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<http://www.co-tech.com>



CO-TECH DEVELOPMENT CORPORATION

2024

Annual Report

Printed on February 28, 2025

I. Spokesperson and Deputy Spokesperson of Co-Tech Development Corporation

	Spokesperson	Deputy Spokesperson
Name	Lee Shih-Shen	Yeh Hsueh-Chen
Position	President	Head of Finance; Corporate Governance Officer
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II. Address and telephone number of the headquarter and branch

Address of headquarter: 18F., No. 392, Ruiguang Rd., Neihu District, Taipei City

TEL: (02)6615-8899

Address of plant: No. 56, Kegong 8th Rd., Douliu City, Yunlin County

TEL: (05)551-5480

III. Share transfer handling agency

Name: Transfer Agency Department, CTBC

Address: 5F, No. 83, Sec. 1, Chongqing S. Rd., Zhongzheng Dist., Taipei City

TEL: (02)6636-5566

Website: <https://ecorp.ctbcbank.com/cts/index.jsp>

IV. The certified public accountant who duly audited the annual financial report for the most recent fiscal year,

Name of CPA: Wang, Chun-Yu, Chiu, Meng-Chieh

Name of accounting firm: Deloitte & Touche

Address: 20F., No. 100, Songren Rd., Xinyi District, Taipei City

TEL: (02)2725-9988

Website: <http://www.deloitte.com.tw>

V. Name of any exchanges where the company's securities are traded offshore, and the method by which to access information on said offshore securities: None.

VI. Website of the Company: <http://www.co-tech.com>

Table of Contents

	<u>Page</u>
One. Letter to Shareholders.....	1
Two. Corporate Governance Report	4
I. Information on directors and managers.....	4
II. Remuneration Paid during The Most Recent Fiscal Year to Directors and Management Team	16
III. Implementation of Corporate Governance	23
IV. Information on Attesting CPA Professional Fees	71
V. Information on Replacement of CPAs	73
VI. The Company's managers being employed by the CPA firm.	74
VII. Changes in shareholdings of directors, supervisors, managers, and major shareholders:.....	75
VIII. The relationship information of the top ten shareholders, among whom the top ten shareholders hold the highest shareholding ratios, is shown below:	78
IX. Percentage of overall shareholdings.....	79
Three.Capital Overview	80
I. Source of Capital and Shares	80
II. Issuance of corporate bonds	85
III. Issuance of preferred shares	85
IV. Issuance of global depository receipts	85
V. Issuance of employee share subscription warrants and new restricted employee shares.....	85
VI. Issuance of new shares in connection with mergers or acquisitions or with acquisitions of shares of other companies	85
VII. Implementation of the company's capital allocation plans.....	85
Four. Overview of Business Operations	86
I. Description of the Business.....	86
II. Market and sales overview.....	90
III. Human Resources	98
IV. Disbursements for Environmental Protection	98
V. Labor Relations:.....	98
VI. Cyber Security Management.....	102
VII. Important contracts (the contracts still effective as of the publication date of the annual report and the one expired in the recent year)	104
Five. Review of Financial Conditions, Financial Performance, and Risk Management.....	105
I. Financial Status	105
II. Financial Performance	106
III. Cash flow	107

IV. Impact of Major Capital Expenditure in the Past Year on the Financial and Business.....	107
V. Long-term Investment Policy and Results	108
VI. Analysis of Risk Management	109
VII. Other Important Issues	116
Six.Special Disclosures.....	117
I. Summary of Affiliated Companies	117
II. Private Placement of Company Shares	118
III. Other Supplementary Information	118
Seven.Other Significant Events Affecting Shareholders' Equity or Stock Price	119

One.Letter to Shareholders

Ladies and Gentlemen,

2024 Business Report

The Company will **continue** to achieve a favorable position in the high-frequency and high-speed markets, and Co-Tech is continuously improving its capabilities in new product design, development, and customer portfolio optimization. Furthermore, we have maintained our profit growth trend by controlling our stability and accurately mastering delivery dates to establish a good corporate product image and reputation while at the same time continuing to improve the optimization capability of product combination, in order to maintain a growth trend in profitability.

In 2024, the Company achieved an increase in profitability by adjusting and optimizing its customer and product structures and cost controls. Cumulative consolidated revenue for 2024 was NT\$6,821,558 thousand. Consolidated operating gross profit margin was 20%, net profit after tax was NT\$921,809 thousand, and EPS was NT\$3.65.

Business Plan for 2025

As we enter the 5G era, 5G applications and technologies will accompany data computing and storage requirements. The use of data has shifted from emphasizing scale to emphasizing low latency and high immediacy. With the rise of edge computing and the high cost of 5G spectrum, edge computing among telecom operators has replaced traditional network equipment and has become the entry point of the server supply chain. The growth of new cloud services will require a large amount of data processing with in related AI, 5G network applications, IOT edge computing technology upgrades, and as AR/VR, AI robots, self-driving cars, smart homes, resulting in an increase in terminal devices and emergence of new cloud services. These prospects and exponential increase in data processing will drive the growth of the demand for base station antenna design, netcom equipment, data centers and servers, which will then propel the terminal 5G, AI and other related industries. Due to the current skin effect, the transmission of high-frequency or high-speed signals will be more concentrated on the surface of the wire. The Company has developed its own advanced reversal copper foil; aside from being cost-effective, it also reduces dielectric loss to minimize signal transmission loss due to an improved performance of copper foil, which in turn is attributable to the difficulty in the design of copper bumps on copper foil and the choice of formula. This achieves high-speed results for customers, to achieve high-reliability, low-latency large-scale data transmission.

These efforts are in response to the increasing demand for 5G, AI high-frequency and high-speed business opportunities, future growth is expected and as a result of high frequency and high speed, the selection of low dielectric and low transmission loss dielectric materials is extremely demanding. With the technology owned by the Company, it has successively and continuously developed high-frequency and high-speed transmission copper foil products with low signal transmission loss, ultra-low roughness and high tear resistance. In the future, 5G, AI technology should be able to meet the demands of large-scale data transmission with high reliability and low latency, thus ensuring the stability and integrity of information, expanding the application field and occupying a place in the expansion of the copper foil industry when the future 5G business opportunities break out. In response to increasing demand for flexible boards in thin and light electronic products, we have completed development of copper foil for flexible copper clad laminates (FCCL) and the application of automotive electronic charging devices. The charging and discharging function needs to be equipped with thick copper foil that can transmit large currents and the development of thick copper foil for high-power charging and discharging has been completed.

Outlook for the future

Looking to the future, the overall business environment is still affected by factors such as the escalation of the US-China technology war, global tariff conflicts, and the high inflation pressure, and the overall economic environment is turbulent and full of uncertainties. The investment in various constructions such as network, cloud, and telecom, is uninterrupted and innovation is constantly being sought. In addition to the increasingly stringent quality requirements, the demand for faster and lower-loss high-end materials is increasing. In this era of great changes and challenges, Co-Tech's mid-term and long-term core competitive advantage is based on our self-promise of "Optimum Application of Copper Foil Manufacturing and Service Industry". With respect to diversified high-frequency and high-speed materials, with the required characteristics of copper foil and materials, the Company shall develop next-generation electronic products to focus on customer portfolio optimization and product portfolio differentiation. In the meantime, the Company is expanding new factory in Yunlin Technology-based Industrial Park to offer a diverse range of 5G-related products. We will focus on products featuring "differentiation," "customization," and "speed," creating competitiveness for our development strategy while continuing to cultivate first-line customers and developing potential customers.

We hope that the benefits of Co-Tech's transformation will continue to thrive, laying a solid foundation for the Company's sustainable operations and growing into the next wave of growth

momentum. Finally, the Company appreciates to the shareholders' support over that past years. In return, the Board of Directors has resolved to distribute a cash dividend of NT\$1.5 per share. I would also extend thanks to my colleagues at Co-Tech for their continuous hard work and perseverance, continuous fighting power and execution power, perseverance, and continuous improvement! It is expected that the management team will uphold the spirit of innovation, move forward, and create better profits to reward shareholders and employees.

I wish you all good health and all the best!

Chairman: Raymond Soong



Two. Corporate Governance Report

I. Information on directors and managers

(I) Information on Directors

1. Information on Directors

February 28, 2025

Position (Note 1)	Nationality or place of registration	Name	Gender and age (Note 2)	Date elected	Term of office	Date of first-time elected (Note 3)	Shares held at election		Shares held currently		Current shares held by spouse and children of minor age		Total shareholding assuming the name of others		Major industrial (educational) experience (Note 4)	Positions in the Company and other companies	Other officers, directors or supervisors with spouses, or relatives within the second degree of kinship			Remarks (Note 5)
							Shares	Percentage of shareholdings	Shares	Percentage of shareholdings	Shares	Percentage of shareholdings	Shares	Percentage of shareholdings			Position	Name	Relationship	
Chairman	R.O.C	Dasong Investment Co., Ltd. Representative: Raymond Soong	Male 81~90	2022.6.21	Three years	2014.11.11	12,497,270 13,812,998	4.95% 5.47%	12,497,270 13,812,998	4.95% 5.47%	0	0.00%	0	0.00%	Educational background: Department of Electronics, National Taipei University of Technology (previously Taipei Junior College of Engineering) Industrial experience: Founder, LITE-ON Technology Chairperson of Lite-On Group Founder, LITE-ON Taiwan Foundation Member, Board of Councilors, Engineering College, USC Honors: ITRI Laureate First honorary Ph.D in Management, National Taipei University of Technology Honorary Ph.D in Management, National Chiao-Tung University	Note 6	Directors	Soong Ming- Feng	Father and son	None
Director	R.O.C	Hua Eng Wire & Cable Co., Ltd. Representative: Liu Hsiu-Mei	Female 61~70	2022.6.21	Three years	2001.6.8 2022.2.1 (Former Director, Lin Ming-Hsiang passed away on January 8, 2022. Re-appointment was made on February 1, 2022)	7,812,375 0	3.09% 0.00%	7,812,375 0	3.09% 0.00%	0	0.00%	0	0.00%	Educational background: M.A. in Accounting, Long Island University, New York, USA Industrial experience: Director, Hua Eng Wire & Cable Co., Ltd. Director, First Copper Technology Co., Ltd.	Note 7	None	None	None	None
Director	R.O.C	Chan Chi-Che	Male 41~50	2022.6.21	Three years	2016.6.7	3,696,000	1.46%	3,696,000	1.46%	0	0.00%	0	0.00%	Educational background: Master in Finance, Golden Gate University, San Francisco, USA Industrial experience: Director, Miramar Linkou Development Co., Ltd. Representative of Supervisor of Kwong Lung Enterprise Co., Ltd.	Note 8	None	None	None	None

Position (Note 1)	Nationality or place of registration	Name	Gender and age (Note 2)	Date elected	Term of office	Date of first-time elected (Note 3)	Shares held at election		Shares held currently		Current shares held by spouse and children of minor age		Total shareholding assuming the name of others		Major industrial (educational) experience (Note 4)	Positions in the Company and other companies	Other officers, directors or supervisors with spouses, or relatives within the second degree of kinship			Remarks (Note 5)
							Shares	Percentage of shareholdings	Shares	Percentage of shareholdings	Shares	Percentage of shareholdings	Shares	Percentage of shareholdings			Position	Name	Relationship	
Director	R.O.C	Tsai Hsung- Hsiung	Male 81~90	2022.6.21	Three years	2016.6.7	619,749	0.25%	619,749	0.25%	0	0.00%	0	0.00%	Educational background: Ph.D in Urban Planning, School of Architecture and Planning, Princeton University Master in Urban Planning, Massachusetts Institute of Technology Bachelor, Department of Law, National Taiwan University Industrial experience: CEO/Vice Chairman, National Policy Foundation Chairman, Council for Economic Planning and Development, Executive Yuan Minister, Environmental Protection Administration Independent Director, Taiwan On-Bright Electronics Corp.	Independent director: Kwong Lung Enterprise Co.,Ltd.	None	None	None	None
Director	R.O.C	Yu Ming Chang	Male 71~80	2022.6.21	Three years	2008.4.25	580,000	0.23%	600,000	0.24%	1,000	0.00%	0	0.00%	Educational background: Department of Electronics, National Taipei Junior College of Engineering Industrial experience: Director and President, Mao-Chia Co., Ltd. Chairman, ThinFlex Corporation Independent Director, Lumax International Corporation	Ade Corporation Chairman and President	None	None	None	None
Director and concurrently President	R.O.C	Lee Shih-Shen	Male 61~70	2022.6.21	Three years	2016.6.7	1,330,824	0.53%	1,350,824	0.53%	0	0.00%	0	0.00%	Educational background: Department of Business Administration, National Cheng Chi University Industrial experience: Shanghai Li-Yao Energy Technology Ltd. President Network Power Business, Delta Greentech (China) Co., Ltd President Vice President Networking Access Business Unit LITE-ON Technology Vice President, Sales and Marketing Delta Networks, Inc. (Delta Electronics Inc.)	Co-Tech Development Corp. Chairman and President,	None	None	None	None

Position (Note 1)	Nationality or place of registration	Name	Gender and age (Note 2)	Date elected	Term of office	Date of first-time elected (Note 3)	Shares held at election		Shares held currently		Current shares held by spouse and children of minor age		Total shareholding assuming the name of others		Major industrial (educational) experience (Note 4)	Positions in the Company and other companies	Other officers, directors or supervisors with spouses, or relatives within the second degree of kinship			Remarks (Note 5)
							Shares	Percentage of shareholdings	Shares	Percentage of shareholdings	Shares	Percentage of shareholdings	Shares	Percentage of shareholdings			Position	Name	Relationship	
Director	R.O.C	Soong Ming-Feng	Male 51~60	2022.6.21	Three years	2019.6.13	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Educational background: University of Southern California / Electrical Engineering EMBA, International Business Administration, National Taiwan University (NTU-Fudan University) (Incomplete) Industrial experience: Chairman and Special Assistant to Vice Chairman, LITE-ON Technology CEO, Smart Application Solutions, LITE-ON Technology President, LITE-ON Technology (Shanghai) Operational Headquarter CEO, New Mechanical Core Capability Business Group, LITE-ON Technology CEO, Mechanical Core Capability Business Group, LITE-ON Technology President, Network Communication Business, LITE-ON Technology President, Zhong-Bao Transportation Limited	Note 9	Chairman	Raymo nd Soong	Father and son	None
Independent director	R.O.C	Sun Chin-Su	Male 71~80	2022.6.21	Three years	2010.5.10	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Educational background: Department of Accounting, National Cheng Kung University Industrial experience: Chairman, Kaohsiung CPA Association Supervisor, Taiwan Provincial CPA Association Supervisor, National Federation of CPA Associations of the R.O.C. Director and Remuneration Committee member of LITE-ON Semiconductor Corporation	None	None	None	None	None
Independent director	R.O.C	George Chen	Male 61~70	2022.6.21	Three years	2016.6.7	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Educational background: M.B.A., Graduate Institute of International Business, National Taiwan University Industrial experience: Director, Prodisc Technology INC. Director, SINONAR CORP. Director, TUL Corporation Director, SOLOMON TECHNOLOGY CORPORATION	Note 10	None	None	None	None
Independent director	R.O.C	Hsieh Fa-Jung	Male 71~80	2022.6.21	Three years	2016.6.7	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Educational background: Department of Business Administration, Soo Chow University Industrial experience: Chief, Stock Affair Division, LITE-ON Technology	None	None	None	None	None

Note 1: In case of institutional shareholders, the name and representative of an institutional shareholder shall be listed respectively (the representative of an institutional shareholder shall indicate the name of institutional shareholder), and fill in Table 1 below.

Note 2: Please provide the chronological age by indicating the applicable age bracket, e.g. 41 to 50 years old or 51 to 60 years old.

Note 3: Fill in when he/she first takes the office of the director or supervisor; if a break takes place, please explain.

- Note 4: Experiences related to the position he/she currently serves, if in the aforesaid time, he/she was employed in the certifying accounting firm or its affiliates, the position and duties shall be indicated.
- Note 5: Where the chairperson of the board of directors and the president or person of an equivalent post (the highest level manager) of a company are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto (e.g. adding seats of independent directors, and the majority of directors do not concurrently serve as employees or managerial officers):
- Note 6: Positions concurrently served by the Chairman, Raymond Soong:
Director: LITE-ON Technology
LITE-ON Taiwan Foundation
- Note 7: Concurrent positions held by Director, Liu Hsiu-Mei:
Director of China Ecotek Corporation, Wafer Works Corporation and Bionime Corporation.
Supervisor of Hua Ho Engineering Co., Ltd.
Vice President, Management Department, Hua Eng Wire & Cable Co.,Ltd.
- Note 8: Positions concurrently served by Director, Chan, Chi-Che:
Chairman: Huang Lux Investment Co. , Ltd., Huang Lux Insurance Brokers Co., Ltd., Aberdeen Real Estate Brokerage Co., Ltd.
Director of Paradise Birds Gourmet Corporation.
Supervisors: Miramar Linkou Development Co., Ltd.
- Note 9: Positions concurrently served by Director, Soong Ming-Feng:
Chairman and Chief Sustainability Officer: LITE-ON Technology
Chairperson: LITE-ON Taiwan Foundation
Representative of Supervisor of Silitech Technology Corporation.
- Note 10: Positions concurrently served by Director George Chen:
Chairman: Probright Technology Inc.
Independent Director of Albatron Technology Co. Ltd., Meiloon Industrial Co.,Ltd. and Pacific Construction Co., Ltd.
Director: KING ULTRASONIC CO., LTD.
Supervisor: Mustek Systems Inc.; Solomon Goldentek Display Corp.
Executive Director of the Association for No Crime of the Republic of China.

Table 1: Major Shareholders of Institutional Shareholders

February 28, 2025

Name of institutional shareholders (Note 1)	Major shareholders of institutional shareholders (Note 2)
Hua Eng Wire & Cable Co., Ltd.	First Copper Technology Co., Ltd. (32.96%), Hua-Hung Investment Co. 7.39%), Wang-Yang, Bi-Er (5.24%), Wang Feng-Shu (2.55%), Wang, Wen-Ling (2.20%), Wang Hung-Ren (2.12%), Wang Hung-Ming (1.46%), Chen, Kun-Jung (0.80%), Mei Da Woods Industry Co., Ltd. (0.62%), Wang Chun-Hsiung (0.48%)
Dasong Investment Co., Ltd.	Soong Ming-Feng (43.66%), Guang Xing Investment Co., Ltd. (56.34%)

Note 1: In case the director or supervisor is a representative of institutional shareholder, such institutional shareholder's name shall be indicated.

Note 2: Fill in the major shareholders of that institutional shareholder (Top ten shareholder) and their shareholding percentage. If the major shareholders are still institutional shareholders, the following table shall be filled in.

Note 3: If the institutional shareholder is not a company, the aforesaid name and shareholding of the shareholder to be disclosed, are the name of sponsors (please refer to announcement on the Judicial Yuan website for more information) and their sponsorship or donation percentage. For sponsors who have passed away, please indicate "Deceased".

Table 2: If the Major Shareholders are Institutional Shareholder, Their Major Shareholders

February 28, 2025

Name of institutional (Note 1)	Major institutional shareholders (Note 2)
First Copper Technology Co., Ltd.	Hua Eng Wire & Cable Co., Ltd. (39.44%), Wang Yang Bi-Er (10.49%), Wang Wen-Ling (1.82%), Wang Feng-Chuan (0.67%), Fu Ti-Chen (1.31%), International Ship Dismantle Enterprises Co., Ltd. (0.50%), Wang Feng-Shu (0.43%), Wang Hung-Ming (0.41%), Dedicated account by JP Morgan under the custody of Citibank (0.48%), Union Bank of Switzerland SE Investment Trust Account under the custody of Citibank (0.36%)
Hua-Hung Investment Co.	Gong-Sheng Industrial (Hong Kong) Co., Ltd. (79.79%); Wang, Wen-Ling (3.19%); Wang, Feng-Chuan (3.19%); Wang, Feng-Shu (3.19%); Wang Hung-Ren (3.19%); Wang Hung-Ming (2.87%); Wang, Yu-Ting (2.13%); Wang, Feng-Chin (0.85%); Wang-Yang, Bi-Er (1.60%)
Mei Da Woods Industry Co., Ltd.	Wang Yang Bi-Er (41.05%); Wang Wen-Ling (16.32%); Wang Feng-Chuan (15.79%); Wang Feng-Shu (15.79%); Wang Hung-Ren (5.26%); Wang Hung-Ming (5.26%); Wang Yu-Ting (0.53%)
Guang Xing Investment Co., Ltd.	Raymond Soong (1%) and Soong Ming-Feng (99%)

Note 1: In case the major holders are institutional shareholders as indicated in Table 1, such institutional shareholder's names shall be indicated.

Note 2: Fill in the major shareholders of that institutional (Top ten shareholders) and shareholding percentage.

Note 3: If the institutional shareholder is not a company, the aforesaid name and shareholding of the shareholder to be disclosed, are the name of sponsors (please refer to announcement on the Judicial Yuan website for more information) and their sponsorship or donation percentage. For sponsors who have passed away, please indicate "Deceased".

2. Disclosure of the information on the professional qualifications of Directors and independence of Independent Directors:

February 28, 2025

Condition Name	Professional qualifications and experience (Note 1)	Independence status (Note 2)	Number of public companies where the person holds the title as an independent director
Dasong Investment Co., Ltd. Institutional representative: Raymond Soong	The Director possesses more than five years of experience in practice, strategic management, leadership, marketing and industrial technology capabilities that the Company requires, and is able to undertake communication and interaction with other Board members in terms of business management strategies, offering opinion in this regard. The Director has not been a person of any conditions defined in the Company Act, Article 30.	(1) Not an independent director (2) Not under any circumstances as stipulated in Article 30 of the Company Act.	None
Hua Eng Wire & Cable Co., Ltd. Institutional representative: Liu Hsiu-Mei	The Director possesses more than five years of financial and accounting experience that the Company requires, as well as corporate governance and risk analysis capabilities, and perspective in technological application. The Director is able to undertake communication and interaction with other Board members in terms of business management strategies, offering opinion in this regard. The Director has not been a person of any conditions defined in the Company Act, Article 30.		None
Director Chan Chi-Che	The Director possesses more than five years of experience in practice that the Company requires, and is able to offer prompt opinion and policy suggestions to the Board in terms of corporate governance and business management, and require the management team to formulate and execute business strategies. The Director has not been a person of any conditions defined in the Company Act, Article 30.		None
Director Yu Ming Chang	The Director possesses more than five years of experience in marketing and sales, and industry that the Company requires, and is able to offer prompt opinion and policy suggestions to the Board in terms of corporate governance and business management, and require the management team to formulate and execute business strategies. The Director has not been a person of any conditions defined in the Company Act, Article 30.		None
Director Tsai Hsung-Hsiung	The Director possesses more than five years of experience in finance, technological industry management and corporate governance that the Company requires, and is able to offer prompt opinion and policy suggestions to the Board in terms of corporate governance and business management, and require the management team to formulate and execute business strategies. The Director has not been a person of any conditions defined in the Company Act, Article 30.		None
Director Soong Ming-Feng	The Director possesses more than five years of experience in marketing and sales, and industry that the Company requires, and is able to offer prompt opinion and policy suggestions to the Board in terms of corporate governance and business management, and require the management team to formulate and execute business strategies. The Director has not been a person of any conditions defined in the Company Act, Article 30.		None

Name	Condition		
	Professional qualifications and experience (Note 1)	Independence status (Note 2)	Number of public companies where the person holds the title as an independent director
Director Lee Shih-Shen	The Director holds concurrent position as the President of the Company for more than five years of experience with marketing and sales, and industrial technology capabilities that the Company requires. The Director is able to offer prompt policy suggestions to the Board in terms of corporate governance and business management. The Director has not been a person of any conditions defined in the Company Act, Article 30.		None
Independent director Sun Chin-Su	The Independent Director has more than five years of experience as a certified public accountant and possesses analytical and management capabilities in corporate governance, financial, accounting and commerce, which is able to enhance the corporate governance quality of the Board and the supervisory function of the Audit Committee.	(1) The Director is not an employee of the Company or any of its affiliates. (2) The Director is not a director or supervisor of any of the Company's affiliates. (3) Not a natural person shareholder that holds by himself/herself or by his/her spouse or minor child or in someone else's name more than 1% of all circulating shares of the Company or is on the Top 10 shareholding list.	None
Independent director George Chen	The Independent Director possesses more than five years of experience in finance, technological industry management and corporate governance that the Company requires, and is able to offer opinion on industry analysis integration, risk management, legal strategy/compliance and management decision making in terms of business management so as to enhance the corporate governance quality of the Board and the supervisory function of Audit Committee.	(4) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of a managerial officer under (1) or any of the persons in (2) and (3). (5) The Director is not a director,	2

Condition Name	Professional qualifications and experience (Note 1)	Independence status (Note 2)	Number of public companies where the person holds the title as an independent director
Independent director Hsieh Fa-Jung	The Independent Director possesses more than five years of experience in practice that the Company requires, and is able to offer prompt opinion and policy suggestions, as well as management decision making, to the Board in terms of corporate governance and business management so as to enhance the corporate governance quality of the Board and the supervisory function of Audit Committee.	<p>supervisor, or employee of a corporate shareholder that directly holds 5% or more of the Company's total outstanding shares, ranks among the top five shareholders, or has appointed a representative to serve as a director or supervisor of the Company in accordance with Paragraph 1 or 2, Article 27 of the Company Act.</p> <p>(6) The Director is not a director, supervisor or employee of any other company that controls directorship in the Company or where more than half of total voting rights are controlled by a single party.</p> <p>(7) The Director does not assume concurrent position(s) as Chairperson, president or equivalent role, and is not a director, supervisor, or employee of another company or institution owned by The Director's spouse.</p> <p>(8) The Independent Director is not a director, supervisor, manager, or shareholder with more than 5% ownership interest in any company or institution that has financial or business relationship with the Company.</p> <p>(9) The Independent Director is not a professional who has provided audit, commercial, legal, financial, accounting, or other related services to the Company or any of its affiliates within the past two years, nor is such individual the owner, partner, director, supervisor, manager, or spouse of any such person in a sole proprietorship, partnership, company, or organization that provides such services.</p> <p>(10) Not a governmental, juridical person or its representative as defined in Article 27 of the Company Act.</p> <p>(11) Not under any circumstances as stipulated in Article 30 of the Company Act.</p>	None

Note 1: Professional qualifications and experience: The professional qualifications and experience of each Director and Supervisor shall be described. When the person is a member of the Audit Committee and have accounting or financial expertise, such accounting or financial background and related work experience shall be specified. Also, whether any of the circumstances under Article 30 of the Company Act applies to the person shall be specified as well.

Note 2: The status of independence of each Independent Director shall be specified, including but not limited to whether the person or the person's spouse or relative within the second degree of kinship is a Director, Supervisor or employee of the Company or its affiliates; the number of company shares held by the person and the person's spouse and relatives within the second degree of kinship (or held by nominee shareholders) and the percentage thereof; whether the person is a Director, Supervisor or employee of any of the Company's affiliates (in reference to Subparagraphs 5~8, Paragraph 1, Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies); and the amount of fees in the last two years for providing the Company or affiliates with commercial, legal, financial, accounting or related services.

Note 3: For the disclosure method, please refer to the Corporate Governance Center section of the Taipei Exchange website for sample template of best practice.

3. Diversity and independence of the Board of Directors

(1) Policy on Diversity of Board Members:

- A In accordance with the [Corporate Governance Best Practice Principles] established by the Company to strengthen the functions of the Board of Directors, the composition of the Board of Directors shall take into account diversity and formulate appropriate diversity policies with respect to its own operations, business model and development needs, which include but are not limited to the following two major criteria:
 - a Basic conditions and values: gender, age, nationality and culture, etc.
 - b Professional knowledge and skills: professional background (e.g., law, accounting, industry, finance, marketing, or technology), professional skills, and industry experience.
- B Board members should generally possess the knowledge, skills and qualities necessary to perform their duties. To achieve the desired objectives of corporate governance, the Board as a whole should have the following competencies.
 - a The ability to make judgments about operations.
 - b Accounting and financial analysis ability.
 - c Business management ability.
 - d Crisis management ability.
 - e Knowledge of the industry.
 - f An international market perspective.
 - g Leadership ability.
 - h Decision-making ability.

(2) Specific Management Objectives from Diversity of Board Members:

The Board of Directors of the Company shall direct the Company's strategies, supervise the management, and be responsible to the Company and its shareholders. The operations and arrangements of the Company's corporate governance system shall ensure that the Board of Directors can fully exercise its authority in accordance with the law, the provisions of the Company's Articles of Incorporation, or the resolutions of shareholders' meetings. Specific management objectives are as follows.

- A The Board of Directors of the Company shall place emphasis on gender equality and shall include at least one female director.
- B The Board of Directors of the Company shall place emphasis on operational judgment, management and crisis management capabilities, and at least two-thirds of the members of the Board of Directors shall have the ability to perform relevant core undertakings.
- C The number of Board members who are employees of the Company, its parent, child or sister company shall be less than (inclusive) one third of Board seats for the purpose of supervision.

(3) Achievement of diversity of Board members:

The Company's Board members are equipped with the knowledge, skills, and education necessary for the execution of business, as well as decision-making and management capabilities. The Company shall also continue to arrange diversified

education programs for its Board members to enhance the quality of their decision-making and supervisory responsibilities, thereby strengthening the functions of the Board of Directors.

There are 10 board members in the 9th term, including 3 independent directors to ensure the independence of the board. One Board member is a concurrent employee of the Company, making up 10% of the Board. There is one female director, achieving the objectives of gender equality.

There are currently 10 directors. Although the number of female directors is less than one-third of the total number of directors, at least one of the directors is a female (accounting for 10% of the total number of directors, Ms. Liu Hsiu-Mei). The Company values the gender equality of the composition of the Board of Directors, and aims to increase female directors to account for at least one-third and more of the total number of directors (i.e. 30%). In the future, female directors will be added through the election of each term of the Board of Directors.

The members of the Board of Directors are highly qualified in business management, each with relevant professional backgrounds and possessing the necessary professional knowledge, skills and qualities to carry out their duties. At least one third of the members in each of the 8 core capabilities have relevant business execution capabilities, and over 80% of the members possess core competencies in each of the 3 core areas, including operational judgment, management and crisis management.

The practice of the member diversity in the Board of Directors:

Names of Directors	Nationality	Gender	Whether or not he/she is also an employee of the Company	Age of Director			Years of service as an independent director			Core Capabilities							
				Under 60 years old	60 years old to under 70 years old	70 years old and above	Less than 3 years	3 years to 9 years	More than 9 years	Operational judgment capability	Accounting and financial analysis ability	Business management capability	Crisis management capability	Industry Knowledge Capability	International Market Capability	Leadership ability	Decision-making ability
Raymond Soong	R.O.C	Male				√				√		√	√	√	√	√	√
Liu Hsiu-Mei	R.O.C	Female			√					√	√	√	√	√	√	√	√
Chan Chi-Che	R.O.C	Male		√						√		√	√	√	√	√	√
Tsai Hsung-Hsiung	R.O.C	Male				√				√		√	√	√	√	√	√
Yu Ming-Chang	R.O.C	Male				√				√		√	√	√	√	√	√
Lee Shih-Shen	R.O.C	Male	√		√					√		√	√	√	√	√	√
Soong Ming-Feng	R.O.C	Male		√						√		√	√	√	√	√	√
Sun Chin-Su	R.O.C	Male				√			√	√	√	√	√	√	√	√	√
George Chen	R.O.C	Male			√			√		√		√	√	√	√	√	√
Hsieh Fa-Jung	R.O.C	Male				√		√		√		√	√	√	√	√	√

(4) Independence of the Board of Directors:

The current Board of Directors consists of 10 members, including 3 independent directors, 1 female director, and 1 employee director, accounting for 30%, 10%, and 10% of all directors, respectively, with more than one-third serving as independent directors. The independent directors are in compliance with the

regulations of the Securities and Futures Bureau of the Financial Supervisory Commission regarding independent directors, and neither the directors nor the independent directors are subject to the provisions of Paragraph 3 and 4 of Article 26-3 of the Securities and Exchange Act. The Board of Directors of the Company are deemed to be independent (please refer to pages 9-13 of this annual report - Disclosure of Professional Qualifications of Directors and Independence of Independent Directors), and each of the Directors possess academic qualifications, gender and work experience (please refer to pages 4-7 of this annual report - Information on Directors).

(II) Profiles of the president, vice presidents, assistant VPs, and heads of the branches/departments

February 28, 2025

Position (Note 1)	Nationality	Name	Gender Age	Date elected	Shareholding		Shares held by spouse and children of minor age		Total shareholding assuming the name of others		Major industrial (educational) experience (Note 2)	Position(s) held concurrently in any other companies	Managerial officers are a spouse or within second-degree relative of kinship to each other			Remarks (Note 3)
					Shares	Percentage of shareholdings	Shares	Percentage of shareholdings	Shares	Percentage of shareholdings			Position	Name	Relationship	
President	R.O.C	Lee Shih-Shen	Male 61~70	2014.7.1	1,350,824	0.53%	0	0.00%	0	0.00%	Department of Business Administration, National Cheng Chi University President, Shanghai Li-Yao Energy Technology Ltd. President, Network Power Business, Delta Greentech (China) Co., Ltd Vice President, Networking Access Business Unit, LITE-ON Technology Vice President, Sales and Marketing, Delta Networks, Inc. (Delta Electronics Inc.)	Co-Tech Development Corp. Director and concurrently President	None	None	None	None
Vice President of Marketing Center	R.O.C	Chun-Han Chuang	Male 31~40	2024.02.23	0	0.00%	0	0.00%	0	0.00%	Master's Degree, Institute of Communication Engineering, National Taiwan University Senior Manager, Quanta Computer Senior Manager, Micron Technology	None	None	None	None	None
Project Division Chief	R.O.C	Lai Hsin-Chung	Male 51~60	2016.6.1	0	0.00%	0	0.00%	0	0.00%	Department of Power Mechanical Engineering, National Tsing Hua University	None	None	None	None	None
Technology Division Chief	R.O.C	Hsu Hong-Wei	Male 31~40	2022.1.06	13,000	0.00%	0	0.00%	0	0.00%	Master of Chemical and Materials Engineering, National Yunlin University of Science and Technology Senior Manager of Co-Tech Development Corp.	None	None	None	None	None
Quality Assurance Division Chief	R.O.C	Huang Fu-Tung	Male 51~60	2024.11.08	0	0.00%	0	0.00%	0	0.00%	Department of Industrial Engineering and Management, Tungnan University Director, Mass Production Division, ITEQ (Wuxi) Corporation and ITEQ(Jiangxi)ELECTRONIC TECHNOLOGIES Co., Ltd.	None	None	None	None	None
President Special Assistant	R.O.C	Ting Tai-Chuan	Male 51~60	2016.6.1	24,000	0.00%	5,233	0.00%	0	0.00%	Department of Electronics, Chien Hsin University of Science and Technology Director, Shanghai Li-Yao Energy Technology Ltd. Senior Operation Manager, LITE-ON Belrose Manager, Electronic Substrate and Sales, Tong Hsing Electronic Industries, Ltd.	None	None	None	None	None
Public Plant Plant Chief	R.O.C	Lu An-Chuan	Male 51~60	2017.12.15	0	0.00%	4,000	0.00%	0	0.00%	Institute of Business Administration, National Chiayi University	None	None	None	None	None
Head of Accounting	R.O.C	Kao Hong-Yu	Female 51~60	2021.5.6	0	0.00%	0	0.00%	0	0.00%	Master of Accountancy, National Yunlin University of Science and Technology Senior Manager of Co-Tech Development Corp.	None	None	None	None	None
Head of Finance; Corporate Governance Officer	R.O.C	Yeh Hsueh-Chen	Female 51~60	2021.7.20	2,409	0.00%	0	0.00%	0	0.00%	Master of Business Administration, National Taiwan Ocean University Manager of Co-Tech Development Corp.	None	None	None	None	None
Audit Supervisor	R.O.C	Tsai Ren-Hua	Female 41~50	2014.12.29	0	0.00%	0	0.00%	0	0.00%	Graduate Institute of Business Administration, National Chung Cheng University Leader of the Auditing Department, Crowe LLP	None	None	None	None	None

Note 1: The information shall include the president, vice presidents, assistant VPs, and heads of the branches/departments, and those who hold the positions equivalents to president, vice presidents, assistant VPs, shall be disclosed regardless of the titles.

Note 2: Experiences related to the position he/she currently serves, if in the aforesaid time, he/she was employed in the certifying accounting firm or its affiliates, the position and duties shall be indicated.

Note 3: Where the president or person of an equivalent post (the highest level manager) of a company and the chairperson of the board of directors are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto (e.g. adding seats of independent directors, and the majority of directors do not concurrently serve as employees or managerial officers):

II. Remuneration Paid during The Most Recent Fiscal Year to Directors and Management Team

(I) Remuneration of Directors, Independent Directors and Management Team

1. Remuneration of Directors and Independent Directors

Unit: NT\$ thousand Date: December 31, 2024

Position	Name	Director's remuneration								The sum of A, B, C and D and in proportion to the net profit after tax (Note 10)		Remuneration in the capacity as employees								The sum of A, B, C, D, E, F and G to net profit after tax (Note 10)		Remuneration from the investees other than subsidiaries or parent company (Note 11)
		Remuneration (A)(Note 2)		Severance pay and pension (B)		Remuneration of directors (C)(Note 3)		Professional service fees (D)(Note 4)				Salary, bonus and special allowance, etc. (E) (Note 5)		Severance pay and pension (F)		Employee remuneration (G) (Note 7)						
		The Company	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	The Company		All companies in the financial statements (Note 7)		The Company	All companies in the financial statements (Note 7)	
																Cash amount	Share amount	Cash amount	Share amount			
Chairman	Dasong Investment Co.,Ltd.: Raymond Soong	0	0	0	0	9,028	9,028	680	680	Total: 9,708 As a percentage of net profit after tax: 1.05%	Total: 9,708 As a percentage of net profit after tax: 1.05%	9,819	9,819	576	576	4,774	0	4,774	0	Total: 24,877 As a percentage of net profit after tax: 1.05%	Total: 24,877 As a percentage of net profit after tax: 1.05%	None
Director	Chan Chi-Che																					
Director	Hua Eng Wire & Cable Co.,Ltd.: Liu Hsiu-Mei																					
Director	Soong Ming-Feng																					
Director	Yu Ming Chang																					
Director	Lee Shih-Shen																					
Director	Tsai Hsung-Hsiung																					
Independent director	Sun Chin-Su	0	0	0	0	2,753	2,753	280	280	Total: 3,033 As a percentage of net profit after tax: 0.33%	Total: 3,033 As a percentage of net profit after tax: 0.33%	0	0	0	0	0	0	0	0	Total: 3,033 As a percentage of net profit after tax: 0.33%	Total: 3,033 As a percentage of net profit after tax: 0.33%	None
Independent director	George Chen																					
Independent director	Hsieh Fa-Jung																					
<div>1. Please specify the policy, system, standards and structure of remuneration payments to independent directors, and describe the relationship between the responsibility, risk, time committed to the organization and other factors and the amount of remuneration to them:</div> <div><div>(1) Pursuant to the Company's Articles of Incorporation, the remuneration of the Chairman and Directors (including independent and non-independent Directors) of the Company shall be authorized to be determined by the Board of Directors' meeting based on their participation in the Company's operations and the value of their contributions, as well as the domestic and international industry standards.</div><div>(2) The Company's Articles of Incorporation also specify that no more than 3% of the annual profit shall be used as directors' remuneration.</div><div>(3) The principles for the payment of directors' remuneration are as follows:<div><div>a Since all independent directors serve as members of the Audit Committee and the Remuneration Committee, they are required to participate in the discussions and resolutions of the relevant committee meetings in accordance with the charter of each committee; therefore, their remunerations are higher than that of general directors.</div><div>b Serving as the chairman and the chairman of various functional committees requires more time, so his remuneration is higher than that of independent directors.</div></div><div>In addition to the disclosures in the previous table, please specify the remuneration paid to the directors who provided services (e.g. acting as non-employee advisor for the parent company/any company stated in the financial statements/any invested company) in the recent year: None.</div></div></div>																						

Remuneration Scale Table

Remuneration Scale Paid to Each Director	Names of Directors			
	Sum of first four items (A+B+C+D)		Sum of first seven items (A+B+C+D+E+F+G)	
	The Company (Note 8)	All companies in the financial statements (Note 9) H	The Company (Note 8)	All companies in the financial statements (Note 9) I
Below NT\$1,000,000	Chan, Chi-Che; HUA ENG WIRE AND CABLE CO., LTD. (Representative Liu Hsiu-Mei); Soong Ming-Feng; Yu, Ming-Chang; Lee Shih-Shen; Tsai, Hsung-Hsiung; Hsieh, Fa-Jung; Sun Chin-Su; George Chen	Chan, Chi-Che; HUA ENG WIRE AND CABLE CO., LTD. (Representative Liu Hsiu-Mei); Soong Ming-Feng; Yu, Ming-Chang; Lee Shih-Shen; Tsai, Hsung-Hsiung; Hsieh, Fa-Jung; Sun Chin-Su; George Chen	Chan, Chi-Che; HUA ENG WIRE AND CABLE CO., LTD. (Representative Liu Hsiu-Mei); Soong Ming-Feng; Yu, Ming-Chang; Lee Shih-Shen; Tsai, Hsung-Hsiung; Hsieh, Fa-Jung; Sun Chin-Su; George Chen	Chan, Chi-Che; HUA ENG WIRE AND CABLE CO., LTD. (Representative Liu Hsiu-Mei); Soong Ming-Feng; Yu, Ming-Chang; Lee Shih-Shen; Tsai, Hsung-Hsiung; Hsieh, Fa-Jung; Sun Chin-Su; George Chen
NT\$1,000,000 (inclusive) ~ NT\$2,000,000 (exclusive)				
NT\$2,000,000 (inclusive) ~ NT\$3,500,000 (exclusive)				
NT\$3,500,000 (inclusive) ~ NT\$5,000,000 (exclusive)	Dasong Investment Co.,Ltd. (Representative: Raymond Soong)	Dasong Investment Co.,Ltd. (Representative: Raymond Soong)	Dasong Investment Co.,Ltd. (Representative: Raymond Soong)	Dasong Investment Co.,Ltd. (Representative: Raymond Soong)
NT\$5,000,000 (inclusive) ~ NT\$10,000,000 (exclusive)				
NT\$10,000,000 (inclusive) ~ NT\$15,000,000 (exclusive)				
NT\$15,000,000 (inclusive) ~ NT\$30,000,000 (exclusive)			Lee Shih-Shen	Lee Shih-Shen
NT\$30,000,000 (inclusive) ~ NT\$50,000,000 (exclusive)				
NT\$50,000,000 (inclusive) ~ NT\$100,000,000 (exclusive)				
Above NT\$100,000,000				
Total	10 persons	10 persons	10 persons	10 persons

Note 1: The names of directors should be listed separately (institutional shareholders should list their names and representatives separately), and general directors and independent directors should be listed separately, and the payment amounts should be disclosed in an aggregation manner. Directors who concurrently serve as president or vice president should fill in this table and the table below "Remuneration of president and vice presidents (individual disclosure of names)."

Note 2: Refers to the remuneration of directors in the most recent year (including directors' salary, position bonus, severance payment, various bonuses, incentives, etc.).

Note 3: This is the amount of directors' remuneration approved by the board of directors in the most recent year.

Note 4: Refers to the director's relevant business execution expenses in the most recent year (including transportation subsidies, special expenditures, various allowances, and in-kind benefits such as dormitories and company cars). When providing housing, cars and other means of transportation or exclusive personal expenses, the nature and cost of the

assets provided, the actual or fair market price, rent, fuel and other payments should be disclosed. In addition, if there is a driver, please indicate the relevant compensation paid by the Company to the driver, but it will not be included in the remuneration.

- Note 5: Refers to the compensations received by directors concurrently serving as employees (including the president, vice president, other managerial officers and employees) in the most recent year, including salary, position allowance, severance pay, various bonuses, incentives, special expenditures, various allowances, and in-kind benefits such as dormitories, and company car. When providing housing, cars and other means of transportation or exclusive personal expenses, the nature and cost of the assets provided, the actual or fair market price, rent, fuel and other payments should be disclosed. In addition, if there is a driver, please indicate the relevant compensation paid by the Company to the driver, but it will not be included in the remuneration. Also, the salary expenses recognized based on IFRS 2 “Share-based payment,” including the acquisition of employee share subscription warrants and new restricted employee shares, or subscription for a capital increase in cash, shall be counted into the remunerations. (The cost of car renting in 2024 was NT\$777 thousand.)
- Note 6: Refers to directors who have received employee remuneration (including stocks and cash) for concurrently serving as employees (including the president, vice president, other managerial officers and employees) in the most recent year, and the amount of employee remuneration approved by the board of directors in the most recent year shall be disclosed. If it is not possible to estimate, the proposed distribution amount for this year shall be calculated based on the proportion of the actual distribution amount last year. The attached table "Name of the managerial officers to whom the employee remuneration distributed and distribution status" should be filled in.
- Note 7: The total amount of remuneration paid to the directors of the Company by all companies (including the Company) in the consolidated statement should be disclosed.
- Note 8: The total remuneration paid to each director by the Company; their names are disclosed in the scale table they belong to.
- Note 9: The total amount of remuneration paid to the directors of the Company by all companies (including the Company) in the consolidated statements should be disclosed, and their names should be disclosed in the scale table they belong to.
- Note 10: Net profit after tax refers to the net profit after tax of the parent company-only or individual financial report in the most recent year.
- Note 11:
- a. This column shall specify the remunerations from the investees other than subsidiaries or parent company received by directors (please indicate “none” if no such thing)
 - b. If any director receives relevant remuneration from the investees other than subsidiaries or parent company, the remunerations from the investees other than subsidiaries or parent company received by directors shall be included in Column I of the Remuneration Scale Table, and change the name of the column as the “Parent Company and all Investees.”
 - c. Remuneration refers to the remunerations, compensations (including compensations of employees, directors and supervisors) and business execution expenses received by the Company's directors for serving as directors, supervisors or managerial officers of non-subsidiary investment enterprises or the parent company.
- * The content of the remuneration disclosed in this table is different from the income concept of the Income Tax Act, so the purpose of this table is for information disclosure only and not for taxation.

2. Supervisor's remuneration (disclosure by individual name and remuneration): Not applicable.

Note 1: The company replaced the supervisor with the Audit Committee on June 7, 2016.

3. Compensation Paid to Management Team

Unit: NT\$ thousand Date: December 31, 2024

Position	Name	Salary (A) (Note 2)		Severance pay and pension (B)		Bonus and Special Expense (C) (Note 3)		Remuneration to employees (D) (Note 4)				The sum of A, B, C and D in proportion to the net profit after tax (%) (Note 8)		Remuneration from the investees other than subsidiaries or parent company (Note 9)
		The Company	All companies in the financial statements (Note 5)	The Company	All companies in the financial statements (Note 5)	The Company	All companies in the financial statements (Note 5)	The Company		All companies in the financial statements (Note 5)		The Company	All companies in the financial statements (Note 5)	
								Cash amount	Share amount	Cash amount	Share amount			
President	Lee Shih-Shen	5,369	5,369	675	675	9,259	9,259	4,774	0	4,774	0	Total: 20,077	Total: 20,077	None
Vice President of Marketing Center	Chun-Han Chuang											As a percentage of net profit after tax: 2.18%	As a percentage of net profit after tax: 2.18%	

* Regardless of job title, all positions equivalent to the president or vice president (for example: president, chief executive officer, director... etc.) should be disclosed.

Note 1: The names of the president and vice presidents should be listed separately, and the payment amounts should be disclosed in an aggregated manner. If a director serves concurrently as the president or vice president, this table and the previous table "Remuneration of directors (including independent directors)" shall be filled in.

Note 2: It is to fill in the salaries of the president and vice presidents in the most recent year, position allowance, and severance pay.

Note 3: It is to fill in the amount of various bonuses, incentives, transportation subsidies, special expenditures, various allowances, and in-kind benefits such as dormitories, and company car, and other compensations. When providing housing, cars and other means of transportation or exclusive personal expenses, the nature and cost of the assets provided, the actual or fair market price, rent, fuel and other payments should be disclosed. In addition, if there is a driver, please indicate the relevant compensation paid by the Company to the driver, but it will not be included in the remuneration. Also, the salary expenses recognized based on IFRS 2 "Share-based payment," including the acquisition of employee share subscription warrants and new restricted employee shares, or subscription for a capital increase in cash, shall be counted into the remunerations. (The cost of car renting in 2024 was NT\$777 thousand.)

Note 4: Fill in the amount of employee remuneration (including shares and cash) approved by the board of directors to distribute to the president and vice presidents in the most recent year. If it is not possible to estimate, the proposed distribution amount for this year shall be calculated based on the proportion of the distribution amount last year. The attached table "Name of the managerial officers to whom the employee remuneration distributed and distribution status" should be filled in.

Note 5: The total amount of remunerations paid to the president and vice presidents of the Company by all companies (including the Company) in the consolidated statements should be disclosed.

Note 6: The total remuneration paid to each president and vice president by the Company; their names are disclosed in the scale table they belong to.

Note 7: The total amount of remuneration paid to the president and vice president of the Company by all companies (including the Company) in the consolidated statements should be disclosed, and their names should be disclosed in the scale table they belong to.

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

Note 9: a. This column shall specify the remunerations from the investees other than subsidiaries or parent company received by the president and vice presidents (please indicate "none" if no such thing)

b. If president and vice presidents receive relevant remuneration from the investees other than subsidiaries or parent company, the remunerations from the investees other than

subsidiaries or parent company received by president and vice presidents shall be included in Column E of the Remuneration Scale Table, and change the name of the column as the “Parent Company and all Investees.”

- c. Remuneration refers to the remunerations, compensations (including compensations of employees, directors and supervisors) and business execution expenses received by the president and vice presidents of the Company for serving as directors, supervisors or managerial officers of non-subsidiary investment enterprises or the parent company.

* The content of the remuneration disclosed in this table is different from the income concept of the Income Tax Act, so the purpose of this table is for information disclosure only and not for taxation.

4. The Individual Remuneration Paid to each of its Top Five Management Personnel (listed individually by name and payment type): Not Applicable

5. Names of Management Team for the Allotment of Employee Remuneration and Allotment Conditions

Unit: NT\$ thousand December 31, 2024

	Position (Note 1)	Name (Note 1)	Share amount	Cash amount	Total	Percentage of total amount to net profit after tax (%)
Managerial Officers	President	Lee Shih-Shen	0	6,950	6,950	0.75%
	President Special Assistant	Ting Tai-Chuan				
	Technology Division Chief	Hsu Hong-Wei				
	Project Division Chief	Lai Hsin-Chung				
	Public Plant Plant Chief	Lu An-Chuan				
	Marketing Division Director	Yang Cheng-Ping				
	Marketing Center LITE-ON Technology	Chun-Han Chuang				
	Quality Assurance Division Chief	Huang Fu-Tung				
	Audit Supervisor	Tsai Ren-Hua				
	Head of Accounting	Kao Hong-Yu				
	Head of Finance; Corporate Governance Officer	Yeh Hsueh-Chen				

Note 1: Individual names and titles should be disclosed, but the profit distribution may be disclosed in an aggregated manner.

Note 2: This is to fill in the amount of employee remuneration (including shares and cash) approved by the board of directors to managerial officers in the most recent year. If it is impossible to estimate, the proposed distribution amount for this year shall be calculated based on the proportion of the distribution amount last year. Net profit after tax refers to the net profit after tax in the most recent year; if IFRS has been adopted, net profit after tax refers to the net profit after tax of the parent company-only or individual financial report in the most recent year.

Note 3: The applicable scope of managerial officers, based on Letter Order Tai-Cai-Zheng-San-Zhi No.0920001301 of the Commission on March 27, 2003, includes the following:

- (1) President and equivalent
- (2) Vice president and equivalent
- (3) Assistant vice president and equivalent
- (4) Head of the finance department
- (5) Head of the accounting department
- (6) Other staff with authority to manage the affairs for the company and sign.

Note 4: If the directors, presidents and vice presidents receive employee remunerations (including shares and cash), this table should be filled in additionally.

(II) Analysis of total remuneration as a percentage of net income after tax

Comparison and explanation of percentage of the total remuneration for directors, Presidents and Vice Presidents of this Company paid over the past two years by this Company to net profit after tax the in the parent-company-only or individual financial statements, the policy of remuneration payment, the standards and combination, the procedure for remuneration decision, and the relationship between operation performance and future risks.

1. Analysis of the percentage of the total remuneration for directors, Presidents and Vice Presidents of this Company paid over the past two years by this Company to net profit after tax the in the parent-company-only or individual financial statements.

Item	Total remunerations as a percentage of net income			
	2024		2023	
	The Company	All companies included in the financial statement	The Company	All companies included in the financial statement
Director	1.38%	1.38%	1.46%	1.46%
President and Vice presidents	2.18%	2.18%	2.83%	2.83%

2. Explain the policy of remuneration payment, the standards and combination, the procedure for remuneration decision, and the relevant between operation performance and future risks

As per Articles of Incorporation, Article 29, for each profitable fiscal year, the Company shall allocate more than 1% of profit as employee compensation. The Board of Directors shall be authorized to determine the criteria and disbursement method of the eligible employees. Meanwhile, the Company shall allocate no more than 3% of profit as Director remuneration.

The disbursement of employee compensation and Director remuneration shall be submitted to the Remuneration Committee for approval at the beginning of each year, before submitting to the Board of Directors for review and approval.

When the Company evaluates the performance and remuneration policy, system, standards, and structure for directors, supervisors and managerial officers, the following principles shall be observed:

- (1) The Company shall adopt the performance evaluation standards and remuneration standards or a remuneration structure and system based on future risk-adjusted performance and in line with long-term overall profitability and shareholders' interests.
- (2) The remuneration and reward system shall not induce any director, managerial officer, or associated person to conduct any act beyond the company's risk appetite to pursue remuneration. The Company shall periodically, review the remuneration and reward system and performance in order to ensure their consistency with the company's risk appetite.
- (3) The time for payment of remuneration by the Company shall be set based on future risk-adjusted profitability in order to avoid the improper circumstance of sustaining loss after the payment of remuneration. A significant percentage of the remuneration/reward shall be paid by a deferred or equity-related method.
- (4) When the Company assesses the contribution of a director, managerial officer, or associated person to the company's profits, it shall conduct an overall analysis of the Company's peers to clarify whether such profits resulted from an overall advantage of the company, in order to effectively assess the contributions that come from individual persons.
- (5) The stipulations on severance pay between the Company and its directors, managerial officers, and associated persons shall be adopted based on realized performance in order to avoid improper circumstances such as receiving high severance pay after a short term of employment.

III. Implementation of Corporate Governance

(I) Operation of the Board of Directors

A The board of directors convened four meetings (A) in 2024. The attendance of the directors is described below:

Position	Name (Note 1)	Attendance in Person B	Attendance by Proxy	Actual Attendance Rate (%) [B/A] (Note 2)	Remarks
Chairman	Dasong Investment Co., Ltd. Representative: Raymond Soong	4		100	
Director	Hua Eng Wire & Cable Co., Ltd. Representative: Liu Hsiu-Mei	4		100	
Director	Chan Chi-Che	4		100	
Director	Soong Ming-Feng	0	4	0	
Director	Yu Ming Chang	4		100	
Director	Tsai Hsung-Hsiung	4		100	
Director	Lee Shih-Shen	4		100	
Independent director	George Chen	4		100	
Independent director	Sun Chin-Su	4		100	
Independent director	Hsieh Fa-Jung	4		100	

Other matters required to be recorded:

- I. If the operation of the board of directors matches one of the following conditions, it is required to specify dates, the number of meetings and content of proposals of directors, opinions of all independent directors and response to the opinions of independent directors on the Company:
 - (I) For matters set in Article 14-3 of the Security Exchange Act: The board of directors convened four meetings in 2024, and the resolution details as Page 69 of the Annual Report. All independent directors approved the matters set in Article 14-3 of the Security Exchange Act as they were proposed without dissent.
 - (II) Other resolutions, except for the above-mentioned ones, in the board of directors meeting about which any independent director expresses dissent or reservation and a record or written statement is made: None.
- II. As for the implementation status of recusal bearing on the interest of a director is involved, the name of the director, proposal, reasons for the recusal, and participation in the voting shall be described: Please see Note 4.
- III. The Board of Directors' Performance Evaluation: please refer to Note 3, Performance Evaluation Report, and the implementation of the Board of Directors and each functional committee.
- IV. Goal for enhancement of board functions (such as the establishment of an audit committee or improvement of information transparency) in the most recent year and the most recent year and assessment of implementation conditions.
 - (I) To implement corporate governance and enhance the functions of the Board of Directors of the Company while establishing performance targets for better operational efficiency of the Board of Directors, the "Procedures for the Board's Performance Evaluation" was revised on November 7, 2019. The performance evaluation of the Board of Directors is carried out once a year. There are 16 aspects to evaluate the performance of the Board of Directors as a whole, board members, and the functional committees through questionnaire surveys with evaluation reports; the results of the performance evaluation of the Board of Directors have been submitted to the Board of Directors.
 - (II) The company has formulated the "Regulations Governing Procedure for Board of Directors Meetings" pursuant to the "Regulations Governing Procedure for Board of Directors Meetings of Public Companies." It has entered the directors' attendance at the board meetings on the MOPS and disclosed major resolutions of the Board of Directors on the Company's website.
 - (III) The Company established the Remuneration Committee on October 28, 2011, responsible for implementing recommendations, evaluating and supervising the Company's overall remuneration policy, the president and managerial officers' remuneration levels, employee share subscription plans and employee profit-sharing plans or other employee incentive plans. For the implementation status, please see Pages 41-44.
 - (IV) Functions of the Board of Directors: Board members continue to participate in continuing educations related to corporate governance topics during their terms of office. The independent directors are in compliance with the Securities and Exchange Act and the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. The board members have different professional functions as an implementation for the director diversity policy.
 - (V) Since June 7, 2016, the Audit Committee has been set up to take charge in implementing relevant laws and regulations and assisting the Board of Directors to perform its supervisory duties. The chair of the committee regularly reports its resolutions to the Board of Directors.

Note 1: In case the director or supervisor is an institutional shareholder, such institutional shareholder's name and its representative's name shall be indicated.

Note 2: (1) If a director or supervisor has resigned before the end of the year, the date of resignation should be indicated in the remarks column. The actual attendance rate (%) is calculated based on the number of meetings of the board of directors and actual attendance during the term of office.

- (2) Before the end of the year, if there is the re-election of directors and supervisors, both the new and old directors and supervisors should be listed, and in the remarks column, it should indicate whether the directors and supervisors are old, new or re-elected and the date of re-election. The actual attendance rate (%) is calculated based on the number of board of directors' meetings and the actual number of attendances during the term of office.

**B Attendance of independent directors to the board meetings: ○: Attendance in person
△: Attendance in proxy**

Board of directors	Sun Chin-Su	George Chen	Hsieh Fa-Jung
8th meeting of the 9th term February 23, 2024,	○	○	○
9th meeting of the 9th term May10,2024	○	○	○
10th meeting of the 9th term August 9, 2024	○	○	○
11Th meeting of the 9th term November 8, 2024	○	○	○

Note 3: Implementation of the Evaluation to the Board of Directors

Evaluation cycle	Evaluation period	Evaluation scope	Evaluation methods	Evaluation contents	Evaluation results
Once a year.	January 1, 2024 to December 31, 2024	Evaluation to the Board of Directors' Performance	Self-evaluation of the agenda unit of the Board of Directors	① Participation in the operation of the company ② Improvement of the quality of the board of directors' decision making ③ Composition and structure of the board of directors ④ Election and continuing education of the directors ⑤ Internal control	The evaluation results are excellent. The evaluation results show that the overall operation of the Company's Board of Directors is in line with the spirit of corporate governance.
		Evaluation of the individual board member's performance	Self-evaluation of the board members	① Alignment of the goals and missions of the company ② Awareness of the duties of a director ③ Participation in the operation of the company ④ Management of internal relationship and communication ⑤ The director's professionalism and continuing education ⑥ Internal control	The evaluation results are excellent. The evaluation results show that the Company's directors have a positive evaluation of the efficiency and effectiveness of the operation of various evaluation indicators.
		Evaluation of the functional committee's performance (Audit Committee/Remuneration Committee)	Self-evaluation in the functional committees	① Participation in the operation of the company ② Awareness of the duties of the functional committee ③ Improvement of quality of decisions made by the functional committee ④ Makeup of the functional committee and election of its members ⑤ Internal control	The performance results of the Remuneration Committee and the Audit Committee is deemed to be excellent. For various performance indicators on efficiency and effectiveness, the evaluation showed that the functional committees have produced positive results.

Note 4: Recusal of Directors due to conflict of interest is as follows: None.

(II) The Operation of the Audit Committee

The Audit Committee convened four meetings (A) in 2024. The attendance of the independent directors is described below:

Position	Name	Attendance in Person (B)	Attendance by Proxy	Actual Attendance Rate (%) (B/A) (Note 1, Note 2)	Remarks
Independent director	George Chen	4		100	
Independent director	Sun Chin-Su	4		100	
Independent director	Hsieh Fa-Jung	4		100	

Other matters required to be recorded:

I. In case of any following situation during the operation of the Audit Committee, the date, term of the meeting, content of the proposal, as well as objection or qualified opinion or material suggestions of the Independent Directors, the Audit Committee's resolutions, and the Company's resolution on the opinions of the Audit Committee shall be specified.

(I) For matters set in the Article 14-5 of Security Exchange Act:

Term/Date of Audit Committee Meeting	Proposal	Matters set forth in the §14-5 of Security Exchange Act	Resolution of the Audit Committee	The Company's treatment to the Audit Committee's opinions
7th meeting, 3rd Term February 23, 2024	1. Co-Tech Development's 2023 "Internal Control System Statement," please deliberate.	v	All attending independent directors of the Audit Committee approved without dissent.	All attending directors approved without dissent.
	2. Amendment of some clauses of "Sales Cycle".			
	3. Proposal of 2023 distributing remuneration of employees and directors, please deliberate.	v		
	4. 2023 consolidated and parent-company only financial statements, please deliberate.	v		
	5. Proposal for 2024 budgets.	v		
8th meeting, 3rd Term May 10, 2024	1. Proposal for 2023 earnings distribution, please deliberate.	v		
	2. The 2023 business report, please deliberate.	v		
	3. Amendment to the "Audit Committee Charter", "Procedures for Handling Material Inside Information", "Rules of Procedure for Board of Directors Meetings" and "Rules Governing Compliance Matters for the Appointment and Exercise of Powers by the Board of Directors".			
	4. Amendment to the "Procedures for Compilation and Verification of Sustainability Report".			
	5. The results of the 2023 CPAs' performance evaluation and the provision of pre-approved services by CPAs for 2024 in advance.	v		
	6. Proposal to appoint CPAs for 2024.	v		
	7. The 2024 Q1 consolidated financial statements of the Company.			
9th meeting, 3rd Term August 9, 2024	1. The 2023 Sustainability Report has been prepared and submitted for review.			
	2. Proposal to appoint CPAs for 2024.	v		
	3. The 2024 Q2 consolidated financial statements of the Company.	v		
10th meeting, 3rd Term November 8, 2024	1. 2025 annual audit plan.	v		
	2. Add the "Regulations Governing the Management of Sustainable Information" and the "Management Operations Audit of Sustainable Information" under the "Implementation Rules of Internal Audit" to the Board of Directors for review.			
	3. The 2023 Q3 consolidated financial statements of the Company.			

(II) Other resolution that has not been passed by the Audit Committee but passed by two-thirds or more of all Directors: None.

II. As for the implementation status of recusal bearing on the interest of an independent director is involved, the name of the independent director, proposal, reasons for the recusal, and participation in the voting shall be described: None.

- III. Method of communication between Independent Directors, the Internal Audit Supervisor, and CPA (the material matters, methods, and results of the communication regarding the Company's finance and business):
- (I) The Company's internal auditing unit sends audit reports and follow-up reports on audit deficiencies and improvements to independent directors every month and convenes audit committee meetings at least once a quarter to provide independent directors with audit services and audit results and their tracking status.
 - (II) During the quarterly audit committee meetings, the CPAs report the Company's and domestic and overseas subsidiaries' financial statements review or audit results, internal control audits, the impact of the revision and release of IFRSs bulletins on the Company, and other relevant legal requirements to the independent directors, and communicate whether there is any adjusted entry in financial statements or whether the amendment of the law affects the accounting method.
 - (III) Audit officers, CPAs and independent directors may communicate directly with each other as needed at any time, and the communication channels are smooth.

Note 1: If a supervisor or independent director resigned before the end of the year, the resignation date should be indicated in the remarks column. The actual attendance rate (%) is calculated based on the actual number of attendances during the term of office.

Note 2: Before the end of the year, if there is a re-election of a supervisor or independent director, the new and old supervisors should be listed. In the remarks column, it should indicate whether the supervisor is the old, new or re-elected and the re-election date. The actual attendance rate (%) is calculated based on the actual number of attendances during the term of office.

Note 3: The duties and responsibilities of the Audit Committee and their work plan for the year are as follows:

1. Establishment or amendment of the internal control system in accordance with Article 14-1 of the Securities and Exchange Act.
2. Evaluation of the effectiveness of the internal control system.
3. Pursuant to Article 36-1 of the Securities and Exchange Act, the Company has established or amended the procedures for material financial operations, including the acquisition or disposal of assets, derivative transactions, loans of funds to others, and endorsements or guarantees for others.
4. Any matter involving the interests of the Directors themselves.
5. Major asset or derivative transactions.

(III) Corporate Governance Status, Differences with Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons

Assessment Criteria	Actual Governance (Note 1)			Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
I. Has the company established and disclosed its corporate governance principles based on the “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies?”	v		The Company has established the “Corporate Governance Best-Practice Principles” and disclosed them on the website: (http://www.co-tech.com/_ch/04_ir/01_detail.php?MainID=8)	No deviation
II. Shareholding structure and shareholders’ interests (I) Has the Company implemented a set of internal procedures to handle Shareholders’ recommendations, queries, disputes, and litigations?	v		(I) The stock affairs have been commissioned to a professional stock affair agency company, provide consulting and professional stock affairs services, convene shareholder meetings pursuant to the Company Act and related laws and regulations, and formulate the "Rules of Procedure for Shareholders Meetings." For the matters that should be resolved by the shareholders' meetings, they are implemented in accordance with the rules of procedure and shareholders are given the chance to speak. The content of the shareholders’ speeches and the Company’s treatments are recorded in the minutes of the shareholders’ meeting. In addition, the Company has a spokesperson responsible for handling suggestions, doubts or disputes raised by shareholders.	No deviation
(II) Is the Company constantly informed of the identities of its major Shareholders and the ultimate controller?	v		(II) The Company can effectively grasp the shareholding status of major shareholders such as directors and managerial officers and disclose it pursuant to laws and regulations.	No deviation

Assessment Criteria	Actual Governance (Note 1)			Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
(III) Has the Company established and implemented risk management practices and firewalls for companies it is affiliated with?	v		(III) The company has formulated the "Subsidiary Operation Management Procedures" and "Operational Procedures for Financial and Business Transaction among Group Companies and Specific Companies" in accordance with relevant laws and regulations to appropriately control the risks among the Company and its affiliate and to establish of appropriate firewalls.	No deviation
(IV) Has the Company established internal policies that prevent insiders from trading securities against non-public information?	v		(IV) The Company has formulated the "Operational Procedures for Handling Material Internal Information" to regulate the related information.	No deviation
III. Composition and responsibilities of the Board of Directors (I) Does the board of directors have a diversity policy, concrete management goals, and implementation?	v		(I) The Company has established a policy of diversifying the composition of the Board of Directors in the "Corporate Governance Best Practice Principles". The Company selects directors with the knowledge, skills and education necessary for the execution of their duties based on their professional background, field and practical experience, which is beneficial to the overall development and operation of the Company. The Company also implements the specific management objective that the number of directors who are also managers of the Company should not exceed one-third of the total number of directors. The Company's Board of Directors is composed of experts in industry, finance, business, and investment, with more than half of the Board members possessing industry experience and at least one person in each of the professional fields,	No deviation

Assessment Criteria	Actual Governance (Note 1)			Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
			including operational judgment, compensation management, corporate governance, management, risk management, and sustainable development management. The percentage of directors who are concurrently employees of the Company is 10%, the percentage of independent directors is 30%, the percentage of female directors is 10%; one independent director has a tenure of more than six years, two independent directors have a tenure of four to six years; five directors are over 70 years old, three are 60-69 years old, and two are under 60 years old. In the future, the Board of Directors will gradually increase female directors.	
(II) Apart from the Remuneration Committee and Audit Committee, has the Company assembled other functional committees at its own discretion?	v		(II) In addition to the Remuneration Committee and the Audit Committee, the Company has also established an Employee-Employer Coordination Committee as a communication bridge between employees and the Company. The policy promotion, employee suggestions, among other things, are carried out in a two-way communication manner. The protection of employees' interests and the implementation of the welfare system conform to laws and regulations.	No deviation
(III) Has the Company established a set of policies and assessment methodology to evaluate the performance of the Board? Is regular performance evaluation conducted, at least once a year, and the evaluation result is submitted to the Board to serve as a reference in determining the remuneration of individual Directors and a	v		(III) The Company has revised the "Procedures for the Board's Performance Evaluation" on November 7, 2019. The scope of the Company's Board performance evaluation includes the performance evaluation of the overall Board of Directors, individual directors and functional committees. The method of evaluation is internal self-evaluation of the Board, self-evaluation of	No deviation

Assessment Criteria	Actual Governance (Note 1)			Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
nomination for re-election?			<p>directors, peer evaluation, retaining of external professional institutions, experts or other appropriate methods for performance evaluation.</p> <p>The Company considers the status of the company and needs to formulate performance evaluation measurement items, such as: participation in the operation of the company, decision-making quality, continuing education, internal control, etc. When selecting or nominating the directors, the performance evaluation results are included in the selection reference; and the results of individual director's performance evaluations are used as the basis for determining their individual remuneration.</p> <p>When the Board of Directors' meeting convened on February 21, 2025, the evaluation results were reported to the Board of Directors.</p>	

Assessment Criteria	Actual Governance (Note 1)			Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
(IV) Does the Company assess the independence of external auditors regularly?	v		<p>(IV) The Company has formulated the "Procedures for CPAs' Performance Evaluation," and the main evaluation content is divided into two parts:</p> <ol style="list-style-type: none"> 1. CPAs' independence: including terms of office, contingent service fees, financial interests... etc. 2. CPAs' competence: service quality and scale, professional level, timeliness... etc. <p>The Company conducts evaluations in accordance with the items listed in the "Regulations on Performance Evaluation of CPAs", and evaluates the performance of CPAs regularly every year (once a year), and refers to the Audit Quality Indicators (AQIs) to evaluate the independence and suitability of CPAs. The results of the overall evaluation in 2023 are as follows, a score of 95 points. The evaluation result was reported to the Board of Directors when it was convened on May 10, 2024.</p>	No deviation
IV. Does the TWSE/TPEX listed company dedicate competent managers or a sufficient number of managers to take charge of corporate governance, and designate supervisors thereof to oversee the corporate governance affairs (including but not limited to providing information required for director/supervisor's operations, assisting the Board and Supervisors in legal compliance, convening Board/Shareholders' meetings in accordance with the law, applying for/changing company registry, and producing meeting minutes of	v		The Company's financial department concurrently serves as the corporate governance unit. The financial officer concurrently serves as the corporate governance officer, to handle the Board of Directors and shareholders' meeting related matters, conduct the company registration and change registration, and prepares the Board of Directors and shareholders' meeting minutes.	No deviation

Assessment Criteria	Actual Governance (Note 1)			Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
Board/Shareholders' meetings)?				
V. Has the Company established a means of communicating with its stakeholders (including but not limited to Shareholders, Employees, customers, suppliers, et cetera) or created a stakeholder section on the Company website? Does the Company respond to stakeholders' questions on corporate responsibilities?	v		The Company has set up a section specific to stakeholders on the Company's webpage. It has established a communication channel for stakeholders to make suggestions, criticisms, and advice on the Company. (http://www.co-tech.com/_ch/04_ir/01_detail.php?MainID=9)	No deviation
VI. Does the Company appoint the professional stock affair agency to handle the affairs of the shareholders' meeting?	v		The Company has retained a professional stock affair agency to handle consultancy and stock affair professional services and convene shareholders' meetings pursuant to the Company Act and related laws and regulations.	No deviation
VII. Information Disclosure (I) Has the company established a website that discloses financial, business, and corporate governance-related information?	v		(I) The company has disclosed the latest news of relevant product information and financial information on the Company's website, and a link to MOPS is provided to inquire about the Company's relevant financial, business and corporate governance information.	No deviation
(II) Does the Company adopt other avenues for information disclosure (e.g. setting up an English website, designating specific personnel to collect and provide disclosure on the Company, implementing a spokesperson system, disclosing the process of institutional investor conferences on the Company website and etc.)?	v		(II) In addition to the above-mentioned websites, the company has a spokesperson system and exposes financial business data and corporate governance information on the "MOPS" (website http://mops.tse.com.tw).	No deviation
(III) Does the Company publicly announce and file the annual financial reports within two months	v		(III) The Company's 2024 financial report was announced and reported on the day when the Board of Directors	No deviation

Assessment Criteria	Actual Governance (Note 1)			Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
after the accounting year-end, and publicly announce and file the first, second and third quarterly financial reports and monthly operating status reports before the stipulated deadlines?			approved the financial report on February 21, 2025. The financial reports for the first, second, and third quarters are also announced and reported on the day of approval by the Board of Directors. The monthly revenues are completed before the 10th day of the following month, as required.	
VIII.Does the Company have any other important information (including but not limited to employees' rights, employee care, investor relations, supplier relationship, rights and interests of stakeholders, training for directors and supervisors, implementation of risk management policies and risk measurement standards, implementation of customer policies, the Company's purchase of liability insurance for directors and supervisors, etc.)?	v		(I) Employees' rights: In addition to the establishment of the Employee Welfare Committee and the Labor Pension Reserve Supervision Committee in accordance with the law, for comprehensively conducts the preparation, contribution, custody, and utilization of employee benefits and pension reserves, as well as related matters regulated by relevant laws, the Company regularly holds employee-employer meetings as a bridge of communication between employees and the Company. All policy promotions, employee's voices and counseling are conducted in two-way communication. The protection of employees' interests and the implementation of the welfare system conform to laws and regulations.	No deviation
			(II) Employee care: Through a substantial and good training system, a good relationship of mutual trust and dependence with employees is established. Regular health check-ups are arranged to help employees monitor and improve their physical health, with group life insurance and accident insurance, as well as parking lots.	No deviation

Assessment Criteria	Actual Governance (Note 1)			Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
			(III) Investor relations: To protect the interests of shareholders and make it easier for the investors to understand the Company's operating conditions, in addition to the queries on the MOPS, the Company has set up a "Stakeholder Section" on the Company's website to provide investor-related information, and appointed the spokesperson and cooperated with a professional stock agency, to handle shareholder suggestions and serve as the contact.	No deviation
			(IV) Supplier relationship: The Company treats suppliers with fairness, respect and dignity, and maintains good interactive relationships.	No deviation
			(V) Stakeholders' rights: The Company has set up the spokesperson and deputy spokesperson to handle related issues and suggestions; but if legal issues are involved, the Company has hired lawyers and consultants to deal with them, to safeguard the legitimate interests.	No deviation
			(VI) Continuing education for directors and supervisors: The directors and supervisors of the Company have professional backgrounds in the industry and practical experience in operation and management; by complying with the requirements of the "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies," they received continuing education; such education is disclosed on the "MOPS." Please refer to Note 2 for the details of their continuing educations.	No deviation

Assessment Criteria	Actual Governance (Note 1)			Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
			(VII)Execution of risk management policies and risk measuring standards: Formulate various internal management systems pursuant to laws and conduct regular inspections to effectively manage and evaluate various risks.	No deviation
			(VIII) Execution of customer policies: 1. The Company maintains a stable and good relationship with customers, meets customers’ needs, and aims to create a green enterprise. 2. Regularly conducts due diligence to customers and ensures accounts receivable insurance to minimize the risk of bad debts.	No deviation
(IX) The liability insurance for the Company’s directors and supervisors: The Company has bought the liability insurance for the directors.			No deviation	
IX. Please describe improvements that have been made about the results of the corporate governance evaluation as prescribed by the Taiwan Stock Exchange Corporate Governance Center, as well as priorities and measures for matters that have yet to be improved. (The companies not subject to the evaluation need not fill in this part) The Company ranked in the top 21% - 35% of the 2023 "Corporate Governance Evaluation Results" and did not score mainly on climate-related issues. The Company will cooperate with the preparation of the sustainability report to disclose relevant indicators and information.				

Note 1: Regardless of "Yes" or "No" checked for the operation, summaries shall be provided in the column.

Note 2: The continuing educations of directors and managerial officers for 2024.

Position	Name	Date of course	Sponsor	Name of course	Hours of course
Chairman	Dasong Investment Co.,Ltd. Representative: Raymond Soong	2024/8/9	Taiwan Corporate Governance Association	TCFFD&SBTi development trends and the discussion of the powers and duties of directors and insider trading	3
		2024/11/8	Taiwan Corporate Governance Association	Trend and risk management of AI	3
Representative of Institutional Director	Hua Eng Wire & Cable Co.,Ltd. Representative: Liu Hsiu-Mei	2024/8/9	Taiwan Corporate Governance Association	TCFFD&SBTi development trends and the discussion of the powers and duties of directors and insider trading	3
		2024/11/8	Taiwan Corporate Governance Association	Trend and risk management of AI	3
Director	Yu Ming Chang	2024/8/9	Taiwan Corporate Governance Association	TCFFD&SBTi development trends and the discussion of the powers and duties of directors and insider trading	3
		2024/11/8	Taiwan Corporate Governance Association	Trend and risk management of AI	3
Director	Tsai Hsung-Hsiung	2024/8/9	Taiwan Corporate Governance Association	TCFFD&SBTi development trends and the discussion of the powers and duties of directors and insider trading	3
		2024/11/8	Taiwan Corporate Governance Association	Trend and risk management of AI	3

Position	Name	Date of course	Sponsor	Name of course	Hours of course
Director	Lee Shih-Shen	2024/8/9	Taiwan Corporate Governance Association	TCFFD&SBTi development trends and the discussion of the powers and duties of directors and insider trading	3
		2024/11/8	Taiwan Corporate Governance Association	Trend and risk management of AI	3
Director	Soong Ming-Feng	2024/8/9	Taiwan Corporate Governance Association	TCFFD&SBTi development trends and the discussion of the powers and duties of directors and insider trading	3
		2024/11/8	Taiwan Corporate Governance Association	Trend and risk management of AI	3
Director	Chan Chi-Che	2024/8/9	Taiwan Corporate Governance Association	TCFFD&SBTi development trends and the discussion of the powers and duties of directors and insider trading	3
		2024/11/8	Taiwan Corporate Governance Association	Trend and risk management of AI	3
Independent Director	Sun Chin-Su	2024/8/9	Taiwan Corporate Governance Association	Trend and risk management of AI	3
		2024/11/8	Taiwan Corporate Governance Association	TCFFD&SBTi development trends and the discussion of the powers and duties of directors and insider trading	3
Independent Director	George Chen	2024/8/9	Taiwan Corporate Governance Association	Trend and risk management of AI	3
		2024/11/8	Taiwan Corporate Governance Association	TCFFD&SBTi development trends and the discussion of the powers and duties of directors and insider trading	3

Position	Name	Date of course	Sponsor	Name of course	Hours of course
Independent Director	Hsieh Fa-Jung	2024/8/9	Taiwan Corporate Governance Association	Trend and risk management of AI	3
		2024/11/8	Taiwan Corporate Governance Association	TCFFD&SBTi development trends and the discussion of the powers and duties of directors and insider trading	3
Audit Supervisor	Tsai Ren-Hua	2024/8/9	Taiwan Corporate Governance Association	Trend and risk management of AI	3
		2024/11/8	Taiwan Corporate Governance Association	TCFFD&SBTi development trends and the discussion of the powers and duties of directors and insider trading	3
		2024/08/01	The Institute of Internal Auditors, R.O.C.	New challenges for internal auditors - sustainable information disclosure and management policies and relevant audit points analysis	6
		2024/11/27	The Institute of Internal Auditors, R.O.C.	How to utilize big data to strengthen audit operations	6
Head of Accounting	Kao Hong-Yu	2024/8/9	Taiwan Corporate Governance Association	Trend and risk management of AI	3
		2024/11/8	Taiwan Corporate Governance Association	TCFFD&SBTi development trends and the discussion of the powers and duties of directors and insider trading	3
		2024/9/5	Accounting Research and Development Foundation	How to utilize "robotic process automation" (RPA) to improve the internal control effectiveness	6
		2024/9/25	Accounting Research and Development Foundation	The latest "annual report" related ESG sustainable policy laws and net zero carbon team financial impact analysis	6

Position	Name	Date of course	Sponsor	Name of course	Hours of course
Head of Finance; Corporate Governance Officer	Yeh Hsueh-Chen	2024/8/9	Taiwan Corporate Governance Association	Trend and risk management of AI	3
		2024/11/8	Taiwan Corporate Governance Association	TCFFD&SBTi development trends and the discussion of the powers and duties of directors and insider trading	3
		2024/4/12	Accounting Research and Development Foundation	The latest "annual report" related ESG sustainable policy laws and net zero carbon emissions on financial statement impact analysis	6
		2024/7/9	Taipei Exchange	Family of buyers <AI strategy and governance>	3
		2024/8/28	Accounting Research and Development Foundation	Workshop for the latest "Annual Report/Sustainable Information/Financial Statement Preparation" related laws and regulations and internal control management practices	6

(IV) The composition, responsibilities and operation of the Remuneration Committee:

In order to continuously strengthen corporate governance and conform to international standards, Co-Tech established the Remuneration Committee in 2011. The Committee is authorized by the Board of Directors to supervise and review the Company's overall remuneration policy and plan and has the right to resolve. This is a highly authorized remuneration committee system among domestic OTC-traded companies and has become a leading indicator of domestic corporate governance. The scope of supervision of the Remuneration Committee includes the remuneration of the chairman, all senior executives and managerial officers, as well as employee incentives and profit-sharing plans

1. Composition of Remuneration Committee

- (1) The Committee consists of three members, and all three members are independent directors to maintain the independence, professionalism, and impartiality of the Remuneration Committee while avoiding the conflict of interest risks between the Committee members and the Company.
- (2) The members of the Committee are appointed by the Chairman through a resolution approved by the Board of Directors. The term of office of the members starts from the day when the Board of Directors approves the appointment to the expiration of the term of the directors of the same term. If there is any change to the Committee members, the term of office expires at the expiration of the original term.
- (3) The term of the Remuneration Committee members shall end at the same time as that of the Board of Directors that appointed the Remuneration Committee.
- (4) If any member of the Remuneration Committee is dismissed for any reason, and thus the number of members is fewer than three, the Board of Directors shall convene a meeting to appoint the replacement within three months from the day when the fact occurs.
- (5) When there is an appointment or change of the Remuneration Committee's member, it shall, within two days counting inclusively from the date of occurrence, be publicly disclosed and reported on the information reporting website designated by the competent authority.
- (6) The agenda of the Committee is handled by the Finance Department.
- (7) The professional qualifications and independence of the members of the Committee shall comply with Article 5 and Article 6 of the Remuneration Committee's Authority Procedures.

2. Duties of Remuneration Committee and Annual Work

The remuneration committee shall exercise the care of a good administrator in faithfully performing its official powers and shall submit its recommendations for deliberation by the board of directors:

- (1) Periodically reviewing this Charter and making recommendations for amendments.
- (2) Establishing and periodically reviewing the performance assessment standards, annual and long-term performance goals, and the

policies, systems, standards, and structure for the compensation of the directors and managerial officers

- (3) Periodically evaluate and prescribe the remuneration of directors and managerial officers.
- (4) With respect to the performance assessment and remuneration of directors and managerial officers of the company, it shall refer to the typical pay levels adopted by peer companies and take into consideration the reasonableness of the correlation between remuneration and individual performance, the company's business performance, and future risk exposure.
- (5) There shall be no incentive for the directors or managerial officers to pursue compensation by engaging in activities that exceed the tolerable risk level of the Company.
- (6) It shall take into consideration the characteristics of the industry and the nature of the company's business when determining the ratio of bonus payout based on the short-term performance of its directors and senior management and the time for payment of the variable part of remuneration.
- (7) Compensation" as used in the previous paragraphs includes cash compensation, stock options, profit sharing and stock ownership, retirement benefits or severance pay, allowances or stipends of any kind, and other substantive incentive measures. Its scope shall be consistent with the compensation for directors and managerial officers as set out in the Regulations Governing Information to be Published in Annual Reports of Public Companies.
- (8) Any member of the Committee must not vote for the proposal in case of any of the following circumstance:
 - A The member or the institution he/she represents has a conflict of interest, which may be detrimental to the Company's interest.
 - B The member voluntarily recuses.
 - C In case the Committee becomes unable to resolve due to the preceding requirements, the Board of Directors shall be reported to, and the resolution will be made by the Board of Directors.

3. Operation of Remuneration Committee

- (1) Information on members of the Remuneration Committee

February 28, 2025

Identity (Note 1)	Condition Name	Professional qualifications and experience (Note 2)	Independence status (Note 3)	Number of other public companies in which the member is concurrently serving as a remuneration committee member
Independent Director	Sun Chin-Su (Convener)	Please see page 2 on “1. Disclosure of the information on the professional qualifications of Directors and Supervisors, and independence of Independent Directors”.		None
Independent Director	George Chen			None
Independent Director	Hsieh Fa-Jung			None

Note 1: Please indicate on the form to illustrate the job tenure, professional qualification, experience and independence. For Independent Directors, further indication to refer to disclosure for Director and Supervisor may be noted. For “Identity”, please indicate “Independent Director” or “Others” (for the convener, please indicate as such).

Note 2: Professional qualifications and experience: Please indicate the professional qualifications and experience of individual Remuneration Committee members.

Note 3: Status of independence: Please indicate the status of independence of the Remuneration Committee members, including but not limited to, whether the persons or their spouses or relatives within the second degree of kinship are Directors, Supervisors or employees of the Company or its affiliates; the number of company shares held by the persons or their spouses or relatives within the second degree of kinship (or held by nominee shareholders) and the shareholding percentage thereof; whether the persons are Directors, Supervisors or employees of any companies with specified relationship with the Company (in reference to Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange, Article 6, Paragraph 1, Subparagraphs 5 to 8); and the amount of fees in the last two years for providing the Company or affiliates with commercial, legal, financial, accounting or related services.

Note 4: For the disclosure method, please refer to the Corporate Governance Center section of the Taipei Exchange website for sample template of best practice.

(2) Information on the operation of the Remuneration Committee

A The total number of members in the Remuneration Committee amounts to three persons.

B The term of office for the current members: June 21, 2022 to June 20, 2025. For the most recent year (2024), a total of three (A) meetings were held by the Remuneration Committee. The attendance is as follows:

Position	Name	Attendance in Person (B)	Attendance by Proxy	Actual Attendance Rate (%) (B/A)(Note)	Remarks
Convener	Sun Chin-Su	3	0	100%	
Member	George Chen	3	0	100%	
Member	Hsieh Fa-Jung	3	0	100%	

Other matters required to be recorded:

I. Proposal discussed by the Remuneration Committee are as the following:

Date of meeting	Proposal in the meeting	Resolution	The Company's treatment to the Remuneration Committee's opinions
February 23, 2024	Proposal of 2023 distributing remuneration of employees and directors, please deliberate.	Approved by all members	Submitted to the Board of Directors and approved by all directors
	Discussion of the 2023 Governance Score for the Board of Directors.		
	Appointment of Head of Marketing Center, please deliberate.		
May 10, 2024	Discussion on the 2024 annual reward plan, please deliberate.		
November 8, 2024	Proposal of principles for issuing the year-end bonus and the performance bonus for 2024.		
	Appointment of Head of Quality Assurance, please deliberate.		
	Discussed the 2025 working plans of the Remuneration Committee		

II. If the Board of Directors declines to adopt or modify a recommendation of the remuneration committee, it should specify the date of the meeting, the session, the nature of motion, the resolution made by the Board of Directors, and the Company's response to the remuneration committee's opinion (e.g., if the amount of remuneration passed by the Board of Directors has a discrepancy with the recommended amount by the Remuneration Committee, the circumstances and cause for the difference shall be specified): None.

III. If resolutions of the Remuneration Committee are objected by members or become subjected to a qualified opinion, which has been recorded or declared in writing, then the date of the meeting, the session, the nature of the motion, all members' opinions, and the response to members' opinions should be specified: None.

- Note: (1) If a Remuneration Committee member resigns before the end of the year, the date of resignation should be indicated in the remarks column. The actual attendance rate (%) is calculated based on the number of meetings of the Remuneration Committee and actual attendance during the term of office.
- (2) Before the end of the year, if the Remuneration Committee is re-elected, both the new and old Remuneration Committee members should be listed. The remarks column should indicate whether the member is old, new or re-elected and the date of re-election. The actual attendance rate (%) is calculated based on the number of meetings of the Salary and Compensation Committee during their terms of office and their actual attendance.
- (3) Information on the members and operations of the nomination committee: N/A.

(V) The State of the Company's Promotion of Sustainable Development

1. The State of the Company's Promotion of Sustainable Development, Any Variance from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and the Reason for Any Such Variance

Item	Implementation (Note 1)			Deviations to the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and their Causes
	Yes	No	Summary	
I. Does the company have a governance structure that promotes sustainable development, and establish a special unit or designate an existing unit for the task of sustainable development promotion? Does the board of directors of the company authorize the management to handle relevant matters and how does the board of directors supervise relevant matters?	v		<ol style="list-style-type: none"> 1. The Board of Directors serves as the highest governance body for sustainable development issues and is responsible for reviewing and supervising the development of strategies and policies. 2. In 2022, the Company established the ESG Promotion Team, which is taken charge by Plant Chief. Along with mid and senior level management of different departments, Lu reviews the core operational competence of the Company, and identifies sustainability issues that concern the operation and stakeholders via meetings. Yearly plans shall be devised and implemented. Follow-ups on the implementation results are performed to ensure sustainable development strategies are fully implemented in the Company's routine operation. 3. The Board of Directors of the Company regularly listens to the team's report (including ESG report) and strategy every quarter. The Board of Directors must evaluate the feasibility of these strategies and review the progress of the strategy. If necessary, the team must be reminded to adjust. 4. The 2023 Sustainability Report was submitted to the Board of Directors on August 9, 2024 to report the implementation results of 2023. The content is as follows: <ol style="list-style-type: none"> (1) Goals, policies, and action plans for sustainability-related issues (2) Supervision of the implementation of sustainable operations and 	No deviation

Item	Implementation (Note 1)			Deviations to the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and their Causes						
	Yes	No	Summary							
			evaluation of the implementation status. 5. The 2024 Sustainability Report is expected to be completed before the end of August 2025 and submitted to the Board of Directors for announcement and report. The same procedure will be followed for the previous year's Sustainability Report each year in the future.							
II. Has the Company performed risk assessment pertaining to the environment, community and corporate governance issues related to the operation of the Company in accordance with the materiality principle and established the corresponding risk management policies or strategies? (Note 2)	v		<div>The scope of risk assessment is mainly in Taiwan. The Corporate Governance Department analyzes and evaluates material ESG issues based on the principle of materiality, and formulates relevant risk management policies or strategies as follows:</div> <table><tr><th>Material Issues</th><th>Risk Assessment Items</th><th>Description</th></tr><tr><td>Environment</td><td>Environmental Impact and Management</td><td><div>1. Use the TCFD framework to construct the Company's potential risk identification process.</div><div>2. Regular inventory of greenhouse gas emissions in accordance with ISO 14064-1 to examine the impact on the Company's operations. Based on the results of carbon inventory, we continue to implement carbon reduction measures to effectively reduce the risk of Scope 1 emissions and the indirect emissions of Scope 2 greenhouse gases caused by the use of electricity.</div></td></tr></table>	Material Issues	Risk Assessment Items	Description	Environment	Environmental Impact and Management	<div>1. Use the TCFD framework to construct the Company's potential risk identification process.</div> <div>2. Regular inventory of greenhouse gas emissions in accordance with ISO 14064-1 to examine the impact on the Company's operations. Based on the results of carbon inventory, we continue to implement carbon reduction measures to effectively reduce the risk of Scope 1 emissions and the indirect emissions of Scope 2 greenhouse gases caused by the use of electricity.</div>	No deviation
Material Issues	Risk Assessment Items	Description								
Environment	Environmental Impact and Management	<div>1. Use the TCFD framework to construct the Company's potential risk identification process.</div> <div>2. Regular inventory of greenhouse gas emissions in accordance with ISO 14064-1 to examine the impact on the Company's operations. Based on the results of carbon inventory, we continue to implement carbon reduction measures to effectively reduce the risk of Scope 1 emissions and the indirect emissions of Scope 2 greenhouse gases caused by the use of electricity.</div>								

Item	Implementation (Note 1)			Deviations to the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and their Causes
	Yes	No	Summary	
			<div>Society</div> <div>Occupational safety</div> <div> <ol style="list-style-type: none"> The "ISO 45001 Occupational safety and health management system" has been promoted. Regular fire drills and industrial safety education and training are held every year to cultivate employees' abilities in emergency response and self-safety management. </div>	
			<div data-kind="parent" data-rs="2">Corporate governance</div> <div>Strengthen the functions of the Board of Directors</div> <div> <ol style="list-style-type: none"> Plan relevant continuing education topics for directors, and provide directors with the latest laws and regulations, system development, and policies every year. Purchase director liability insurance for directors to protect them from litigation or claims. </div>	
			<div data-kind="ghost"></div> <div>Stakeholder Communication</div> <div> <ol style="list-style-type: none"> To prevent the stakeholders from having different positions from the Company, causing misunderstandings and causing litigation risks, the Company analyzes the key stakeholders and the important issues of concern every year. Establish various communication channels, communicate actively, and reduce confrontation and misunderstanding. The Company has set up an investor mailbox, and the spokesperson is responsible for handling and responding. </div>	
III. Environmental Issues (I) Does the company have an appropriate	v		1. The Company has established the environmental management system based on ISO 14001 for all plants and sought third party	No deviation

Item	Implementation (Note 1)			Deviations to the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and their Causes
	Yes	No	Summary	
environmental management system established in accordance with its industrial character?			<p>certification consistently. On December 3, 2019, the Company obtained the certification of ISO 14001:2015 (CNS14001:2016), which is effective before October 7, 2025.</p> <p>2. The waste gas and sewage generated by the Company's production have been treated with pollution prevention equipment and have not caused pollution, and have passed the environmental protection certification documents provided by the ISO 14001 certified laboratory in order to reduce possible risks.</p>	
(II) Is the Company committed to improving energy efficiency and using recycled materials with low impact on the environment?	v		The Company consistently seeks to enhance the utilization efficiency of various resources. For e.g. reuse of envelopes and kraft paper bag for document delivery. The raw materials used are compliant with the provisions of Restriction of Hazardous Substances Directive (RoHS) and Registration, Evaluation, Authorization and Restriction of Chemicals (REACH). Furthermore, the relevant units proactively recycle and reuse materials and reduce the pollution from production processes so as to curtail the environmental impact.	No deviation
(III) Does the Company evaluate the potential risks and opportunities posed by climate change to the Company at present and in the future, and take relevant countermeasures?	v		<p>1. The Company pays close attention to climate change issues, and therefore requests employees to adopt certain practices in their routine, e.g. double-sided printing, placing recycle boxes by the photocopying machines to encourage the use of recycled papers. The Company also encourages employees to adopt electronic means for document or correspondence exchange so as to reduce paper use.</p> <p>2. The Company adopts energy conserving LED lightings. Employees have also been answering the call of the Company in turning off unused lighting and adopting conserving energy measures so as to alleviate global warming.</p>	No deviation

Item	Implementation (Note 1)			Deviations to the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and their Causes
	Yes	No	Summary	
(IV) Has the company calculated the greenhouse gas emissions, water consumption, and total weight of waste in the past 2 years. It formulated policies on energy conservation and carbon reduction, greenhouse gas reduction, water consumption, or other waste management?	v		Every year, the Company conducts statistics on greenhouse gas emissions, water consumption and total weight of waste, and the statistics results are tabulated for review. The Company pays much attention to environmental protection and consumption reduction policies. The goal of electricity use is set to decrease by 1% per year. The average power consumption reduction rate from 2023 to 2024 is 2.08%. For the environmental protection policy, please see the Company website for more information.	No deviation
IV. Social Issues (I) Does the company have the relevant management policies and procedures stipulated in accordance with the relevant laws and regulations and international conventions on human rights?	v		In accordance with labor regulations, International Bill of Human Rights and occupational safety and health regulations, the Company has established “Working Regulations”, “Procedures for Sexual Harassment Prevention at Workplace”, “Working Regulations for Occupational Safety and Health”, “Program for Preventing and Managing Abnormal Workload-triggered Disorders”, “Management Procedures for Maternal Health Protection” and “Program for Prevention and Management of Unlawful Infringement in the Performance of Duties” to protect employee interests and their health and safety.	No deviation
(II) Has the company established and implemented reasonable measures for employee benefits (including: remuneration, holidays and other benefits) and appropriately reflect the business performance or achievements in the employee remuneration?	v		1. The employee remuneration policy is implemented in accordance with the Company's "Working Regulations", "Regulations for Employee Benefit Subsidies", and "Measures for Performance Appraisal". In addition, as per the Articles of Incorporation, for each profitable fiscal year (referring to pre-tax profit before the allocation of employee remuneration and director remuneration), the Company shall allocate no less than 1% of such profit as employee remuneration. Of the aforementioned employee remuneration, no less than 20% shall be appropriated to entry-level employees. The employee compensation for 2023 was fully	No deviation

Item	Implementation (Note 1)			Deviations to the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and their Causes
	Yes	No	Summary	
			<p>disbursed in 2024.</p> <p>2. Employee welfare measures: The Company has established Staff Welfare Committee, to plan and provide welfare benefits for employees, e.g. employee retreat, scholarship, birthday gift vouchers, wedding subsidy, child subsidy, bereavement subsidy, hospitalization consolation money and festival celebration activities. The Company has also provided group insurance, free medical checkup and dining subsidy. As for the leave system, the Company has provided annual leave in accordance with Labor Standards Act, as well as childcare leave, sick leave and compassion leave. If employees require a long period leave, they may apply for sabbatical leave to accommodate personal and family care needs. Diversity at workplace and equal rights allow both genders entitled to equal pay and opportunity for promotion.</p> <p>3. The Company seeks to protect employee rights and provide welfare for them. For facilities wise, the Company provides free parking, breastfeeding rooms, staff cafeteria and staff dormitories for the basic needs of employees. For the physical and mental well-being of employees, the Company arranges for yearly medical checkups, doctors coming to the plants to provide medical services, and health seminars.</p>	
(III) Does the company provide employees with a safe and healthy work environment and regularly provide safety and health education to employees?	v		<p>1. The Company is committed to providing a safe and friendly working environment and basic protection for employees. Fostering a good workplace and protecting employee occupational safety and health are the primary responsibilities of the Company.</p> <p>2. The Company regularly provides relevant training to employees. By holding simulations for emergency circumstances, the Company</p>	No deviation

Item	Implementation (Note 1)			Deviations to the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and their Causes
	Yes	No	Summary	
			<p>trains employees for evacuation and response capability, as adequate knowledge and preparation beforehand can reduce the risk of personnel injury.</p> <p>3. The Company has further established Occupational Safety and Health Committee in accordance with occupational safety and health regulations. The Company also consistently acquires the certification for ISO14001:2025 environmental management system and international standard certification for ISO 45001:2028 occupational safety and health management system. Based on the control of working environment and operational hazard, the Company performs an operational environmental examination every half a year and arranges for its employees to receive medical checkup once a year, which is beyond the regulatory requirement, as a preventive management measure for occupational disease. For tasks with special health hazards involving noise, the Company shall follow up and provide the necessary healthcare consultation and guidance individually so as to help employees monitor their own health.</p> <p>One occupational disaster incident occurred in 2024 (1 person), accounting for about 0.3% of the total number of employees, and no fire incidents occurred.</p> <p>4. Through labor representative consultation and participation in the Occupational Safety and Health Committee, the Company promotes the prevention of occupational hazards at workplaces, regulates machine operations, educates and trains personnel to comply with safety rules, safety protection for machinery and facilities and safety signs in English and Chinese. The Company</p>	

Item	Implementation (Note 1)			Deviations to the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and their Causes
	Yes	No	Summary	
			<p>also requires employees to comply with the requirement to wear appropriate personal protective equipment at workplaces, and put up posters on the bulletin board to remind employees to pay attention to workplace safety. The construction safety personnel of the Company shall establish inspection plan. The personnel shall produce a report and review every item of the inspection results for every quarter, as well as following up on improvement measures pertaining each weakness found.</p> <p>Occupational Safety and Health inspections in 2024 were as follows:</p> <ul style="list-style-type: none"> (1) Construction safety is inspected more than four times per month. (2) Fire extinguishing equipment is inspected once every three months. (3) Safety facility is inspected more than four times per month. (4) Occupational safety and health performance indicators are checked once every 3 months (5) Employee general and special health examinations are performed once a year. <p>5. From time to time, the Company's occupational safety personnel visits production sites of each factory to inspect the operating environment and production equipment safety, the content and requirements of the inspections include:</p> <ul style="list-style-type: none"> (1) Improve the operating environment, strengthen equipment safety fencing protection and automated equipment, use of appropriate personal protective equipment for personnel in the workplace, and safety labels in English and Chinese for 	

Item	Implementation (Note 1)			Deviations to the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and their Causes
	Yes	No	Summary	
			<p>equipment to reduce the incidence of occupational hazards.</p> <p>(2) Depending on job requirements, every specialized operator shall partake in training to obtain qualifications, and regularly receive reinforcement training to obtain the relevant knowledge and skills.</p> <p>In 2024, the safety training saw 665 participants and 1,064 training hours.</p>	
(IV) Does the company establish effective training programs for employee's career development?	v		<p>In accordance with the job descriptions, the Company has planned complete functional training for supervisors and employees at all levels, including new employee orientation training, professional training, supervisor training, etc., to assist employees in continuous learning and growth through diversified learning methods. The Company also arranges for relevant personnel to attend external professional training courses according to the training plans or needs proposed by supervisors, in order to cultivate employees' professional key abilities. In 2024, there were 60 external training courses taken and 2,164 participants for internal training. For employee performance appraisal each year, supervisors shall discuss and formulate individual competence development planning with employees. By regular review and feedback, they assist the employees in devising the best vocational competence development planning.</p>	No deviation
(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	v		<p>The Company has always been compliant with the relevant regulations and international standards. No violations of marketing and information labeling of products and services have occurred.</p> <p>When selling products to customers, the Company shall provide SGS report indicating compliance with RoHS or REACH regulations.</p> <p>Furthermore, the Company also assists customers in their compliance</p>	No deviation

Item	Implementation (Note 1)			Deviations to the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and their Causes
	Yes	No	Summary	
procedures to protect consumers' or customers' rights and interest?			with RoHS or REACH regulations and inspection on other specified hazardous substances. To protect consumer rights and fulfil responsibility for its products, the Company shall make information disclosure on its existing and new products in written catalogues and on the Company website. Customers are able to refer to the information at any time. The Company shall also establish the stakeholder communication channel, and formulate "Procedures for Handling Customer Complaints" and "Procedures for Conducting Customer Satisfaction Inspect" and other after-sale services.	
(VI) Has the company established supplier management policies demanding compliance with relevant regulations and their execution status regarding issues such as environmental, occupational safety, and health or labor rights?	v		In accordance with the provisions of ISO14001/ISO45001, the Company has established "Procedures for Procurement Management" and "Procedures for Supplier Management" to manage suppliers and strictly require them to impose quality control, as well as complying with safety and health regulations and labor laws. If any violation is noted, the Company shall require the supplier in question to make improvement within a period of time.	No deviation
V. Does the company refer to international reporting rules or guidelines to publish Sustainability Report to disclose non-financial information of the company? Does the Company obtain the confirmation or affirmation opinion from a third party for the aforementioned reports?	v		The Company has begun to collect relevant information and prepare the sustainable development report. According to laws and regulations, the Company's report is not required to obtain the confirmation or assurance of a third-party verification unit.	No deviation
VI. If the company has its own regulations established according to the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies, please describe the differences between its implementation and the established Principles: The Company has established the "Sustainable Development Best Practice Principles;" in addition to timely amendments of relevant laws and regulations, the Company actively participates in environmental protection, social service and care, and sponsorship of public welfare activities, to fulfill				

Item	Implementation (Note 1)			Deviations to the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and their Causes
	Yes	No	Summary	
corporate social responsibilities with practical actions, there is no difference.				
VII. Other important information to facilitate better understanding of the company’s implementation of the sustainable development:				
<p>(I) Environmental protection: The Company obtained ISO 14001: 2015 version (CNS 14001:2016) certificate on December 3, 2019, and the certificate is valid until October 7, 2025. The waste gas and sewage generated by the Company's production have been treated with pollution prevention equipment and have not caused pollution, and have passed the environmental protection certification documents provided by the ISO 14001 certified laboratory in order to reduce possible risks.</p> <p>(II) Community engagement: Every year, the Company regularly assists and participate in the community traditional festival held by Zhonghe Shrine Bei-Ji-Hsuan-Tian Deity.</p> <p>(III) Social contribution, social service, social welfare: The Company has donated various charity activities from time to time, such as: nursery schools, and held joint employee donations and reliefs for emergencies from time to time to fulfill social responsibilities.</p> <p>(IV) Consumer rights: In terms of consumer rights protection, although the Company does not have products under its own brand, general consumers do not access the product sales directly, and there has been no consumer dispute since the establishment. The Company has always valued the rights and opinions of consumers very much. In order to ensure the interests of consumers' information access and opinions, the Company has set up relevant e-mails and hotlines to reflect opinions on the Company's website.</p> <p>(V) Human rights: The Company upholds the principle of equal opportunities and recruits employees through an open selection process. The Company hires talents, regardless of their race, gender, age, religion, nationality or political tendencies. In terms of employment, the Company hires the right people for the right positions and affirms the contribution of diversified talents. The Company strictly prohibits any discrimination, inequality and sexual harassment in the workplace and has established relevant management methods and complaint hotlines to maintain a safe and healthy working environment.</p> <p>(VI) Safety and Health:</p> <p>1. Safety and health policy: Since the establishment, the Company has deeply understood that employees and supplier partners are the most important assets in the sustainable development of the Company. Therefore, during the process of the research and development, manufacturing, testing, and sales for products, not only safety and health regulations and other relevant requirements are met, but also continuous improvement should be made to avoid the occurrence of unsafe conducts, environments and equipment, prevent occupational disasters, and fulfill the responsibility of ensuring the safety and health of employees; The ISO 45001: 2018 version certificate was obtained on January 11, 2022, and the certificate is valid until January 10, 2028. The company commits to:</p> <p>(1) Comply with safety and health laws and related regulations.</p>				

Item	Implementation (Note 1)			Deviations to the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and their Causes
	Yes	No	Summary	
<p>(2) All employees actively participate in safety and health activities.</p> <p>(3) Protect the safety and health of all employees and all personnel entering the Company.</p> <p>(4) Continuously improve the safety and health management system and management performance.</p> <p>(5) Prevent the occurrence of work-related injuries or unhealthy accidents.</p> <p>(6) Communicate safety and health policies and issues to employees and related personnel.</p> <p>2. Provide a safe employment environment for workers, which is the responsibility of the Company to safeguard the safety of employees. In order to improve safety and health performance, the Company has actively promoted various management plans in order to achieve the ultimate goal of zero disasters.</p>				

Note 1: If “yes” is indicated for implementation, please describe the important policies, strategies, measures and implementation status; if “no” is indicated, please describe the deviation and causes of deviation in the “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” column, as well as the planning for undertaking the relevant policies, strategies and measures in the future. However, with regard to the promotion items 1 and 2, listed companies should describe the governance and supervisory framework for sustainable development, including but not limited to the management guidelines, strategies and goal setting, and review measures, etc. Please also describe the Company’s risk management policies or strategies on environmental, social and corporate governance issues related to its operations, and the evaluation thereof.

Note 2: The principle of materiality refers to those environmental, social and corporate governance-related issues having significant impacts on the Company's investors and other stakeholders.

Note 3: For the disclosure method, please refer to the Corporate Governance Center section of the Taipei Exchange website for sample template of best practice.

2. Climate-Related Information of TWSE/TPEX Listed Company

(1) Implementation status of climate-related information

Item	Implementation	
1. Describe the monitoring and governance of climate-related risks and opportunities by the Board of Directors and the management.	The Board of Directors is the highest governance unit for the management of climate-related risks and opportunities. It is responsible for reviewing and supervising the development of strategies and policies, setting carbon reduction goals and disclosing climate-related financial information in accordance with the government's carbon reduction plan. The Company incorporates the possible impact of climate change into overall business operations, estimates the extent of risks and impacts, and establishes a response mechanism. When adapting to climate change, it also considers the Company's competitiveness to grasp business opportunities. The Board of Directors has approved the GHG inventory and verification schedule of the parent company and subsidiaries in accordance with the Corporate Governance Blueprint 3.0.	
2. Describe how the identified climate risks and opportunities affect the business, strategy and finance of the Company (short-, medium-, and long-term).	In the face of climate change caused by the greenhouse effect, frequent natural disasters may cause power or water cuts in the factory areas, which will lead to potential financial impacts such as reduced revenue, increased operating costs, and reduced asset value. Aiming to reduce the impact on the operation, we have identified the following types of risks based on the legal, physical and economic aspects, with reference to the TCFD Guidelines, the Global Risk Assessment Report, the Taiwan Climate Change Research Report for 2050, and considering the actual conditions of the markets where we operate:	
3. Describe the financial impact of extreme climate events and transformation actions.		
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.		

Item	Implementation						
			Renewable Energy Development Act (Provisions for Large Power Users) - Relevant expenditures in compliance with regulations	Increase of operating costs	Improve production process efficiency and reduce resource consumption	Increase in operating revenue	6. equipment in the plant. Gradually replace the energy-saving LED light bulbs in the production area.
			Water consumption charge	Increase of operating costs	Enhance water use management and improve the efficiency of water utilization per unit	Lower operating costs	
	Market	Failure to meet customer needs due to changes in market trends	Decrease in operation	Use of energy-saving and environment-friendly materials	Increase in operating revenue	1. Recycle and reuse the packaging materials (wooden boxes and pallets). 2. Develop green products in line with market trends.	
					Increase in operating cost		
	Company reputation	Financial institutions may raise loan interest rates to high-carbon industries	Increase of operating costs	Actively participate in domestic and foreign energy conservation and carbon reduction initiatives, promote various carbon reduction measures in line with national policies, and enhance goodwill	Increase in operating revenue	Actively participate in international sustainability ratings and continue to refine ESG-related sustainability strategies to increase market recognition.	
	Physical risk	Immediacy	Increased typhoon intensity and extreme rainfall cause flooding	Increase in capital expenditure and decrease in operating revenue (interruption of production)	Enhance resilience and adaptability to extreme climate disasters	Improve climate resilience and reduce business interruption and possible losses to the Company	1. Establish an emergency response organization to respond immediately and reduce disaster losses. 2. Regularly check the pumps, and set up an emergency power generation system and a water storage system in case of emergency. 3. Regular dredging measures to ensure the stable production of the process in case of natural disasters. 4. Strengthen contingency measures for typhoon prevention, accelerate the drainage speed of the plant area, and reduce the risk of flooding due to heavy rains.
	Transition risk: In response to the market complexity and impact caused by climate change, it is necessary to adjust through changes in the						

Item	Implementation				
	supply and demand structure. The adjustment methods include changes in policies, laws, technology and market, in order to mitigate and adapt to the needs of climate change.				
	Physical risks: The actual risks brought about by long-term climate changes and immediate extreme weather disasters may cause direct impacts to the industry and interruptions to the supply chain.				
	Explanation of evaluation principles:				
		Urgency	Probability of occurrence	Degree of impact	Risk and opportunity assessment results and handling principles
	1	Short-term (1-3 years)	High	High	The risk is listed as a short-term risk that must be managed and controlled through the actions of each department.
			Medium	Medium	Evaluate the future development before deciding how to handle the matter.
			Low	Low	Not processed for the time being.
	2	Mid-to-long term (3-10 years)	High	High	Evaluate the probability of occurrence and the degree of impact to determine if they are appropriate for the short-term risk.
			Medium	Medium	Evaluate the future development before deciding how to handle the matter.
			Low	Low	Not processed for the time being.
	Impact: High impact means a large financial cost or capital expenditure; medium impact means medium financial cost or capital expenditure; low impact means a small financial cost or capital expenditure.				
	Probability: Short-term: frequent occurrence within three years; medium-term: at least once every three to five years or likely to occur; long-term: probability of occurrence after five years.				
Description of the possible financial impact from the TCFD risk impact assessment					
	Type of risk	Impact on Co-Tech Development		Subsequent financial calculation requirements	
1	Transition risk: Increase in cost of raw materials	The raw material suppliers are experiencing shortages due to climate change. The supply of raw materials exceeds the demand, which increases the procurement cost and the manufacturing cost.		1. Raw materials and items that may be affected and the extent of the impact. 2. Affected products and scope. 3. Influence starting time.	
2	Transition risk: Supply chain carbon reduction requirements	With the rising awareness of environmental protection, the market will pay more attention to energy-saving and carbon reduction products, and the R&D department will need to devote more resources to research, resulting in an increase in operating costs.		1. Cost of sustainable operation planning. 2. Costs of alternative solutions.	
3	Physical risk: Increased severity of extreme weather events such as hurricanes and floods	Extreme climates increase the chance of hurricanes or showers, which may cause flooding of the plant or nearby communities, hinder transportation from the plant, lead to shutdowns, reduce revenue, and increase costs.		1. Cost of sustainable operation planning. 2. Cost of alternatives	

Item	Implementation																																										
	4	Transition risk: EU Carbon Border Adjustment Mechanism (CBAM) amendment related laws and regulations	The world has set a net zero emission target. After COP27, it is expected that the world will reach the peak of carbon emissions in 2025. The relevant laws and regulations will have higher requirements for carbon reduction, which makes it necessary to adopt more low-carbon technology transformation and development, and the overall improvement of technology will lead to higher costs.		<div><div>1.</div><div>Low-carbon technologies lead to an increase in the overall cost.</div></div> <div><div>2.</div><div>Equipment renewal leads to the overall cost increase.</div></div>																																						
5. If a scenario analysis is used to assess the resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors, and main financial impacts used shall be described.	<div>To further evaluate organizational resilience, the following three scenarios were considered to evaluate possible carbon reduction strategies:<ul style="list-style-type: none">● BAU (business as usual): Indicates the worst-case scenario where no change is required.● 2°C: Based on the simulation scenario developed by the International Energy Agency (IEA) within 2°C of global warming.● 1.5°C: Based on the simulation scenario developed by the International Energy Agency (IEA) that the global warming is within 1.5°C. It is the most aggressive carbon reduction target, indicating that it will seek more aggressive carbon reduction practices. Due to the active deployment of low-carbon transformation, higher transformation costs will be invested in the initial stage, but it will have the highest and long-term competitive advantage. More and faster efforts are required to exceed 2°C, and the goal is to achieve net zero emissions by 2050.</div> <table><tr><th rowspan="2">Risk/Opportunity</th><th rowspan="2">Description</th><th colspan="3">Risk and opportunity assessment under different scenarios</th></tr><tr><th>2°C</th><th>1.5°C</th><th>Implications for Co-Tech Development</th></tr><tr><td>Risks</td><td>Rising raw material costs</td><td>Cost increase: ++</td><td>Cost increase: ++</td><td>Changes in the increase in costs under different scenarios may not be significant</td></tr><tr><td>Risks</td><td>Extreme weather events such as hurricanes and floods Increased severity</td><td>Cost increase: +</td><td>Cost increase: +</td><td>Changes in the increase in costs under different scenarios may not be significant</td></tr><tr><td>Risks</td><td>Sea level rise</td><td>Cost increase: ++</td><td>Cost increase: +</td><td>Changes in the increase in costs under different scenarios may not be significant</td></tr><tr><td>Opportunity</td><td>Accelerate corporate carbon reduction and strive for carbon credit amount</td><td>Cost increase: +++ Increase in revenue: ++</td><td>Cost increase: ++ Increase in revenue: ++</td><td>Costs increase as climate action grows, but the long-term benefits are greater.</td></tr><tr><td>Opportunity</td><td>Slow down the expansion of production capacity and improve the business structure</td><td>Cost increase: ++ Increase in revenue: +</td><td>Cost increase: ++ Increase in revenue: +</td><td>Changes in the increase in costs under different scenarios may not be significant</td></tr><tr><td>Opportunity</td><td>Promote the development of the green energy industry, enhance corporate energy saving</td><td>Cost increase: +++ Increase in revenue: ++</td><td>Cost increase: ++ Increase in revenue: ++</td><td>Costs increase as climate change accelerates, but long-term benefits are greater.</td></tr></table> <div>Explanation of impact scope: +++High impact, ++medium impact; +Small impact</div>					Risk/Opportunity	Description	Risk and opportunity assessment under different scenarios			2°C	1.5°C	Implications for Co-Tech Development	Risks	Rising raw material costs	Cost increase: ++	Cost increase: ++	Changes in the increase in costs under different scenarios may not be significant	Risks	Extreme weather events such as hurricanes and floods Increased severity	Cost increase: +	Cost increase: +	Changes in the increase in costs under different scenarios may not be significant	Risks	Sea level rise	Cost increase: ++	Cost increase: +	Changes in the increase in costs under different scenarios may not be significant	Opportunity	Accelerate corporate carbon reduction and strive for carbon credit amount	Cost increase: +++ Increase in revenue: ++	Cost increase: ++ Increase in revenue: ++	Costs increase as climate action grows, but the long-term benefits are greater.	Opportunity	Slow down the expansion of production capacity and improve the business structure	Cost increase: ++ Increase in revenue: +	Cost increase: ++ Increase in revenue: +	Changes in the increase in costs under different scenarios may not be significant	Opportunity	Promote the development of the green energy industry, enhance corporate energy saving	Cost increase: +++ Increase in revenue: ++	Cost increase: ++ Increase in revenue: ++	Costs increase as climate change accelerates, but long-term benefits are greater.
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6. If there is a transformation plan in response to the management of climate-related risks, describe the content of the plan, and the indicators and	None																																										

Item	Implementation
targets used to identify and manage physical risks and transformation risks.	
7. If the internal carbon pricing is used as a planning tool, the basis for setting the price shall be stated.	None
8. If climate-related goals are set, the activities covered, the scope of greenhouse gas emissions, the planning period, and the progress of each year should be explained; if carbon offsets or renewable energy certificates (RECs) were used to achieve the goals, it should be explained of the source and quantity of carbon reduction credits or quantity of Renewable Energy Certificates (RECs) for which they are exchanged.	None
9. Greenhouse gas inventories and assurance (indicated separately in 1-1 and 1-2).	As shown in the table below.

1-1 The Company's Greenhouse Gas Inventory and Assurance in the Recent Two Years

1-1-1 Greenhouse Gas Inventory Information: Describe the greenhouse gas emission volume (metric tons CO₂e), intensity (metric tons CO₂e/NTD million), and data coverage for the most recent two years.

Year of inventory	2023	2024
Total Discharge	104,357.186	97,241.645
Scope 1	3,129.678	2,305.595
Scope 2	101,227.507	94,936.050
Emission intensity (tons CO ₂ e/NTD million)	16.9	14.27

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

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

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

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

1-1-2 Greenhouse Gas Assurance Information: Describe the status of assurance in the last 2 years up to the date of publication of the annual report, including the scope of assurance, institutions of assurance, criteria of assurance, and opinions of assurance.

Full disclosure of assurance information in the Sustainability Report

Note 1: The process shall be conducted in accordance with the schedule specified in Article 10, paragraph 2 of the guidelines. If the company has not obtained the full assurance of greenhouse gas opinion by the date of publication of the annual report, it is necessary to indicate "complete assurance information will be disclosed in the sustainability report." If the Company does not prepare a sustainability report, it should be noted that "complete assurance information will be disclosed on the Market Observation Post System" and complete assurance information will be disclosed in the next annual report.

Note 2: The assurance institutions shall comply with the relevant requirements of Taiwan Stock Exchange Corporation and the Taipei Exchange of the Republic of China on assurance institutions for sustainability reports.

Note 3: For the disclosure contents, please refer to the Corporate Governance Center section of the Taiwan Stock Exchange website for sample template of best practice.

- 1-2 Greenhouse gas reduction goals, strategies and concrete action plans: Describe the greenhouse gas reduction base year and data, reduction goals, strategies, and concrete action plans and achievement of the reduction goals.

None

Note 1: It shall be processed in accordance with the schedule prescribed in Article 10, paragraph 2 of the guidelines.

Note 2: The base year should be the year that the inventory is completed based on the boundaries of the consolidated financial statements. For example, according to Article 10, paragraph 2 of the standards, companies with capital over NTD 10 billion should complete the review of the 2024 consolidated financial statements in 2025. Therefore, the base year is 2024. If the Company has completed the inventory of the consolidated financial statements ahead of schedule, the earlier year can be used as the base year, and the data of the base year can be calculated by a single year or the average of several years.

Note 3: For the disclosure contents, please refer to the Corporate Governance Center section of the Taiwan Stock Exchange website for sample template of best practice.

(VI) The state of the company's performance in the area of ethical corporate management, any deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, and the reason for any such deviation

Assessment criteria	Actual governance (Note 1)			Deviation and causes of deviation from the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
<p>I. Establishment of the ethical corporate management policy and programs</p> <p>(I) Does the Company establish an ethical corporate management policy that the Board of Directors approved and document such policy and procedure, as well as ensuring the commitment of the Board and Management team in the implementation of the policy thereof, in the bylaws and publicly available documents?</p>	v		<p>(I) The Company has established the “Ethical Corporate Management Best-Practice Principles” and the “Code of Ethical Conduct” and implemented such pursuant to the relevant regulations. Please refer to the Company’s website (http://www.co-tech.com).</p>	No deviation
<p>(II) Has the company established a risk assessment mechanism against unethical conducts, analyzed and assessed business activities within their business scope on a regular basis that are at a higher risk of being involved in unethical conducts, and established prevention programs at least covering the preventive measures specified in Paragraph 2, Article 7 “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies”?</p>	v		<p>(II) The Company’s internal website places "Ethical Corporate Management Best Practice Principles" and "Code of Ethical Conduct" for employees to inquire any time. For new employees, the orientations will especially strengthen the promotion and training to understand the Company's emphasis on ethical conduct.</p>	No deviation
<p>(III) Does the Company establish relevant policies that are duly enforced to prevent unethical conduct, provide and implement operating procedures, behavioral guidelines, the penalty for violation and appeal system in such policies, as well as evaluating and amending</p>	v		<p>(III) If the relevant code of ethical conduct is violated, disciplinary action will be taken according to the Company’s rewards and punishments guidelines.</p>	No deviation

Assessment criteria	Actual governance (Note 1)			Deviation and causes of deviation from the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
the aforementioned policies on a regular basis?				
II. Implementation of ethical management				
(I) Does the Company evaluate the integrity of all counterparties it has business relationships with? Are there any integrity clauses in the agreements it signs with business partners?	v		(I) The Company has established the “Ethical Corporate Management Best-Practice Principles” and the “Code of Ethical Conduct” and implemented such pursuant to the relevant regulations. Please refer to the Company’s website (http://www.co-tech.com). The Company requires the stakeholders who have business relationships with the Company, such as suppliers and contractors, to observe the same ethical standards as the Company’s employees.	No deviation
(II) Does the Company task a unit that reports directly to the Board of Directors and promotes ethical standards, making periodical updates (at least once a year) to the Board on business integrity management policy and the supervision of measures for prevention of unethical conduct?	v		(II) The President's Office is the unit to promote ethical corporate management. The Audit Office is responsible for supervising the implementation and reporting to the Board of Directors from time to time.	No deviation
(III) Does the Company have any policy that prevents conflict of interest and channels that facilitate the report of conflicting interests?	v		(III) The Company has a policy to prevent conflicts of interest in place and provides operation status of appropriate statement channels. When there are conflicts of interest in various proposals in board meetings, recusals are conducted, and directors do not participate in the discussion and voting by leaving the meeting.	No deviation

Assessment criteria	Actual governance (Note 1)			Deviation and causes of deviation from the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
(IV) Has the Company implemented effective accounting and internal control systems to maintain business integrity? Do internal or external auditors review these systems on a regular basis?	v		(IV) The Company pays attention to ensuring the correctness and completeness of the financial reporting process and control. The internal audit is conducted based on the annual audit plan drawn up by the risk assessment results, and an audit report is prepared and submitted to the Board of Directors.	No deviation
(V) Does the Company conduct internal and external ethical training programs on a regular basis?		v	(V) The Company does not regularly organize "ethical corporate management" training, but it will occasionally promote the importance of ethics in meetings.	Inconsistent yet.
III. Implementation of whistle-blowing system (I) Does the Company provide incentives and means for Employees to report malpractice? Does the Company dedicate personnel to investigate the reported malpractice?	v		(I) The Company sets up the internal and external complaint communication channels on the website for employees and related personnel to report and complain, and the Company's designated management will handle it in person. If the relevant code of ethical conduct is violated, disciplinary action will be taken according to the Company's rewards and punishments guidelines. (http://www.co-tech.com/smarteditupfiles/gauss/co_m_profile/225.pdf)	No deviation
(II) Has the company set up standard investigation procedures and a related confidentiality mechanism for the matter being reported?	v		(II) The Company has formulated the "Code of Ethical Conducts," the "Ethical Corporate Management Best Practice Principles," and the "Management Guidelines for the Prevention and Control of Sexual Harassment in the Workplace." The	No deviation

Assessment criteria	Actual governance (Note 1)			Deviation and causes of deviation from the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
			Company keeps the reported matters absolutely confidential.	
(III) Does the company take measures to protect the reporter from improper treatment?	v		(III) The Company keeps the reported matters absolutely confidential and protects the informant from being improperly treated due to the report.	No deviation
IV. Enhanced Information Disclosure Has the Company published information relating to the Company's "Code of Business Conduct" on its website or MOPS?	v		The relevant regulations and information of the ethical corporate management are placed on the internal website of the Company for employees to inquire any time; the "Code of Ethical Management" is also placed on the Company's internal website to remind employees of their own conducts and ethics all the time.	No deviation
V. For companies who have established corporate responsibility code of conducts in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies", please describe the current practice and any deviations from the code of conduct: The Company has established the Ethical Corporate Management Best Practice Principles and the Code of Ethical Conducts. All employees, managerial officers and board members comply with such regulations without deviation.				
VI. Other important information to facilitate a better understanding of the Company's corporate conduct and ethics compliance practices: (e.g., amendments to the Company's corporate conduct and ethics policy): None.				

Note 1: Regardless of "Yes" or "No" checked for the operation, summaries shall be provided in the column.

(VII) Other information that facilitates the understanding of the Company's corporate governance should also be disclosed: None.

(VIII) Internal Control System Execution Status

1. Internal Control System Statement

CO-TECH DEVELOPMENT CORP.

Internal Control System Statement

Date: February 21, 2025

For the Company's Internal Control System of 2024, based on the results of self-assessment, the following is

hereby declared:

- I. The Company acknowledges and understands that the establishment, implementation and maintenance of the internal control system are the responsibility of the Board and managerial officers of the Company and that such a system has been implemented within the Company. The purpose of the system is to reasonably ensure that the effectiveness and efficiency of operations (including profits, performance and protecting the security of assets), reliability, timeliness, transparency and regulatory compliance of reporting, as well as the compliance with applicable laws, regulations and bylaws are achieved.
- II. The internal control system is designed with inherent limitations. No matter how perfect the internal control system is, it can only provide a reasonable assurance to the fulfillment of the three objectives referred to above. Moreover, the effectiveness of the internal control system could be affected by the changes in the environment and circumstances. However, the company's internal control system has a self-supervision mechanism. Once the missing element is recognized, the company takes corrective action.
- III. The Company evaluates the design and execution of its internal control system based on the criteria specified in the "Regulations Governing Establishment of Internal Control Systems by Public Companies" (hereinafter referred to as the "Regulations") to determine whether or not the existing system continues to be effective. The criteria defined in "the Regulations" include five elements depending on the management control process: 1. environment control, 2. risk assessment, 3. control process, 4. information and communication, and 5. supervision. Each element further encompasses several sub-elements. Please refer to "the Regulations" for details.
- IV. The Company has adopted the said criteria to validate the effectiveness of its internal control system design and execution.
- V. Based on the results of examination, the Company believes that the design and implementation of its internal control system dated December 31, 2024 (including supervising and managing its subsidiaries), consisting of the effectiveness and efficiency of business operations, the preparation of reliable, timely and transparent financial statements and their compliance with the relevant rules and regulations, are effective and reasonably assure the achievement of the aforementioned goals.
- VI. The Statement of Declaration will be the major contents of the annual report and prospectus of the Company and to be publicly disclosed. The Company shall be held liable for misrepresentation or nondisclosure in the above content, according to Articles 20, 32, 171 and 174 of the Securities and Exchange Act.
- VII. This statement was approved by the Company's Board of Directors on February 21, 2025. Among the nine directors present, all agreed to the content of this statement and hereby declaration.

Chairman: Raymond Soong

President: Lee Shih-Shen

2. For those who appointed a CPA to review the internal control system, the CPA's review report shall be disclosed: None.

(IX) Material resolutions of the shareholders' meeting and the board meetings:

1. Material resolutions of board meetings

Meeting	Date	Material resolutions
9th term 8th Meeting	2024.02.23	<ol style="list-style-type: none"> 1. Co-Tech Development's 2023 "Internal Control System Statement," please deliberate. 2. Amendment of some clauses of "Sales Cycle". 3. Proposal of 2023 distributing remuneration of employees and directors, please deliberate. 4. 2023 consolidated and parent-company only financial statements, please deliberate. 5. Proposal for 2024 budgets, please approve. 6. Appointment of Head of Marketing Center, please deliberate. 7. Proposal for establishing the date, time, venue and proposals and proposal period, and meeting format of the 2024 General Shareholders' Meeting, please deliberate.
9th term 9th Meeting	2024.05.10	<ol style="list-style-type: none"> 1. Approvals from banks for loan extensions, please deliberate. 2. Proposal for 2023 earnings distribution, please deliberate. 3. The 2023 business report, please deliberate. 4. Amendment to the "Audit Committee Charter", "Procedures for Handling Material Inside Information", "Rules of Procedure for Board of Directors Meetings", "Rules Governing the Appointment and Exercise of Powers by the Board of Directors". 5. Establishment of the "Procedures for Compilation and Verification of Sustainability Report". 6. Proposal to appoint CPAs for 2024. 7. The 2024 Q1 consolidated financial statements of the Company.
9th term 10th meeting	2024.08.09	<ol style="list-style-type: none"> 1. Approvals from banks for loans. Please deliberate. 2. The 2023 Sustainability Report has been prepared and submitted for review. 3. Proposal to appoint CPAs for 2024, please discuss. 4. The 2024 Q2 consolidated financial statements of the Company.
9th term 11th meeting	2024.11.08	<ol style="list-style-type: none"> 1. The 2025 annual audit plan, please deliberate. 2. Add the "Regulations Governing the Management of Sustainable Information" and the "Audit of Management Operations of Sustainable Information" under the Implementation Rules of Internal Audit. Propose to review the content. 3. Approvals from banks for loans, please deliberate. 4. Appointment of Head of Technology Division, please deliberate. 5. The 2024 Q3 consolidated financial statements of the Company.
9th term 12th meeting	2025.02.21	<ol style="list-style-type: none"> 1. Co-Tech Development's 2024 "Internal Control System Statement," please deliberate. 2. Proposal to amend part of the "Articles of Incorporation," please deliberate. 3. Approvals from banks for loans, please deliberate. 4. Proposal of 2024 distributing remuneration of employees and directors, please deliberate. 5. 2024 consolidated and parent-company only financial statements, please deliberate. 6. Proposal for 2025 budgets, please approve. 7. Proposal for establishing the date, time, venue and proposals and nomination period, and convention of the 2025 General Shareholders' Meeting, please deliberate.

2. Material resolutions of the 2024 shareholders' meeting.

The Company held the 2024 general shareholders' meeting on June 21, 2024, at the International Convention Center, LITE-ON Technology Building, Ground floor, No. 392, Ruiguang Rd., Neihu District, Taipei City. The material resolutions and implementations are as follows:

Item	Material resolutions	Implementation
1	Recognition of the 2023 business report and financial statements:	The favorite votes exceed the statutory quorum, and the proposal was approved as it was.
2	Acknowledgment of 2023 earnings distribution:	The favorite votes exceed the statutory quorum, and the proposal was approved as it was. Implementation: The distribution base date was determined as of July 15, 2024, and the distribution date was August 8, 2024. The distribution was NT\$1.5 per share in cash (i.e. NT\$1.5 was distributed from EPS)

(X) Where, during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report, a director or supervisor has expressed a dissenting opinion with respect to a material resolution passed by the board of directors, and said dissenting opinion has been recorded or prepared as a written declaration, disclose the principal content thereof: None

IV. Information on Attesting CPA Professional Fees

Unit: NT\$ thousand

Name of Accounting Firm	Name of CPA		Audit period by the CPAs	Fees for Audit	Non-audit fee	Total	Remark
Deloitte & Touche	Wang, Chun-Yu	Chao, Yung-Hsiang	January 1 to March 31, 2024	3,200	154	3,361	1. Re-assignment of internal works in Deloitte Taiwan
	Wang, Chun-Yu	Chiu, Meng-Chieh	April 1 to December 31, 2024				2. Non-audit fees are mainly for audit travel fees/typing and printing of financial reports, etc.

Note 1: Please describe the contents of non-audit services.

Note 2: During the year, if the accounting firm or any CPA is replaced, the audit periods shall be listed respectively, and indicate the reason for replacement in the remark. The paid audit and non-audit fee shall be disclosed by orders. For non-audit fees, describe the services received.

- (I) When non-audit fees paid to the CPAs, to the accounting firm of the CPAs, and/or to any affiliated enterprise of such accounting firm are one quarter or more of the audit fees paid thereto, the amounts of both audit and non-audit fees as well as details of non-audit services shall be disclosed: None.**
- (II) When the company changes its accounting firm and the audit fees paid for the fiscal year in which such change took place are lower than those for the previous fiscal year, the amounts of the audit fees before and after the change and the reasons shall be disclosed: None.**
- (III) When the audit fees paid for the current fiscal year are lower than those for the previous fiscal year by 10 percent or more, the reduction in the amount of audit fees, reduction percentage, and reason(s) therefor shall be disclosed: None.**

V. Information on Replacement of CPAs

(I) Regarding the former CPAs:

Date of replacement	2024.5.10/2024.8.9		
Reason for replacement and description	1. Due to the internal adjustments of Deloitte Taiwan, from 2024 Q1, the CPAs, Chang, Ching-Fu and Chao, Yung-Hsiang, were replaced by Wang, Chun-Yu and Chao, Yung-Hsiang. 2. Due to the internal adjustments of Deloitte Taiwan, from 2024 Q2, the CPAs Wang, Chun-Yu and Chao, Yung-Hsiang were replaced by Wang, Chun-Yu and Chiu, Meng-Chieh.		
Specify whether the CPA is ending the engagement or declining further engagement, or the Company is terminating or discontinuing the engagement.	The CPA		Certified Public Accountant
	Circumstance		
	Voluntarily terminated the engagement.		V
Declined (discontinue) the engagement			
The Opinions other than unmodified Opinion issued in the last two years and the reasons for the said opinions	None		
Is there any disagreement in opinion with the issuer	Yes		Accounting principle or practice
			Disclosure of financial statements
			Auditing scope or procedures
			Others
	None	V	
Description			
Supplementary Disclosure (Things to be disclosed in Item 1-4 to 1-7, Subparagraph 6, Article 10 of the Guidelines)	None		

(II) Regarding the successor CPAs

Name of Accounting Firm	Deloitte & Touche
Name of CPA	Wang, Chun-Yu, CPA and Chiu, Meng-Chieh, CPA
Date of Engagement	2024.8.9
Prior to the engagement, any inquiry or consultation on the accounting treatment or accounting principles for specific transactions, and the type of audit opinion that might be rendered on the financial report.	None
Written opinions from the successor CPAs that are different from the former CPA's opinion	None

(III) The reply of the former CPAs regarding Article 10, Subparagraph 6 Item 1 and 2-3 of the Regulations Governing Information to be Published in Annual Reports of Public Companies: not applicable.

VI. The Company's managers being employed by the CPA firm: None.

VII. Changes in shareholdings of directors, supervisors, managers, and major shareholders:

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

Title (Note 1)	Name	2024		Current year as of February 28, 2025	
		Number of shares held Increased (decreased)	Pledged shares Increased (decreased)	Number of shares held Increased (decreased)	Pledged shares Increased (decreased)
Chairman	Dasong Investment Co.,Ltd. Representative: Raymond Soong	0 0	0 0	0 0	0 0
Director	Hua Eng Wire & Cable Co., Ltd. Representative: Liu Hsiu-Mei	0 0	0 0	0 0	0 0
Director	Chan Chi-Che	0	0	0	0
Director	Soong Ming-Feng	0	0	0	0
Director	Yu Ming Chang	0	0	0	0
Director	Tsai Hsung-Hsiung	0	0	0	0
Chairman, President and Spokesperson	Lee Shih-Shen	0	0	0	0
Marketing Center LITE-ON Technology	Chun-Han Chuang	0	0	0	0
Independent director	Sun Chin-Su	0	0	0	0
Independent director	George Chen	0	0	0	0
Independent director	Hsieh Fa-Jung	0	0	0	0
President Special Assistant	Ting Tai-Chuan	0	4,000 (30,000)	0	0
Chief of Technology Division	Hsu Hong-Wei	0	0	0	0
Chief of Quality Assurance Division	Huang Fu-Tung	0	0	0	0
Chief of Project Division	Lai Hsin-Chung	0	0	0	0
Manager, Utility Plant	Lu An-Chuan	0	0	0	0

Title (Note 1)	Name	2024		Current year as of February 28, 2025	
		Number of shares held Increased (decreased)	Pledged shares Increased (decreased)	Number of shares held Increased (decreased)	Pledged shares Increased (decreased)
Head of Finance; Corporate Governance Officer	Yeh Hsueh-Chen	0	0	0	0
Head of Accounting	Kao Hong-Yu	0	0	0	0
Audit Supervisor	Tsai Ren-Hua	0	0	0	0

Note 1: Shareholders with 10% or more of the total shares of the Company shall be indicated as the major shareholders and listed separately.

Note 2: If the counterparts of the share transfer or pledge are related parties, the share transfer information shall be filled in.

(II) Information of share transfer: None.

February 28, 2025

Name (Note 1)	Reason of transfer (Note 2)	Date of transaction	Counterpart(s) of the transaction	Relationships between the counterparts and the Company, directors, supervisors, managerial officers, and shareholders with 10% or more shareholdings:	Shares	Transaction price

Note 1: Indicate the names of directors, supervisors, managerial officers, and shareholders with 10% or more shareholdings.

Note 2: Indicate it is acquisition or disposal

(III) Information of equity pledge:

February 28, 2025

Name (Note 1)	Reason of pledge change (Note 2)	Change Date	Counterpart(s) of the transaction	Relationships between the counterparts and the Company, directors, supervisors, managerial officers, and shareholders with 10% or more shareholdings:	Shares	Percentage of shareholdings	Percentage of pledge	Pledge (redemption) amount
Chan Chi-Che	Pledged	2023.03.16	YUANTA COMMERCIAL BANK	None	1,000,000 shares	1.46%	27.05%	—

Note 1: Indicate the names of directors, supervisors, managerial officers, and shareholders with 10% or more shareholdings.

Note 2: Indicate it is pledge or redemption.

VIII. The relationship information of the top ten shareholders, among whom the top ten shareholders hold the highest shareholding ratios, is shown below:

Unit: shares; % July 15, 2024

Name (Note 1)	The person Shareholding		Shares held by spouse and children of minor age		Shares held by assuming the name of others		Names and relationships of the top ten shareholders who have a relationship with each other or are relatives of a spouse or a second-degree kinship. (Note 3)		Remarks
	Shares	Percentage of shareholdings	Shares	Percentage of shareholdings	Shares	Percentage of shareholdings	Name	Relationship	
Raymond Soong	13,812,998	5.47%	0	0.00%	0	0%	Dasong Investment Co.,Ltd.	Director	
Dasong Investment Co.,Ltd.	12,497,270	4.95%	0	0.00%	0	0.00%	None	None	
Representative: Raymond Soong	13,812,998	5.47%	0	0.00%	0	0.00%			
Hua Eng Wire & Cable Co., Ltd.	7,812,375	3.09%	0	0.00%	0	0.00%	None	None	
Representative: Liu Hsiu-Mei	0	0.00%	0	0.00%	0	0.00%			
Morgan Stanley International Limited investment account held in trust by HSBC Bank (Taiwan) Co., Ltd.	4,836,637	1.91%	0	0.00%	0	0.00%	None	None	
Chan Chi-Che	3,696,000	1.46%	0	0.00%	0	0.00%	Chan He-Po	Brothers	
Kwong Lung Enterprise Co.,Ltd.	3,000,000	1.19%	0	0.00%	0	0.00%	Chan Chi-Che	Brothers	No representative is appointed by these institutional shareholders.
Representative: Chan He-Po	0	0.00%	0	0.00%	0	0.00%			
Cathay United Bank	2,600,000	1.03%	0	0.00%	0	0.00%	None	None	No representative is appointed by these institutional shareholders.
Dedicated account for investment in Vanguard Emerging Markets Fund under the custody of Chase	2,445,000	0.97%	0	0.00%	0	0.00%	None	None	
Merrill Lynch International entrusted to HSBC Bank (Taiwan) Co., Ltd.	2,138,000	0.85%	0	0.00%	0	0.00%	None	None	
Dedicated account for investment by JP Morgan under the custody of Chase	2,063,373	0.82%	0	0.00%	0	0.00%	None	None	

Note 1: All the top ten shareholders should be listed. Those who are legal person shareholders should list the name of the legal person shareholder and the name of the representative separately.

Note 2: The calculation of the shareholding ratio refers to the calculation of the shareholding ratio in the name of

oneself, the spouse, the minor child or the use of another person.

Note 3: The shareholders listed in the previous disclosure, including legal persons and natural persons, shall disclose their relationship with each other in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers

IX. Percentage of overall shareholdings

Unit: thousand shares; % February 28, 2025

Investee (Note)	Investments of the Company		Directors, supervisors, managerial officers and investments directly or indirectly controlling the business		Total investments	
	Shares	Percentage of shareholdings	Shares	Percentage of shareholdings	Shares	Percentage of shareholdings
CO-TECH COPPER FOIL(BVI) Inc.	3,500	100%	0	0%	3,500	100%
Co-Tech Copper Foil Shanghai Trade Ltd	-	100%	-	0%	-	100%

Note: It is a long-term investment accounted for using equity method by the Company.

Three.Capital Overview

I. Source of Capital and Shares

(I) Source of share capital

Unit: shares; NT\$ February 28, 2025

Year/Month	Issuance Price	Approved share capital		Paid-in share capital		Remarks		
		Shares	Amount	Shares	Amount	Source of share capital	Shares paid with properties other than cash	Others
1998.05	10	200,000,000	2,000,000,000	100,000,000	1,000,000,000	Establishment	None	Note 6
2001.03	30			54,000,000	540,000,000	Increased in cash	None	Note 7
2003.09	10			30,000,000	300,000,000	Increased in cash	None	Note 8
2005.12	9			16,000,000	160,000,000	Increased in cash	None	Note 9
2006.07	10	300,000,000	3,000,000,000	0	0	None	None	Note 10
2010.1	21			11,700,000	117,000,000	Increased in cash	None	Note 11
2015.3	-			Cancellation of treasury shares for 1,112,000 shares	Cancellation of treasury shares for 11,120,000 shares	Capital decrease	None	Note 12
2017.1	47.8			42,000,000	420,000,000	Increased in cash	None	Note 13

- Note 1: The information up to the publication date of the annual report of the year shall be filled in
- Note 2: For the capital increase, the effective (approval) date the document number shall be indicated.
- Note 3: In case the shares were issued with discounted face value, the indication shall be eye-catching.
- Note 4: If shares were paid with monetary credit or technologies, such payment shall be specified with the type of payment and amount.
- Note 5: In case of private placement, the indication shall be eye-catching.
- Note 6: Date and document No. of approval: Jing-87-Shang No.110958, dated May 22, 1998.
- Note 7: Date and document No. of registration change: Jing (090) Shang No.090011061770, dated March 30, 2011.
- Note 8: Date and document No. of registration change: Jing-Shou-Shang-Zhi No.09201272330, dated September 19, 2003.
- Note 9: Date and document No. of registration change: Jing-Shou-Shang-Zhi No.09401255400, dated December 14, 2005, with the discounted issuance price of NT\$9 per share.
- Note 10: Date and document No. of registration change: Jing-Shou-Shang-Zhi No.09501140400, dated July 6, 2006.
- Note 11: Date and document No. of registration change: Jing-Shou-Shang-Zhi No.09901225860, dated October 8, 2010.
- Note 12: Date and document No. of registration change: Jing-Shou-Shang-Zhi No. 0401042410, dated March 11, 2015.
- Note 13: Date and document No. of registration change: Jing-Shou-Shang-Zhi No.10601141120, dated October 5, 2017.

Unit: shares; February 28, 2025

Share type	Approved share capital			Remarks
	Outstanding shares (note)	Number of shares unissued	Total	
Registered common shares	252,588,000	47,412,000	300,000,000	TPEX-listed shares

Note: Please indicate the shares are listed in TWSE or TPEX (if the trading in TWSE or TPEX is restricted, please indicated).

Information on shelf registration system

Type of Negotiable Securities	Amount Expected to Issue		Issued Amount		The Purpose and Expected Effect of the Issued Part	The Expected Issuance Period of the Unissued Part	Remark
	Total Shares	Approved Amount	Shares	Price			
None	0	0	0	0	0	0	0

(II)List of major shareholders: List all shareholders with a stake of 5 percent or greater, and if those are fewer than 10 shareholders, also list all shareholders who rank in the top 10 in shareholding percentage

July 15, 2024

Share Name of major shareholder	Number of shares held	Percentage of shareholdings
Raymond Soong	13,812,998	5.47%
Dasong Investment Co., Ltd.	12,497,270	4.95%
Hua Eng Wire & Cable Co., Ltd.	7,812,375	3.09%
Morgan Stanley International Limited investment account held in trust by HSBC Bank (Taiwan) Co., Ltd.	4,836,637	1.91%
Chan Chi-Che	3,696,000	1.46%
Kwong Lung Enterprise Co., Ltd.	3,000,000	1.19%
Cathay United Bank	2,600,000	1.03%
Dedicated account for investment in Vanguard Emerging Markets Fund under the custody of Chase	2,445,000	0.97%
Merrill Lynch International entrusted to HSBC Bank (Taiwan) Co., Ltd.	2,138,000	0.85%
Dedicated account for investment by JP Morgan under the custody of Chase	2,063,373	0.82%

(III) Company's dividend policy and implementation thereof

1. Dividend policy

If there is any after-tax profit in the Company's annual financial statements, the Company shall first make up for the accumulated deficit (including adjustment of undistributed earnings) and then set aside 10% as legal reserve, but if the legal reserve has reached the Company's paid-in capital, it may not be set aside, and the remainder shall be set aside or reversed to special reserve as required by law or the competent authorities' requirements. If there is any unappropriated earnings remaining (including adjustments to the unappropriated earnings), the board of directors shall prepare a proposal for the distribution of earnings and submit it to the shareholders' meeting for resolution on the distribution of dividends to shareholders.

The Company's dividend policy is in line with its current and future development plans, taking into account the investment environment, capital requirements and domestic and international competition, as well as the interests of shareholders, etc. The dividend policy will be determined annually based on capital requirements and the degree of dilution of earnings per share. Dividends are paid in the form of stock dividends or cash dividends; dividends to shareholders may be paid in cash or in stock, with cash dividends being no less than 10% of the total dividends.

If the Company has no distributable earnings for the current year, or if the amount of distributable earnings is significantly less than the actual earnings distributed in the previous year, or if the Company considers the financial, business and operational factors, the Company may distribute all or part of the earnings as required by law or by the competent authority.

2. Dividend distribution to be proposed to the shareholders' meeting

The Board approved the Company's earnings distribution of Directors on May 10, 2024. It is proposed to distribute a cash dividend of NT\$1.5 per share (earnings distribution of NT\$1.5 per share). If any subsequent changes in common shares affect the number of outstanding shares, and the shareholder's dividend rate is consequently changed, the Company plans to request the shareholders' meeting to authorize the Chairman to adjust pursuant to laws.

3. Expected significant changes to dividend policy and explanation: None.

(IV) Impact of proposed bonus shares on operating performance and EPS

Not applicable.

(V) Compensation of employees and directors

1. The percentages or ranges with respect to employees and directors' compensation, as set forth in the company's articles of incorporation.

Pursuant to Article 29 of the Articles of Incorporation, the Company shall set aside 1% or more of its annual profit (profit means the pre-tax earnings prior to distribution of employee remuneration and director's remuneration) as employee compensation, which shall be distributed in stock or cash by resolution of the Board of Directors. The target recipients may include employees of control and subordinate companies who meet certain criteria. The conditions and distribution method are authorized to be determined by the Board of Directors. The Company may allocate up to 3% of the above-mentioned profits to the remuneration of directors by resolution of the Board of Directors, and the remuneration of directors may only be paid in cash. However, if the Company still has accumulated deficit (including the amount of adjustment of undistributed earnings), the amount of compensation should be reserved in advance, and then employees' remuneration and directors' remuneration should be appropriated in proportion to the aforementioned amount.

The scope of the employees listed in the preceding paragraph shall be subject to the regulations of the securities authority.

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

- (1) The basis of the estimated amount of the employees' and directors' compensations for the period: The Company estimated 1.5% and 1% of the net profit before tax and deducting employees' and directors' compensations, for the employees' and directors' compensations, respectively.
- (2) The basis of shares to be distributed as employees' compensation: all employees' compensation for the period is distributed in cash.
- (3) If there is any discrepancy between that amount and the estimated figure, the accounting treatment: after the release date of the annual consolidated financial reports, if any change to the amount, it is treated as the accounting estimation changes, and the adjustment will be accounted in the next year.

3. Information on any approval by the board of directors of distribution of compensation:

- (1) The 2024 employees' and directors' compensations were resolved by the Board of Directors on February 21, 2025. The employees' compensation is NT\$17,671 thousand, and directors' compensation is NT\$11,781 thousand. The amount of employees' and directors' compensations approved by the Board of Directors are identical to the estimations in the 2024 financial reports.
- (2) The amount of any employee compensation distributed in stocks, and the size of that amount as a percentage of the sum of the after-tax net income stated in the parent company only financial reports or individual financial reports for the current period and total employee compensation: not applicable.

4. The actual distribution of employee, director, and supervisor compensation for the previous fiscal year:

- (1) Employee cash compensation was NT\$10,248 thousand and director compensation was NT\$6,832 thousand for 2023.
- (2) The actual distribution amount of employee and director compensations were identical to the estimations in the 2023 financial reports.

(VI) Status of a company repurchasing its own shares: None.

II. Issuance of corporate bonds

III. Issuance of preferred shares

IV. Issuance of global depository receipts

V. Issuance of employee share subscription warrants and new restricted employee shares: None.

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

VII. Implementation of the company's capital allocation plans: None.

Four. Overview of Business Operations

I. Description of the Business

(I) Scope of Business

1. The company's major lines of business and the relative weight of each

Names of Products	Weight of Business
Electrodeposited Copper Foil	100%

2. Current products:

- (1) High frequency and high speed copper foils specific toRG series 3S (Server/Storage/Switch) with the thickness of 12 μ ~70 μ .
- (2) Ultra-low ridge VL/PF series high-speed electrolytic copper foil with a thickness of 12 μ ~35 μ .
- (3) RF/VF/LH series copper foils specific to high-frequency materials with a thickness of 12 μ ~35 μ .
- (4) Low-ridge FC/FL series flexible board electrolytic copper foil with a thickness of 12 μ ~35 μ .
- (5) Inverted low-ridge RV series flexible board electrolytic copper foil with a thickness of 9 μ ~43 μ .
- (6) Reversal treated RT series high-frequency and high-speed electrolytic copper foil with a thickness of 12 μ ~105 μ .
- (7) Low-ridge LP310 series arsenic-free electrolytic copper foil with a thickness of 12 μ ~140 μ .
- (8) Low-ridge LP410 series arsenic-free electrolytic copper foil with a thickness of 12 μ ~35 μ .

(II) Overview of the industry

1. The current status and development of the industry:

Printed circuit boards are the main parts of various information electronics, communications, consumer electronics, automotive electronics, industrial control and other industries. In recent years, due to the rise of multimedia and the integration of 3C (computers, communications and consumer electronics), global electronic products continue to introduce new products to replace the old ones, and thus drives future growth. Currently, there is no substitute product for printed circuit boards, and the global demand for printed circuit boards is increasing day by day. As the demand for high-end products for printed circuit boards has been increasing, the specifications and quality requirements for copper foil have also increased significantly.

Since 2016, Co-Tech has been positioned to become a manufacturer and service provider of optimized application of copper foil. It has changed to the "boutique niche market strategy" and focused on the high-end product market, such as high-frequency, high-speed, flexible boards, automotive electronics, and thin copper for HDI, by developing products in response to customer needs. After more than two years of hard work, Co-Tech's high-frequency and high-speed copper foil successfully passed the certification of major end brand

manufacturers and OEM and ODM manufacturers in 2019. Introductions started in the second half of 2020 and products have entered mass production.

As 5G applications and technologies will accompany data computing and storage requirements. The use of data has shifted from emphasizing scale to emphasizing low latency and high immediacy. With the rise of edge computing and the high cost of 5G spectrum, edge computing among telecom operators has replaced traditional network equipment. It has become the entry point of the server supply chain. The growth of new cloud services will require a large amount of data processing within related AI, 5G network applications, IOT edge computing technology upgrades, and as AR/VR, robots, self-driving cars, and smart home emerging terminal devices increase. These prospects will drive the growth of the demand for base station antenna design, netcom equipment, data centers and servers and then drive the 5G smartphone industry. Due to the current skin effect, the transmission of high-frequency or high-speed signals will be more concentrated on the surface of the wire. The Company has developed its own advanced reversal copper foil (Advanced RTF, RG series); aside from being cost-effective, it improves the electric functions of copper foils, complementing each other with copper foil substrate factories, and achieving high-speed effects for customers. The Company has successively and continuously completed the development of high-frequency and high-speed transmission copper foil products with low signal transmission loss, ultra-low coarseness and high tear resistance. In response to the increasing demand for flexible boards for compact electronic products, the Company completed the development of copper foil for flexible copper clad laminate (FCCL). It improved the Company's competitiveness and profitability by optimizing the product portfolio.

Due to the optimistic prospect for the 5G market in the future, Co-Tech has started to expand production in early 2021. It is expected to invest about NT\$4 billion to build a new plant in Yunlin Industrial Park.

2. Links between the upstream, midstream, and downstream segments of the industry supply chain:

Upstream segment	Fiberglass, epoxy resin, copper foil, fiberglass cloth, and PI
Midstream segment	Copper foil substrate, printed circuit board, FCCL, FPCB, BGA carrier board, TAB, and COF
Downstream segment	AIoT, cloud, 5G communication, automotive, medical, wearable, home appliances, and computers

3. Various development trends of products

Copper foil products are mainly supplied to:

- A. 3S (Server/Storage/Switch) and AI server high frequency and high speed copper foil.
- B. Advanced driver assistance systems (ADAS)
- C. High-speed copper foil for 5G communication.
- D. Microwave communication.
- E. Copper foil for flexible boards.
- F. Copper foil for high-density connection printed circuit (HDI).

- G. Copper foil for LED backlight heat sink.
- H. Copper foil for TAB and COF (chip on film) high-end soft boards.
- I. Copper foil for solar battery backplane.
- J. Copper foil for epoxy resin substrate.
- K. Copper foil for back adhesive of paper substrate.

4. Competition for products:

With the increasing market demand for emerging application products, such as unmanned vehicles, VR/AR devices, smart speakers, automotive components, car-loaded computers and automotive devices, and the diversified application potential brought by breakthroughs in 5G and AI technologies, the demand for copper foils will be boosted.

As 5G has the characteristics of ultra-high communication speed, high deployment density, and low delay time, the area of printed circuit boards is enlarged, the number of stacked layers increases, and the demand for high-speed copper foil increases. Co-Tech actively deploys high-frequency and high-speed materials such as servers, and new applications such as 5G, and has successfully passed the certifications of many international manufacturers and adopted for production. It is hoped that the benefits of the Company's R&D positioning for copper foils in high-frequency and high-speed transmission and server materials will keep on expanding and add momentum to the Company's operations.

(III) Overview of technologies and R&D

Co-Tech expects to become the "Leader in optimized application of copper foil," and is committed to the development of high-value-added products such as high-frequency, high-speed, microwave communications, and thick copper/thin copper, to meet the needs of end customers and provide customization services and products.

In order to get rid of the Red Sea battle zone of the copper foil industry and jump out of mass production in the past, the Company positions toward the markets for high-end products such as high-frequency, high-speed, automobiles, and automotive electronics. For the new product development, in 2017, the "5G industry high-value materials- ultra-low coarseness copper foil specific to high-frequency" passed the MOEA's Technical Research and Development Project under the Taiwan Industry Innovation Platform Program, affirming this technology.

1. Technologies and products developed or under development:

- (1) Copper foil for high frequency PTFE material (RF/VF series).
- (2) Copper foil for Hydrocarbon material (LH series).
- (3) New products of advanced reversal foil for the 3S (Server/Storage/Switch) Advanced RTF grade (RG series) and products of HVLP3/HVLP4/HVLP5 grade (VL/PF series).
- (4) HVLP4/HVLP5 grade (PF series) products for AI Server application.
- (5) Copper foil FL series applied to 5G flexible board MPI and LCP.
- (6) General flexible board copper foil RV/FL series and copper foils for wireless charging (RC series).
- (7) 210 um copper foil used in vehicle, intense current and heat dissipation

substrate.

- (8) The arsenic-free coarsening treatment technology, meeting the requirements of the environmentally friendly arsenic-free process.

2. The technical direction continues to optimize and reduces the cost of products with market potential:

- (1) The copper foil VF series of PTFE materials for high-frequency communication continues to be optimized.
- (2) Copper foil for high-frequency MPI and LCP flexible board materials (FL series) continues to be optimized.
- (3) The 4th generation Advanced RTF (RG series) for PCIe G6 application continues to be optimized.
- (4) The fourth-generation PF series ($R_z < 0.6\mu\text{m}$) specific to Ultra-Low loss II Prepreg continues to be optimized.
- (5) Improve the yield of copper foil specific to Ultra Low loss II Prepreg, VL series ($R_z < 1.0\mu\text{m}$) and the flexible board RV series to reduce costs.
- (6) For High Density Interconnect (HDI) applications, optimize the copper foil solutions of HVLP2/HVLP3/HVLP4 to meet the material requirements of Ultra-Loss II and above.
- (7) Optimize the process formula, improve product quality and reduce costs.

In terms of environmental protection issues, in recent years, in addition to focusing on process improvement and equipment improvement for better product yield and quality, the Company has also fully introduced arsenic-free manufacturing processes in response to green manufacturing processes as the contributions to the global environment.

The Company belongs to the copper foil industry; in addition to formula technology, the Company also has plant pipeline system design and operation technology for smooth mass production of new products and stable quality. Therefore, a technical threshold is formed for the manufacturing process. Compared to the formula, mass production and launch products to the market are actually more critical.

3. R&D expenditures during the most recent fiscal year or the current fiscal year up to the publication date of the annual report

Unit: NT\$ thousand

Item \ Year	2024
R&D expenses	40,083
Net operating revenue	6,821,558
R&D expenses as a % of net revenue	1%

Note: As of the print date of the annual report, the consolidated financial statements for 2025 Q1 that have been approved by the Board of Directors and reviewed by CPAs were not available.

(IV) Long-term and short-term operation plans

1. Short-term plans:

Continue to deepen the cooperative relationship with existing customers, optimize the product portfolio, and cooperate with strategic customers to develop new high-frequency and high-speed, AI server, Any-Layer products to achieve early dominance in the market and increase a win-win situation.

2. Long-term plan:

- (1) Co-Tech has started to expand production in early 2021. It is expected to invest about NT\$4 billion to build a new plant in Yunlin Industrial Park.
- (2) Establish strategic alliances with major customers to stabilize the source of orders and strengthen competitiveness. Meanwhile, it actively maintains a good interactive relationship with end customers and promotes the new materials developed by the Company from the front end to gain market opportunities.
- (3) Strengthen the recruitment and training of talents, create efficient and cross-functional teams, and expect the Company as the optimized applied copper foil manufacturing and service provider, fully demonstrating the spirit of craftsmanship and maximizing the overall benefits.

II. Market and sales overview

(I) Market Analysis

1. Geographic areas where the main products (services) sold and market shares:

The Company's products are mainly sold in Taiwan and Asia and Europe. In response to market changes, the Company strategically adjusted its customer portfolio and the proportion of shipments to stably supply the top three domestic copper foil substrate manufacturers and multilayer printed circuit board manufacturers. Affected by the US-China trade war, some customer orders have returned to Taiwan. Currently, the Company's domestic sales in Taiwan account for about 10-15%, and the export sales to China, Japan, South Korea, Southeast Asia, Europe, and the United States total about 85-90%.

There are many copper foil manufacturers in Taiwan and China. In 2024, the Company's high-speed copper foil shipments accounted for about 50% of the global server share (based on the global server shipment forecast published by Digitimes Research in 2024). Based on the estimated annual production capacity of general electrolytic copper foil for PCBs around the world at 1,000,000 tons during the same period, the Company's capacity share is about 2%.

2. The demand and supply conditions for the market in the future, the market's growth potential:

In response to the needs of terminal applications such as automotive, microwave communications, 5G mobile networks, cloud data, and wireless networks, high-frequency and high-speed development is required. The circuit boards that play the role of load components, power supplies, signal transmission, and heat dissipation must reach high-frequency and high-speed

Therefore, it is necessary to cooperate with the development of high-frequency materials with "ultra-low roughness copper foil technology."

Co-Tech proactively deploys high-frequency and high-speed materials such as servers, and new applications such as 5G, and has successfully passed the certifications of many international manufacturers and gradually adopted for production. Benefitted from the increasing demands to 5G base stations, cloud products (servers, data storage, and network switches), Internet of Vehicles, Internet of Things, and smart families, the effects of Co-Tech's positioning in high-frequency and high-speed areas will continue to emerge.

3. The company's competitive niche, positive and negative factors for future development, and the company's response to such factors.

(1) Competitive niches and future development:

A Product portfolio

- (A) Provide a full range of products including Low Profile, Reversal, HVLP and special specifications 9 μ m, 15 μ m, 22 μ m, and 30 μ m.
- (B) The output ratio of the Company's high-end thin copper foil products (55:45) is better than that of the peers (30:70), effectively creating greater profits.

B Leading technology

- (A) The copper foil application technology for high-frequency communication products leads the industry.
- (B) The plants are equipped with continuous experiment machines to control the research and development of technology.
- (C) The future development of new products will focus on the sixth-generation RG series and 224G HVLP4/HVLP5 ultra-high-frequency and high-speed Low Dk/Df series copper foils.

C Cost control

Water recycling achieves more than 90%, with plating solution regeneration, waste copper foil recycling, and automatic production equipment.

D Management aspect

Possess practical experience in the production management of the petrochemical electroplating industry and the rapid response to the financial and business aspects of the electronics industry, with sensitivity to market fluctuations.

(2) Positive factors

- A The market continues to maintain a 3% to 7% growth rate and is concentrated in Asia.
- B The copper foil industry is a technology- and capital-intensive industry with high barriers to entry.
- C The application of copper foil in printed circuit boards is irreplaceable. This has been the case for the past 30 years, and it will be the same in the future.
- D The demand for high-end thin products continues to increase, which will increase selling prices.
- E The high-frequency and high-speed demand driven by 5G will greatly increase the demand for Advanced RTF and HVLP copper foils.

(3) Negative factors

- A Elevated environmental consciousness and labor shortage.
- B Unstable international copper prices affect the revenue.
- C The expansion of the capacity among the Chinese copper foil plants may cause an imbalance supply-demand in the future.
- D ECFA early termination of tariff cancellation
- E Electricity fees increase

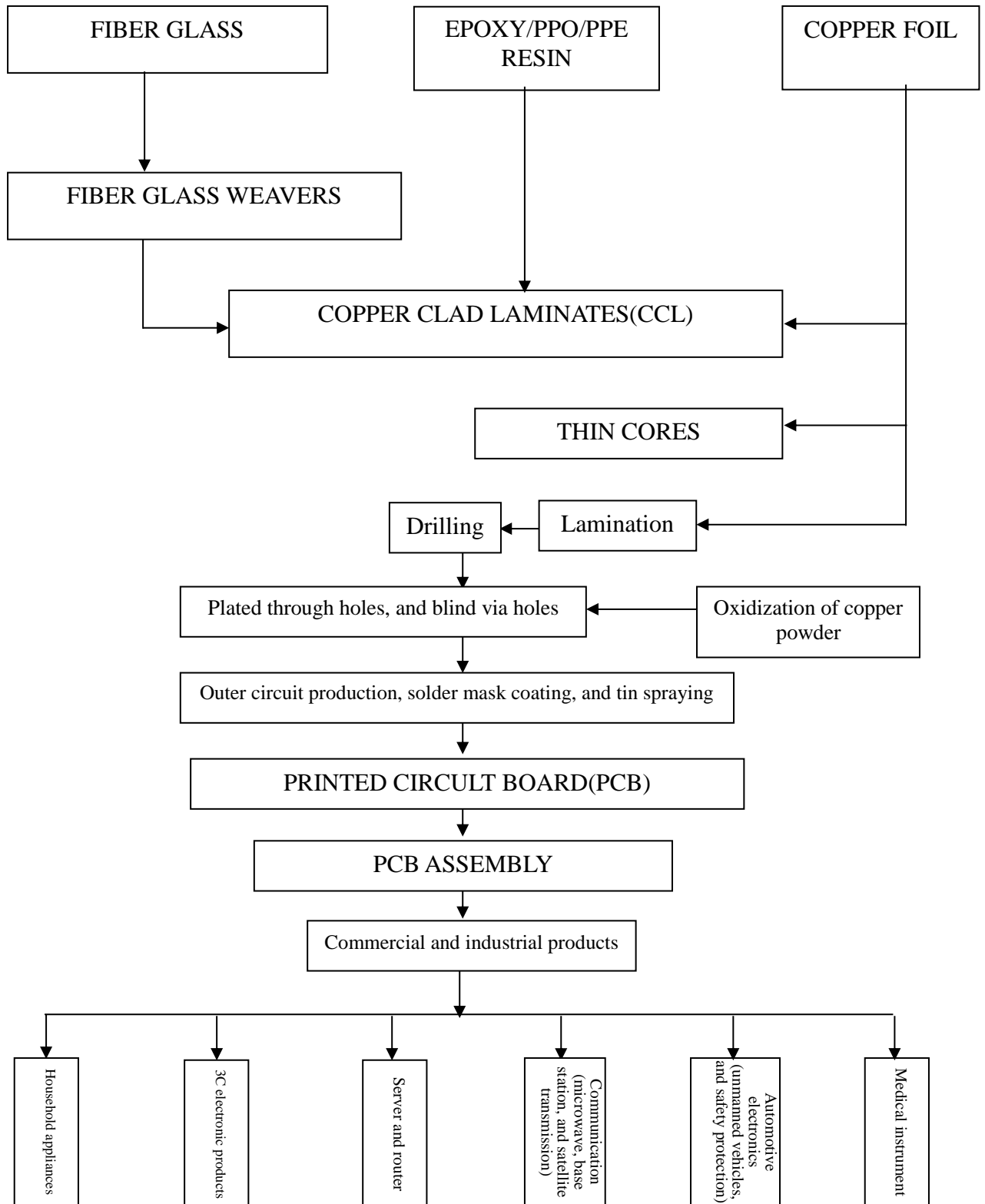
(4) Response:

- A Establish product development strategies with customers, and strengthen the application of products with special specifications.
- B Cooperate with domestic and foreign research and development institutions and accommodate the applications of end customers to introduce high-end copper foil technology.
- C Continue to develop high-efficiency and fully automated equipment with equipment manufacturers.

(II) Usage and manufacturing processes for the company's main products

1. Usage the main products

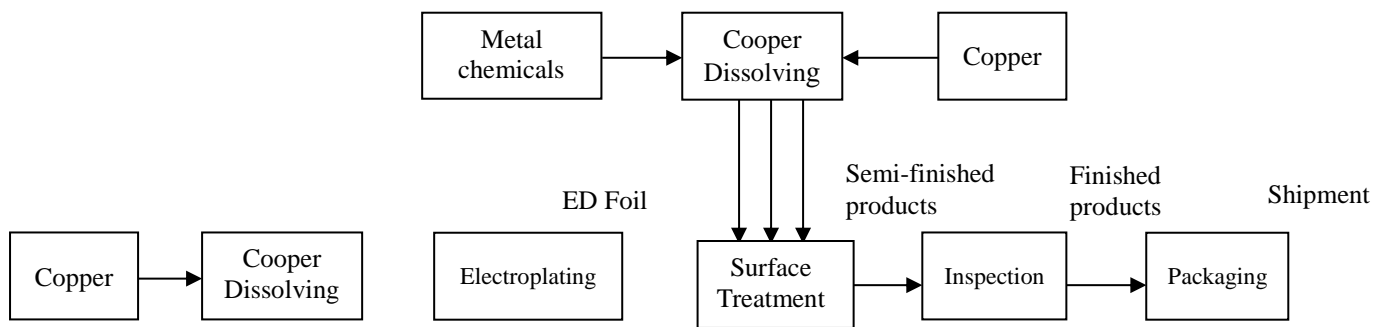
The Company produces only one product: electronic grade copper foil, which is one of the main raw materials for the printed circuit board industry. The connections are as follows:



Electronic information systems and other industries have driven the advent and upsurge of the global information era. Printed circuit boards are the basic parts of various consumer electronics, computers, communications, information electronics, industrial control and medical instrument, and they are also improving the key sections involving high integration and high speed of electronic packaging in these electronic industries. With the continuous growth of the printed circuit board industry, the copper foil industry has also continued to develop multi-layer electrolytic copper foils. Its main purpose is to supply copper foil substrate manufacturers for the production of copper foil substrates to supply printed circuit board manufacturers. Printed circuit board manufacturers to laminate the outer layers of multilayer boards.

2. Manufacturing processes for the main products:

Electrolytic copper foil deposits the electrolytic copper sulfate solution instantaneously on a rolling titanium cylinder with a high current. The copper foil obtained by stripping is subjected to surface treatment and then rolled or cropped to supply the up and downstream circuit board industries. Thicknesses are 9 μ m, 12 μ m, 18 μ m, 35 μ m, 70 μ m and above, and may be produced on demand. The manufacturing process is as the following:



(1) Manufacturing of ED foil:

The manufacturing process of ED foil includes three processes, namely dissolving copper wire, manufacturing electrolyte and electrolyzing copper foil, described as follows:

- A. Dissolution: Put the copper wire and sulfuric acid in the dissolving tank and blow air to dissolve it into copper sulfate solution. Then, roll it into the storage tank; the dilute solution returned from the electrolytic tank is pumped back to the dissolution tank through the circulating pump.
- B. Electrolyte production: the copper sulfate solution is pumped from the storage tank through the Filter into the top tank by a transfer pump. The additives are added to the top tank at the same time for concentration analysis and adjustment. The solution is then pumped into the raw foil machine after the temperature is adjusted through the top tank and the heat exchanger.
- C. Electrolysis: In the raw foil machine, the copper is deposited on the rotating titanium cylinders by the electrolysis process and then peeled off and rolled into a raw foil roll; the electrolyte is

circulated and pumped back to the dissolution tank.

(2) Surface treatment

The surface treatment is that the surface of the raw foil undergoes several times copper plating, zinc plating, and chrome plating to strengthen the peel strength, etching, thermal resistance and oxidation resistance of the copper foil. Various electroplating solutions have their own storage tanks to circulate, and the concentration is adjusted in the tank.

(3) Inspection, cropping, packaging and storage/transportation

(III) Supplies of the Main Materials

Main materials	Sources of supplies	Status of supplies
Recycle copper wires	Domestic, Southeast Asia, Northeast Asia, and Europe	Sufficient supply, without shortage of sources of production

(IV) A list of any suppliers and clients accounting for 10 percent or more of the company's total procurement (sales) amount in either of the 2 most recent fiscal years, the amounts bought from (sold to) each, the percentage of total procurement (sales) accounted for by each, and an explanation of the reason for increases or decreases in the above figures.

1. Main suppliers in the 2 most recent fiscal years

Unit: NT\$ thousand

	2023				2024			
Item	Name	Amount	As a percentage of net purchases for the year (%)	Relations with the issuer	Name	Amount	As a percentage of net purchases for the year (%)	Relations with the issuer
1	K1786	1,896,569	45	None	K1786	2,237,434	52	None
2	K1822	1,421,358	34	None	K1822	1,527,635	35	None
	Others	886,147	21		Others	547,169	13	
	Net purchase	4,204,074	100		Net purchase	4,312,239	100	

Note 1: List the names, purchase amount and percentage of the suppliers from whom 20% or more of total purchase amounts are made; if the name of supplier cannot be disclosed due to contractual agreement, or the counterpart is a non-related individual, codes may be used.

Note 2: Reason for the change: The reason why the % of net K1786 purchases increased is that the Company increased its purchases from this supplier because the supplier's products were superior.

Note 3: As of the print date of the annual report, the consolidated financial statements for 2025 Q1 that have been approved by the Board of Directors and reviewed by CPAs were not available.

2. Main customers in the 2 most recent fiscal years

Unit: NT\$ thousand

	2023				2024			
Item	Name	Amount	As a percentage of net sales for the year (%)	Relations with the issuer	Name	Amount	As a percentage of total annual Net sales ratio (%)	Relations with the issuer
1	D0079	1,125,947	18	None	D0304	1,093,905	16	None
					D0948	760,658	11	None
	Others	5,043,557	82		Others	4,966,995	73	
	Net sales	6,169,504	100		Net sales	6,821,558	100	

Note 1: List the names, sales amount, and percentage of customers accounting for more than 10% of total sales in each of the past two fiscal years. If a customer's name cannot be disclosed due to contractual obligations, or if the counterparty is an individual and not a related party, a code may be used instead.

Note 2: Reasons for change: The main reason for the change in the main customers of sales in 2024 is the change in customer demand.

Note 3: As of the print date of the annual report, the consolidated financial statements for 2025 Q1 that have been approved by the Board of Directors and reviewed by CPAs were not available.

III. Human Resources

Employee statistics in the past two years up to publication date

Year		2023	2024	Current year as of February 28, 2025
Number of employees	Managers	9	10	10
	General employees	116	120	114
	Production lines employees	185	185	183
	Total	310	315	307
Average age		41.63	42.20	42.36
Average years of service		12.88	13.13	13.32
Educational background distribution	Master's degree or above	8.63%	9.03%	9.01%
	College/University	60.7%	60.01%	60.12%
	Below senior high school	30.67%	30.96%	30.87%

Note: The information up to the publication date of the annual report of the year shall be filled in.

IV. Disbursements for Environmental Protection

- (I) Any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to environmental pollution incidents (including compensation) and total fines, and disclosing an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided: None.

V. Labor Relations:

- (I) List any employee benefit plans, continuing education, training, retirement systems, the status of their implementation, and labor-management agreements and measures for preserving employees' interests.
- Employee benefit plans
 - Handle labor and health insurance, group life insurance, implement employee profit-sharing system, childcare subsidy, grants for employees' children, wedding and funeral subsidy, among other things, and handle on-service training.
 - Establish an employee welfare committee to allocate 0.15% of monthly sales income and 40% of scrap income as employee welfare funds. In addition, it handles activities such as recreational and tourism activities, as well as employee clubs, Chinese New Year gifts, ball games, and contracting with merchants for preferential treatments.

- (3) In July 2021, the Company established the "Co-Tech Development Corp. Employee Stock Ownership Committee", which is open to all employees of the Company and its subsidiaries with at least six months of service. The employees contribute a certain amount from their salaries every month, and the Company also allocates a certain percentage of incentives according to the employees' seniority and ranking to purchase shares of Co-Tech, which encourages the employees to carry out long-term financial planning and protect their post-retirement life.
- (4) Starting from January 2021, employees' dependents can join the company's group insurance at their own expense to provide an additional layer of protection for their dependents' injury, illness and medical treatment.

2. Trainings and continuing education:

- (1) The plants have set up training classrooms, increased internal training courses to improve on-service training opportunities for employees, and strengthened their professional knowledge.
- (2) The Company has established the "Education and Training Management Procedures" and planned relevant training courses in accordance with the requirements of functions and professionalism to enhance employees' knowledge and capabilities and enhance their overall quality and operating performance. The relevant training results in 2024 are as follows:

Item	Sessions	Total attendees	Total hours	Total expenses
1. Orientations	25	40	624	0
2. Professional function training	334	2,027	3,681	122,774
3. Supervisor capability training	14	156	339	93,500
4. General knowledge training	1	1	6	3,500
5. Other	0	0	0	0
Total	375	2,224	4,656	219,774

(3) Relevant licenses obtained as specified by the competent authority:

- A The accounting officer has obtained the professional qualification certificate for accounting officers award by the Accounting Research and Development Foundation, pursuant to the "Regulations Governing the Qualification Requirements and Professional Development of Principal Accounting Officers of Issuers, Securities Firms, and Securities Exchanges," and satisfies the required annual continuing education hours.
- B The internal auditors and their acting persons satisfy the required annual continuing education hours pursuant to the "Regulations Governing Establishment of Internal Control Systems by Public Companies."
- C One internal auditor has obtained the certificate of "Certified Internal Auditor," awarded by the Institute of Internal Auditors (IIA).
- D One of the finance staff obtained the "Qualification Certificate of Stock Affair Specialist" awarded by the Securities and Futures Institute.
- E The chief corporate governance officer, in accordance with the provisions of Article 24 of the "Taiwan Stock Exchange Corporation Operation Directions for Compliance with the Establishment of Board of Directors by TWSE Listed Companies and the Board's Exercise of Powers", and with reference to the

provisions of the Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies, shall attend continuing professional educations annually.

3. Retirement system and implementation

- (1) Old system: employees hired before June 30, 2005 may choose the old or new system upon their wills. The Company has a retirement program for officially hired employees in accordance with the Labor Standard Act. According to the program, the payment of pension is based on the years of service. The Company contributes a monthly retirement reserve, pursuant to the regulations, to the Labor Pension Reserve Supervision Committee for management and deposited in the Bank of Taiwan under the committee's name.
- (2) New system: The new pensions system is applicable to all employees employed after July 1, 2005, and those who choose the new system but were hired before July 1, 2005. The Company contributes 6% of the monthly salary to the employee's personal pension account of the Labor Insurance Bureau based on the employee's salary. Employees may also contribute to the personal pension accounts within the range of 6% of their monthly salary upon personal wills. The Company will deduct the amount of their contribution from the employee's salary on a monthly basis.
- (3) According to the Company's employee retirement program, employees who have served for 15 years or more and have been 55 years of age, or served for 25 years or more, and those who have worked for 10 years or more and have reached 60 years of age, are eligible to retire; employees who are 65 years of age or older, or incompetent for the job may be ordered to retire.
- (4) Employees who took up the job before July 1, 2005 and chose the new system will retain their seniority in the old system.

4. Agreements between employees and employer and safeguard of each employee's interests:

- (1) The Employee-Employer Conference Committee was established in January 2007 to regularly hold employee-employer communication and coordination meetings, promote employee-employer cooperation, improve labor conditions and worker's living and working environment, and maintain mutual assistance and dependence between employees and the employer, and mutual benefit and harmony.
- (2) The Company's website has prepared the employee communication channels to establish a good communication bridge.
- (3) Formulate the "Regulations for Implementing Unpaid Parental Leave for Raising Children," to provide employees with more stable employment security.

5. Employees' code of conduct or ethics:

The Company has formulated the "Code of Ethical Conduct" to regulate the ethics of all the Company's employees. Please refer to the Company's website: www.co-tech.com. In addition, the Company has also formulated working rules and related guidelines to serve as standards for employees to follow. The main related measures are:

- (1) Internal organization and management guidelines.
- (2) Attendance management guidelines.
- (3) Performance evaluation and assessment management guidelines.
- (4) Promotion management guidelines.
- (5) Sexual harassment prevention measures and punishment guidelines.

The Company evaluates employees based above-mentioned management

guidelines. All rewards and punishments are announced and communicated to employees to comply with so that employees clearly understand the code of conduct. When employees have any conduct deserving reward or punishment, such will be handled pursuant to the aforesaid requirements.

6. Protective measures for working environment and personal safety of employees:
 - (1) Formulate the "Occupational Safety and Health Management Manual" to specify safety management matters for employees to follow.
 - (2) Occupational safety and health policy:
 - A Comply with occupational safety and health laws and regulations and related regulations.
 - B Protect the safety and health of all employees and all personnel entering the Company.
 - C Continuously improve the occupational safety and health management system and management performance.
 - D Prevent the occurrence of work-related injuries or unhealthy accidents.
 - E Actively promote consultation with workers and participate in safety and health-related issues.
 - (3) Formulate the "Code of Occupational Safety and Health Practice" in accordance with the Occupational Safety and Health Act, and establish an occupational safety and health committee and the Occupational Safety Office. Set up the "occupational safety and health management personnel" in workplaces to promote safety and health automatic inspection plans, supervise occupational safety and health management, occupational safety and health training, and safety and health patrols in various departments.
 - (4) Equipment safety:
 - A Carry out inspection, maintenance and services pursuant to the relevant regulations of occupational safety and health organization management and automatic inspection guidelines.
 - B Inspection methods are divided into regular inspections, key inspections, and operation inspections, which are jointly developed and implemented by the Occupational Safety Office and the user unit according to the plan.
 - (5) Environmental sanitation:
 - A Implement cafeteria sanitation inspections every month.
 - B Perform monthly cleaning inspections of bathrooms and toilets.
 - C Regularly implement the work environment measurement.
 - (6) Health care: General physical examinations are carried out for newly hired employees at the time of on-board; general health examinations are carried out regularly for in-service personnel; special health examinations are carried out for those who are engaged in special hazardous operations. Contracted medical personnel are appointed for labor health services in accordance with regulations.
 - (7) Fire-fighting safety: Set up a complete fire-fighting system in accordance with the Fire Services Act, including fire-fighting safety equipment, fire refuge facilities, among other things.
7. Operational Procedures for Handling Material Internal Information and Preventing

Insider Trading: all employees, managerial officers and directors have been notified of these established procedures.

(II) List any losses suffered by the company in the most recent years and up to the annual report publication date due to labor disputes, and disclosing an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken.

The Company always regards employees as valuable assets and values the future development of employees. Therefore, the employee-employer has always maintained a harmonious relationship, and the Company has not suffered any loss due to labor disputes.

VI. Cyber Security Management

(I) Specifying the cyber security risk management structure, cyber security policy, specific management plans and resources invested in cyber security management:

1. Cybersecurity risk management structure

- (1) The Company established the "Information Security Management Office" in September 2023, with one information security supervisor and one information security specialist responsible for the implementation of information security policy, promotion of information security information, improvement of employees' information security awareness, collection and improvement of the technical, product or procedure performance and effectiveness of the organization's information security management system, and reporting the implementation of information security to the management periodically.
- (2) The Audit Office conducts information security inspections on the internal control system every year to assess the effectiveness of the internal control for the information and communication operations of the Company and reports to the Board of Directors on a regular basis every year.

2. Cybersecurity policy

In order to ensure the confidentiality, integrity and security of information-related software and hardware, data, documents and personnel, the Company measures its business needs, while referring to the relevant laws and regulations, to formulate the Company's Information Security Policy.

- (1) Establish information security management specifications that meet the needs of the law and customers.
- (2) Achieving the consensus of information security responsibility among all employees through the awareness of all employees.
- (3) Protect the confidentiality, integrity and availability of the Company's and customers' information.
- (4) Provide a safe production environment and ensure the sustainable operation of the Company's business as the guiding principle.
- (5) The Company aims to establish a firewall, intrusion detection, anti-virus system and many internal control systems based on the three major information security protection objectives, namely anti-virus, anti-hacking, and anti-virus, in order to enhance the Company's ability to prevent external attacks and ensure the protection of internal confidential information.

3. Specific management plan for information security

- (1) Use network firewalls to control cyber threats.
- (2) E-mail security management sets up email auditing principles and set up black and white lists to prevent information security problems caused by emails.
- (3) Information security system (central control anti-virus system) has been set up to prevent computer viruses from invading the Company's computers and networks.
- (4) Set up identity verification and password principle control, access authorization, among other things, to manage data security.
- (5) Data backup for ensuring the security of backup data with remote backup.
- (6) Conduct information security concept promotion to employees every year to strengthen the Company's overall information security concept.
- (7) Review information security protection measures and review and correct information security loopholes every year.
- (8) Every year, the CPA team assists in information security audits to improve the implementation of information security inadequacies.
- (9) The Audit Office regularly reviews the Company's information security, and if the audit reveals deficiencies, the audited unit is requested to propose relevant improvement plans and follow up on the effectiveness of the improvements in order to reduce internal information security risks.

4. Resources invested in cyber security management

- (1) Human resources such as daily status check of each system, weekly backup and off-site storage of backup media, annual internal audit of information cycles, information system audits by accountants, etc.
- (2) Installation of network hardware equipment such as firewall, mail anti-virus, spam filtering, network management hubs, etc.
- (3) Installation of software systems such as endpoint protection system, backup management software, VPN and encryption software, etc.
- (4) Installation of telecommunication services such as multidrop line, cloud backup service, intrusion protection service, etc.
- (5) The cost of information security software and hardware in 2024 is estimated to be about NTD 3 million to NTD 4 million.

(II) Any losses suffered by the company in the most recent fiscal years and up to the annual report publication date due to significant cyber security incidents, and the possible impacts and countermeasures thereof. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided: None.

VII. Important contracts (the contracts still effective as of the publication date of the annual report and the one expired in the recent year)

Nature of contracts	Parties involved	Start and end dates	Main contents	Restrictive covenants
Engineering Contract	Ruiying Construction Co.,Ltd.	2021.09.09	New construction of Co-Tech Development's Plant 3 in Yunlin Technology-based Industrial Park	All information related to the contract that Party B is privy to regarding Party A is a trade secret of Party A or its affiliates. Party B shall take appropriate confidentiality measures in order to fulfill its duty of confidentiality to Party A. Party B shall not disclose Party A's business and trade secrets to any third party in any way. If Party B or its employees violate this confidentiality obligation and Party A suffers any property or non-property loss, Party B shall be liable and indemnify Party A for damages.

Five. Review of Financial Conditions, Financial Performance, and Risk Management

I. Financial Status

Unit: NT\$ thousand

Item \ Year	2024	2023	Difference		
			Amount	%	Description
Current Asset	4,533,237	3,880,398	652,839	16.82%	
Property, Plant and Equipment	4,120,717	3,892,005	228,712	5.88%	
Intangible Assets	1,715	1,687	28	1.66%	
Other Assets	124,786	132,505	-7,719	(5.83%)	
Total Assets	8,780,455	7,906,595	873,860	11.05%	1
Current Liabilities	2,221,418	1,867,809	353,609	18.93%	
Non-current liabilities	28,294	55,293	(26,999)	(48.83%)	
Total Liabilities	2,249,712	1,923,102	326,610	16.98%	2
Share Capital	2,525,880	2,525,880	0	0.00%	
Capital Surplus	1,560,897	1,560,897	0	0.00%	
Retained Earnings	2,452,065	1,904,934	547,131	28.72%	3
Other Equity	(8,099)	(8,218)	119	(1.45%)	
Total Equity	6,530,743	5,983,493	547,250	9.15%	
Explanation:					
1. Increase in assets: Mainly due to the increase in cash and accounts receivable.					
2. Increase in liabilities: Mainly due to increase in short-term borrowings.					
3. Increase in the retained earnings: mainly due to the increased net profit of 2024 from 2023.					
4. If the impact is material, the future countermeasures shall be stated: None.					

II. Financial Performance

(I) Analysis of Financial Performance

Unit: NT\$ thousand

Item \ Year	2024	2023	Increased (Decreased)	Rate of Variance (%)
Operating Revenue	6,821,558	6,169,504	652,054	10.57
Cost of Goods Sold	(5,467,514)	(5,285,720)	(181,794)	3.44
Gross Profit	1,354,044	883,784	470,260	53.21
Operating Expenses	(211,110)	(193,192)	(17,918)	9.27
Operating Income	1,142,934	690,592	452,342	65.50
Non-operating income (expenses)	5,678	(24,459)	30,137	123.21
Profit Before Income Tax	1,148,612	666,133	482,479	72.43
Analysis of changes: In 2024, with continued optimization of product mix, operating revenue, operating gross profit, operating net profit and net income before tax all increased from the same period of last year.				

(II) Sales Forecast and the Basis, and Possible Impact on the Company's Future Financial Status and the Contingency Plan

The expected sales volume is based on the Company's comprehensive assessment in accordance with its operating plan, general economy, market demand forecast, industry competition and business outlook of major customers. It is expected that the industry the Company is in will continue to grow steadily in the coming year. In addition, the Company will be committed to strengthening its operating health and accelerating the differentiation of technology and products. By rooting in Taiwan, the Company will continue to improve its manufacturing process, seeking to maintain the Company's stable growth.

III. Cash flow

(I) 2024 Cash Flow Analysis

Unit: NT\$ thousand

Beginning cash balance (1)	Net cash flow from operating activities (2)	Cash Outflow (3)	Cash surplus (Deficit) (1)+(2)+(3)	Leverage of Cash Deficit	
				Investment Plans	Financing Plans
1,553,707	912,473	-475,945	1,990,235	None	None
Explanation: The net cash outflow mainly were dividend distribution, factory construction and purchase of equipment.					

(II) Remedies for Illiquidity: No illiquidity.

(III) Analysis of Cash Flows in the Coming Year:

1. Cash inflow from operating activities: The Company expects customer demand to be stable, giving rise to cash inflow from normal production.
2. Cash outflow from investing activities: Mainly due to expansion and adjustment of production capacity, and expenditure incurred for new purchases of equipment and expansion of factory due to development of new production process.
3. Cash outflow from financing activities: Mainly due to repayment of loans and expenditure incurred for leasing right-of-use assets.
4. The Company's priority is to maintain stable cash flows. Based on the cash balance on the books and the cash flow of operating activities and investment activities, the Company measures the financial market conditions, and prudently plans and controls various cash expenditures such as related investments and operations.

IV. Impact of Major Capital Expenditure in the Past Year on the Financial and Business: None.

V. Long-term Investment Policy and Results

Re-investment policy in the past year, the main reason for its profit or loss, the improvement plan and investment plan in the next year:

Unit: NT\$ thousand December 31, 2024

The Company Invests	The Invested Company	Investment Amount	Policy	Current Profit and Loss (After Tax)	Improvement Plans	Other Future Investment Plans	Remarks
Co-Tech Development Corp.	Co-Tech Copper Foil (BVI) Inc.	US\$3,500 thousand	The third-jurisdiction holding company for the reinvestment in Mainland.	2,417	None	None	Subsidiary
Co-Tech Copper Foil (BVI) Inc.	Co-Tech Copper Foil Shanghai Trade Ltd	US\$2,000 thousand	Sales of copper foil	2,296	None	None	Sub-subsidiary

VI. Analysis of Risk Management

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

1. Interest rate changes and future countermeasures:

The Company's cash management policy is based on the principle of safe and stable operation. In addition to maintaining safe working capital, spare funds are mainly deposited in time deposits at banks. With the premises of improving the financial structure, enriching medium and long-term working capital and reducing the risk of interest rate changes, the Company not only regularly assesses the market liquidity and bank interest rates, and prudently determines the financing means to obtain more favorable interest rates, but also adjusts loan positions in foreign currencies timely, regularly assesses the market capital, timely assesses the interest rate risk that all interest-paying liabilities are exposed to, whilst strengthening the capital management, and regularly controls accounts receivable and accounts payable to reduce the impact of interest rate changes on the bottom line of the Company.

2. Exchange rate changes and future countermeasures:

- (1) The Financial Department maintains close contact with the foreign exchange departments of financial institutions, collects relevant information on exchange rate changes all the time, fully grasps the trends and changes of international exchange rates, and actively responds to the negative effects of exchange rate fluctuations, to grasp the trend of exchange rate changes, for serving as a reference of foreign exchange trading and settlement.
- (2) The main quotation currency of the company's accounts receivable and accounts payable arising from revenues and purchases is USD. By offsetting the assets and liabilities in foreign currencies, the exchange rate risk is reduced and the effect of natural hedging is achieved.
- (3) The Financial Department regularly makes internal assessment reports on the positions of foreign currency net assets (liabilities) to be hedged, which are reported to the management of the Company. To be consistent with the group's exchange rate hedging strategy, the aim is not to retain foreign exchange positions.
- (4) All derivative transactions engaged in are for the purpose of hedging, and the profits and losses arising from exchange rate changes roughly offset the profits and losses of the hedged items, so market risks have little effect on the Company's profits and losses.
- (5) For the net foreign currency positions (assets and/or liabilities) held by the Company, hedging strategies will be adopted based on the exchange rate trends at the time, and the spot foreign exchange, forward foreign exchange or other derivative products are applied timely for hedging. Meanwhile, in response to exchange rate fluctuations, these positions are adjusted timely after prudent evaluation to avoid exchange rate fluctuation risks. Since the Company does not engage in foreign exchange operations irrelevant to the business, and every operation is for hedging, exchange rate fluctuations have not brought any significant impact.

3. Inflation and future countermeasures:

The Company has no significant impact from inflations, and the Company's quotations to customers and suppliers are mostly floating with the market prices, so the impact on the company's profit and loss is limited.

The Company monitors market price fluctuations all time, adjusts product prices and material inventory timely, to reduce the impact of inflation on the Company, and signs purchase contracts with major raw material suppliers.

(II) The company's policy regarding high-risk investments, highly leveraged investments, loans to other parties, endorsements, guarantees, and derivatives transactions; the main reasons for the profits/losses generated thereby; and response measures to be taken in the future.

1. The high-risk investments, highly leveraged investments in the year: None.

2. Endorsement and guarantee in the year: None.

3. Loans to other parties: None.

4. Derivatives transactions in the year:

(1) Transaction policy: The Company's derivatives transactions are handled in accordance with the "Procedures for Handling Acquisition and Disposal of Assets." These derivatives transactions this year were mainly to avoid exchange rate change risks for these foreign currency denominated net assets. The profit and loss from this and the profit and loss of the hedging items will offset each other, so the market risk is low.

(2) The Company's derivatives transactions in 2024 are as follows:

Unit: NT\$ thousand

Trading Information				Type of Contract	Forward Contract
Non-trading purpose contracts	that do not meet the criteria for hedge accounting	Outstanding Position	Total amount of contract		27,957
			Fair value		1,367
			The amount of unrealized gain(loss) recognized this year		(4,555)
		Settled Position	Total amount of contract		2,039,333
			The amount of realized gain(loss) recognized this year		(5,862)

Note: In the financial statements, the disclosed "for trading" amount includes the "for trading" and "not for trading- non-conforming to the hedging accounting."

(3) Future countermeasures:

Derivative transactions shall aim to ensure the operating profit of the Company's operation, and avoid risks caused by fluctuations in exchange rates, interest rates or asset prices. All foreign exchange-related transactions are for the purpose of hedging risks, and transactions that are not related to hedging risks are not conducted at all. For the counterparties of transactions, the banks that have regular business relationships with the Company are selected to avoid credit risk.

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

In response to the future growth and customers' needs, the Company will continue to engage in the research and development of the fourth-generation RG series and HVLP4 to expand the market and enhance the Company's product diversification and differentiation.

1. Future R&D plans

(1) Short-term plans

- A In the application of the PCIe 6.0 platform, the development of RG series copper foil.
- B In response to the advent of the new 5G era and the growing demand for netcom equipment, the Company is actively positioning the HVLP grade and RG series copper foil development used by the 400 GHz Switch.
- C Development of advanced high-frequency copper foil for automotive advanced driver assistance systems (ADAS).
- D Demand growth of Any-Layer HDI substrate used in smart phones, watches and AR/VR impels the development of HDI used in second generation RT series copper foil.

(2) Long-term plan:

- A The development of AI server drives the growth of demand for high-end PCB and Netcom equipment. The Company is actively deploying OAM boards, UBB boards, CPU motherboards, and the fourth generation RG series and HVLP4 copper foil used by 800 GHz Switch.
- B 5G communication applied to the development of ultra-low signal loss and high-frequency copper foil with excellent passive intermodulation (PIM).

2. Estimated R&D expenses: The Company's R&D expenses accounted for approximately 1% of annual revenue in recent years. As the number of the Company's product development projects is gradually increasing, it is expected that the R&D expenses will remain at the same level or increase in the future to meet the Company's technology differentiation strategy and ensure its competitive advantage.

(IV) The impact of important domestic and overseas policy and regulation changes on the finance and business of the Company and countermeasures:

The business operation of the Company is undertaken in accordance with domestic and overseas regulations. The Company constantly pays close attention to domestic and overseas policy development and regulatory changes, collects relevant information for the decision making of the management, consults professionals to fully monitor and respond to changes in market environment, and adjusts the relevant business strategies on a timely basis.

As of the publication date of the annual report, the Company has not experienced any major policy or regulatory changes that influence the financial aspect of the Company.

(V) Effect on the company's financial operations of developments in science and technology (including cyber security risks) as well as industrial changes, and measures to be taken in response:

The downstream of the copper foil products produced by the Company are copper foil substrates and printed circuit boards. All electronic component designs must currently use copper foil, and there are no alternative products for the time being. However, the Company still monitors relevant technical changes and industry trends all the time, and evaluates the impact on the Company's future development and financial business, and takes necessary countermeasures.

With regards to information security, to ensure the confidentiality, integrity and security of information-related software, hardware, data, documents and personnel, the Company has formulated the information security policy to ensure the enforcement of a sound information security management mechanism, taking into account the Company's business needs and relevant laws and regulations.

Therefore, technological or industrial changes have not significantly impacted the Company's finance and business.

(VI) Effect on the company's crisis management of changes in the company's corporate image, and countermeasures:

The Company's business objectives are based on the principle of soundness and integrity. The Company pays attention to the maintenance of corporate reputation, seeking to attract more outstanding talents to serve the Company, and build the strength of the management team, so that the Company may return the business results to the shareholders and fulfill the corporate social responsibilities. Therefore, there is no situation that endangers the corporate image.

In the future, the Company will fulfill its corporate social responsibilities while pursuing the greatest interests for shareholders.

(VII) Expected benefits and possible risks associated with any merger and acquisitions, and countermeasures:

The selection of targets for investment and mergers and acquisitions is mainly based on these entities consistent with the Company's strategic development. Therefore, with a high degree of correlation among products, markets, channels, and customers, the Company may obtain effective controls over the investment benefits, organizational integration and financial risks.

As of the publication date, the Company had no mergers and acquisitions.

(VIII) Expected benefits and possible risks associated with any plant expansion and countermeasures:

Due to increasing production capacity needs of customers, in 2021, the Board of Directors approved an investment of NT\$4.05 billion by resolution to expand production capacity so as to cater to market growth. The source of funding shall come from working capital. The Company has sufficient working capital and therefore is not exposed to risk of insufficient capital.

(IX) Risks associated with any consolidation of sales or purchasing operations and countermeasures:

1. Risk of consolidating of purchasing and countermeasures:

(1) Risk of consolidating of purchasing

Currently, most of the main raw materials purchased are supplied by domestic and foreign traders and manufacturers. The Company has multiple purchase channels, and has established long-term and stable cooperative relations with raw material suppliers to ensure the Company's adequate supply of raw materials and the stability of quality. At present, for the main raw materials used by the Company and suppliers required to prepare sufficient inventory based on the order quantity, the Company also simultaneously develops and tests different raw materials sources to prevent the risks resulting from the concentration of purchases.

(2) Countermeasures for consolidating of purchasing

A Purchasing from multiple suppliers and diversify order quantity:

(A) Keep purchasing from four or more suppliers, and continue to develop new suppliers each year.

(B) Supplier diversification: Procurement is made with different suppliers as much as possible to ensure the supply of raw materials is secure and reduce the risk of centralized procurement.

B Signing a long-term purchase contract:

Due to the characteristics of the industry, it is difficult to find a stable and reasonable supplier of copper materials. Therefore, the Company has signed a half-year or one-year (basic + additional) purchase contract with a quality supplier to stabilize the supply source.

2. Risk of consolidating of sales and countermeasures:

The main target of copper foil sales is copper foil substrate and printed circuit board manufacturers. Printed circuit board customers are relatively scattered, and copper foil substrate customers are relatively concentrated. Sometimes the proportion of one single customer's revenue exceeds 10%, which is an industry characteristic. In addition to strictly controlling credit risks, the Company has developed new customers to diversify business

volume to reduce business concentration risks and avoid excessive reliance on one customer.

- (X) Effect upon and risk to the company in the event a major quantity of shares belonging to a director, supervisor, or shareholder holding greater than a 10 percent stake in the company has been transferred or has otherwise changed hands, and countermeasures: None.**
- (XI) Effect upon and risk to the company associated with any change in governance personnel or top management, and countermeasures: None.**
- (XII) Litigious and non-litigious matters. List major litigious, non-litigious or administrative disputes that involve the company and/or any company director, any company supervisor, the general manager, any person with actual responsibility for the firm, any major shareholder holding a stake of greater than 10 percent, and/or any company or companies controlled by the company, and have been concluded by means of a final and unappealable judgment, or are still under litigation. Where such a dispute could materially affect shareholders' equity or the prices of the company's securities: None.**
- (XIII) Other important risks and countermeasures:**

1. Risk management policy

In order to ensure the completeness of the Company's risk management system, the policy and guiding principles are specially formulated to implement the risk management check and balance mechanism and enhance the effectiveness of the division of specialty for risk management. The Company builds a business strategic and organizational culture that emphasizes risk management. From the perspective of the Company as a whole, through a series of activities such as the identification, measurement, monitoring, response and reporting of potential risks, it keeps the organization may sustain various risks that may be encountered during the operating activities within the scope through the qualitative and quantitative manners. An overall risk management system is established and jointly participated and implemented by the Board of Directors, managers and employees at all levels to reasonably ensure the achievement of the Company's strategic goals.

2. Risk management organizational structure and functions

- (1) Board of Directors: The Company's Board of Directors is the highest unit of the Company's risk management. It aims to comply with laws and regulations, promote and implement the Company's overall risk management, clearly understand the risks faced by the Company's operations, ensure the effectiveness of risk management, and be ultimately accountable for the risk management.
- (2) Audit Office: The Company's Audit Office is an independent department under the Board of Directors, with duties of internal control and internal audit. It is responsible for supervising and providing methods and procedures for ensuring that the Company conducts effective operational risk management.
- (3) Finance Department: Responsible for investment, financing and other

businesses, and responsible for the maintenance of the relationship between institutions and investors to reduce financial risks.

- (4) Marketing Center: It is responsible for the Company's product sales, and understands the future trends based on economic indicators and market information, formulates the Company's sales plans, makes appropriate scheduling and adjustments based on market conditions, and strengthens services to create a win-win situation for both customers and the Company.
- (5) Plant Affair Division: It is in charge of plant affairs and production management units, responsible for annual and monthly production planning, order delivery and production dispatch, inventory management, coordination of balance between production and sales, comprehensive management of plant affairs, cross-function coordination, employee performance appraisal and communication; these are all important functions of the Plant Affair Division.
- (6) Occupational Safety Office: It is responsible for occupational safety and health management, formulates safety and health policies and supervises implementation to ensure the safety and health of workers and reduce the risks and losses of occupational disasters.
- (7) Production Center: Production and yield management, target achievement and improvement, personnel production technology education and production operation management; it is responsible for the planning, execution and management of various work in the plants, promotion and execution of production technology improvement projects.
- (8) Public Plant: It is responsible for the formulation and implementation of various equipment maintenance plans for the production plant and other units, to ensure that the production equipment meeting the requirements of product production and the normal operation of production, and to supply public fluids, water resources recovery, and sewage treatment in the entire plant zone, as well as construction planning, equipment repair and planning, design, supervision and schedule management for construction improvement projects.
- (9) Project Division: Construction planning, equipment repair and planning, design, supervision and schedule management for construction improvement projects.
- (10) Quality Assurance Division: Reviewing product quality judgment results, reviewing and inspecting the shipment quality, planning and promoting the company-wide quality assurance system, making it comply with standards and customer requirements. It also maintains it effectively, implementing the replies from customer surveys on the quality system, tracking and managing the complaints from the customer for abnormality.
- (11) Technology Division: It is responsible for controlling and managing new product development evaluation, proposal, and trial production progress. Establish/revise the process conditions or parameters of the

production unit, to make the production operation meeting the quality and yield requirements of the product, and issue to the production unit for implementation; analyses of the trial production and effectiveness for new products or new process conditions, and analyses and review of the improvement of the project.

- (12) Procurement Department: It is responsible for procurement and outsourcing, and establishing a responding mechanism for raw material price changes and raw material supply shortages to reduce the risk of procurement business.
- (13) Information Security Management Office: Planning, monitoring and implementation of information security systems.

VII.Other Important Issues: None

Six. Special Disclosures

I. Summary of Affiliated Companies

(I) Affiliated business merger report

1. Organization chart of affiliated companies

December 31, 2024

Parent	100% Owned by Subsidiary	100% Owned by Sub-subsidiary
Co-Tech Development Corp.	Co-Tech Copper Foil (BVI) Inc.	Co-Tech Copper Foil Shanghai Trade Ltd

2. Basic information of affiliated companies

Unit: NT\$ thousand

December 31, 2024

Related Company	Date Established	Address	Paid-in Capital Amount	Main Business or Production Items
Co-Tech Copper Foil (BVI) Inc.	2002/6/24	Beaufort House, P. O. Box 438, Road Town, Tortola, British Virgin Islands	US\$3,500 thousand	Investment business
Co-Tech Copper Foil Shanghai Trade Ltd	2003/12/3	F16, Second Floor, No. 215, North Fute Road, China (Shanghai) Pilot Free Trade Zone	US\$200 thousand	Sales of copper foil

3. Information of the same shareholders who are presumed to have holdings and affiliation: None.

4. The industries covered by the business of the overall related company:

Main business:

- (1) International trade, entrepot trade, inter-enterprise trade and trade agency business.
- (2) Simple commercial processing and business consulting services.
- (3) Warehousing and distribution business focusing on copper products and after-sales service of related products.
- (4) Manufacturing and wholesaling of copper foil, glass and associated products, optical instruments and equipment and associated parts, photographic equipment and associated parts and accessories.
- (5) Commissioning agency, importing and exporting and other related supporting services.

5. Information on directors, supervisors and general managers of related companies

December 31, 2024

Enterprise Name	Position (Note 1)	Name or Representative	Number of Shares Held (Note 2) (Note 3)	
			Capital Contribution or Number of Shares	Percentage of Shareholdings
Co-Tech Copper Foil (BVI) Inc.	Director	Co-Tech Development Corp. Representative: Raymond Soong	US\$3,500 thousand 3,500 thousand shares	100%
Co-Tech Copper Foil Shanghai Trade Ltd	Director	Co-Tech Copper Foil (BVI) Inc. Representative: Lee Shih-Shen	US\$200 thousand	100%
	President	Lee Shih-Shen	-	0%

Note 1: If the affiliated company is a foreign company, an equivalent position is listed.

Note 2: If the invested company is a company limited by shares, please fill in the number of shares and shareholdings ratio; otherwise, please fill in the capital contribution amount and capital contribution ratio and indicate it.

Note 3: When the directors and supervisors are corporate entities, the relevant information of the representatives shall be additionally disclosed.

6. Overview of operations of each affiliated company

Unit: NT\$ thousand December 31, 2024

Enterprise Name	Capital	Assets	Liabilities	Equity	Revenue	Operating Income	Profit (loss)
Co-Tech Copper Foil (BVI) Inc.	113,683	6,956	0	6,956	0	0	2,417
Co-Tech Copper Foil Shanghai Trade Ltd	5,808	32,186	26,820	5,366	115,172	2,342	2,296

Note: If the related company is a foreign company, the relevant figures should be converted into New Taiwan dollars as of the reporting date.

(II) Consolidated financial statements of related companies

For the consolidated financial statements of the parent and subsidiary companies, please refer to the "Consolidated Financial Report and Accountant Audit Report of Co-Tech Development Corp. and its subsidiaries" in Appendix 1.

(III) Relationship report: None.

II. Private Placement of Company Shares: None

III. Other Supplementary Information: None

Seven. Other Significant Events Affecting Shareholders' Equity or Stock Price

In the most recent year and as of the printing date of the annual report, the occurrence of the matters that have a significant impact on shareholders' equity or securities prices as specified in Article 36 Paragraph 3, Item 2 of the Securities and Exchange Act: None.

