whistleblowing and reward system, established a convenient whistleblowing method, and assigned appropriate personnel to handle the party accused?</p> <p>(II) Has the company formulated standard operating procedures for investigation of reported cases, the follow-up measures to be taken after the investigation is completed, and a confidentiality mechanism?</p> <p>(III) Does the company take measures to protect whistleblowers from being mistreated due to their whistleblowing behavior?</p>	<p>(I) V</p> <p>(II) V</p> <p>(III) V</p>		<p>(I) The Company has a complaint hotline and a complaint email as complaint channels. Employees can anonymously file complaints about any violations of integrity by phone or email or to auditors, the human resources personnel, or the management. In order to ensure the effective operation of the whistle blowing mechanism, <u>the whistleblowing mailbox whistleblower@e-ttmc.com.tw</u> was appointed as an independent director (the committee member of the Audit Committee) and the audit were received simultaneously.</p> <p>(II) The Company has established relevant procedures in the "Regulations Governing the Whistleblower System", whereby the Audit Office receives complaints and files them and completes the "Record of Complaints Received by the Audit Office".</p> <p>The total number of complaints (whistleblowing) handled in 2024 was zero, which was handled by the relevant unit after careful investigation and verification, and the result of which was that there was no violation of operational regulations such as major corruption or impact on the Company's operations.</p> <p>(III) As per the Company's Ethical Corporate Management Best Practice Principles and Code of Ethical Conduct, we accept anonymous reports in accordance with the Whistleblowing System Management Regulations and keep each whistleblower's identity and the content of the report confidential to safeguard their personal safety.</p>	<p>(I)- (III)It is aligned with the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies.</p>
<p>IV. Enhanced information disclosures</p> <p>Has the company disclosed the content of its Corporate Governance Best Practice Principles and the effectiveness of the implementation of the principles on its website and the MOPS?</p>	V		<p>We have disclosed the Ethical Corporate Management Best Practice Principles and the Code of Ethical Conduct on the MOPS; in the Articles of Incorporation and Important Internal Regulations under the Investor section on the official website, we have disclosed the Ethical Corporate Management Best Practice Principles, the Code of Ethical Conduct, the Insider Trading Prevention Management Procedures, and the Procedures for Handling Material Inside Information. We also disclosed the implementation situation and results in the Ethical Management section. We published the Employee Code of Conduct and cases of punishments for violations on the Company's intranet to raise employees' awareness.</p>	<p>It is aligned with the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies.</p>
<p>V. If the company has formulated its own Ethical Corporate Management Best Practice Principles as per the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies, please specify the difference between its operation and the principles:</p> <p>The Company, in accordance with the relevant internal control measures of the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies" and after deliberation and approval by the Board of Directors, has established the "Ethical Corporate Management Best Practice Principles" and "Code of Ethical Conduct". On October 26, 2022 and May 5, 2023, we revised the "Insider Trading Prevention Processing Procedures" and "Internal Important Information Processing Procedures". On May 5, 2023, we additionally revised Article 10 of the "Corporate Governance Best Practice Principles" The Company shall attach importance to the right of shareholders to know and guard against the relevant provisions of insider trading, and on January 14, 2022, revise the "Management Measures for Whistleblowing", and establish a good corporate governance and risk control mechanism based on the business philosophy of integrity, fairness, transparency, self-discipline and responsibility, so as to seek the sustainable development of the Company. Therefore, there is no difference.</p>				
<p>VI. Other important information that facilitates the understanding of the company's ethical management (e.g., reviewing and amending the company's corporate governance best practice principles):</p> <p>Adhering to the business philosophy of integrity, transparency, and responsibility, we fulfill our responsibilities for compliance with laws and regulations to the public sector, for honest transactions to suppliers and clients, and for ethical management to our shareholders; prevent our directors, managers, or employees from violating the principles of ethical management to prevent any unethical conduct from causing damage to our goodwill or leading to any legal liabilities. The details are specified below:</p> <p>(I) Responsibilities for compliance with laws and regulations to the public sector:</p> <p>We comply with the Company Act, the Securities and Exchange Act, the Business Entity Accounting Act, the Political Donations Act, the Anti-Corruption Act, the Government Procurement Act, the Act on Recusal of Public Servants Due to Conflicts of Interest, and other laws and regulations on taxation, to duly implement ethical management.</p> <p>Responsibilities for honest transactions to suppliers and clients:</p> <p>(II) Fulfillment of the duty of good faith trading to vendors and customers:</p> <p>In the supplier management program, the Company stipulates that suppliers and contractors should cooperate with the Company in implementing corporate sustainability policies and commitments, environmental safety and health policies, and sign the "Declaration of Supplier Sustainability," the "Guarantee of Non-Use of Hazardous Substances Management," and the "Declaration of Conflict Minerals Policy. If a supplier/contractor violates any policy, which has caused a significant impact on the environment and society, we may terminate the partnership with the supplier/contractor at any time. They should also cooperate with the Company in conducting relevant inspections, regular inspections, and audits and are not allowed to, directly or indirectly, offer the Company's employees rebates, commissions, improper gifts, rewards, etc, which may undermine our ethical management.</p> <p>(III) Responsibilities for ethical management to our shareholders:</p> <p>We treat our shareholders sincerely and faithfully. In addition to respecting their opinions, complaints, and formal resolutions, we disclose correct information in real time to safeguard their rights and interest.</p> <p>(IV) To prevent directors, managers or employees from taking any actions in violation of good faith:</p>				

Item	Operations			Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the reasons therefor
	Yes	No	Brief description	
			We have formulated the “Ethical Corporate Management Best Practice Principles”, the “Code of Ethical Conduct, the Insider Trading Prevention Management Procedures”, the “Procedures for Handling Material Inside Information”, “Corporate Governance Best Practice Principles” and established various internal control and internal audit systems. The internal auditors regularly audit such systems and then prepare audit reports and submit them to the Board of Directors, while regularly evaluating employees’ morality and ethics, performing duties faithfully for directors, supervisors, managers, or employees from time to time, and raising their awareness of laws and regulations to prevent them from acting in their own interest or that of a third party in violation of laws or in any way that would harm the Company’s assets, or engaging in insider trading with important information they learn from work.	
(V)			To enable new employees to understand the Company's determination to operate in good faith, ethical management policies, prevention programs, and the consequences of unethical conduct, they must pass the Company's pre-employment training test and proof of signature.	

(IX) Other important information to enhance your understanding of corporate governance practices: None.

(X) The implementation status of the internal control system shall disclose the following matters:

(1) The statement of internal control is as follows:

Please refer to Market Observation Post System > Single Company > Corporate Governance > Corporate

Regulations/Internal Controls → Statement of Internal Controls Announcement (Company Code: 3663)

Website address: <https://mops.twse.com.tw/mops/#/web/t06sg20> or Please refer to page 123.

(2) The report of the accountant's review should be disclosed if the accountant's project is commissioned to review the internal control system: None.

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

1. Contents and implementation of important resolutions of the 2024 Annual General Meeting of Shareholders:

E-voting at the 2024 Annual General Meeting of Shareholders of the Company accounted for 57.56% of the total number of voting rights of the total number of shares in issue, with a total number of 44,108,474 shares of shareholders in attendance and a ratio of the number of shares present to the number of shares in issue of all shares of 60.01%, and all the motions were All the motions were voted on by poll on a case-by-case basis.

(1) To approve the 2023 Annual Business Report and Financial Statements of the Company.

(2) To approve the appropriation of the 2023 annual earnings.

Circumstances: The proposal to distribute cash dividends (NT\$0.6 per share) from the Company's FY2023 earnings was approved by a vote of the Company's Board of Directors and the Chairman of the Board of Directors was authorized to set an ex-dividend date of May 14, 2024, and the dividend of NT\$44,100,776 was fully paid on June 12, 2024.

2. Board of Directors

Board of Directors Date/Session	Content of proposal	Board of Directors Resolution results
2024.01.16 6th meeting of the 9th term	Proposal 1 in the discussions: Revision of the Code of Practice for Transactions with Specified Companies, Group Enterprises, and Affiliates.	Passed by all directors present.
	Proposal 2 in the discussions: To set the date, time, place, period for receipt of proposals, premises and agenda of the 2024 Annual General Meeting of the Company.	Passed by all directors present.
2024.02.16 7th meeting of the 9th term	Discussion item No. 1: The Company's 2023 Annual Report of Operations and Financial Statements case.	All directors present agreed to approve. The independent director suggested that the stock of spare parts should be coordinated with production and sales to avoid stagnation.
	Discussion item No. 2: The Company's 2023 Annual Distribution of Directors' Compensation and Employees' Compensation.	Passed by all directors present.
	Discussion item No. 3: Appropriation of the 112th Annual Surplus of the Company	Passed by all directors present.
	Discussion item No. 4: Presentation of the "Report on Self-inspection of the Internal Control System (including the Statement of Internal Control System)" of FY2023.	Passed by all directors present.
	Discussion item No. 5: Presentation of the Company's 2023 Annual Salary and Adjustment Plan for the Chairman of the Board of Directors and the President of the Company.	After Chairman Lee ,Chao-Hsiang President Pan Yeong-Tsuen , Vice President of Technology, Treasurer, and stock officers left the meeting to excuse themselves from the meeting, the approval was approved with the consent of all directors present.
	Discussion item No. 6: Evaluation of the Independence of Certified Public Accountants and Audit Quality Indicator (AQI) Report.	Passed by all directors present.
	Discussion item No. 7: To report on the increase in the Company's foreign exchange quota.	Passed by all directors present.
	Discussion item No. 8: Increase a new agenda item for the 2024 Annual Meeting of Shareholders of the Company.	Passed by all directors present.
2024.05.07 8th meeting of the 9th term	Discussion item No. 1: The Company's consolidated financial statements for the first quarter of FY2024 are presented in the following table.	Passed by all directors present.
	Discussion item No. 2: Presentation of ESG short-, medium- and long-term goals and the 2023 Annual Sustainability Report.	Passed by all directors present.
2024.06.17 9th meeting of the 9th term	Discussion Item No. 1: Proposed disposal of 100% equity interest in Taicang ThinTech Materials Co.	Passed by all directors present.
	Discussion Item No. 2: Amendments to the Company's "Rules of Organization" and "Organizational Chart".	Passed by all directors present.
	Discussion item No. 3: Amendments to the Company's "Payroll Regulations".	Passed by all directors present.
	Discussion item No. 4: It is proposed to engage Mr. Fung, Fu-An and Mr. Lin Yen Chin as consultants of the Company.	Passed by all directors present.
	Discussion item No. 5: Adjustment of the subsidy for carriages of the Company's directors for attending meetings.	Passed by all directors present.
2024.07.31 10th meeting of the 9th term	Discussion Item No. 1: The Company's Consolidated Financial Statements for the Second Quarter of FY 2024.	Passed by all directors present.
	Discussion item No. 2: The Company short-term bank credit line increase case of FY 2024.	Passed by all directors present.
	Discussion item No. 3: The Company reported that it had adjusted the credit line of the Company's capital investment in the Company.	Passed by all directors present.
	Discussion item No. 4: Presentation of the Company's endorsement of a guarantee line for a reinvestment company.	Passed by all directors present.
	Discussion item No. 5: The Company's third domestic secured convertible bonds were converted to common stock and issued new shares in the second quarter of FY2024.	Passed by all directors present.
	Discussion item No. 6: Amendments to the Company's "Rules and Regulations Governing the Organization of the Audit Committee".	Passed by all directors present.
	Discussion item No.7: Amendments to the Company's "Code of Corporate Governance Practices".	Passed by all directors present.
	Discussion item No. 8: Amendments to the Company's "Questionnaire on the Board of Directors' Performance Evaluation Method".	Passed by all directors present.

Board of Directors Date/Session	Content of proposal	Board of Directors Resolution results
	Discussion item No.9: The case of the Company's dismissal and appointment of the Vice President of Administration.	After Mr. Lin, Ching-Chun, Vice President and Mr. Hsu Ming-Tsung left the meeting to withdraw from the meeting, it was approved with the consent of all directors present.
2024.10.30 11th meeting of the 9th term	Discussion item No.1: The consolidated financial statements of the Company for the third quarter of FY 2024.	Passed by all directors present.
	Discussion item No. 2: The Company's FY2025 Annual Budget.	Passed by all directors present.
	Discussion Item 3: The Company's FY2025 Annual Audit Program.	Passed by all directors present.
	Discussion item 4: The Company's FY2025 short-term bank credit line	Passed by all directors present.
	Discussion item 5: Report on the adjustment of the Company's employees' salaries and benefits.	All directors present agreed to the approval after the practitioners below the level of vice president left the meeting to withdraw from the meeting.
	Discussion item 6: Conversion of the Company's third domestic secured convertible bonds into common shares and issuance of new shares in the third quarter of 2023.	Passed by all directors present.
	Discussion item 7: The Company's proposed short-term financing of Taicang ThinTech Materials Co.	Passed by all directors present.
	Discussion Item 8: Revision of the Company's internal control system (including the "Internal Control System for Sustainable Information Management").	Passed by all directors present.
	Discussion Item 9: Amendment to the "Table of Authorization" attached to the Company's Level-by-Level Authorization System.	Passed by all directors present.
2024.12.27 12th meeting of the 9th term	Discussion Item No. 1: Report on the salary adjustment for the Chairman and the President of the Company.	After Chairman Lee ,Chao-Hsiang President Pan Yeong-Tsuen, Vice President of Technology, Treasurer, and stock officers left the meeting to excuse themselves from the meeting, the approval was approved with the consent of all directors present.
	Discussion item No. 2: Reappointment of the Company's General Manager and new appointments.	Passed by all directors present.
	Discussion item No. 3: Changing the manager of TTMC branch office.	Passed by all directors present.
	Discussion item 4: Discussion on the change of auditors.	Passed by all directors present.
	Discussion item No. 5: Draft amendment to the Company's "Regulations for Payment of Production and Marketing Surplus Bonus" and draft of the new "Regulations for Management of Employee Compensation".	Passed by all directors present.
	Discussion item 6: Draft amendments to Articles 8, 9, and 21 of the "Rules Governing Board Meetings" of the Company.	Passed by all directors present.
	Discussion item No. 7: Draft amendments to certain provisions of the Company's "Regulations Governing the Election of Directors".	Passed by all directors present.
2024.12.31 13th meeting of the 9th term	Election: Re-election of the ninth session of the Board of Directors of the Company.	All Directors present agreed to elect Mr. Lee, Chien-Hu as the Chairman of the Board.
2025.02.26 14th meeting of the 9th term	Discussion Item No. 1: Business Report, Financial Statements, and "Enhancement of Corporate Value Program of FY2024".	Passed by all directors present.
	Discussion item No. 2: The appropriation of the FY2024 profit and loss is hereby acknowledged.	Passed by all directors present.
	Discussion item No. 3: Cash dividend from capital surplus.	Passed by all directors present.
	Discussion item 4: Presentation of the "Self-assessment report of the internal control system (including the declaration of the internal control system)" for FY2024.	Passed by all directors present.
	Discussion item No. 5: Presentation of the Company's Chairman and President's salary adjustment proposal.	After Chairman Lee, Chien-Hu, President Feng Fu-An, Vice President of Technology, Treasurer and Shareholders left the meeting, it was approved with the consent of all Directors present.
	Discussion Item No. 6: Evaluation of the independence of certified public accountants and audit quality index (AQI) report.	Passed by all directors present.

Board of Directors Date/Session	Content of proposal	Board of Directors Resolution results
	Discussion Item 7: Conversion of the Company's third domestic secured convertible bonds into common shares and issuance of new shares in the fourth quarter of 2013.	Passed by all directors present.
	Discussion Item No. 8: The increase of the Company's short-term bank credit line for FY2025.	Passed by all directors present.
	Discussion Item 9: Draft amendments to Article 13-3, Article 41, and Article 51 of the Company's "Code of Corporate Governance Practices".	Passed by all directors present.
	Discussion Item 10: Draft amendments to Articles 8-1, 10 and 18 of the Company's "Procedures for Acquisition or Disposal of Assets".	Passed by all directors present.
	Discussion Item 11: Draft amendments to Articles 27 and 32 of the Company's Articles of Incorporation.	Passed by all directors present.
	Discussion item No. 12: To lift the restriction on non-competition for the newly added positions of the ninth term directors and managers of the Company.	After Chairman Lee, Chien-Hu, President Feng Fu-An, Vice President of Technology, Treasurer and Shareholders left the meeting, it was approved with the consent of all Directors present.
	Discussion Item No. 13: To set the date, time, place, period for accepting proposals, premises and agenda for the 2025 Annual General Meeting of Shareholders of the Company.	Passed by all directors present.

(XII) During the most recent year and up to the date publication of this annual report, if the directors had different opinions on important resolutions approved by the Board of Directors with records or written statements, the main content of the opinions: None.

III. CPA's information on the Company's public expense

(I) The amounts of audit fees and non-audit public fees paid to the CPAs, their accounting firms, and affiliates thereof, and the content of non-audit services:

Unit: NT\$ thousands

Accounting firm	Name of CPA	Audit period	Audit fees	Non-audit fees	Total	Remarks
Deloitte & Touche	Wang, Chao-Chun	2024.01.01~ 2024.12.31	4,630	1. Business registration fee of NT\$16 thousand.	4,936	
	Kuo, Lee-Yuan			2. Transfer pricing service fee of NT\$290 thousand.		

Notes: Non-audit service content: (such as tax compliance audit, assurance, or other financial advisory services)

(II) If the CPA firm is replaced and the audit fees paid during the year in which the replacement occurs are less than those paid in the prior year, the amount of the decrease in the audit fees and the reason thereof shall be disclosed: N/A.

(III) When the audit fees paid for the current year are lower than those paid for the prior year by 10% or higher, the amount and percentage of the decrease and thereof shall be disclosed: N/A.

IV. Information on replacement of CPAs : N/A.

V. The Chairman, President, Chief Financial Officer, or Chief Accounting Officer, who has been employed by the CPA firm or its affiliates in the most recent year: N/A.

VI. The changes in the transfer or pledge of equity shares by directors, managers, or shareholders holding more than 10% of the shares issued by the Company in the most recent year and up to the publication date of this annual report:

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

Job title	Name	Year 2024		As of March 31, 2025	
		Increase (decrease) in number of shares held	Increase (decrease) in the number of shares pledged	Increase (decrease) in number of shares held	Increase (decrease) in the number of shares pledged
Chairman (Note1)	Gains Investment Corp. Representative: Lee, Chien-Hu	27,471,042	None	None	None
	Gains Investment Corp. Representative: Lee, Chao-Hsiang	None	None	None	None
Director	Gains Investment Corp. Representative: Wu, Chun-Hui	None	None	None	None
Director	United Renewable Energy Co., Ltd. Representative: Pan, Lay-Lay	None	None	None	None
Director (Note1)	Ever Wealthy International Corporation Representative: Hsu, Shun-Chi	(478,000)	None	(180,000)	None
	Ever Wealthy International Corporation Representative: Fang, Ming-Dar				
Independent Director	Tsai, Mi-Ching	None	None	None	None
Independent Director	Liang, Su-Mei	None	None	None	None
Independent Director	Fang, Cheng-Hwa	None	None	None	None
President (Note2)	Feng Fu-An	None	None	None	None
	Pan, Yeong-Tsuen	None	None	None	None
Vice President	Lin, Ching-Fu	(5,000)	None	None	None
Vice President (Note2)	Hsu Ming-Tsung	None	None	None	None
	Lin, Ching-Chun	None	None	None	None
Department Head	Lin, Yu-Chuan	None	None	None	None
Production Plants Acting plant Director (Note3)	Ling, Yung-Fu (note3)	None	None	None	None
Deputy Factory Director	Kuo, Shu-Kai	(280)	None	None	None
Department Head	Huang, Jung-Chang	(1,000)	None	None	None
Department Head	Juan, Wei	None	None	None	None
Department Head	Kuan, Chi-Yun	None	None	None	None
Vice- Department Head	Chang, Chia-Wen	None	None	None	None
Auditor (Note3)	Liu, Cheng-Yen	None	None	None	None
	Cheng Chin-Mei	None	None	None	None
	Yeh, Zi-Yi	None	None	None	None

Note 1: Where the chairman and the president or person in an equivalent position (top-level manager) are the same person, spouses, or relatives within the first degree of kinship, the reason for, reasonableness, necessity thereof, and countermeasures shall be disclosed (e.g., increasing the number of independent directors on the board or having more than half of the directors not concurrently serving as employees or managers): N/A.

Note 2: Mr. Pan, Yeong-Tsuen, the former President, retired on December 31, 2024, and after the Board of Directors' meeting held on December 27, 2024, Mr. Feng, Fu-An was appointed as the new President with an effective date of December 31, 2024. Mr. Lin, Ching-Chun, the former Vice President of Administration, vested in Gains Investment Corporation on August 1, 2024. After the Board of Directors' meeting on July 31, 2024, Mr. Hsu Ming-Tsung was appointed as the new Vice President of Administration with an effective date of August 1, 2024. On September 15, 2024, Mr. Ling, Yung-Fu was promoted to the position of Production Plant Director.

Note 3: On October 4, 2024, the former internal audit officer, Mr. Liu, Cheng-Yen, was transferred to the Finance Department and was temporarily replaced by Ms. Cheng Chin-Mei on the same day. On December 27, 2024, the Board of Directors appointed Ms. Yeh, Zi-Yi as the new internal audit officer with an effective date of January 1, 2025, and Ms. Cheng Chin-Mei stepped down from her position as the temporary internal audit officer on December 31, 2024, to reestablish the Finance Department.

(II) The counterparty to which the equity is transferred by directors, managers, or major shareholders: N/A.

(III) The counterparty to which the equity is pledged by directors, managers, or major shareholders: N/A.

VII. Information on the top ten shareholders and their relationship with each other:

December 31 2024; unit: shares

Name	Shareholding of the individual	Shareholding of spouse or minor children	Combined shareholding by nominee arrangement	Information on the relations among the top 10 shareholders if anyone is a related party, a spouse, or a relative within second degree of kinship of another and their names	Remarks
	Number of shares/Shareholding	Number of shares/Shareholding	Number of shares/Shareholding	Name/Relations	
Gains Investment Corp. Representative: Wu, Chun-Hui	50,894,058 46.90%	None	None	Ever Wealthy International Corporation/ Affiliates	None
United Renewable Energy Co., Ltd. representative: Pan, Lay-Lay	7,000,000 6.45%	None	None	None	None
Ever Wealthy International Corporation Representative: Fang, Ming-Dar	5,651,748 5.20%	None	None	Gains Investment Corp./ Affiliates	None
Cheung, Chun-yan	539,000 0.49%	None	None	None	None
Citi custody Berkeley Capital SBL/PB investment account	441,000 0.40%	None	None	None	None
Huang, Pik Ha	400,056 0.36%	None	None	None	None
Wu, Pui -Wah	341,868 0.31%	None	None	None	None
Lin, Kun-zung	293,389 0.27%	None	None	None	None
Hsu, Lung-Chi	250,000 0.23%	None	None	None	None
Wu, Chun-Tsung	240,313 0.22%	None	None	None	None

Note: Ever Wealthy International Corporation sold 10,000 shares on Dec.30,2024, the actual number of shares held is 5,641,748, but the PIC has not yet registered, hereby explaining the difference.

VIII. The total number of shares held and the consolidated shareholdings in any single investee by the Company, its directors, managers, or any companies controlled either directly or indirectly by the Company:

December 31 2024; unit: shares

Investee	Investment by the Company		Investment by directors, managers, or any companies controlled either directly or indirectly by the Company		Combined investment	
	Number of shares	Shareholding	Number of shares	Shareholding	Number of shares	Shareholding
Thintech Global Limited	6,800,000	100%	-	-	6,800,000	100%
OmniGains Investment Corporation	23,168,349	100%	-	-	23,168,349	100%
Changzhou China Steel Precision Materials Co.,Ltd	17,808,000	35%	17,808,000	35%	35,616,000	70%

Note: Taicang ThinTech Materials Co., Ltd. completed the transfer of shareholdings on November 20, 2024 and applied for cancellation with the OTC.

Three. Capital and Shares

I. Capital and shares

(I) Formation of share capital and types of shares:

1. The formation of share capital:

Unit: In thousands of shares/NT\$ thousands

Year/Month	Issue price (NT\$)	Authorized capital		Paid-in capital		Remarks		
		Number of shares	Amount	Number of shares	Amount	Source of share capital	Capital increased by assets other than cash	Others
2000.03	10	400	4,000	400	4,000	Capital upon incorporation	None	Per Letter Kao-Shih-Chien-She-II No. 08915175702 dated 2000.03.29
2000.05	10	5,000	50,000	5,000	50,000	Cash capital increase by NT\$46,000 thousand	None	Per Letter Kao-Shih-Chien-She-II No. 08915834502 dated 2000.06.19
2001.03	12	20,000	200,000	8,830	88,304	Cash capital increase by NT\$38,304 thousand	None	Per Letter Kao-Shih-Chien-She-II No. 09005639200 dated 2001.03.22
2003.03	15	20,000	200,000	16,330	163,304	Cash capital increase by NT\$75,000 thousand	None	Per Letter Licensed No. 09201084450 dated 2003.03.24
2003.08	10	20,000	200,000	17,704	177,042	1. Capitalization of employee bonus to increase the capital by NT\$674 thousand 2. Capitalization of the capital surplus to increase the capital by NT\$401 thousand 3. Capitalization of the earnings to increase the capital by NT\$12,663 thousand	None	Per Letter Kao-Shih-Fu-Chien-II-Gong No. 09205878380 dated 2003.09.12
2004.03	15	20,000	200,000	18,204	182,042	Cash capital increase by NT\$5,000 thousand	None	Per Letter Kao-Shih-Fu-Chien-II-Gong No. 09300783290 dated 2004.03.29
2004.06	10	35,000	350,000	25,873	258,732	1. Capitalization of employee bonus to increase the capital by NT\$3,873 thousand 2. Capitalization of the earnings to increase the capital by NT\$72,817 thousand	None	Per Letter Kao-Shih-Fu-Chien-II-Gong No. 09300867860 dated 2004.06.18
2004.10	20	35,000	350,000	30,873	308,732	Cash capital increase by NT\$50,000 thousand	None	Per Letter Kao-Shih-Fu-Chien-II-Gong No. 09301048060 dated 2004.11.17
2005.06	10	35,000	350,000	32,745	327,453	1. Capitalization of employee bonus to increase the capital by NT\$3,284 thousand	None	Per Letter Kao-Shih-Fu-Chien-II-Gong No. 09400519340 dated 2005.07.14

Year/Month	Issue price (NT\$)	Authorized capital		Paid-in capital		Remarks		
		Number of shares	Amount	Number of shares	Amount	Source of share capital	Capital increased by assets other than cash	Others
						2. Capitalization of the earnings to increase the capital by NT\$15,437 thousand		
2006.07	10	35,000	350,000	34,901	349,016	1. Capitalization of employee bonus to increase the capital by NT\$1,916 thousand 2. Capitalization of the earnings to increase the capital by NT\$19,647 thousand	None	Per Letter Kao-Shih-Fu-Chien-II-Gong No. 09500629150 dated 2006.08.02
2007.06	10	70,000	700,000	40,406	404,060	1. Capitalization of employee bonus to increase the capital by NT\$2,692 thousand 2. Capitalization of the earnings to increase the capital by NT\$2,352 thousand	None	Per Letter Jing-Shou-Chung No. 09632394930 dated 2007.07.12
2008.07	10	70,000	700,000	43,115	431,145	1. Capitalization of employee bonus to increase the capital by NT\$2,842 thousand 2. Capitalization of the earnings to increase the capital by NT\$24,243 thousand	None	Per Letter Jing-Shou-Chung No. 09732696670 dated 2008.07.24
2009.08	10	100,000	1,000,000	45,495	454,950	1. Capitalization of employee bonus to increase the capital by NT\$2,247 thousand 2. Capitalization of the earnings to increase the capital by NT\$21,557 thousand	None	Per Letter Jing-Shou-Chung No. 09832892540 dated 2009.08.19
2010.05	16	100,000	1,000,000	52,495	524,950	Private placement to increase the capital by NT\$70,000 thousand	None	Per Letter Licensed No. 09901131460 dated 2010.06.24

Year/Month	Issue price (NT\$)	Authorized capital		Paid-in capital		Remarks		
		Number of shares	Amount	Number of shares	Amount	Source of share capital	Capital increased by assets other than cash	Others
2010.08	10	100,000	1,000,000	53,970	539,696	1. Capitalization of employee bonus to increase the capital by NT\$1,097 thousand 2. Capitalization of the earnings to increase the capital by NT\$13,649 thousand	None	Per Letter Licensed No. 09901187200 dated 2010.08.18
2011.01	15.41	100,000	1,000,000	55,847	558,466	Execution of employee share options to issue shares in the amount of NT\$18,770	None	Per Letter Licensed No. 10001013490 dated 2011.01.27
2011.09	10	100,000	1,000,000	58,639	586,389	Capitalization of the earnings to increase the capital by NT\$27,923 thousand	None	Per Letter Licensed No. 10001210410 dated 2011.09.08
2011.10	35.7	100,000	1,000,000	65,639	656,389	Private placement to increase the capital by NT\$70,000 thousand	None	Per Letter Licensed No. 10001247690 dated 2011.10.27
2012.11	21	100,000	1,000,000	70,724	707,239	Cash capital increase by NT\$50,850 thousand	None	Per Letter Licensed No. 10101250590 dated 2012.12.06
2014.01	10	100,000	1,000,000	72,038	720,384	Conversion of convertible corporate bonds into common stock in the amount of NT\$13,145 thousand	None	Per Letter Licensed No. 10301007480 dated 2014.01.15
2014.04	10	100,000	1,000,000	73,446	734,456	Conversion of convertible corporate bonds into common stock in the amount of NT\$14,072 thousand	None	Per Letter Licensed No. 10301070380 dated 2014.04.18
2014.08	10	100,000	1,000,000	73,498	734,980	Conversion of convertible corporate bonds into common stock in the amount of NT\$524 thousand	None	Per Letter Licensed No. 10301179310 dated 2014.08.25
2023.11	10	150,000	1,500,000	73,501	735,012	Conversion of convertible corporate bonds into common stock in the amount of NT\$32 thousand	None	Per Letter Licensed No. 11230217570 dated 2023.11.27
2024.07	10	150,000	1,500,000	100,972	1,009,723	Issuance of common stock on stock conversion NT\$274,710 thousand	None	Per Letter Licensed No. 11330101430 dated 2024.07.02

Year/Month	Issue price (NT\$)	Authorized capital		Paid-in capital		Remarks		
		Number of shares	Amount	Number of shares	Amount	Source of share capital	Capital increased by assets other than cash	Others
2024.10	10	150,000	1,500,000	104,783	1,047,832	Conversion of convertible corporate bonds into common stock in the amount of NT\$38,109 thousand	None	Per Letter Licensed No. 11330148490 dated 2024.10.09
2024.11	10	150,000	1,500,000	107,783	1,077,831	Conversion of convertible corporate bonds into common stock in the amount of NT\$29,999 thousand	None	Per Letter Licensed No. 11330199380 dated 2024.11.20
2025.03	10	150,000	1,500,000	108,494	1,084,940	Conversion of convertible corporate bonds into common stock in the amount of NT\$7,109 thousand	None	Per Letter Licensed No. 11430034020 dated 2025.03.24

2. Types of shares:

March 31, 2025; unit: shares

Type of shares	Authorized capital			Remarks
	Number of shares issued	Number of shares unissued	Total	
Registered common stock	93,952,978	56,047,022	150,000,000	Stocks of the Company listed on Taipei Exchange

Note: As of the publication date of this annual report, the issued shares did not include 14,541,096 shares privately offered.

(II) Major shareholders:

December 31, 2024; unit: share

Shares/Name of major shareholder	Number of shares held (share)	Shareholding (%)
Gains Investment Corp.	50,894,058	46.90
United Renewable Energy Co., Ltd.	7,000,000	6.45
Ever Wealthy International Corporation	5,651,748	5.20
Cheung, Chun-yan	539,000	0.49
Citi custody Berkeley Capital SBL/PB investment account	441,000	0.40
Huang, Pik Ha	400,056	0.36
Wu, Pui -Wah	341,868	0.31
Lin, Kun-zung	293,389	0.27
Hsu, Lung-Chi	250,000	0.23
Wu, Chun-Tsung	240,313	0.22

Note : Ever Wealthy International Corporation. sold 10,000 shares of stock on December 30, 2024, and the actual number of shares held on December 31, 2024 was 5,641,748 shares. The major TTDC disburses the stock certificates two business days after the settlement.

(III) Dividend policy and implementation:

1. Dividend policy

As per Article 27 of the Articles of Incorporation, “If the Company makes a profit for a year, it shall allocate no less than 0.1% as employee remuneration and no more than 1% as directors’ remuneration; the recipients of employee remuneration include employees at subsidiaries who meet certain criteria. However, profits must first be used to offset a cumulative deficit before amounts of employee remuneration and directors’ remuneration are set aside at the above percentages.” The employee remuneration and directors’ remuneration distribution proposal shall be submitted to the Board of Directors for resolution and reported to the shareholders’ meeting. In accordance with the Securities and Exchange Act, a listed company shall state in its Articles of Incorporation that a certain percentage of its annual earnings is to be allocated as compensation to junior employees. Therefore, the Company amended its Articles of Incorporation to set forth at least 30% of total employee compensation shall be allocated to junior employees. The amended Articles of Incorporation were approved by the Board of Directors on February 26, 2025 and will become effective upon approval by the shareholders at the general meeting scheduled for June 19, 2025.

As per Article 28 of the Articles of Incorporation, where the Company makes a profit for a fiscal year, the profit shall be first used for paying the tax in accordance with the laws and regulations, offsetting the cumulative deficit, setting aside 10% of the remaining profit as a legal reserve, unless it has reached the total amount of the Company’s paid-in capital, setting aside an amount for or reversing a special reserve in accordance with the laws and regulations; and then any remaining profit, together with any undistributed retained earnings from the prior period, shall be adopted by the Company’s Board of Directors as the basis for making a distribution proposal, which shall then be submitted to the shareholders’ meeting for a resolution.

The industry, in which Company is in, is still growing. We must take into account the current and future operating conditions and focus on the stability of dividends when drawing up a dividend policy. When the Company has cumulative distributable earnings, the amount to be distributed shall not be less than 50%, of which the cash dividends to be distributed shall not be less than 50% of the total amount to be distributed.

2. The dividend distribution proposed at the shareholders’ meeting:

- (1) The following table summarizes the appropriations of the 2024 earnings and losses. For the year ended December 31, 2024, the Company’s after-tax earnings of NT\$49,784,963, plus the undistributed earnings at the beginning of the year and changes in accumulated earnings and losses, and available-for-distribution earnings set aside as a 10% legal reserve, amounted to NT\$60,973,792. However, in order to strengthen operational synergy and resources integration, the Company completed the group reorganization on May, 2024 and acquired the 70% shares of Changzhou China Steel Precision Material Co., Ltd. by acquisition. China Steel Asia Pacific Holdings Pte Ltd. and OmniGains Investment Corporation, a foreign investment of Gains Investment Corporation, recognized an exchange difference of NT\$154 million in their financial statements, which was accounted for in accordance with Article 41, Paragraph 1 of the Securities and Exchange Act.
- (2) It is proposed that NT\$43,397,630 (being the tax-exempted portion of the capital surplus) be set aside as capital surplus issue premium and distributed in cash to shareholders at NT\$0.4 per share based on the number of 108,494,074 shares outstanding to date.
- (3) When cash dividends are paid out, the total amount of dividends to be paid out is rounded up to NT\$1. We will make up for any difference from the account of company expense. After it is approved by the 2025 annual general meeting, the Chairman is delegated to set the ex-dividend record date and the payout date and decide on other relevant matters.

ThinTech Materials Technology Co., Ltd.

Statement of Appropriations of Profit and Losses for 2024

Unit: NT\$	
Item	Amount
Undistributed earnings at the beginning of the period	12,376,842
Add: Re-measurement of defined benefit plans included in retained earnings	1,671,930
Realized gains or losses on disposal of financial assets	2,539,292
Cumulative gain and loss - remeasurement of defined benefit plans using the equity method	426
Add: Net income after tax for the year	49,784,963
10% set aside for a legal reserve	(5,399,661)
Add: Reversal (appropriation) of special reserve	(60,973,792)
Distributable earnings for this period	0

(IV) Employee remuneration and directors' remuneration:

1. The percentages of the balance or scope of employee remuneration and directors' remuneration as stated in the Articles of Incorporation:

Pursuant to Article 21 of the Articles of Incorporation, directors may be paid with remuneration in accordance with the general standard, and the remuneration standard is set by the Board of Directors with reference to the standards adopted by competitors or publicly listed companies. Independent directors' remuneration is paid in a fixed manner on a monthly basis, and they do not participate in the Company's earnings distribution. Their remuneration is determined by the Board of Directors with reference to the standards adopted by competitors or publicly listed companies.

As per Article 27 of the Articles of Incorporation, "If the Company makes a profit for a year, it shall allocate no less than 0.1% as employee remuneration and no more than 1% as directors' remuneration; the recipients of employee remuneration include employees at subsidiaries who meet certain criteria. However, profits must first be used to offset a cumulative deficit before amounts of employee remuneration and directors' remuneration are set aside at the above percentages." The employee remuneration and directors' remuneration distribution proposal shall be submitted to the Board of Directors for resolution and reported to the shareholders' meeting. (Please refer to (III) Dividend policy and implementation→1.Dividend policy).

2. Basis for estimation of employee remuneration and directors' remuneration in this period and accounting treatment if the amount paid out is different from the estimated amount:

We estimate employee remuneration and directors' remuneration as per the Articles of Incorporation. If the shareholders' meeting resolves to pay out employee remuneration in the form of shares, the number of shares to be distributed shall be determined by dividing the amount approved by the fair value of shares, which is determined based on the net asset value in the most recent financial report reviewed by the CPAs.

After the end of the year, if there is a major change in the amount to be paid out as resolved by the Board of Directors, the annual expense will be adjusted. If there is still a change in the amount on the date of the resolution by the shareholders' meeting, it will be treated as a change in the accounting estimate and accounted for in the year, in which the shareholders' meeting resolution is adopted.

3. Information on the proposed employee remuneration and directors' remuneration approved by the Board of Directors:

- (1) Amount of employee remuneration and directors' remuneration to be paid out:

In the financial statement of FY2024, the net profit after tax attributable to the Company is NT\$49.78 million. However, the acquisition of Changzhou China Steel Precision Material Co., Ltd. was an organizational restructuring, therefore, China Steel Asia Pacific Holdings Pte Ltd. and OmniGains Investment Corporation, a foreign investment of Gains Investment Corporation and Development Corporation, recognized a loss of \$154 million in the financial statements which is resulted in a negative balance of other equity, and in accordance with the Securities and Exchange Act, the Company was required to set aside an equal amount as a "Special Reserve for Special Earnings" to be deducted from the retained earnings.

Unit: NT\$ thousands

Distribution for 2024	Amount (A)	Amount to be distributed by the resolution of the Board of Directors (B)	Difference between the amount distributed and that accounted for (B)-(A)
Directors' remuneration	0	0	0
Employee remuneration	0	0	0
Total	0	0	0
Reasons for differences and processing: None			

- (2) The amount of employee remuneration in stock as a percentage of the sum of net income after tax as in the standalone or individual financial statement for this period and the total employee dividends for this period: As mentioned above, we did not plan to distribute employee remuneration in stock, so it is not applicable.

The imputed earnings per share after the proposed amounts of employee remuneration and directors' remuneration were considered: N/A

4. The distribution of employee remuneration and directors' remuneration for the prior year:

The shareholders' meeting adopted a resolution to pay directors' remuneration and employee remuneration for 2023. The details are as follows:

Unit: NT\$ thousands

Distribution for 2023	Amount (A)	Amount to be distributed by the resolution of the Board of Directors (B)	Difference between the amount distributed and that accounted for (B)-(A)
Directors' remuneration	352	352	-
Employee remuneration	2,994	2,993	(1)
Total	3,346	3,345	(1)
Reasons for differences and processing: The above total amount of remuneration decreased by NT\$1 thousand from the estimated amount in the 2023 account. It is adjusted in accordance with the Articles of Incorporation, and the difference is recognized as an adjustment to expenses for 2024.			

(V) The repurchase of the Company's shares: None.

II. Issuance of corporate bonds:

(I) Issuance of the third domestic secured convertible corporate bonds

December 31, 2024

Type of corporate bond	The third domestic secured convertible corporate bonds	
Date of issuance	March 21, 2023	
Par value	NT\$100,000 per unit	
Place of issuance and trading	N/A	
Issue price	NT\$109.8	
Total amount	NT\$200,000,000	
Interest rate	Coupon rate of 0%	
Period	3 years; maturity date: March 21, 2026	
Guarantee agency	Bank SinoPac	
Trustee	The Shanghai Commercial & Savings Bank, Ltd.	
Underwriter	Fubon Securities Co., Ltd.	
Attorney	Attorney Wu, Hsiao-Wei, G&J International Law Office	
CPA	Deloitte & Touche CPAs Wang, Chao-Chun and Liu, Yu-Hsiang	
Repayment method	Except for the early conversion by bondholders or the early redemption by the Company, the early reverse resale by bondholders, or the redemption by the Company for cancellation, the bonds will be repaid in cash at the par value in a lump sum within ten business days after the maturity date.	
Outstanding principal	NT\$0	
Redemption or early settlement clause	Please refer to the Company's bond issuance and conversion rules	
Restrictive covenant	None	
Name of credit rating agency, date of credit rating, and corporate bond rating results	None	
Other rights attached	Amount of ordinary shares converted (exchanged or subscribed for), depository receipts, or other securities as of the publication date of the annual report	All 2,000 of these convertible debentures have been converted into 7,524,975 shares of common stock by December 31, 2024, and over-the-counter trading ceased on January 9, 2025.
	Issuance and conversion (exchange or subscription) method	Please refer to the bond issuance information in the credit section on the MOPS
Issuance, conversion, exchange, or subscription method, potential dilution of equity due to issuance conditions, and impact of issuance conditions on existing shareholders' equity		None
Name of the custodian of the bonds		None

(II) Data of convertible corporate bonds

Type of corporate bond		The third domestic secured convertible corporate bonds
Item	Year	2024
Market price of convertible corporate bonds	Maximum	420
	Minimum	127
	Average	289
Conversion price		1. The conversion price from 2024.01.01 to 2024.05.13 is NT\$30.1 2. The conversion price from 2024.05.14 to 2024.05.15 is NT\$29.7 3. The conversion price from 2024.05.16 to 2024.12.31 is NT\$25.6
Issuance (handling) date and conversion price at the time of issue		Issuance date: March 21, 2023 Conversion price at the time of issue: NT\$30.9
Method to fulfill conversion obligation		Issuance of new shares

Note: Fully converted into 7,524,975 common shares at the end of 2024 and terminated over-the-counter trading on January 9, 2025

- III. Issuance of preference shares: None.
- IV. Issuance of depository receipts: None.
- V. Issuance of employee stock warrants: None.
- VI. Issuance of restricted stock awards: None.
- VII. Names of the managers who obtained the employee stock warrants, names of the top ten employees with the highest number of shares that can be subscribed for with employee stock warrants, as well as the acquisition and subscription status: None.
- VIII. Names of managers who have obtained restricted stock awards and names of top ten employees who have obtained the restricted stock awards, as well as the acquisition status: None.
- IX. Issuance of new shares due to M&A or transfer of shares of another company:
- (I) On June 16, 2023, the shareholders' meeting approved the acquisition of 70% of the shares of Changzhou China Steel Precision Material Co., Ltd. for cash and new common shares, and applied for approval from the Ministry of Economic Affairs (MOEA) and the Over-the-Counter (OTC) Securities Trading Center of the Republic of China (ROC), and the merger and acquisition was completed in May 2024.
- (II) In addition, the Company submitted documents related to the M&A in accordance with the requirements of the letter from the Ministry of Economic Affairs, and on August 13, 2024, the Company was authorized to submit letter No. 11320155740 to certify the completion of the Equity Interests Case.

Basic information table of the acquired and transferred companies

December 31, 2024; Unit: NT\$thousand

Company Name		Changzhou China Steel Precision Material Co., Ltd
principal		Feng, Fu-An
company address		No.18, Changyang Road, Wujin Economic Development Zone, Changzhou, Jiangsu Province
Paid-in capital		US\$50.88 million
Main business items		Manufacturing and processing of titanium, nickel alloy materials, high-performance copper-nickel alloy strips, titanium alloy strips, and special alloy forgings, and sales of self-produced products; engaged in the import and export, domestic procurement, wholesale, and commission agency of metal materials.
main products		Titanium alloy, nickel alloy, etc.
Financial information for the most recent year	Total assets	2,706,094
	total liabilities	970,875
	Total shareholders' equity	1,735,219
	operating income	2,488,147
	Operating profit	219,028
	Operating profit/ loss	97,900
	Profit and loss for the current period	76,236
Earnings per share		N/A

(III) In accordance with Article 9, Item 1, Paragraph 8 of the “Regulations Governing the Procedures for Issuers to Raise and Issue Securities,” the underwriter, Fubon Securities, issued the following evaluation opinion on the financial, business, and shareholders' equity impacts for the three months ended March 31, 2025 in the event of a share conversion and issuance of new shares by the Company:

(1) Financial effects

As a result of the Share Conversion, the Company combined with OmniGains Investment Corporation and its subsidiary, Changzhou China Steel Precision Material Co., Ltd (Hereinafter referred to as CSPM) will be able to effectively coordinate the management and allocation of each other's resources under the integration of each other's resources, avoiding duplication of expenditures, saving management costs, enhancing the efficiency in the use of the Group's working capital, and more efficiently allocating the use of capital, thus making the Group's financial management more flexible, which is positively beneficial to the financial aspects and have a positive effect on the finances of TTMC.

In addition, based on the first quarterly financial report of 2024 before the integration of OmniGains Investment Corporation and the most recently announced fourth quarterly financial report of FY2024 after the integration, TTMC had a debt ratio of 35.17% and 44.86% as of the end of March 2024 and the end of December 2024, a current ratio of 246.97% and 261.85%, and a quick ratio of 104.22% and 130.38%, respectively.. The increase in debt ratio was mainly due to the fact that TTMC's cash acquisition of 35% equity interest in CSPM was financed by the Company's own funds and partially by bank borrowings, and the medium- and long-term borrowings amounted to \$500,000 thousand, which resulted in an increase in total liabilities as of the end of December 2024, and the increase in current ratio was mainly due to the fact that TTMC's third domestic secured convertible bonds were converted in the fourth quarter of 2024, and the quick ratio increased mainly due to the fact that TTMC's third domestic secured convertible bond conversion was completed. The increase in current ratio was mainly due to the completion of the conversion of the third domestic secured convertible bonds in the fourth quarter of 2024. The increase in quick ratio was mainly due to the increase in accounts receivable from \$267,179 thousand to \$1,050,992 thousand, which resulted in an increase in quick assets after the combination of Investment Corporation. The current and quick ratios of OmniGains Investment Corporation before and after the merger were both over 100%, indicating that the debt service ability was still sound and would not have a material adverse effect on the financial structure.

(2) Impact on Business

TTMC and CSPM are both special alloy companies. Through vertical integration of the industry, the products will move towards the field of high technology content, industrial applications and high value-added products, which will positively benefit TTMC future business dynamics and the expansion of new application industries.

(3) Shareholders' equity

Upon completion of the Share Conversion, TTMC and OmniGains will be able to expand its scale of operations through the reintegration of corporate resources and the expansion of its business by utilizing the experience, research and development technology and customer relationships of both companies to enhance its overall operating performance and create higher profitability, which will in turn increase its shareholders' equity, and thus should have a positive impact on its shareholders' equity.

(4) Whether or not the expected benefits will be realized

The base date for the conversion between TTMC and OmniGains is May 16, 2024, and the registration of the change will be completed on July 2, 2024. After the share conversion, the sharing and exchange of technology and experience as well as the integration of resources between the two parties will have a positive impact on finance, business and shareholders' equity, and therefore the benefits of the merger and acquisition should be gradually realized.

X. Implementation of the fund utilization plan :

The company has completed the fundraising for the third domestic guaranteed convertible bond case on March 17, 2023, with an actual raised amount of NT\$219,595,000. This amount is used to strengthen operational capital as a substitute for bank financing. In addition to increasing the stability of long-term capital and enhancing the company's operational competitiveness, it also helps to improve the financial structure and enhance short-term debt repayment capability, while reducing interest expenses. Based on the short-term borrowing interest rate of approximately 1.575% from major banks, it is estimated that the annual benefit can save NT\$3,459,000 in refinancing interest expenses. As of the second quarter of 2023, the cumulative actual expenditure and cumulative execution progress are NT\$219,595,000 and 100.00%, respectively, and all funds have been fully utilized.

Four. Overview of Operations

I. Information on business

(I) Scope of business

1. Permitted scope of business

- (1) Aluminum Rolling, Drawing and Extruding.
- (2) Copper Rolling, Drawing and Extruding.
- (3) Other Non-Ferrous Metals (titanium, tin, nickel, tungsten, and various forms of precious metals or precious metal alloys).
- (4) Surface Treatments.
- (5) Mechanical Equipment Manufacturing.
- (6) Electronics Components Manufacturing.
- (7) International Trade.
- (8) Wholesale of Electronic Materials.
- (9) Wholesale of Building Materials.
- (10) Other Chemical Materials Manufacturing.
- (11) Ceramic and Ceramic Products Manufacturing.
- (12) Other Metal Products Manufacturing.
- (13) All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

2. Main products and services:

The Company and its subsidiaries are engaged in the processing and sales of various optoelectronic thin film materials, biomedical equipment, precious metal materials, special material parts for optoelectronic equipment, materials for semiconductor sputtering and packaging equipment, and special alloy materials for petrochemical, energy, construction and livelihood applications. The existing main products include:

(1) Sputtering targets and special alloy products

- A. Targets for flat panel displays (such as high-purity aluminum targets, molybdenum targets, titanium targets, and copper targets).
- B. Targets for photo-recording medium (such as silver and silver alloy targets, zinc sulfide targets, and silver-indium-antimony-tellurium targets).
- C. Thin film targets for crystal oscillator/passive components (such as gold targets, silver targets and nickel alloy targets).
- D. Tooling/decoration/functional coating targets (such as aluminum targets, silver targets, copper targets, titanium targets and nickel alloy targets).
- E. Various types of metal targets for semiconductors (such as high purity alloy targets, evaporation materials, consumables and equipment components, etc.).
- F. Special alloys-nickel-based super alloys, biomedical composites, titanium materials and livelihood products

(2) Precious metals: Processing and sales of pure gold and silver.

3. The proportions of the sales of the Company's products:

Individual Financial Reporting

Unit: NT\$ thousands

Product	2024		2023	
	Sales	Specific gravity (%)	Sales	Specific gravity (%)
Sputtering targets and others	698,040	25.84	693,850	31.24
Precious metals	2,003,271	74.16	1,527,240	68.76
Total	2,701,311	100	2,221,090	100

Consolidated Financial Report

Unit: NT\$ thousands

Product	2024		2023 (Redacted and reviewed)	
	Sales	Specific gravity (%)	Sales	Specific gravity (%)
Precious metals	2,007,362	38.12	1,532,208	26.04
Sputtering targets	571,156	10.85	619,486	10.53
Titanium-Nickel	1,815,522	34.48	2,886,031	49.04
Rutile products	604,707	11.48	583,955	9.92
Others	267,334	5.07	262,815	4.47
Total	5,266,081	100	5,884,495	100

4. New products developed

- (1) Sputtering targets and evaporation materials in the semiconductor packaging, wafer thinning and IC manufacturing field.
- (2) Development of third-generation compound semiconductor sputtering aluminum alloy targets.
- (3) Ternary and quaternary alloy record targets and new dielectric targets for optical discs.
- (4) Integration and development of sheet technology for value-added application of economic recycling - high purity aluminum edge waste.
- (5) Titanium, Nickel-based specialty alloy products
- (6) Development of biomedical Al-base composite materials
- (7) Low Expansion Alloy Carrier Plates for Panel Level Fan-out Packages.

(II) Overview of the industry and development

We are a professional material company and have become the largest metal targets plant for displays in Taiwan, with a focus more on the development of various materials. In addition, CSPM will be acquired in 2024 to connect upstream and downstream to maximize the synergy of the group. The following is a further explanation of the development trends of the industry:

1. The situation and development trends of the industry

(1) Flat-panel display industry

Due to the Russian-Ukrainian war, global inflation, Taiwan's panel industry in 2024, there is no significant recovery, coupled with Taiwan's panel small-generation factories are also pushing the restructuring or closure of factories for resale, affecting the sales of target materials, 2025 shipments to be viewed with caution; is also actively exploring and introducing new areas to customers.

Major panel manufacturers around the world in the LCD panel industry have begun to shift their focus to 8K and micro LED technologies, for example, Innolux Corporation and AUO Corporation have begun to mass-produce 8K panels, while BOE's Hefei 10.5-generation production line and CEC Panda will also be able to mass-produce 8K panels. As for micro LEDs, AUO Corporation has also successfully adopted micro LEDs in the automotive market. Overall, accelerating the upgrade of high-resolution technologies will be the key to the growth of the TV market in the future. International brands continued to enhanced their business layout of high-end TV applications, such as 8K displays, micro LEDs, and OLEDs in the future, indicating the constant advancement of the display technologies. As a professional material manufacturer, we will follow the technological development of the display industry and keep abreast of the times to provide materials that correspond to the needs of our customers, to develop and grow together, and to build up our R&D capabilities.

(2) Crystal oscillator market:

Crystal oscillators are one of the passive components and widely adopted, including communications and electronic products; they are extensively and stably applied to automotive electronics. The quantity and output of quartz components in the field of communication and electronic products are growing steadily, and the scales of the markets for laptops, game consoles, and digital TVs, digital cameras are expanding, so the demand for quartz components is also increasing. Thus, the growth potential in the future is enormous.

A noteworthy market is automotive electronics, industrial automation, and the Internet of Things (IoT), where quartz components are used in varying quantities in automotive remote-control systems, electronic toll collection systems, tire-pressure detectors, airbags, temperature controls, security detection equipment, and data wireless communication devices. With the trend of automotive control electronics and the Internet of Things, the market is growing rapidly, and the demand for quartz components is increasing day by day.

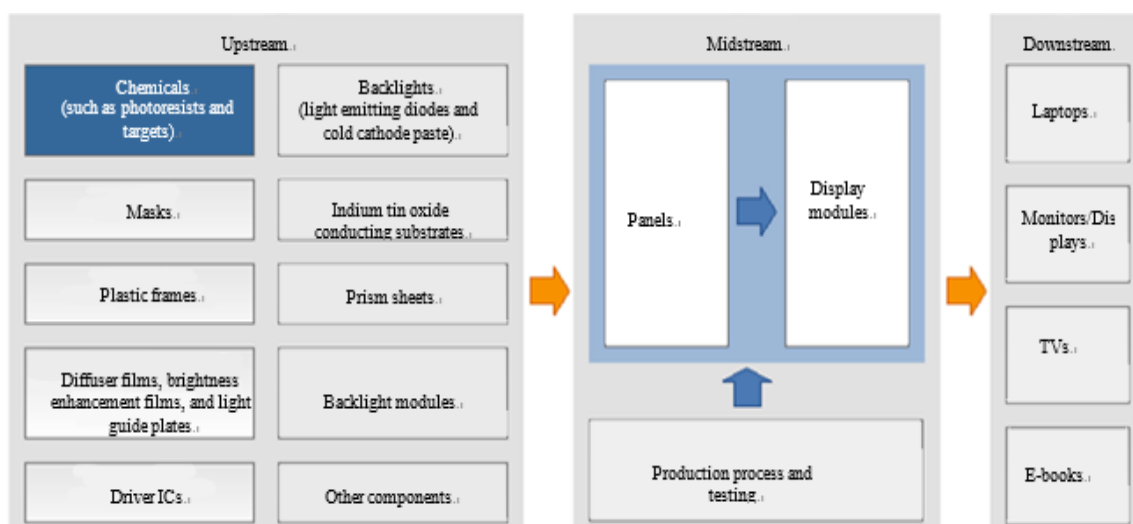
(3) Titanium & Nickel Alloy Market:

Titanium alloy is a material with high strength, corrosion resistance and oxidation resistance, which is widely used in national defense, aerospace, automotive, medical and livelihood industries. Driven by the growth of the global fighter jet trade, the increase in international defense transactions, the expansion of the aviation industry, the technological advancement of the automotive industry and industrial expansion, coupled with the overall growth in demand for the medical industry, the industry is still optimistic despite the Russian-Ukrainian war and global inflation continue to disrupt the market.

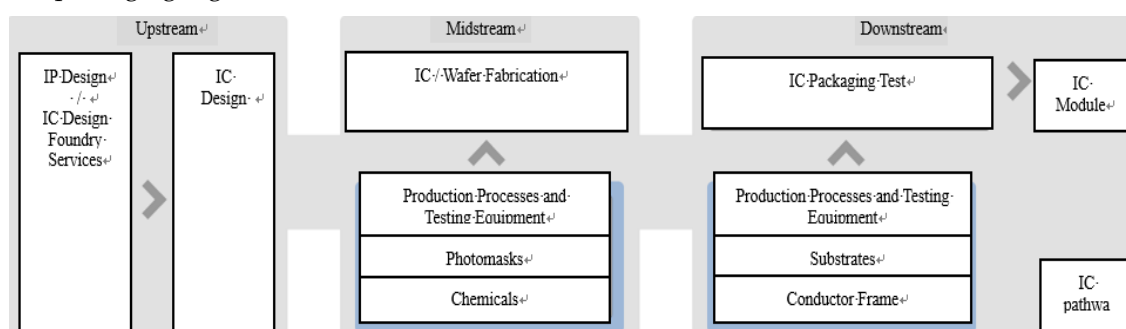
Nickel alloy has the advantages of corrosion resistance, heat resistance and high strength, and is one of the important raw materials for the aerospace industry. It is also widely used in the automotive industry, electrical and electronic, oil and gas, chemical processing and other industries. The growth of this industry in the next few years will mainly come from the demand of the automobile industry and the aerospace industry. Nickel alloy products such as high temperature, corrosion-resistant alloy, oxidizing and moderate reductive corrosion environment have good resistance, suitable for many chemical, steel process equipment, such as nickel-based pickling hooks than ordinary 316L hook life of more than 10 times, with a higher cost-effective ratio.

2. The relations between the up-, mid-, and downstream industries

(1) In the display industry chain, TTMC mainly provides metal sputtering targets for midstream panel manufacturing.



(2) For the semiconductor industry chain, TTMC mainly provides sputtering and evaporation materials for midstream wafer manufacturing and downstream packaging, as well as the corresponding raw materials for the manufacturing of substrates and leadframes in the packaging segment.



(3) Reorganization of the Group and vertical integration of manufacturing technologies. Taking high value targets as an example, CSPM is responsible for raw material procurement, melting, heat forging, surface finishing and milling, while TTMC is responsible for the heat engine process, back plate bonding, mechanical processing and cleaning and packaging, thus establishing a complete supply chain for high value targets.

(III) Technology and R&D

1. Technology Overview and R&D

As a member of China Steel Group, TTMC, an industrial materials supplier, is dedicated to develop opto-electronic target materials. Since the Company was established in 2000, we have been dedicated to the development and production of photorecording medium, magnetic recording medium, passive components, decorative coatings, flat-panel displays, crystal oscillators, and various targets/evaporation materials for semiconductors (which have successfully replaced imported key targets for thin film sputtering processes), allowing us to play a crucial role in the supply of industrial materials for the domestic thin film processes, thereby helping to enhance the competitiveness of the domestic 3C products and optoelectronic industries.

In recent years, as Japanese target manufacturers have withdrawn from the optical disc market, the Company has become the only supplier in the dielectric target market, and has gradually expanded its optical disc industry product offerings in line with customer needs. In the LCD panel industry, we continue to optimize the target material process. In addition to improving the material yield, we also produce a fine and uniform microstructure, providing customers with the most cost-effective target materials and helping to enhance the competitiveness of the domestic LCD panel industry. The Company has become the leader in domestic metal targets, and has successfully expanded the LCD panel target market in Japan.

Semiconductor target industry applications, we adopt strategies including manufacturing processes "from back end to front end", target sizes "from small to large", and accompanying "evaporation materials with targets", and have successively developed targets for semiconductor packaging and wafer thinning processes. In addition to industrial materials for thin film manufacturing processes, it also strengthens market

expansion of new products, such as titanium consumer products, specialty alloys and panel factory equipment components. In 2024, Taiwanese panel manufacturers have been transforming into advanced packaging technologies. Our company plays the role of a material supplier and cooperates with the development and integration of carrier board process technology to become the only supplier in the market. We have also continuously optimized the composition of material alloys and successfully developed special nickel-based alloys that are corrosion-resistant and high-temperature heat-resistant. We help extend the service life of equipment consumables and provide cost-effective products, which not only effectively reduce customer costs, but also enable product design and development based on customer usage conditions. Processing and production, providing one-stop service.

TTMC has become one of the top domestic target material suppliers and a member of the industrial material supply chain. We have strived to localize the supply of industrial materials and are competitive in prices, quality, technology, and service. We continue to differentiate our product performance to lay a solid foundation for our sustainable development; we also aim to create a competitive edge and enhance the competitiveness of our products.

2. Research and Development Expenditures in Recent Years

The percentage of R&D expenses in 2023~2024 is as follows. For TTMC, the difference in research and development expenditure in the past two years was not significant, but only the difference in net operating income, resulting in a slightly lower ratio of R&D expenses to revenue in 2024. In addition to the company's organizational restructuring, in addition to the significant difference in operating income after the merger, the subsidiaries' R&D expenses also increased compared to the previous period, resulting in a higher R&D expenses to revenue ratio in 2024 after the merger compared to last year.

Unit: NT\$ thousands

Item/Year	TTMC		TTMC and Its Subsidiaries	
	2023	2024	2023	2024
R&D expenses	31,908	31,401	55,038	59,568
Net standalone operating revenue	2,221,090	2,701,311	5,884,495	5,266,081
Proportion of R&D expenses to revenue	1.44%	1.16%	0.94%	1.13%

3. New product development and achievements:

(1) R&D resources and achievements:

In 2024, the Company's research focuses on special alloys, semiconductor target substrate technology development and strategic product development, while also improving the quality of aluminum targets for the panel industry and the raw material cycle. In terms of intellectual property, the Company will continue to promote the management and protection of patents, trade secrets, and copyrights. In light of the Company's current internal situation, the Company will carry out the "Patent Application Management Practices" in 2024 to optimize the revision of the operating procedures for patent application, examination, and maintenance and evaluation, etc. The major R&D achievements to be accomplished in 2024 are as follows.

- A. The development of new products, new applications, and new processes (after customer trials and orders) was completed in 3 cases, and the development of strategic new products was completed in 4 cases and 5 patent proposals were filed.
- B. Continuously invested in the technological development of high-purity aluminum alloy and titanium targets for wafer-level semiconductors. In addition to the construction of thermo-machined fine-crystalline microstructures, we have also completed the establishment of low-cost diffusion bonding process technology. In addition to accelerating semiconductor customer certification, we are also striving for and establishing mass production capabilities to enhance our product competitiveness.
- C. Stabilizing the quality of low expansion alloy large size carriers and assisting in solving customer's usage problems to extend the life of carriers, making us the only supplier of carriers for panel level fan-out packages.
- D. Continuously promote special alloy related products to provide localized and cost-effective acid-wash resistant hooks to optimize material safety and durability for the chemical industry. We have been reforming nickel-based materials to increase resistance to high-temperature cracking, improve the service life of reactors, reduce process costs, and enhance product competitiveness.
- E. Titanium cast ingot, titanium slab and barren pipe yield rate are increased; nickel-based through smelting and forging refinement, has developed more than 30 nickel-based products such as pure nickel, nickel-copper alloys, nickel-chromium (molybdenum) alloys, ferro-nickel alloys, and targets/precision alloys.

(2) Other new product developments:

The global market value of high-purity semiconductor targets amounts to NT\$20 billion; Taiwan's IC industry accounts for 20% of the world's total, and the demand for targets reaches NT\$4 billion. With an oligopoly in place, nearly 80% of the market is occupied by large companies in the United States and Japan. Although Taiwan's localized target suppliers have all acquired the relevant heat treatment process technology, they are still unable to grasp the high purity raw material source due to the mineral source and purification process technology. Compared to major foreign manufacturers, it has no product advantage and is less competitive. In order to further enhance the competitiveness and advantages of domestic products, the main focus is on the development of raw material recycling, marginal waste and economic recycling process technology, with the aim of mastering the source of materials or expanding. In addition to the continuous construction of aluminum and copper raw material regeneration, we are also planning to further develop some alloy and titanium raw material regeneration process technologies. We will continue to improve our process technologies, including pre-treatment of residue, smelting, and degassing, with the goal of prolonging the life cycle of raw materials, reducing carbon emissions, and enhancing the competitiveness of TTMC's industry.

4. Intellectual property management:

To safeguard patents and intellectual property rights, we launched the intellectual property management policy in 2021 to strengthen and maintain the layout of various technology patents, ensure the Company's R&D achievements, and enhance product competitiveness and profitability. Our intellectual property management goal is to protect the Company's R&D achievements and technological leadership, thereby providing quality services and expanding the scope of services. The Company has formulated and implemented the "Trade Secret Management System," the "Intellectual Property Rights Management Plan," the "Intellectual Property Rights Management Procedures," and the "Procedures for the Management of Patent Applications," and the specific results of the implementation in 2024 were as follows.

- (1) In 2024, we will revise the "Regulations for the Administration of Patent Applications" and optimize the operational standards for patent applications, examination, and maintenance and evaluation. Revised the "Patent Management Practices" and optimized the operational standards for patent application, examination, and maintenance and evaluation.
- (2) In 2024, the total number of global patent applications will be 24, the total number of granted applications will be 15, the total number of maintained applications will be 10, the number of confidential documents listed in the company's technology research and development will be 16, and the number of trademarks will be 16 (11 in Taiwan, 3 in China, and 2 in Japan).

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

1. Short-term business development plan

(1) Marketing strategy

- A. The Company's marketing strategy is centered on client needs, to provide complete after-sales service and technical support to obtain clients' trust and stable orders in the long term.
- B. Provide cost-effective products, replace imported materials, and strive to increase the domestic market share.
- C. Make good use of the China Steel Group's technology and equipment to enhance the Company's competitiveness.
- D. Seek strategic collaboration with raw material companies abroad with competitive advantages to reduce our production costs and improve the competitiveness of our products.
- E. Work with equipment vendors and distributors in relevant industries abroad, to license distributors and accelerate the sales and increase the market share of our products abroad.

(2) Product development strategies

- A. Based on existing products, plan high- and low-end product production and supply chains to meet customer needs at different levels and expand product sales in various fields.
- B. With the existing factory equipment capabilities, eliminate production lines with low utilization rates and poor profits, and fully pursue the domestic and foreign market share of mass-produced products.
- C. Developing targets that meet market needs. Seek stable and more competitive sources of raw material supply to improve the cost-effectiveness of products.
- D. For mature and highly competitive products, improve the depth of technical services and added value of products, maintain existing market share, and set profit targets.

(3) Operations and financial strategies

- A. Hone the ability to plan and manage products, to timely launch various products in alignment with clients' needs.
- B. Standardize operating processes through continuous education and training, enhance our industry acumen, and build the ability to quickly respond to clients' needs.
- C. Improve the horizontal communication and mutual support between departments and accelerate product and business development.
- D. Establish correct financial management concepts and complete financial plans to ensure sound financial operations.

2. Long-term business development plan

(1) Marketing strategy

- A. Expand into markets of new fields, customize products, and provide one-stop service to clients.
- B. Reinforce technology marketing, establish a database of product application properties, provide clients with comprehensive solutions to issues in the field of sputtering, and develop a professional brand image in the field of materials.
- C. Participate in international exhibitions through the Company's website to increase product exposure and visibility in the world.

(2) Product development strategies

- A. Continue to pursue stable quality and reduce manufacturing costs of our existing products, enhance the after-sales technical services, and improve client satisfaction to stay highly competitive.
- B. Integrate upstream and downstream supply chains to create a long-term win-win-win partnership between raw material suppliers, clients, and the Company.
- C. Develop targets in alignment with market demand, such as copper and tubular targets. In addition, make good use of the Company's analysis and processing capabilities to develop equipment consumables and parts to replace imported materials.
- D. Develop nickel-based alloy products in alignment with client needs for application to pickling tanks and heat treatment furnaces, facilitating the upgrade of industrial technology.
- E. Combine the Group's advantages in the manufacturing of upstream titanium materials; design, manufacture, and distribution of daily-life titanium products; provide Taiwanese people with safe, healthy, non-toxic, and eco-friendly eating utensils.
- F. In response to the booming development of Taiwan's semiconductor industry, TTMC has been focusing on the development of metal sputtering targets and vapor-deposited materials for various processes in the industry chain in recent years, which has recently blossomed into a fruitful development. In the semiconductor field, we have combined the Group's technological capabilities to develop nickel-based alloy carriers with a low coefficient of thermal expansion, which has greatly enhanced the Company's performance in the semiconductor industry.

(3) Operations and financial strategies

- A. Integrate the China Steel Group's resources, including the advantages in manufacturing, technology, and R&D, and develop suitable products.
- B. Reinforce technical services, leverage advantages in local supply, and become a local enterprise that supplies cost-effective materials to the optoelectronic industry.
- C. Strengthen personnel training, improve personnel's quality and their work quality, and enhance operating performance.
- D. Expand and adopt the manufacturing equipment required for mass production of high-value targets and develop complete mass production capabilities.
- E. Adopt a stable and professional financial plan and prepare capital needed for business growth through a variety of fund raising channels in the capital market to meet the needs of the Company's development plan, thereby facilitating the Company's long-term steady growth.

II. Overview of the market and production and sales

(I) Market analysis

1. The Company's main products and sales regions

Unit: NT\$ thousands

Region \ Year	Year	2023		2024	
		Amount	%	Amount	%
Internal Sales		2,108,781	94.94	2,558,139	94.70
Asia		87,598	3.94	103,556	3.83
The Americas		24,711	1.12	39,616	1.47
Total		2,221,090	100	2,701,311	100

TTMC and Its Subsidiaries

Unit: NT\$ thousands

Region \ Year	Year	2023 (Redacted and reviewed)		2024	
		Amount	%	Amount	%
Internal Sales		2,141,982	36.40	2,581,385	49.02
Asia		3,698,997	62.86	2,633,918	50.02
The Americas		24,711	0.42	39,616	0.75
Europe		18,805	0.32	11,162	0.21
Total		5,884,495	100	5,266,081	100

2. Market share

We mainly produce materials used for optical storage media, optoelectronics, biomedicine, decoration, tool coating, and metals. In recent years, we have gradually stepped into the field of semiconductors, to develop toward the materials used for front-end wafer manufacturing from the back-end packaging in the semiconductor process. Our main products include flat and tubular sputtering targets for thin film processes, acid-resistant special alloys, and daily-life titanium products. Our market shares of optical storage media targets and metal targets in optoelectronics industry are about 40% or more, respectively. In recent years, as we have successfully expanded into Japan's and China's markets, and we have continued to make profits. We actively develop a variety of products in various fields and provide clients with a full range of material supply services. In addition to maintaining our existing panel market, we are actively expanding into the semiconductor and 5G markets and sparing no effort to build a business layout to maintain the Company's growth.

3. The future supply and demand in the market and product development trends

(1) With the rapid development of 5G, electric vehicles, low-orbit satellites, etc., seize the business opportunities of new industrial applications. With the rapid development of the high-tech industry, Taiwan's small and medium-sized LCD panel generation is more actively transforming and developing. The deployment of 5G networks is expected to innovate in products and services, while also bringing new applications to small and medium-sized panels. In addition, the rise of the Internet of Things will also bring new business opportunities to panel manufacturers, because the human-machine interface requirements of IoT connected devices used in manufacturing, medical, vehicles and other applications will bring new application business opportunities to displays. Since customers in various industries have their own standards, panel manufacturers can take advantage of the different features of panels, such as flexibility, high transparency, and heat or cold resistance, to develop customized products for different customers.

The aforementioned business opportunities will stimulate a substantial growth in demand for panels, and accordingly the target materials required in the panel production process will also be increased. With limited new entrants in the target industry, this will benefit the sells of Company's various Niche products.

(2) The demand for quartz oscillators for electronics and automotive industries is stable

The company features more than ten years of silver target and silver alloy target business foundation. In recent years, it has actively expanded its cross-strait quartz oscillator customers and actively expanded industrial demand.

(3) Almost all technological devices in daily life need semiconductor chips, which are applied to smart phones, automobiles, the internet, cloud data, industrial automation, smart homes, and various consumer electronic products. The demand for the key semiconductor technologies and components in the industries is increasing day by day, facilitating the steady expansion of the potential markets. We have a total of 20 years of experience in sputtering targets, ranging from optical discs, decorative coatings, and targets for passive components in early days to various generations of display targets; we have occupied a place in the targets market. We have a track record of supplying to many customers in the semiconductor supply chain and continue to develop, gradually expanding from back-end packaging and testing to front-end wafer fabrication, which will create another wave of sales for the company in this area.

(4) Titanium and Nickel Specialty Alloys Expand Niche as New Energy and Artificial Intelligence Emerge Due to the trend of green environmental protection and artificial intelligence driven by semiconductor and 3C production line iterative generation speed and functionality more powerful, the lightweight manufacturing equipment and product lightweight and short requirements are becoming more and more stringent. Titanium has excellent corrosion resistance, high strength and low density characteristics, the first choice for lightweight materials have been applied to aircraft engine components and fuselage structure, 3C product parts and automotive battery shell; nickel in addition to high temperature strength and acid and alkali resistance are widely used in nuclear power, oil and high temperature furnace structure, but also has a low expansion coefficient characteristics are being promoted in semiconductor packaging equipment and battery electrodes and other components. The low coefficient of expansion feature is being promoted in semiconductor packaging equipment and battery electrodes, helping to accelerate industrial upgrading. The promotion and expansion of the above industrial applications are opening up a wide range of business prospects for titanium and nickel products in the future. In addition, in the face of the rise of industries such as higher-speed communications and artificial intelligence in the future, which require more stringent material properties, titanium alloys and nickel alloys will welcome more innovative application opportunities, and the market size is expected to continue to expand, which is conducive to the expansion of the sales of medium-refined niche products.

4. Product competition

(1) Facing the competition pressure from the external environment, we have created our competitive advantages and enhanced our product competitiveness through continuous innovation and CSC group assistance R&D resources. We have switched our focus to high-value, interdisciplinary product

R&D, with a focus on cost control to improve product gross margin, ensuring great potential for long-term business growth. We need to further enhance the values of our core technologies by expanding into different fields, such as medical and semiconductor packaging fields or high-end automotive panel market, in order to diversify the Company's products and markets.

- (2) The red supply chain phenomenon has a significant impact on Taiwan's imports. As China's government adopts financial subsidies and financing policies to motivate businesses to innovate voluntarily and build their own brands, along with the trend of enterprises forming groups, the red supply chain has gradually emerged. The rise of the red supply chain has not only undermined the local supply chains but also intensified the competition between businesses on both sides of the Taiwan Strait and even affected the global competition and collaboration. In addition to improving the flexibility of supply and shortening the development cycle of new products, a localized supply chain will ensure more efficient services and response to clients' issues. Localized supply chain players are developing toward emerging industries with higher gross margins and added values. As it is difficult to cope with the threat from the red supply chain in terms of existing electronic product lines, localized supply chains need to transform themselves quickly and identify their own values quickly, while strengthening their innovation and R&D capabilities in terms of speed, cost, or differentiation, to create sustainable competitiveness.
 - (3) Nearly countries around the world have declared to achieve net-zero emissions by 2050 (including the EU region and Taiwan). Facing this trend and the sustainable development issue, we have strengthened our ESG and CSR efforts, set 10-year short-, medium-, and long-term strategies and goals in alignment with the Corporate Governance 4.0 - Sustainable Development Blueprint, and prompted employees, clients, and suppliers to pay attention to such issues. Advance the implementation of greenhouse gas inventory and carbon footprint inventory, and promote the recovery of precious metals from spare parts and recycling of recycled materials to promote a circular economy. For example, we adopted refining technology to recycle and reuse all available precious metals, integrated upstream recycling and downstream smelting channels, to reuse resources and form a more valuable circular economy model for materials, thereby creating a win-win-win outcome for the production, clients, and the environment. The strategic layout can be adjusted on a rolling basis. This model allows us to explore green business opportunities and enhance our product competitiveness.
5. The favorable and unfavorable factors for future development and countermeasures
- (1) Favorable factors
 - A. Taiwan is the hub of the global optoelectronics industry

Taiwan is the global manufacturing hub for optical discs, flat panel displays, and semiconductors. With the continuous expansion of the global flat-panel display and semiconductor production scale, Taiwan's manufacturers play a crucial role in the supply chain of such products, and Taiwan has witnessed a high growth rate of targets used in high-tech industries, leading to enormous business opportunities for domestic targets manufacturers.
 - B. The government rewards the R&D of high-tech materials

Motivated by government policy, the Industrial Technology Research Institute, the National Chung-Shan Institute of Science & Technology, and the Metal Industries Research & Development Center have continued to invest in the R&D of new targets, new industrial applications, and circular economy applications and assist domestic businesses in upgrading technology or transferring technology to them, enabling domestic businesses to make technological breakthroughs and shorten development cycles.
 - C. Coating application fields continue to expand

Optical recording media, flat-panel displays, as well as optical, semiconductor, and automotive products are the main areas for coating applications. With the advancement of sputtering technology and the lower production costs, the thin film application fields continue to expand, thereby driving the increasing demand for targets.
 - D. Green energy industry has become global development vision

In alignment with clients' needs for green energy, we actively put R&D resources to develop key materials required by this industry, to reduce downstream businesses' reliance on imported materials and enhance the domestic green energy industry's international competitiveness.
 - E. Circular economy development

We actively invest in the recycling and reuse of metal targets in alignment with clients' requirements for carbon reduction to achieve a win-win outcome for both sides, thereby achieving sustainable ESG development.
 - (2) Unfavorable factors and countermeasures
 - A. The competition in the targets industry is becoming intensified

In recent years, China has actively localized the supply key materials to replace imports. Therefore, it has continued to expand production in the fields of LCD panels, touch panels, LEDs, and optical films. To receive government subsidies, compete for capital market funds, and seize targets business opportunities, China's businesses launched a price war, thereby intensifying the competition in the industry.

- ◆ Countermeasures: Continuing to reduce material costs, insisting on quality first, improving production efficiency and customer problem solving capabilities, strengthening localized customer dependence, expanding the degree of differentiation between production and sales, and maintaining appropriate profitability to differentiate from the business operations of target manufacturers in China.

B. The use rate of targets has increased and the tubular targets have become more common

With the advancement of sputtering technology and the continuous improvement to target quality, the use rate of sputtering of planar targets has gradually increased, thus reducing its demand. Also, as the use rate of tubular targets is as high as 60–70%, 2.5 times that of planar targets, tubular targets will become more common, reducing the demand for targets.

- ◆ Countermeasures: By utilizing the resources of CSC Group, we will continue to invest in research and development to develop high-value consumables to reduce customers' costs and increase orders by gaining customers' recognition. At the same time, we will develop new special alloys to enrich our product portfolio and enhance our overall competitiveness.

C. Reliance on imports for key raw materials

Raw materials, such as precious metals and high-purity aluminum ingots, needed to produce targets are all supplied by manufacturers abroad, making it difficult to manage the cost of raw materials. Due to the impact of the pandemic, as the global prices of raw materials have shown an upward trend, it is not easy to keep production costs down. Transportation costs and delivery times are unstable.

- ◆ Countermeasures: Negotiate long-term trading models with suppliers of key raw materials, have safe stocks, and work with multiple suppliers, while timely negotiating with suppliers to reduce the cost of materials based on raw material price fluctuations to enhance the Company's competitiveness. Moreover, we have a precious metals, silver and indium, recycling and refining production line, to recycle the residual materials and residual sputtering targets in the process, to accurately control the loss and cut the cost of raw materials. Also, we work with raw material companies to recycle and reuse the residual materials based on a circular economy model, to reduce the cost of raw materials.

D. Threats from China's LCD panel industry increased

China's panel production capacity has ranked first in the world. With its advantages in policies and production capacity, it has posed a threat to Taiwan's panel manufacturers, which may affect the availability of the production lines of Taiwan's manufacturers in the future.

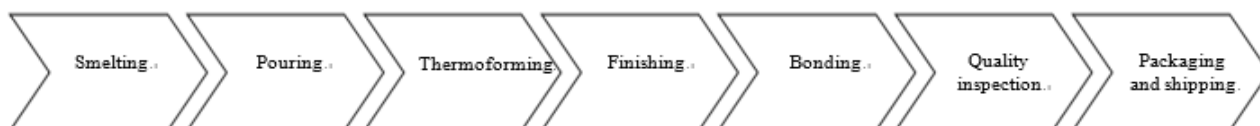
- ◆ Countermeasures: In line with the restructuring of Taiwan's panel makers, we are actively supporting the supply of various new application materials and continue to expand our sales industry to diversify our risks.

(II) Important functions and production processes of main products

1. Applications of main products

Thin film technology contributes to the development of components that are light, thin, short, and small. In the 3C industry, thin film technology can be divided into two major processes: physical and chemical deposition. Among them, the physical vapor deposition process can be divided into two major categories. One is sputtering. Plating is evaporation; the raw materials required for the sputtering process are target materials, and the raw materials required for the evaporation process are evaporation materials. Materials can be divided into two categories: metals and ceramics according to their properties. In thin film applications, they are conductive, reflective, protective, dielectric, decorative coatings, etc. The main terminal applications include flat-panel displays, optical discs, passive components, touch panels, semiconductors and other industries. , the related production processes of target materials and evaporation materials are as follows.

Pure metal or alloy targets manufacturing process:



Ceramic targets manufacturing process:



Metal evaporation material manufacturing process:



(III) Supply of main raw materials

Main raw materials	Main supplier	Supply
Silver	Company JS	Introduced in 2023, supply stably
Aluminum	Company H	Stable

(IV) The names of clients with purchases (sales) accounting for at least 10% of the total in any of the last two years, the amount and percentage of the purchases (sales), and reason for increase/decrease:

1. Information on major suppliers in the most recent two years:

Unit: NT\$ thousands

Unit: NT\$ thousands												
	2023 (After renumbering)				2024				2025 as of the previous quarter			
Item	Name	Amount	As a percentage of total net purchase (%)	Relations with the Company	Name	Amount	As a percentage of total net purchase (%)	Relations with the Company	Name	Amount	As a percentage of total net purchase during the current year up to the prior quarter of the current year(%)	Relations with the Company
1	A	868,658	19	None	A	1,166,662	27	None	A	The data at the end of the quarter before this annual report is the data for 2024 and published in 2025, so the information is the same as on the left.		
2.	B	549,010	12	None	B	533,483	12	None	B			
3.	C	336,564	8	None	C	452,910	11	None	C			
4	Others	2,732,534	61	None	Others	2,146,508	50	None	Others			
5	Net Imports	4,486,766	100		Net Imports	4,299,566	100		Net Imports			
Reasons for the changes: Companies A and C were the main suppliers of silver materials; Company B was a supplier of titanium products; and others included suppliers of silver materials and targets.												

2. Information on major clients in the most recent two years

Unit: NT\$ thousands

2023 (After renumbering)					2024				2025 as of the previous quarter			
Item	client	Amount	As a percentage of total net sales (%)	Relations with the Company	Name	Amount	As a percentage of total net sales (%)	Relations with the Company	Name	Amount	As a percentage of total net sales during the current year up to the prior quarter of the current year	Relations with the Company
1	A	644,129	10.95	None	A	767,659	14.58	None	A	The data at the end of the quarter before this annual report is the data for 2024 and published in 2025, so the information is the same as on the left.		
2	Others	5,240,366	89.05	None	Others	4,498,422	85.42	None	Others			
	Net sales	5,884,495	100		Net sales	5,266,081	100		Net sales			
Reason for changes in increase or decrease: Increase in the proportion of sales to A customers and increase in related sales due to increase in demand from major end-users.												

III. Employees:

The number of persons in the Company and the investees during the most recent year and as of the publication date of this annual report is as follows:

March 31, 2025				
Year		End of 2023	End of 2024	As of March 31, 2025
Number of employees	Direct labor	108	163	162
	Indirect labor	136	212	211
	Total	244	375	373
Average age		43.76	42.4	42.54
Average years of service		13.13	12.07	12.28
Ratio of education attainment %	Doctoral degree	1.23	0.51	0.53
	Master's degree	15.98	11.47	11.80
	College/University	52.46	55.74	55.50
	Senior high school	25.00	27.74	27.88
	Below senior high school	5.33	4.54	4.29

IV. Information on environmental management measures and environmental protection expenditure

(I) Environmental management measures

1. Environmental management system: The Company passed the ISO 14001: 2004 environmental management system first inspection certification in February 2008 and passed the ISO14001: 2015 version successfully in July 2016. We continue to improve the ISO14001 environmental management system, gradually enhance the performance of various environmental management measures, and perform internal and external audits each year to maintain the normal operation of the system to ensure that all operations are in compliance with the ISO14001 regulations. With systematic management, we continue to implement environmental protection measures. The latest certificate is valid from July 30, 2022 through July 29, 2025.
2. Environmental management organization: We set up an environmental protection unit with appropriate personnel to implement various environmental protection tasks.
3. Environmental and ecological protection: We continue to plant trees at all plants in alignment with the concept of landscaping, assign personnel to plan and manage the green space and ecological ponds at the plants, and appoint professional landscaping companies to maintain the trees at the plants every month.
4. Air pollution management: We have installed air pollution control equipment, such as scrubbers and dust collectors, regularly monitor the pipes and ambient air quality as per law, ensure the normal operation of control equipment, and apply for, change, use, and extend permits as per law. We continue to enhance in-plant inspections and review the fugitive emission pollution prevention and control work, and set out reduction and improvement measures.
5. Waste management: We meet requirements of government regulations, adhere to the principle of recycling, and have the business waste from the processes collected and disposed of by a management company endorsed by the Environmental Protection Administration, to ensure that the waste is disposed of properly and legally.
6. Wastewater (sewage) management: The Company's wastewater (sewage) is equipped with wastewater pre-treatment facilities, and wastewater is flown into the outlet approved by the Southern Taiwan Science Park Bureau after treatment for discharge, and the bureau randomly samples and tests the effluent in the plant from time to time per week to ensure qualified discharge.
7. Circular economy model: We adopted refining technology to recycle and reuse all available precious metals, integrated upstream recycling and downstream smelting channels, to reuse resources and form a more valuable circular economy model for materials, thereby creating a win-win-win outcome for the production, clients, and the environment.

Pollution Losses of the Company and Subsidiaries for the most recent year and up to the date of publication of the annual report (March 31, 2025)

company	TTMC		CSPM	
Item	2024	January to March, 2025	2024	January to March, 2025
Pollution (type and degree)	None	None	None	None
Compensation recipient and party punished	None	None	None	None
Amount of compensation or punishment	None	None	None	None
Other losses	None	None	None	None
Date of punishment	None	None	None	None
Punishment document No.	None	None	None	None
Law violated	None	None	None	None
Content of law violated	None	None	None	None
Content of punishment	None	None	None	None

(II) Details of the improvement to the environmental expense and health and safety expenditure in the most recent two years up to the publica :

1. Environmental expenses:

Unit: NT\$

1. Expenses	TTMC		CSPM	
	2023	2024	2023	2024
	Amount	Amount	Amount	Amount
1. Air pollution control expense	0	0	0	0
2. Sewage use expense	65	64	107	87
3. Soil and groundwater pollution remediation expense	13	12	279	214
4. Business waste disposal expense	1,084	1,357	1,654	1,605
5. Environment inspection and testing expense	710	138	186	257
6. Environmental facilities installation, repair, or maintenance expense	498	500	41	40
7. Government environmental protection fees (review/certificate fees)	3	5	16	34
Total	2,373	2,076	2,283	2,237

2. Health and safety expenditure:

In 2024, the measures taken to improve the health and safety in the production process are as follows:

- (1) The daughter wall on the top floor of the factory has been eroded by rainwater for a long period of time, causing the cement surface to crumble. In order to prevent the concrete blocks from falling and hurting the personnel, H-beam steel was welded to strengthen the supporting structure of the daughter wall to ensure its stability and safety.
- (2) The operation port of the sandblasting machine was originally designed with a plastic sheet, which was easily worn out and led to dust leakage, posing a potential health hazard to colleagues. We have changed to use dust-proof sealing brushes to effectively minimize dust spillage and protect the safety of the working environment.
- (3) Traditionally, 98% methanol has been used in the original metallographic analysis process; however, the long-term use of methanol poses a high health risk to operators. Switching to low-hazard ethanol is an effective alternative to methanol, thereby reducing the health risks to colleagues.
- (4) During the gravity heat treatment process of the new product plates, 36 weighted blocks with a total weight of 300 kg have to be placed manually, and two operations are required for each entry and exit of the furnace. Long-term operation causes potential harm to the musculoskeletal health of the operators. In order to minimize the hazards of poor ergonomic design, we designed a special weight-bearing block modular basket and used a forklift truck to carry out the in-and-out operation of the furnace to improve safety and efficiency.
- (5) During the incoming and outgoing inspection of new products, inspectors are required to follow inspection specifications and repeatedly bend over to lift 10 to 15 kilograms of panels. The prolonged operation puts a strain on the back and arms of the personnel. Although waist protection was used to alleviate the discomfort caused by bending, the protective effect was still insufficient, and a supporting jacket was introduced to distribute the load through multiple points of support. A trolley platform with a lifting function is also used to minimize the difference in height between the inspection platforms, so that operators do not have to repeat the bending action after each transportation inspection, further reducing the risk of musculoskeletal injuries.

V. Work environment and employee personal safety protection measures

1. Occupational safety and health management policy is centered on the principles of hazard elimination, all-employee participation, continuous improvement, and health promotion.
 - (1) We manage to eliminate hazards, mitigate occupational safety and health risks, create a safe and healthy work environment, prevent work-related injuries, ill health, diseases, and accidents, and continuously provide workers with consultation as well as regularly participating in health and safety management affairs.
 - (2) We manage to protect the safety and health of all employees as well as suppliers, contractors, visitors, and other workers in the Company.
2. Assessment of and improvement to hazards in products, activities, or services:
 - (1) We assess the physical, chemical, biological, ergonomic, and other hazards and risks (maternity protection, overwork, bullying, stress, etc.), potentially arising from our various operating activities, including supplies, machines, equipment, operating environments, and personnel, at least once per year and divide the assessment results into five levels: low, medium-low, medium, medium-high, and

high-risks. For those at medium-high risk or above, we should take further measures to reduce the risks; we regularly hold emergency response exercises and personnel training to reduce the chance of accidents and ensure that the Company's various operations can proceed in a safe and compliant manner.

- (2) With our 6S audits, the President's work safety inspection, the safety committee's awareness-raising events, the labor safety unit's irregular audit of each unit (including construction), health education courses offered, awareness raised by the head of each unit, and daily inspection.
- (3) Education and training of new employees: On new employees' first day of work, the labor safety personnel will offer education and training on AEO, the environment, the health and safety system, and work rules. Total of 3 visits in 2024.

3. Health care and management:

- (1) Health promotion activities in FY2024: Annual health checkups for all employees totaled 375, and four cancer screenings (colorectal cancer screening, oral cancer, mammography, and cervical smear) totaled 581.
- (2) Promote the concept of good health and create a good and healthy life:
 - A. Organize recreational physical activities for employees - badminton, etc.
 - B. Stress Relief and Relaxation Activities - Office Healing and Stress Relief Planting Courses, Parent-child Carrot Plucking, Annual Orchid Potting Activity, Stress Relief Herb Outdoor Activity, Tranquil Stress Relief Flower Wreath Outdoor Activity.
- (3) All kinds of health plans: Ergonomic hazard prevention, overwork-related disorder prevention, prevention of unlawful violence in the performance of duties, female workers' maternal health protection, respiratory protection, plan on return to work from occupational injury and illness, and return to work assessment to safeguard employees' health.
- (4) Strategies and effectiveness of health promotion: employee health examination:
In accordance with the Labor Health Protection Rules, we formulated the health management procedures with the details better than the requirements in laws and regulations and organize free health examination for all employees on a regular basis per year. The results of special health examinations are managed by level, and unusual indicators are analyzed, and on-site physicians and occupational nurses provide individual health guidance, health education, and follow-up.
- (5) Implementation of health promotion projects as per Article 6 of the Occupational Safety and Health Act:

A. Overwork-Related Disorder Prevention Program:

The questionnaires completed by employees who participated in the health examination and the overwork scale are as follows:

Indicators	2023 (number of people)		2024 (number of people)
Ten-year cerebrovascular risk: high risk	7	<	11
Ten-year cerebrovascular risk: medium risk	31	<	46
Overwork-related disorders: high risk	0	<	3
Overwork-related disorders: medium risk	11	<	22
In 2024, based on the company's "abnormal workload-induced disease prevention plan" analysis, 25 people who were overloaded "need to be interviewed", and 23 completed interviews, 2 refused interviews. As the average age of employees continues to increase every year, their blood pressure during physical examinations is also on the high side. Therefore, after statistics, colleagues are actively asked to measure the blood pressure of those at medium and high risk, and then control the blood pressure to reduce the risk of stroke.			

- B. Human-caused hazards preventive action plan: Health check employees fill out a bone and muscle survey form, suspected of having a total of 8 hazards, through an on-site interview with an occupational medicine specialist, the same department colleagues are suspected of having a different hazardous area, the preliminary judgment is that the relationship with the operation is extremely low, the Company will continue to make the greatest efforts in the prevention of occupational diseases.
- C. Maternal Health Protection Program: To build an information platform or post posters for colleagues' reference, anonymous questionnaires and complaint mailboxes have no cases at present.
- D. Maternal Health Protection Program: 2024 No Colleagues Applicable to Maternal Health Protection.
- (6) Sphygmomanometers: We have automatic sphygmomanometers in place in the security office for employees to measure their blood pressure and develop a habit of managing their health; we provide them with relevant health information and refer high-risk employees to the occupational health specialists or health service doctors for further care.

- (7) Diverse health education: We offered health education to a total of 115 individuals during FY2024 as per their health risks. We release relevant health information on the Company's portal website as per domestic latest news, different seasons, and common epidemic diseases, to inform our employees.
- (8) No smoking in the entire workplace: The garden and the balcony of Building A and the area under the tree on the south side of Building B are designated as smoking areas. Smoking is strictly prohibited in all indoor offices. We raise employees awareness by putting up signs and posters stickers, those who violate the rule will be punished according to the work rules.
- (9) AEDs were installed.
- (10) Anti-mosquito repellents are sprayed from time to time in summer.

4. Emergency response exercises:

Emergency response is to enhance the ability to respond to accidents in order to avoid or minimize injuries to personnel, property damage and environmental impacts. Through regular emergency response drills, personnel are trained to respond quickly to emergencies, to carry out rescue operations, to minimize risks and damage, and to implement self-defense firefighting formation drills and toxic disaster drills.

▼Disaster prevention drills are carried out in accordance with ISO-14001 emergency response operating procedures. There have been no fire incidents and no relevant improvement measures in 2024.

Annual	fire drill	poison disaster drill	fire statistics	Number of casualties (%)
2023	2	1	0	0 (0%)
2024	2	1	0	0 (0%)

5. Work environment monitoring:

We appointed a qualified work environment monitoring institution to conduct measurements of chemical and physical factors in the environment every three months or every six months in accordance with the Labor Work Environment Monitoring Implementation Regulations. The chemical factors include carbon dioxide, dust, organic solvents, and specific chemical substances, while the physical factors include noise, temperature, etc. The institution determined whether the measurement results were in compliance with laws and regulations and provided the results to the head of each unit for announcement; the results were also reported to the Occupational Safety and Health Committee. We timely improved and rectified issues to ensure employees' health. We completed monitoring at a total of 143 monitoring points (including areas and individuals) during FY2024 in the work environment.

6. Safety and health management system verification:

We passed the BSI OHSAS18001: 2007 safety and health management system on June 21, 2008 and have passed the verification and inspection every year since then. We adopt a systematic management approach to hazard analysis, management planning, safety and health training, correction and prevention, outsourcing management, and health management. In addition, the verification of the advanced ISO45001 standard, which was used to replace OHSAS18001 in 2019. The ISO45001 occupational safety and health management system aims to enable each organization to prevent injuries and diseases and improve occupational health and safety performance. With the PDCA management cycle, we make continuous improvements. The latest certificate is valid from July 30, 2022 through July 29, 2025.

(II) Safety control and audit of construction operations

1. As per the contractor environment, safety, and health management procedures and construction operation management procedures, we manage and control hazardous operations of overhead work, hot work, or confined space work for workers to follow and ensure their safety and proper operation of the equipment.
2. We encourage employees to actively submit proposals for improvement to occupational safety and provide appropriate bonuses to the proposers. We also formulated the False Alarms and Accidents Investigation and Prevention Operating Procedures regarding accidents or false alarms for employees to follow. In addition, we regularly organize emergency response training, including leakage and fire, to train people's ability to respond based on a plan set out before hand, thereby minimizing losses once disasters occur.
3. As per the Regulations Governing the Occupational Safety and Health Management, "The machinery, equipment and operations, and other relevant safety facilities shall be maintained in an appropriate and safe state in compliance with laws and regulations", we formulated the Automatic Inspection Management Procedures for employees to follow, to prevent disasters from occurring, ensure personnel's safety and health, and protect our equipment and property.
4. Safe Operation Observation and Audit: It is an important part of the safety culture to detect, prevent and correct the unsafe behaviors of employees on site as early as possible, and to improve the unsafe conditions of the operation environment and machinery and equipment, and to review the deficiencies based on the improvement items suggested by the audit in the meeting of the Occupational Safety and Health Committee. 2 audits were conducted by the competent authority of safety and health in the factory in 2024, with no major deficiencies and no fines.

5. The company has an Occupational Safety and Health Committee with the general manager as the general convener. The results of various industrial safety inspections are reviewed and improved in meetings and carried out in parallel.

Occupational safety inspection	
6S inspection	Each committee member from each unit assigns a person as a team leader to conduct inspection with the labor safety unit once per month.
Occupational safety inspection	The President leads the production plant and the head of each unit under the Chemical Analysis Department to conduct an inspection once every two months.
On-site managers' management by wandering around	Irregular audits per day.
Labor safety unit	Inspections shall be conducted at least 3 times a week from time to time.

6. Implementation results

(1) Various occupational safety inspections during 2024

Occupational safety inspection	
6S inspection	11 times.
Occupational safety inspection	15 times.
On-site managers' management by wandering around	Daily inspections from time to time.
Labor safety unit	350 times or more.

(2) Equipment safety management

We classify the equipment, put the dangerous machinery and equipment under management as per law, and conduct detailed inspections to ensure the safe operation of the equipment. Our dangerous machinery included 21 stationary cranes, 8 forklifts, and 1 punching and shearing combined machine; dangerous equipment includes one high-pressure gas equipment, totaling 30 machines/equipment in 2024. We inspected all of them in accordance with the Regulations for Safety Inspection of Hazardous Machines and Equipment to ensure the safety during the use of such machines/equipment.

▼ The occupational safety education and training and awareness raising over the past three years

Category	Number of on-the-job trainees for safety and health certificates	Number of participants in the safety and health education and training	Number of pieces of awareness-raising information on safety and health on the portal
2022	60	1208	128
2023	43	1246	108
2024	49	851	105

▼ Occupational safety performance over the past three years - employee disabling injuries

Year	2022	2023	2024
Category	Number of cases	Number of cases	Number of cases
Employees' disabling injury frequency / rate	1	1	0
Contractors' disabling injury frequency / rate	0	0	0
Major occupational accident	0	0	0

VI. Labor-management relations

- (I) The Company's various employee benefit measures, continuing education, training, and retirement system and implementation thereto, as well as labor-management agreements and various employee rights protection measures:

1. Human rights protection policy

(1) Human rights policy

To fulfill our corporate social responsibility, we protect the basic human rights of employees and all stakeholders to achieve sustainable development, support and voluntarily abide by the international human rights conventions, including the Universal Declaration of Human Rights, and have formulated the employee appointment management regulations as the Company's human rights policy in accordance with the aforementioned guiding principles and the domestic Labor Standards Act, the Act of Gender Equality in Employment, the Occupational Safety and Health Act, and other applicable labor laws and regulations. We do not discriminate against employees in recruitment or at work or in terms of salary, promotions, bonuses, training opportunities, or retirement due to race, social class, language, ideology, religion, party affiliation, place of origin, place of birth, gender, sexual orientation,

age, marital status, appearance, facial features, disabilities, zodiac signs, blood types, or past union membership status. The Company's human rights policy is centered on the elimination of any violations and infringement of human rights, allowing all our employees to be treated in a reasonable and dignified manner.

(2) Human rights assessment

As a reliable outstanding optoelectronics and biomedical materials enterprise, we insist on high-quality products and pursue sustainable development, while increasing our attention to concern people and the environment. We assume our social responsibility for employees, consumers, communities, and the environment. To realize this commitment, we regularly identify employees' occupational safety and health risks and material environmental issues, regularly appoint third-party verification institutions to perform audits, and provide audit results to corporate clients as they are.

(3) Human rights risk mitigation measures:

Human rights concerns and specific measures are as follows:

A. Workplace health and safety

- I. The Company has passed the audit and verification by the ISO14001 environmental management system, the ISO 45001 occupational safety and health management system, and the Taiwan Occupational Safety and Health Management Systems (TOSHMS), thereby providing a safe work environment to our employees.
- II. We have breastfeeding rooms in place to take care of our employee's maternal needs and have employed full-time nurses to provide on-site labor health services in accordance with the Labor Health Protection Rules, while signing a contract with occupational physicians to provide labor health services.
- III. We also provide all in-service employees with general health examination, prohibit unlawful discrimination, and ensures equal job opportunities.
- IV. In accordance with the Employee Recruitment Management Regulations, our recruitment process and decisions will not be affected by various factors, such as race, religion, belief, gender, marital status or childbirth, age, political affiliation, nationality, disability, sexual orientation, zodiac signs, and blood types.

B. Prohibition of unlawful discrimination and provision of equal job opportunities

In accordance with the Employee Recruitment Management Regulations, our recruitment process and decisions will not be affected by various factors, such as race, religion, belief, gender, marital status or childbirth, age, political affiliation, nationality, disability, sexual orientation, zodiac signs, and blood types.

C. Prohibition of child labor

In accordance with the Employee Recruitment Management Regulations, we only recruit adults over the age of 18 in accordance with the Employee Recruitment Management Regulations, to ensure that we fulfill corporate social responsibility and comply with ethical standards.

D. Prohibition of forced labor

We shall not adopt any form of slavery nor coerce employees into involuntary labor.

E. Physical and psychological health and work-life balance

- I. The company has set up a variety of clubs (e.g. Volunteer Club, Gardening Club, Badminton Club, Iron Horse Club, Health and Wellness Club, Photography Club, etc.) and provides appropriate subsidies to facilitate smooth operation. The company encourages employees to participate in club activities in order to connect with colleagues through club activities.
- II. In addition to organizing mid-autumn barbecue activities, year-end party, family day and other activities to temper the body and mind of employees and unite the centripetal force, the company has set up recreational facilities such as library and rhythm dance classroom, and has also cooperated with the nearby sports centers to provide more professional athletic teachers, courses and equipments for the use of the employees after work.

(4) Human rights protection training

We offer occupational safety education and training to new employees and emergency response courses and occupational safety and health education and training per year; and send operators and supervisors in relevant hazardous operations and dangerous equipment operators to receive training for required times and hours as per applicable law and regulations. Also, we hold health promotion and awareness-raising events in cooperation with local health authorities. Human rights protection measures include:

A. New employee training

It includes prohibition of forced labor, prohibition of child labor, anti-discrimination, anti-harassment, working hour management, humane treatment, and a healthy and safe work environment.

B. Workplace violence prevention

We hold awareness-raising events and make announcements to enable employees to be aware of their responsibility to help prevent illegal violence in the workplace in the process of performing their duties and disclose our complaint hotline to create a friendly work environment.

C. Occupational safety training

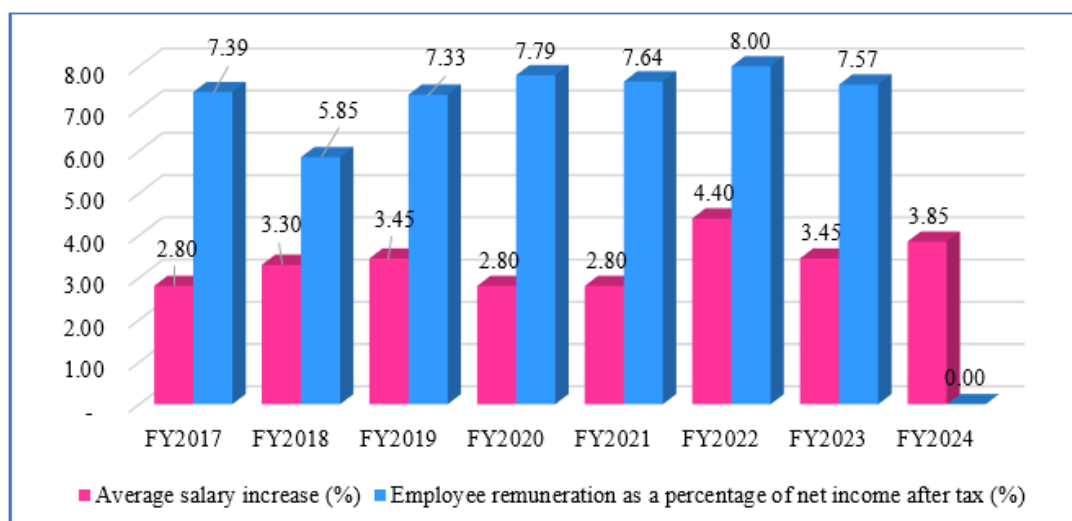
It includes health promotion awareness raising, labor safety and health and fire safety training, and first-aid personnel training.

2. Employee remuneration

- (1) Employee remuneration mainly include base salary (including base salary and meal allowance), year-end bonus, and production and employee remuneration. Salary is determined based on job responsibilities with reference to the salary standard in the market, the Company's financial position, organizational structure, and the employee salary standard and does not differ due to gender. The ratio of female's base salary to male's in the same position and at the same job level is one to one. The production and sales bonus is 20% of the quarterly profit to share the quarterly results with employees and motivate them at work. Salaries are related to years of service. The differences in ratios between females and males in different positions are attributable to different lengths of service. For employees in the same position with the same length of service, their salary does not differ by gender. The following information has been examined by our accountants.

Average employee remuneration	2022	2023
The average number of full-time employees who are not supervisors	NT\$793 thousand	NT\$738 thousand
The median of full-time employees who are not supervisors	NT\$751 thousand	NT\$730 thousand

- (2) As per Article 28 of the Articles of Incorporation, if TTMC makes a profit for a year, the Board of Directors shall resolve a decision to distribute employee remuneration. In recent years, the percentage of the profit for employee remuneration and the average salary increase range are shown in the table below. The Company's acquisition of China Steel Precision Material Ltd. in 2024 was an organizational restructuring, which resulted in a negative amount of other equity due to the translation differences in the financial statements of foreign operators. Pursuant to Article 41, Paragraph 1 of the Securities and Exchange Act, a public company is required to record a net decrease in other equity from net income after tax of the current period plus the amount of items other than net income after tax included in the current period's unappropriated retained earnings at the time of the distribution of distributable earnings. If the amount is still insufficient, the special reserve should be appropriated from the unappropriated earnings of the previous period, and the special reserve should not be distributed; therefore, no appropriation for employees' compensation can be made for 2024.



3. Employee benefit measures and implementation

- (1) In addition to labor and health insurance, childbirth, disease, medical, and other benefits in accordance with labor and health insurance regulations, all employees of TTMC have an Employee Welfare Committee in place to regularly give out various gifts, education scholarships, and wedding and funeral allowances per year; hold birthday celebrations, employee travel, and other activities to relax employees' body and mind and improve the quality of life; facilitate the development of clubs for employees to bond (Colleagues are free to join the Iron Horse Club, Volunteer Club, Softball Club, Photography Club, Gardening Club, Health Care Club, etc.). In addition, the Company has a social hall and a dedicated parking lot, and provides park transportation vehicles and dormitories, and signed a contract with a nearby preschool to provide convenient childcare services. We also have breastfeeding rooms, a collection of books, and large indoor and outdoor parking spaces in place.
- (2) The Company has long been concerned about fostering a friendly workplace environment for its employees. In accordance with the "Labor Standards Act" and the "Act of Gender Equality in

Employment”, it has stipulated menstruation leave, maternity leave, abortion leave, paternity leave, prenatal check-up leave and maternity protection regulations related to women's physiological characteristics, and has a system of unpaid parental leave, a lactation period and family care leave. In 2022, there were 2 employees who applied for unpaid parental leave, and their reinstatement rate reached 100%. Prenatal check-up leave and paternity leave are adjusted to seven days according to law, and the Company will provide salary payment for the extra two days; Colleagues ask for family care leave according to their needs; Employees raising children under the age of three can apply for childcare leave with one hour less working hours every day, while balancing work and life. In addition, the company's female colleagues and maternal employee health protection plan, detailed three, corporate governance operation situation (7) Promoting sustainable development implementation situation four, social issues (2) or employee care on the company's website.

- (3) We regularly organize free health examinations for all employees per year and also arrange for employees in special operations to carry out special health examinations to safeguard their health. In addition to labor insurance and national health insurance, we purchase group insurance for each employee to provide them with additional protection.

4. Gender equality and diversity

- (1) The Company has been honored with a Merit Award for the Promotion of Gender Equality in Employment from the Southern Taiwan Science and Technology Administration (SSTA) of the Ministry of Science and Technology (MOST) for the years 2020 and 2024, and continues to promote. The ratio of our male to female employees is five to one, the ratio of first-line male to female managers or above is 9:2, and the ratio of middle male to female managers or above is 19:7, and the proportion of female managers is 26.92%, fully indicating our gender equality in the workplace.

Ratio of female supervisors in the past two years	% in 2022	% in 2023	% in 2024
Female proportion in total employees (%)	16.43%	16.67%	17.96%
Female proportion in all supervisors (%)	26.09%	26.92%	26.92%
Female proportion in top-level managers (%)	18.18%	18.18%	18.18%

- (2) The company attaches great importance to the diversity of employees and employs employees with disabilities in accordance with the law. The number of employees exceeds the number stipulated in the Law on the Protection of Rights and Interests of Persons with Disabilities (2 employees are legally required to be employed, but 3 are actually employed. Persons with severe disabilities or above are employed in accordance with regulations. Every employee is employed. One person is counted as two persons). The nationality of the company's current employees is 100% of the Republic of China. We also accept various ethnic groups and respect their cultural customs. The current admission rate for people with disabilities is 1.45%. The number of employees under 30 years old accounts for 1.0%; the number of employees between 30 and 50 years old accounts for 75.73%; the number of employees over 50 years old accounts for 23.30%.

5. Human rights protection and on-the-job training

- (1) In 2024, the company organized education and training on human rights-related issues (including courses on the practice of corporate social responsibility in human rights, prohibition of illegal infringement, anti-discrimination, labor safety education, health management and mental hygiene, etc.), with totaling 728 person times, totaling approximately 725 hours.
- (2) The Company takes long-term talent cultivation as its primary task, and according to the needs of organizations, departments and employees, in order to help employees improve and refine their knowledge and skills, establishes a career competency development plan, in addition to appropriate internal recruitment and rotation, and plans internal and external training plans, including newcomer training, professional advanced training, supervisor training, etc., in order to help colleagues continue to learn and grow through multiple learning methods, and introduce relevant training courses such as the importance of workplace ethics and ethical management concepts to cultivate their key competencies. In 2024, the total number of vocational training sessions was 1,620, with 3,264 person-hours, and the cost of vocational training was NT\$137 thousand. We review and provide feedback during regular annual performance reviews to assist our employees in developing the best workplace competency plans and to strengthen the Company's human capital base accordingly.
- (3) Although the company has not established a corporate trade union, employees are free to join the trade union. As of the end of 2024, 3 of the company's employees have joined the China steel trade union and 46 have joined the China Steel Corp. Group trade union. The trade union has not reported to the company so far. The request for negotiation of a group agreement was made, but the group agreement was not signed.

6. Retirement system and implementation

- (1) To stabilize employees' life after their retirement, we have formulated labor retirement regulations in accordance with the law, established a Supervisory Committee of Labor Retirement Reserve, and regularly contribute to the retirement reserve equal to 2% of the total salary and wages per month; the reserve is deposited in an account with the Central Trust of China to protect workers' rights. We have also made a monthly contribution equal to 6% of the monthly salaries to the individual pension accounts since July 1, 2005 in accordance with the new scheme. Those who make additional contribution to their pension accounts voluntarily, we withhold amounts at a rate they select from their monthly salaries and contribute them to said accounts with the Bureau of Labor Insurance.

- (2) The applicable regulations of the Labor Pension Act are as follows:

A. Voluntarily retirement:

An employee who is under any of the circumstances below may apply for retirement: (Those who elected to adopt the Labor Pension Act shall be subject to the same regulations)

- Those who have worked for 15 years or more and have reached the age of 55.
- Those who have worked for 25 years or more.
- Those who have worked for 10 years or more and have reached the age of 60.

B. Mandatory retirement:

The Company shall not compel an employee to retire unless they fall under any of the circumstances below:

- Those who have reached the age of 65.
- Those who are psychologically or physically disabled and unable to work.

The age specified in subparagraph 1 of the preceding paragraph may be adjusted with the approval of the central competent authority if a worker is in a dangerous or manual job. However, the age cannot be lower than 55.

- (3) Pension payment standards:

- In the cases of the years of service before and after the Labor Standards Act was enforced, the choice to continue to adopt the scheme under the Labor Standards Act in accordance with the Labor Pension Act, or the years of service before the enforcement of the Labor Pension Act retained, the pension payment standards shall be subject to Articles 84-2 and 55 of the Labor Standards Act.
- For employees with the length of service as in the preceding paragraph who are forced to retire in accordance with Article 35, paragraph 1, subparagraph 2, if their psychological or physical disability is caused by work, their pension shall increase by 20% as per Article 55, paragraph 1, subparagraph 2 of the Labor Standards Act.
- For those to which the Labor Pension Act applies, we will make a monthly contribution equal to 6% of their monthly salaries to their individual pension accounts.

- (4) Pension payment:

The Company shall pay the pension to each employees within 30 days from the date of their retirement.

- (II) Losses suffered due to labor disputes in the most recent years and up to the publication date of this annual report, the estimated potential amount at present and in the future, and countermeasures: None of the Company and its material subsidiaries.

Companies	Item	2024	January to March 2025
TTMC	Date of punishment/ Punishment document No./ Law violated	None	None
	Content of law violated/ Content of punishment	None	None
CSPM (Important Subsidiaries)	Date of punishment/ Punishment document No./ Law violated	None	None
	Content of law violated/ Content of punishment	None	None

VII. Cyber security management

- (I) Cyber security risk management framework, policy, specific management plans, and resources put in cyber security management

1. Cyber security risk and management

- The scope and purpose of cyber security

Parties/Entities concerned: Employees, clients, suppliers and shareholders, as well as operation-related information software and hardware equipment.

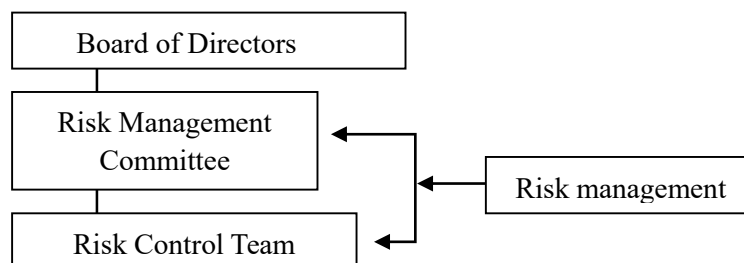
Scope: To ensure the Company's information security, we formulated rules and regulations, adopted technology and data security standards, and incorporated them into the management and operations system to protect employees', suppliers', and clients' privacy and information security during business dealings.

- Cyber security risk management framework

To enhance the Company's stable operation and sustainable development, establish a complete risk management mechanism, and reasonably ensure that we achieve the Company's strategic goals,

we have established a Risk Management Committee and formulated risk management policies and procedures in accordance with Article 27 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.

The Risk Management Committee (RMC) assists the Board in carrying out its risk management responsibilities and is responsible for reviewing various risk management issues. A “Risk Management Staff Executive Group” has been established under the Risk Management Committee to assist the Risk Management Committee in carrying out its risk management responsibilities. The Risk Management Committee meets at least twice a year and reports to the Board at least once a year.



The executive secretary of the task force is served by a first-line manager at the Administrative Management Department, and the members of the task force are the middle managers or above at each plant's departments. The task force is responsible for the overall risk management, including operational, financial, information security, environmental, compliance, and other risks.

Among them, information security risk management is conducted by the Information Section, Administrative Management Department. The section comprehensively manages the Company's information strategy planning, implementation, and management, optimizes the information system structure, enhances information management efficiency, and implements and regularly reviews and modifies information security systems and management measures.

2. Cyber security policy objectives

- Control information security risks, strengthen prevention, reinforce the information security structure and internal control, and ensure proper protection of information assets.
- Establish a complete management system to ensure the confidentiality and integrity of information assets.
- Establish an up-to-standard information security mechanism and regularly review and amend relevant operating regulations to comply with cyber security standards.
- Be commitment to integrating and managing all potential risks that may affect information security in proactive and cost-effective methods.

3. Specific cyber security management plans

- Regularly assess the impact of man-made and natural disasters on the Company's information assets and formulate a recovery plan to ensure business continuity.
- All employees of the Company as well as clients and suppliers who use or link with the Company's domain or computer systems should abide by the Company's information security regulations as required.
- Regularly offer internal information security and information system training courses and require information personnel to actively participate in information security seminars to enhance their professional skills.
- Regularly raise personnel's awareness of information security policies and offer information security education and training to increase employees' awareness of information security.
- Announce any external major information security incidents by email and on the homepage of the Company's website, to remind employees of various types of information security threats and new threats to enhance their awareness of information security.
- Enhance information security, prevent the leaks of trade secrets, and manage permissions for user accounts, changes of VPN firewall connection rules, USB/storage devices, and visitors' use of domains.
- Regularly carry out relevant backup protection measures for the information system structure, such as off-site host backup, cloud, and on-premises data backup, and power backup; test the restoration of backup data and the backup power system per month; inspect and update the operating systems in real time to ensure the normal operations of the information systems and the reliability of data retained.
- In accordance with the above policies, we regularly monitor subsidiaries' potential information security risks timely and take active measures to reduce potential harms.

4. Implementation of information security risk management

We held two Risk Management Committee meetings and one meeting of the Risk Management Task Force during 2024 to review each unit's implementation of the information security policies; they reported to the Board of October 30, 2023. There were no incidents that jeopardized the information security of TTMC and its subsidiaries during the year. According to the "Guidelines Governing the Establishment of Internal Control Systems in TWSE/TPEX Listed Companies", in November 2022, a dedicated information security supervisor and qualified personnel were put in place, thus being implemented one year earlier than required.

▼Resources invested in cyber security management

Management countermeasures	Execution instructions
Development of Information Security Management System	■With a certain number of systems and devices to be managed and dispersed on different systems, increasing the difficulty of management, in order to be able to manage effectively, the development of an information security management system, through a single platform and interface to enhance the visualization, in advance of the prevention, and the completion of the development by the end of 2024.
Strengthening the awareness of information security among colleagues	■Monthly information dissemination to enhance employees' awareness of preventive measures. ■Internal penetration test: In addition to the report of the successful penetration, the employees are required to prepare a specific information security topic for the company's employees to enhance their awareness of preventing hacking.

5. Information security training and awareness-raising events:

- (1) In 2024, the number of monthly information security awareness-raising sessions totaled 12; there were 2 information security penetration sessions, with a total of 5 people (including subsidiaries) successfully penetrated, and 3 sessions of education and training were arranged for 3 days and 3 times in September and October, respectively, with a total of 86 participants, in order to enhance the information security awareness of our colleagues.
- (2) The penetration tests have been organized for several consecutive years, and the information security awareness of colleagues has gradually spread, but there are still some less alert colleagues, and the information unit has been listed as a key target of concern, and tracking and management is carried out at any time. ▼Internal and external education training and awareness-raising events are listed below:

Year	2022	2023	2024
Number of people	9	2	5
Percentage of penetration success	4.1%	1.8%	3.8%

- (3) Courses related to risk awareness and prevention, such as Information Security and Risk Management 2024 The number of trainees in FY2024 is 124, totaling 372 hours.

▼The table below summarizes internal and external training and publicity:

Internal/External training	Category of course	Number of people	Number of hours/people
External training	Information Security Pro-Active Attack Seminar	1	8
External training	Intelligent Factory Forum Spring Tour (Kaohsiung): Digital, Net-Zero, Manufacturing Dual-Axis Transformation	1	8
External training	cybersec 2024 Taiwan Information Security Conference	2	24
External training	5G+AIoT Joining Ecosystem	2	16
External training	Information Security Pro-Active Attack Seminar	2	4
External training	Secure Operational Technology Summit 2024	1	8
External training	AWS and NetApp Lead the Hybrid The New Era of AI in Cloud Data Centers	1	4
Internal training	TeamT5 Education and Training	2	3
Internal training	2024 Internal training-1	80	240
Internal training	2024 Internal training-2	6	18
Internal training	2024 Internal training-3	38	114
External training	DevDays Asia 2024	2	8
External training	TeamT5 Education and Training	2	3
External training	D Forum 2024 Smart Factory Forum	1	8
External training	025 CIO Insight Survey Presentation	1	8

- (II) Specify the losses incurred due to major cyber security incidents, potential impacts, and countermeasures in the most recent year and up to the publication date of this annual report. If the amount cannot be reasonably estimated, please specify the fact that it cannot be reasonably estimated: The Company and its subsidiaries have not suffered any loss due to material information security incidents.

VIII. Important contracts:

The Company still has supply and marketing, technical cooperation, construction, long-term borrowing, and other important contracts, which are still valid or expired in the most recent year. They are listed as follows:

■ TTMC

Nature of contract	Parties involved	Start and end dates	Main content	Restrictive covenants
Precious metals & forex trading	Company JS	2024.01.16~2024.12.18 2025.01.10~2025.04.10(Note 1)	Precious metal supply contract	None
Precious metals & forex trading	Company M	2021.11.30 (Note 2)	Precious metal supply contract	None
Land lease contract	Bureau in Southern Taiwan Science Park	2016.01.12~2027.05.31 (Note 3)	Lease of land in the park	None
Technical cooperation	China Steel Corporation	2024/06/01~2025/05/31	Mass Production of Metal Targets for Semiconductors (Phase II Project)	None
Technical cooperation	China Steel Corporation	2024/01/01~2024/12/31	Development of Aluminum-Copper Targets and Thin Film Inspection Technology for Semiconductors	None
Technology licensing	Metal Industry Research and Development Center	2024/01/01~2024/12/31	Brass alloy and its manufacturing method	None

Note 1: The transactions between the Company and JS company is made on a case-by-case basis and may be extended upon expiration.

Note 2: The transactions between the Company and M company is mainly based on the supply contract signed on 2021.11.30, without a clear expiration date.

Note 3: Both parties may sign a new contract to extend the lease upon the end of the lease term as per the lease contract.

■ Important Subsidiaries -CSPM

Nature of contract	Parties involved	Start and end dates	Main content	Restrictive covenants
lease of land	Changzhou China Carbon New Material Technology Co., Ltd.	2014.01.02~2059.01.01	Factory Rental	None
Technical Cooperation	University of Changzhou	2023.06.01~2025.05.31	ESG Study on Improving Cutting Performance of High Precision Titanium Seamless Tubes for Hard Disk Drive Spacers	None

Five. Financial Position and Financial Performance Review Analysis and Risk Management

I. Financial position

(I) Comparison and analysis table of financial position

Unit: NT\$ thousands				
Item \ Year	End of 2024	End of 2023 (Redacted and reviewed)	Increase/Decrease amount	Increase/Decrease (%)
Current assets	3,307,383	4,093,701	(786,318)	(19.21)
Property, plant and equipment	563,948	640,226	(76,278)	(11.91)
Intangible assets	4,316	2,396	1,920	80.13
Other assets	400,238	373,155	27,083	7.26
Total assets	4,275,885	5,109,478	(833,593)	(16.31)
Current liabilities	1,263,063	1,913,588	(650,525)	(34.00)
Non-current liabilities	655,064	362,964	292,100	80.48
Total liabilities	1,918,127	2,276,552	(358,425)	(15.74)
Share capital	1,084,940	735,012	349,928	47.61
Capital surplus	795,626	352,020	443,606	126.02
Retained earnings	113,868	103,972	9,896	9.52
Other equity	(157,242)	4,650	(161,892)	(3,481.55)
Common control forehand benefit	-	1,146,091	(1,146,091)	(100.00)
Non-controlling interests	520,566	491,181	29,385	5.98
Total shareholders' equity	2,357,758	2,832,926	(475,168)	(16.77)
<p>1. Description of the items with a significant change (increase or decrease by 20% or more compared with the prior period with the change amounting to NT\$10 million):</p> <p>(1) Decrease in current liabilities: The decrease in current liabilities was mainly due to the disposal of TCMC in 2024.</p> <p>(2) Increase in non-current liabilities: Long-term loans increased due to the cash acquisition of CSPM. in 2024 compared to the same period last year.</p> <p>(3) Increase in capital stock, capital surplus and decrease in other equity: Mainly due to the merger of CSPM. with cash and issuance of new shares and the conversion of convertible bonds into common shares in FY 2024.</p> <p>2. Impact of significant changes on the Company: The above changes in assets, liabilities, and shareholders' equity did not cause any significant impact on the Company.</p>				

II. Financial performance

(I) Comparison and analysis table of financial performance

Unit: NT\$ thousands

Year/Item	2024		2023 (Redacted and reviewed)		Increase/Decrease amount	Increase/ Decrease (%)
	Subtotal	Total	Subtotal	Total		
Net operating revenue		\$5,266,081		\$5,884,495	(\$618,414)	(10.51)
Operating cost		<u>4,895,363</u>		<u>5,475,795</u>	(580,432)	(10.60)
Gross profit		370,718		408,700	(37,982)	(9.29)
Operating expense		<u>280,933</u>		<u>253,462</u>	27,471	10.84
Operating income		89,785		155,238	(65,453)	(42.16)
Non-operating income and expenses		42,720		(999)	43,719	(4,376.28)
Interest income	\$10,225		\$9,885		340	3.44
Other income	29,572		25,890		3,682	14.22
Other gains and losses	24,942		(8,796)		33,738	(383.56)
Financial costs	(22,593)		(29,029)		6,436	(22.17)
Share of profit on affiliates recognized using the equity method	574		1,051		(477)	(45.39)
Net income before tax		132,505		154,239	(21,734)	(14.09)
Income tax expense		<u>40,398</u>		<u>45,518</u>	(5,120)	(11.25)
Net income for this period		<u>\$92,107</u>		<u>\$108,721</u>	(16,614)	(15.28)

1、Description of the items with a significant change (increase or decrease by 20% compared with the prior period with the change amounting to NT\$10 million.

(1) Decrease in operating income:

Mainly due to the economic recession in China and the sluggish market, the consolidation of subsidiaries after the completion of the acquisition in May 2024, as well as the increase in operating costs due to the increase in raw materials and the impact of inflation, which resulted in the Company's profitability not being as high as expected.

(2) Increase in other benefits:

Benefited from the rise of the U.S. dollar in FY2024, resulting in an increase in foreign currency exchange gain compared to the same period last year, and the disposal of subsidiary TCMC., resulting in the recognition of gain on disposal.

2. Estimated sales volume in the following year and the basis:

In 2025, the overall consumer electronics market is still uncertain, and most of the customers related to electronic components are waiting to see what will happen in the industry. The Company is still focusing on opening up new sources of income and cutting down on expenses and consolidating the development of capital, and we are striving for the amplification of the revenue of volume and price by focusing on the products with high gross margins; for the panel industry, the Company will continue to carry out the activities of cutting down on the cost in order to make the products cost-competitive, to maintain the crop of the production line, and to stabilize the gross margins; and for the three new products (new products, new applications, and new customers), the focus of development and development is still the same as that of the same period last year. The focus of development and development is still mainly in the semiconductor field, from the back to the front, to continue to expand the business volume, to cultivate growth momentum, and also to integrate sputtering equipment vendors or with customers to expand the production line, the EVI mode of early introduction, in order to shorten the problem of the long period of verification of semiconductor business. In addition, we will continue to promote the biomedical field, and in line with the Company's business objectives, we will go deeper into each field to refine and remodel equipment and materials, and increase the proportion of high-margin products.

Looking forward to 2025, the Company will uphold the corporate culture of "Teamwork, Enterprise, Innovation, Practicality, and Integrity", strengthen customer satisfaction and adhere to the corporate values of quality first, and integrate the Group's upstream and downstream synergies to extend the construction of related manufacturing process technologies, and utilize the Group's benefits and core competencies to enhance overall operating performance and long-term competitiveness.

III. Cash flow analysis

(I) Analysis of changes in cash flows

Unit: NT\$ thousands

Item \ Year	2024 (A)	2023(B) (Redacted and reviewed)	Increase (decrease) i.e. changes in amount (A)-(B)
Operating activities	362,374	761,097	(398,723)
Investing activities	(733,274)	(192,389)	(540,885)
Financing activities	105,150	(516,575)	621,725
Total	(265,750)	52,133	(317,883)
Analysis of changes in cash flows: 1. Operating activities: Mainly attributable to the decrease in cash inflow from inventories as compared to last year. 2. Investment activities: Mainly attributable to the acquisition of CSPM. 3. Fund-raising activities: Mainly attributable to the long-term loans raised for the acquisition.			

(II) Liquidity analysis

Unit: %

Item \ Year	2024	2023 (Redacted)	Increase (decrease) %
Cash flow ratio	28.69	39.77	(27.86)
Cash flow adequacy ratio	164.61	175.25	(6.07)
Cash reinvestment ratio	7.24	14.91	(51.44)
Analysis of the increase or decrease (%) (increase or decrease by 20% compared with the prior period): The decrease in cash flow ratio and cash reinvestment ratio was mainly due to the decrease in net cash flows from operating activities compared to the same period last year.			

(III) Analysis of cash flow in the coming year

Unit: NT\$ thousands

Opening balance of cash	Estimated full-year net cash flow from operating activities	Estimated full-year net cash flow from investing and financing activities	Estimated cash flow surplus (deficit) amount	Remedial measures for estimated cash flow deficit	
				Investment plan	Financial management plan
527,111	181,198	(220,406)	487,903	-	-
Note : (1) Net cash inflow from operating activities was mainly due to the estimated operating profit. (2) Net cash outflow from investing and financing activities was mainly due to the estimated acquisition of property, plant and equipment and dividend payments.					

IV. Impact of major capital expenditures on financial business in the most recent year: None.

V. Investment policy for the most recent year, the main reasons for profit or loss, improvement plan, and investment plan for the following year:

(I) Investee policy:

Based on factors such as operational needs or future growth considerations, the Company draws up an investment plan and evaluates the organization, investment objectives, location, market conditions, business development, and financial condition of the reinvested property, and makes investment appraisal recommendations for management to use as a basis for making investment decisions. In addition, the Company has established "Procedures for the Acquisition or Disposal of Assets" and "Regulations for the Supervision and Management of Subsidiaries" to monitor the financial and business conditions of the investee companies, to review and supervise the subsidiaries' procedures for major financial and business issues, and to establish a mechanism for the management of the subsidiaries' operating risks in order to maximize their operating performance.

(II) The main reasons for profit or loss, improvement plan and investment plans:

December 31, 2024; Unit: NT\$ thousands

Investee	Combined shareholding	Recognized investment loss for 2024	Main reason for profit or loss	Improvement plans
TaicangThintech Material Co., Ltd.	-%	(47,027)	Operating losses are summarized as follows: 1. China's panel market is subject to price cuts by mainland manufacturers, making it difficult to survive in the red sea market. 2. The elimination of import and export tariffs for some target materials has reduced profitability. 3. Increase in operating costs due to stringent environmental and safety laws and regulations, and rising raw material costs in tandem with inflation.	Due to changes in the investment environment, in order to alleviate the Company's heavy financial burden over the long term, the Company disposed of 100% of its equity interest in TaicangThintech in November 2024. In conjunction with the acquisition and the overall business strategy planning, the Company consolidated the business and production operations of its subsidiaries for more efficient management and to maintain the business foundation already established in the China market.
Changzhou China Steel Precision Material Co., Ltd	70%	53,365	Operating profit is summarized below: China's economic recession and sluggish market conditions, despite the continued financial easing strategy to revitalize the industry, the downstream end demand remained weak. As a result, the overall titanium raw material market price declined in 2024, however, from Q4 onwards, end-users actively replenished their inventories, which was favorable for the stabilization of titanium product gross margins. In the nickel raw material market, Q4 was affected by the growth in demand for electric vehicle nickel-based batteries and Indonesia's nickel mine production reduction policy, which resulted in the gradual de-stocking of the market, and the price of raw materials has been slowly recovering, driving downstream replenishment of materials, and leading to a larger increase in the revenue share of nickel-based alloy products in Q4.	We mainly implemented the sales of other large-size barren tubes to make up for the total sales of titanium materials, stayed close to the nickel-based market strategy with a view to expanding the business volume, developed three new high-margin products and increased the volume of OEM products to boost the company's operation. Raw materials will be adjusted in a timely manner depending on market dynamics and inventory levels.

(III) Investment plan for the following year:

In the future, the Company will use ESG as a starting point to evaluate issues such as climate change, energy conservation, carbon reduction, and sustainable development, and in consideration of the principle of long-term strategic investment in the development of targets, semiconductors, and special alloys in the industry, the Company does not have any major investment plans in the coming year, but it still has plans to expand the capacity of the semiconductor equipment component cleaning service and equipment for the production process of panel-level fan-out carrier boards, etc., which will be determined by the management. These plans will be carefully evaluated by the management depending on the overall industry development and the company's needs, and will be submitted to the Board of Directors for approval.

VI. Risk management

(I) The impact of interest rates, exchange rate changes, and inflation on the Company's profit or loss and future countermeasures

Item	The impact profit or loss	2024	2023 (Redacted)	The impact on the Company and future countermeasures
Interest rate movement	Consolidated net interest income (expense)/Consolidated net income (loss) before tax	-9%	-12%	The Company uses corporate bonds and medium- to long-term financing to hedge against possible adverse effects of interest rate fluctuations. In the future, we will also pay attention to the movement of interest rates in the market at any time, evaluate and adjust the loans and counterparties where appropriate, and continue to negotiate with banks to obtain more favorable loan interest rates and reduce interest expenses.
Exchange rate movement	Consolidated net exchange gain (loss)/Consolidated net income (loss) before tax	21%	-4%	The Company collects exchange rate movement information in real time, keeps abreast of exchange rate trends, judges the exchange rate movement, and adopts risk hedging strategies for forward exchange in a timely manner; the investee in China adopts functional currency financing to avoid exchange rate fluctuation risks and reduce the impact of exchange rate movements on the Company's profit or loss, thereby effectively controlling the risk of exchange rate fluctuations.
Inflation	The Company's main raw materials are precious metals imported from abroad, so the production cost is closely associated to the international metal price. We observe the price fluctuations in the international metal market in real time and maintain positive interaction with suppliers to stabilize the sources of materials, while signing long-term supply contracts and actively improving the recycling process to increase the turnover of raw materials. Also, the sales personnel will adjust the prices depending on the costs in a timely manner as per the market supply and demand.			

(II) The policy on engagement in high-risk and highly leveraged investment, loans to others, endorsements/guarantees provided, and derivatives trading, the main reason for profit or loss, and countermeasures

1. The policy on engagement in high-risk and highly leveraged investment, the main reason for profit or loss, and countermeasures

We have formulated and followed the Procedures for Asset Acquisition and Disposal. With the philosophy of stable operations, we focus on our core business and stay pragmatic, so we did not engage in high-risk and highly leveraged investments in the most recent year and up to the publication date of this annual report.

2. The policy on loans to others and endorsements/guarantees provided, the main reason for profit or loss, and countermeasures

We have formulated the Operating Procedures for Endorsements and Guarantees and the Operating Procedures for Loaning of Funds to others, which clearly specify relevant policies and measures to reduce risks and protect shareholders' rights and interest. Such procedures have been passed by the resolution of the shareholders' meeting, and we implemented them as required. We approved the loan and endorsement/guarantee amount to the investee in the most recent year and up to the publication date of this annual report, and the amount was drawn in 2024. In the future, we will continue to control the drawdown and affiliates' working capital.

3. Engaging in derivatives trading

We engaged in the derivatives trading in the most recent year and up to the publication date of this annual report in accordance with the Company's Procedures for Asset Acquisition and Disposal, all for the purpose of hedging.

(III) Future R&D plans and estimated R&D expenses:

1.TTMC

Unit: NT\$ thousands

Item	Current progress	Estimated additional investment in R&D	Estimated completion time	Purposes
Development of high-purity titanium/aluminum alloy/copper targets (evaporation materials) for semiconductors	The semiconductor targets are an important five-year strategic new product of TTMC, and we have completed the development and manufacturing process technology establishment of some targets/evaporation materials for semiconductor packaging and wafer thinning industries.	10,000	2025 Q4	Improve the targets thermomechanical treatment/enhance manufacturing process technology, enter the semiconductor target market field, and expand product categories.
Diffusion bonding Equipment Planning	The process technology and parameters for 12-inch targets have been completed.	10,000	2025 Q4	Planning to build process technology and mass production of small-lot mass production targets.
Process Optimization and Refinement of Nickel-Based Specialty Alloy Sheet Manufacturing Processes	Completed the development of the Group's comprehensive nickel-based specialty alloy sheet and became a qualified supplier.	5,000	2025 Q4	Continuously optimize process parameters to help customers improve usage problems and enhance product price/performance ratio and competitiveness.
Recycling of raw materials	Completed basic research on vacuum melting and regeneration of residual targets to expand the application of alloy regeneration.	6,000	2025 Q4	Avoiding the problem of material shortage and creating an economic cycle and application at the same time.

2.CSPM(important subsidiaries)

Item	Current progress	Estimated additional investment in R&D	Estimated completion time	Purposes
Invar36 Wide Foil Roll Development	Pilot production process has been finalized and the first batch of master rolls has been test rolled.	6,682	2025 Q4	Material for FMM mask plate production.
Haynes 214/230 alloy development.	Samples of sheet products are available for customer testing, samples of strip products are pending rolling.	3,564	2025 Q4	Established a technological barrier in the Asia Pacific region for the super high temperature and oxidation resistant nickel-based alloy products.
Cathode Roll Titanium Cylinder Development	Base material hot rolling has been completed. The first titanium ring is under test.	4,455	2025 Q4	Replacement of ring spinning method, breaking the monopoly of Japan.
Wide width titanium coil development for 3C products.	The first batch of test products have been hot rolled, pending post-process validation. Visualized temperature controlled forging evaluation.	3,564	2025 Q4	Entering the 3C market and expanding product lineup.
Development of Invar46 thin plate grinding process.	Evaluation of grinding equipment/straightening/numerical control machining equipment is in progress.	4,455	2025 Q4	Used for semiconductor carrier boards.

In response to customer usage issues and market application adjustments, we continue to improve product quality and characteristics, raw material recycling processes, expand other industrial materials, develop new customers, new products and new processes, and provide customers with cost-effective materials to do our part in industrial materials.

(IV) The impact of important policies and legal changes at home or abroad on the Company's financial business and countermeasures

1. IECQ officially announced the new version of IECQ QC080000:2017 system on May 12, 2017. The high-level management structure is adopted as the standard structure, the same structure adopted in the ISO 9001: 2015 system. We have formulated clear management regulations on the relevant processes for raw

material management, supplier management, production process control, and hazardous substance control on the basis of the existing quality management system in July 2018, which have passed international verification; no significant impact was caused on the Company's financial business.

2. Regarding the implementation of the EU RoHS II and REACH, the European Chemicals Agency (ECHA) announced on November 07, 2024 a list of 242 substances of very high concern (SVHC). In response, we produced products as per orders and in compliance with the RoHS II standards and provided relevant test reports and non-use guarantees. To comply with the RoHS II standards, we paid only a small testing fee. Therefore, the implementation of RoHS II did not have a major adverse effect on the Company's financial business.

3. International carbon control measures

In recent years, various countries have been planning carbon reduction related policies, such as the EU Carbon Boundary Adjustment Mechanism (CBAM), the U.S. Clean Competition Act (CCA), and Taiwan has passed the addition of a carbon fee levy mechanism to the Climate Change Response Act in early 2023. In response to the demands of the relevant regulations, the Company continues to research and develop low/zero carbon technologies and adopt feasible carbon reduction programs to gradually achieve short, medium and long-term carbon reduction goals, to mitigate the impact of international carbon control measures on the Company, and to achieve the vision of sustainable development.

The Company is not yet a target of the European Union's Carbon Boundary Adjustment Mechanism (CBAM) and the Climate Change Act's carbon fee, but we will continue to collect international experience in carbon pricing, pay close attention to the Environment Department and the Ministry of Economic Affairs, etc., and assess the impact of the amendments to the sublaws of the Climate Change Act, and plan for measures to address the impacts of the amendments.

4. Large Power Consumption Clause in the Renewable Energy Development Ordinance

The Legislative Yuan announced the amendment to the Renewable Energy Development Ordinance (REDO) in May 2008, and its sub-law, "Regulations Governing the Installation of Renewable Energy Power Generating Facilities for Electricity Consumers with Contracted Capacities Above a Certain Amount" (the "Large-scale Electricity Users Clause") came into effect on January, 2021, which requires that large-scale electricity users should install renewable energy power generating facilities with a contracted capacity above 10% of their contracted capacity of the previous year, and fulfill the obligation no later than 5 years later. The Company's contracted capacity is only 1,450 kilowatts but not 5,000 kilowatts, so it is not subject to the large-scale user clause of the Renewable Energy Development Ordinance.

In response to the government's policy of promoting solar power, the Company, in line with China Steel's parent company's active development of green energy and in response to the government's policy of promoting solar power, has leased the roof of the Xinke factory from China Steel Photovoltaic for the construction of a 347.76kWp rooftop solar power generation facility, which has started to operate since September 11, 2008, to meet the demand for renewable energy of the Group's large-scale power users, and to minimize the impact on the Group's operations.

(V) The influence of changes in technology and the industry on the Company's financial business and countermeasures:

1. The influence of changes in technology and the industry on the Company's financial business and countermeasures:

Backed by China's huge domestic panel market, the world's top three panel industries are all in China. The domestic panel industry is facing the challenges of rapid capacity expansion in China and oversupply in the global market. The old-generation panel production lines cannot be filled due to limited applications, and the capacity area of the old-generation G3.5 is only half of that of the G5, which makes the production competitiveness low and uneconomical. In response to the rise of AI and the trend of wafer miniaturization, fan-out packaging technology has become the mainstream of the market. Because the old production lines of panels can be adapted to the development of semiconductor packaging products and have a cost advantage, Taiwan panel makers are transforming under the opportunity of industrial transformation and upgrading. For example, Chun Chong Optoelectronics firstly put forward the unprecedented concept of "Panel Semiconductor", which is highly integrated with the advanced packaging technology of wafers, and promotes the mutual benefits of the panel and semiconductor industries. In addition, in recent years, the world has entered the era of IoT, 5G, green energy, and electric vehicles, which has unveiled the prelude to a new era of second- and third-generation semiconductors, and the related materials have also undergone subtle changes. In response to 5G high-frequency applications and to meet the demand for high-voltage, high-current, and high-efficiency energy conversion for green energy and electric vehicles, Wide Band Gap (WBG) semiconductors such as Gallium Nitride (GaN) and Silicon Carbide (SiC) are emerging as market favorites, ushering in a new era of third-generation semiconductors.

Under the competition of material development, Taiwan's semiconductor industry will have a new layout and development of second and third generation, traditional silicon wafers, and panel transformation and upgrading. Therefore, in addition to accelerating the development of manufacturing processes, strengthening technology and service response, the Company has been actively engaged in technology marketing to grasp the market pulse and actively develop new customers, new applications, but also focus on

expanding the domestic and international markets, and panel customers to cooperate with the transformation and upgrading of the material demand, strengthen product quality, and to differentiate technology, manufacturing and service, the implementation of sustainable business operations, enhance the Company's operating results. In view of the Company's operating results in recent years, the changes in semiconductor technology and the panel industry and industry changes, has not yet resulted in a significant impact on the Company's financial business in the short term, but taking into account the trend of changes in the panel industry, it is necessary to carry out the Company's industrial layout and process technology upgrades early.

2. Impact of Russia-Ukraine war, Israeli-Palestinian conflict, geopolitics, inflation, tariffs, and information security on the Company (revenue, finance, and personnel).

The Company's sales and purchases do not originate from Russia, Ukraine, or Israel-Palestine. However, global inflation is affected by the monetary policy of the Federal Reserve Board of Governors (Fed), the market is concerned about the timing of interest rate cuts, and inflation is slow to moderate, and the prices of certain raw materials are subject to the fluctuations of the supply chain, which has been included in the Risk Management Committee's assessment of the risk of the supply chain of key raw materials (refer to Chapter 3, Corporate Governance - Operation of the Risk Management Committee). With the growth of the semiconductor industry and the gradual alleviation of the pressure on the inventory of certain raw materials, the operations, finances and personnel of the Company and its major subsidiary (CSC Precision Materials) have not been significantly affected as of the date of publication of the annual report.

- (VI) The influence of a change in corporate image on corporate crisis management and countermeasures

The Company has been law-abiding, honest, and fulfilling our environmental responsibilities and established a corporate image of being pragmatic, contributing to society, and fulfilling social responsibilities. In the most recent year and up to the publication date of this annual report, there has been no change in our corporate image, causing a significant impact on the Company.

- (VII) Estimated benefits and potential risks of M&A and countermeasures

On June 16, 2023, the Company's shareholders' meeting approved the acquisition of 70% of the shares of Changzhou China Steel Precision Material Co., Ltd. The merger and acquisition of the Company's titanium and nickel alloys in Taiwan will enable the Company to achieve significant growth in the sales volume of titanium and nickel alloys in the same period, as well as to obtain more stable raw materials, production capacity and resource utilization to enhance the combined operating results and long-term competitiveness, thereby continuously improving the Company's overall operating results and shareholders' equity.

In response to the global ESG trend toward low-carbon and green production, we have gradually implemented various improvement measures in accordance with the plan to reduce carbon emissions. In addition, since sales are concentrated in the China market, in line with the Group's business strategy of integrating resources, expanding the application areas of our products, and diversifying operational risks, we are developing our business in a diversified manner, with the intention of expanding from the China market to the Taiwan market, and then to the Southeast Asia, Northeast Asia, and U.S. markets, in order to diversify the risks of geopolitics. We intend to expand from China to Taiwan, and then to Southeast Asia, Northeast Asia and the United States, so as to diversify geopolitical risks.

- (VIII) Estimated benefits and potential risks of plant expansion:

We did not have such a plan in the most recent year and up to the publication date of this annual report.

- (IX) Risks of supplier or client concentration:

1. Purchases

The Company is principally engaged in the production and sale of various thin film sputtering targets, precious metal materials, metal carriers and titanium-nickel products. The main raw materials are gold, silver, copper, aluminum, molybdenum, titanium and other metal materials, and the supply regions include Taiwan, China, Germany and Japan. In addition, we work with several suppliers for the main raw materials at the same time to ensure the stability and flexible of the supply. Overall, we have maintained long-term and positive collaborative partnerships with our suppliers for many years, so there has been no shortage of raw materials or interruption of supply. In short, our supply sources are stable without any major adverse events in business development caused by shortage of raw materials.

2. Sales

The main application fields of the Company's products include photorecording medium, functional coatings, flat-panel displays, lead-free solders, front-end semiconductor processes, and special alloys.

As per the data in the standalone financial reports for the most recent two years, the sales of the processed precious metals accounted for 75% and 69% of our total sales for 2024 and 2023, respectively. However, as precious metals are products with high unit prices and a low gross profit, such products contributed only about 22.76% to the Company's total gross profit. It indicates that although the sales amount in this field accounts for a very high percentage of the Company's total revenue, it is not our main source of profit; thus, it has not caused a risk of client concentration.

To avoid the client concentration risk, the countermeasures adopted in the industry and the client aspects are as follows:

- (1) In terms of industry: We sell a variety of products for different industries to diversify the sources of profit and investment risks and reduce the influence of the business cycle of a single industry.
- (2) In terms of clients: We actively research and develop customized products and expand the domestic

and overseas client base to diversify revenue sources, which also helps to reduce the risk of the influence of the business cycle of a single client.

- (X) The influence of massive transfer or replacement of shares by the directors or shareholders each holding more than 10 % of the shares issued by the Company, the risk thereof, and countermeasures:

The director of the Company, Ever Wealthy International Corporation, sold part of its shares in 2024. As at the date of publication of the annual report, the shares held by CSC Group still amounted to more than 50% of the Company's total shares, and therefore did not have any impact on the Company.

- (XI) The influence of change in the Company's management right and the risk thereof

We did not have any change in the Company's management right, affecting our operations, in the most recent year and up to the publication date of this annual report; thus, it is not applicable.

- (XII) In the case of a court case or a non-contentious case, specify the names of the directors, the President, the de facto responsible person, shareholders each holding more than 10% of company shares, or subsidiaries with final ruling made or still in major legal proceedings, non-contentious matters, or administrative disputes, and where the result thereof may significantly affect shareholders' equity or stock price:

1. The Company: None.

2. In terms of directors, the President, the de facto responsible person, shareholders each holding more than 10% of company shares, or subsidiaries:

Prior to the merger of United Renewable Co., Company X leased its plant to Company DU, which later merged with Company Y and Company Z to form United Renewable Co., On October 27, 2017, DU was affected by a fire and claimed damages from United Renewable Co., In May 2019, the two parties reached a settlement of the amount owed by DU to United Renewable Co., However, EZ Bank, the mortgagor of DU's equipment, objected to the settlement and requested United Renewable Co., to pay the damages to DU, which is not allowed to offset its debts against its liabilities. United Renewable Co., assessed that its debt to DU and DU's claim to United Renewable Co., were legally offset, and therefore, there was no basis for the request of EZ Bank. The first trial court ruled that United Renewable Co., should pay EZ Bank \$159,335,000, but United Renewable Co., argued that the judgment had a major flaw of not having a reason for the judgment, and both parties are currently in the process of the second trial. United Renewable Co., assessed that the outcome of the trial should not have a significant impact on United Recycling's stockholders' equity or the price of its securities.

United Renewable Co., has disputes with FP and FQ over the issuance of insurance and maintenance contracts, etc. Arbitration proceedings are currently in progress, and United Renewable Co., assesses that the outcome should not have a material impact on United Renewable Co., shareholders' equity or the price of its securities.

Due to a dispute between Company Y and Company Z's supplier, Company G, before the merger of United Renewable Co., and Company CE, Company CE filed a claim against Company Y for \$10,000 thousand and a claim against Company Z for subrogation of \$60,480 thousand, with interest at 5% per annum, and Company X merged with Company Y and Company Z to form United Renewable Co., The first trial of this case ruled in favor of CE, and United Renewable Co., had already assessed and recorded the possible loss. However, United Renewable Co., still appealed against the judgment, and the second trial ruled in favor of United Renewable Co., in FY2021, but due to the doubt of the applicable laws, the Supreme Court remanded the case to the Superior Court and Taichung High Court for a more thorough review. United Renewable Co., assessed that the outcome should not have a material impact on United Regeneration's shareholders' equity or the price of its securities.

The above-mentioned case is a case of the legal person director United Renewal Company and has nothing to do with the Company. Therefore, the result will not have a significant impact on the Company's operations or shareholders' rights.

Due to the financial difficulties of FY's customer, United Recycling agreed to offset the payment with cash and inventory. However, United Recycling received a notice from a U.S. court on June 2024 requesting the return of the payment on the grounds that the customer's parent company had declared bankruptcy and that the assets of the payment amounting to US\$15,200 should be included in the liquidation and distribution of the proceeds. United Recycling has assessed that the legality of this matter and the amount of the request are yet to be determined, and has appointed a lawyer to handle the litigation, but United Recycling has still estimated the possible loss on this matter. United Renewable Energy has assessed that the outcome should not have a material impact on United Renewable Energy's shareholders' equity or the price of its securities.

A dispute arose between United Regeneration and GE over the warranty of modules. GE requested United Regeneration to replace all modules and incurred related costs totaling approximately \$360,470 thousand due to defects in some modules, and United Regeneration evaluated that there was no basis for GE's request and has appointed a lawyer to handle the case. United Regeneration assessed that the result of the request should not have a material impact on the shareholders' equity or the price of the securities of United Regeneration.

- (XIII) Other important risks and countermeasures: None.

VII. Other important matters: None.

Six. Special Matters

I. Relevant information on affiliates:

The consolidated statement of operations, consolidated financial statements of affiliates, and relationship reports, please visit Market Observation Post System>Single Company>Download Electronic Documents>Three Affiliate Statements (Stock Code: 3663).

Web Site: https://mopsov.twse.com.tw/mops/web/t57sb01_q10

II. Private placement of securities in the most recent year up to the publication date of this annual report: None.

III. Other necessary supplementary information: None.

IV. Any event as specified in Article 36, paragraph 3, subparagraph 2 of the Securities and Exchange Act with a material impact on shareholders' rights and interest or securities prices occurred to the Company during the most recent year and up to the publication date of this annual report: None.

V. Additional information on the commitment made for listing on Taipei Exchange:

In accordance with document No. issued by Taipei Exchange on September 4, 2012:

Letter Zheng-Gui-Shen No. 10101010261, the Company fills in the letter to report to Taipei Exchange at the end of each quarter.

Commitment Follow-up List

March ,2025

Commitment for listing on Taipei Exchange	Commitment
The Company is committed to adding the provision to the Procedures for Asset Acquisition and Disposal, "The Company shall not give up on the capital increase by Thintech Global Limited (hereinafter referred to as "TTGL") in each of year in the future) The capital increase in each of the future years; if the Company has to give up on its capital increase or dispose of said company's equity due to strategic alliance factors or with the approval from Taipei Exchange in the future, it shall approved by TTMC's Audit Committee and then approved by TTMC's Board of Directors by supermajority resolution." If the procedures is amended in the future, it shall be disclosed on the MOPS and reported to Taipei Exchange for future reference.	<p>(1-1) The 11th meeting of the 5th Board of Directors passed a resolution to this provision on September 18, 2012, which was reported to the 2013 general shareholders' meeting and approved by all shareholders present without any objection as proposed.</p> <p>(1-2) Due to subsequent changes in the business strategy, we filed an application to Taipei Exchange for the dissolution and liquidation of the investee, and the Board of Directors approved the amendments to the Procedures for Asset Acquisition and Disposal in 2014, 2018, 2019, and 2020 (the details of the investee was deleted) and submitted it to the general shareholders' meeting for discussion, while disclosing and reporting it to Taipei Exchange for reference as required and amending the Commitment for listing on Taipei Exchange.</p> <p>(1-3) Taicang ThinTech Materials Co., Ltd. completed the equity transfer on Nov. 20,2024, considering that Thintech Global Limited no longer has a need for investment in Mainland China, the Company obtained permission from the Over-the-Counter (OTC) Trading Center to delete one of the eighth article of the "Procedures for the Acquisition or Disposal of Assets" on Feb. 13, 2025 and approved by the 14th of 9th Session Board of Directors Meeting on Feb. 26, 2025, which will be submitted to the 2025 Ordinary General Meeting of Shareholders for a resolution.</p>

VI .Audit Committee's Review Report : Please refer to page124 .

VII .CPA's statement of independence and disclaimer of independence : Please refer to page 125~126 .

ThinTech Materials Technology Co., Ltd.

Statement of the Internal Control System

Date: February 26, 2025

The Company's internal control system for 2024 as per the results of our self-assessment is hereby declared as follows:

- I. The Company is clearly aware that the establishment, implementation, and maintenance of an internal control system is the responsibility of the Company's Board of Directors and managers, and the Company has established such a system. It aims to provide reasonable assurance for the achievement of the objectives, namely the effectiveness and efficiency of operations (including profitability, performance, and asset security protection), the reliability, timeliness, and transparency of financial reporting, and compliance with applicable laws and regulations.
- II. Some limitations are inherent in all internal control systems. No matter how perfect the design is, an effective internal control system can only provide a reasonable assurance regarding the achievement of the above three intended objectives; moreover, due to changes in the environment and circumstances, the effectiveness of the internal control system may change accordingly. However, the Company's internal control system is equipped with a self-monitoring mechanism. Once a defect is identified, the Company will take action to rectify it.
- III. The Company judges whether the design and implementation of the internal control system is effective based on the criteria for judging the effectiveness of the internal control system set out in the Regulations Governing Establishment of Internal Control Systems by Public Companies (hereinafter referred to as the "Regulations"). Said criteria under the Regulations are divided into five constituent elements as per the management and control process: 1. control environment, 2. risk assessment, 3. control activities, 4. information and communication, and 5. monitoring activities. Each constituent element includes several items. For said items, please refer to the Regulations.
- IV. The Company has adopted the aforesaid judgment criteria for the internal control system to determine whether the design and implementation of the internal control system are effective.
- V. Based on the results of the assessment in the preceding paragraph, the Company is of the opinion that, as of December 31, 2024 ^{Note 1}, the internal control system (including the supervision and management of its subsidiaries), including the understanding the effectiveness of operations and the extent to which efficiency targets are achieved, reliable, timely, and transparent reporting, and compliance with applicable rules and applicable laws and regulations, is effective and can reasonably assure the achievement of the foregoing objectives.
- VI. This statement will form the main content of the Company's annual report and prospectus and will be made public. If the disclosed content above is false or there is material information concealed deliberately or otherwise, the Company will be legally liable pursuant to Articles 20, 32, 171, and 174 of the Securities and Exchange Act.
- VII. This statement has been approved by the Company's Board of Directors on February 26, 2025. Among the seven directors present, none of them expressed objections. All the others agreed with the content of this statement. Therefore, this statement is hereby declared.

ThinTech Materials Technology Co., Ltd.

Chairman: Chien-Hui Lee

President: Fu-An Feng

Note 1: The date of issuing the statement is the end date of the fiscal year.

Note 2: The Company has not entrusted CPAs to review our internal control system; therefore, there is no CPA review report

ThinTech Materials Technology Co., Ltd.
Audit Committee's Review Report

The Board of Directors prepared the parent company only and consolidated financial statements, a statement of earnings distribution, and a business report for 2024, among which the parent company only and consolidated financial statements have been audited by Lee-Yuan Kuo and Chao-Chun Wang, CPAs at Deloitte & Touche, by whom an audit report with an unqualified enhanced mediation paragraph has been issued. We have reviewed said documents and did not find any misstatement and hereby issued a review report as presented above in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

To:
2025 Annual General Shareholders' Meeting

ThinTech Materials Technology Co., Ltd.

Convener of the Audit Committee:

Liang, Su-Mei

February 26, 2025

ThinTech Materials Technology Co., Ltd.

Accountant's independence assessment

December 2024

I . Appointment of Certified Public Accountant : Lee-Yuan Kuo and Chao-Chun Wang,
CPAs at Deloitte & Touche

II . By reference to the ROC Statement of Ethics for Accountants No. 10, “Integrity, Fairness,
Objectivity and Independence” :

Items to be evaluated	Evaluation Results	Independence
1. Whether the accountant has a direct or indirect material financial interest in the Company.	No	Yes
2. Whether the accountant has a business relationship with the Company that affects independence.	No	Yes
3. Whether the accountant and the members of the audit team are currently serving or have served in the last two years as directors, managers, or in positions of significant influence over the audit of the Company.	No	Yes
4. Whether the accountant has provided any non-audit services to the Company that could affect the audit.	No	Yes
5. Whether the accountant has intermediated in the Company's stock or other securities.	No	Yes
6. Whether the accountant has acted as the Company's defender or represented the Company in conflicts with third parties.	No	Yes
7. Whether the accountant is related to any of the Company's directors or managers by blood, marriage, or consanguinity within the second degree of consanguinity.	No	Yes
8. Whether the accountant has received any gifts of significant value from the Company. °	No	Yes

III. Evaluation results: The CPA has not violated any of the above circumstances affecting independence.

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December 25, 2024 Chin-Kao No. 11301342

Receipt: ThinTech Materials Technology Co., Ltd.

Subject: The firm was entrusted to audit your company's financial statements for 2024. In accordance with the provisions of “CPA professional and ethical guideline bulletin No.10 Integrity, Justice, Objectivity and Independence” of National Federation of CPA Associations of the R.O.C., members of the audit team declare that they have complied with the following guidelines and have not violated their independence.

Description:

- I. The audit team members and their spouses and dependents do not fall under any of the circumstances below:
 - (I) Have direct or indirect material financial interest in your company.
 - (II) Engage in business dealings with your company or your directors, supervisors, or managers that undermine their independence.
- II. Hold a position as a director, supervisor, or manager at your company or a position with direct or significant influence on your company’s audit work during the audit period.
- III. Are spouses, lineal relatives by blood, lineal relatives by marriage, or lineal relatives by blood within the second degree of kinship of any directors, supervisors, or managers at your company.
- IV. Accept gifts or gifts of great value from your company or your directors, supervisors, managers, or major shareholders (the value of such gifts exceeds the standard of social etiquette).
- V. All audit team members have implemented the necessary independence/conflict of interest procedures, and we did not discover any violations of independence or unresolved conflicts of interest.

Deloitte & Touche

CPA Wang, Chao-Chun

CPA Kuo, Lee-Yuan



ThinTech Materials Technology Co., Ltd.

Chairman:

Chien-Hui Lee



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