

Stock code : 1521

TA YIH INDUSTRIAL CO., LTD.

2024 ANNUAL REPORT

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Website for inquiry Annual Report :

Stock Exchange Public Information Observatory :

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

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6. Name of any exchanges where the company's securities are traded offshore : None

Method by which to access information on said offshore securities : None

7. Website of company : <http://www.tayih-ind.com.tw>

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1•The shareholders’ report

1-1.Business results for 2024 :

1-1-1.Business Result :

The all-year Net Operating Revenue of the Company in 2024 was NT\$3,696,220 thousand, decreased by NT\$1,120,784 thousand compared to that of 2023 at NT\$4,817,004 thousand; in addition, the Pre-tax Income in 2024 was NT\$82,900 thousand, increase by NT\$4,144 thousand compared to that of 2023 at NT\$78,756 thousand.

Comparison table of revenue and net profit after tax for the years 2024 and 2023:

Unit: NT\$ Thousands

Year	2024	2023	Increase/ Decrease by	Increase/ Decrease by %
Net Operating Revenue	3,696,220	4,817,004	(－) 1,120,784	(－) 23.27
Operating Income	42,603	198,486	(－) 155,883	(－) 78.54
Pre-tax Income	82,900	78,756	(＋) 4,144	(＋) 5.26
Net Income	87,428	42,410	(＋) 45,018	(＋) 106.15
EPS (NT\$/Share)	1.15	0.56	(＋) 0.59	(＋) 105.36

1-1-2.Budget implementation: no financial forecast was released for 2024.

1-1-3.Analysis of financial revenue and expenditure and profitability :

(1)Financial structure

Debt to assets ratio : 33.85%

Long-term capital accounted for real estate, plant and equipment ratio : 215.87%

(2)Profitability

Return on assets : 2.94%

Return on assets : 4.80%

Return on equity : 2.37%

Earnings per share : NT\$1.15

1-1-4.Status of research and development

(1)Research and development expenses for the past 2 years

In 2023, the expenses were NT\$172,268 thousands, which accounted for 3.58% of the net operating income.

In 2024, the expenses were NT\$159,896 thousands, which accounted for 4.33% of the net operating income.

(2)Projects in development stage :

With the rapid development of the automotive industry, enhanced intelligence, customization, and safety have become the core trend of innovation in lighting technology. This year's research and development plan encompasses a range of cutting-edge technologies, from static and dynamic ground projection lamps with multi-pattern to low-cost fog lights integrated with corner function, all dedicated to enhancing driving safety and brand identity. In the motorcycle sector, the development of AFS, adaptive front lights, multi light pattern modules, and high aspect ratio projection lens sets delivers more efficient road illumination to meet the diverse needs of road environments. Additionally, the miniaturized design of dual convex lens BIPES technology enhances light efficiency while reducing energy consumption, aligning with the growing trends toward EVs. For interior and commercial vehicle applications, this year's projects include the development of smart lighting emblem lamps, interior atmosphere lamp with IMD/IML technology, and air disinfection lamps designed specifically for public transportation. These innovations not only enhance the passenger experience but also reflect a stronger focus on health and environmental sustainability. Overall, through precision optical design, intelligent sensing, and modular development, this year's R&D efforts lay a new foundation for the next generation of automotive lighting technology, driving a

safer, smarter, and more futuristic mobility experience.

- (A) Pattern changeable static ground projection lamp system: The project aims to develop a static ground projection lamp capable of showing interchangeable projection patterns, designed for applications such as vehicle welcome lights, brand logos, or safety warnings. Using optical lenses and interchangeable slides, users can switch between various patterns, ranging from car manufacturer logos to custom images or road symbols. This technology enhances vehicle personalization and is suitable for use in parking lots at night, pedestrian zones, or specific warning scenarios, thereby improving the vehicle's identity and futuristic appeal.
- (B) Dynamic ground projection technology: This technology enables dynamic ground projection patterns that respond to vehicle's status or driving behavior, such as displaying directional arrows when turning or warning signs when reversing. It incorporates high-resolution LED projection modules combined with sensors and vehicle control systems for real-time adjustment. Especially suitable for premium vehicle models, Advanced Driver Assistance Systems (ADAS), and brand differentiation, it enhances interactivity, delivers a more futuristic driving experience, and improve nighttime driving safety.
- (C) A compact, low-cost front fog lamp with corner lamp functionality: This project focuses on designing a compact, low-cost fog light system that integrates corner function to enhance driving safety in low-visibility conditions. By optimizing the LED optical design and module structure, it achieves a wider illumination range, reduces component complexity, and lower production costs. Its modular architecture allows compatibility across various vehicle models, offering high performance and low power consumption, making it an attractive lighting solution for mid-range and budget vehicles.
- (D) Adaptive front light (AFS) with multi light pattern module for two-wheeled vehicles: This project focuses on developing AFS (adaptive front-lighting system) systems for motorcycles and other two-wheeled vehicles. The system automatically adjust the light pattern based on vehicle speed, steering angle, and road conditions, significantly enhancing nighttime riding safety. By integrating multi light pattern control with smart sensors and variable light emitting LED modules, it delivers optimal lighting angles. This technology is particularly suited for winding mountain roads and urban environments, where it can effectively enhance driving visibility while reducing glare for other road users.
- (E) Miniaturized dual convex lens BIPES (Bi-Projection Enhanced System): The BIPES(Bi-Projection Enhanced System) dual convex lens technology is specifically designed for motorcycle headlights, integrating both high beam and low beam functions into a single projection lens system. This design improves lighting efficiency and minimizes module size. Utilizing high-precision optics and streamlined optical engineering, the system reduces the numbers of LED chip, boost thermal performance, and lowers production costs. It delivers clearer high beams and uniform low beam pattern. Its compact structure makes it ideal for EVs and size-constrained lighting configurations, reducing weight and energy consumption while compromising lighting quality.
- (F) High aspect ratio projection lens set for two-wheeled vehicles: This project aims to develop a high aspect ratio projection lens set tailored for the motorcycle market, aligning with aerodynamic vehicle designs while enhancing lighting performance. The lens set adopts high-transmittance materials and aspheric optical technology to provide wide-angle illumination and uniform light distribution, improving rider visibility during nighttime travel. In addition to boosting lighting effectiveness, this technology helps reduce lamp thickness, creating a more modern and streamlined appearance suited for sporty and premium motorcycle models.
- (G) Emblem lamp edge light-emitting technology: This project focuses on developing illuminated emblem lamp that serve as brand identifiers, ensuring that vehicle logos remain clearly visible at night. The design incorporates multiple LEDs and advanced optical technologies, with key features including uniform light diffusion,

reflective optics, and low-power LED usage. These elements ensure consistent brightness without interfering with other lighting systems. This technology is particularly suitable for EVs and high-end models and can be paired with smart dimming technology to provide welcome light or dynamic display animation, enhancing both the vehicle's technological appeal and brand identity.

- (H) In-mold decoration (IMD/IML) technology for interior atmosphere lamps: This project explores the application of in-mold decoration (IMD) and in-mold lamination (IML) technologies in the development of interior atmosphere lamp. It aims to deliver lighting solutions that are both aesthetically refined and functionally advanced. IMD technology enables the creation of high-quality textures and customized patterns directly on the part surface. When combined with variable-color LEDs, the system supports multiple lighting scenarios. This solution is ideal for dashboards, door panels, and central consoles, enhancing the in-car experience and meeting the design expectations of premium vehicle models.
- (I) Air disinfection lamp for public transport (bus/rail/air): This project involves developing an integrated lighting system with air disinfection function tailored for public transportation. The system utilizes UVC LED or photocatalytic technology to effectively eliminate airborne bacteria and viruses, enhancing passenger health and safety. It is designed for installation in busses, subways, trains, and airplanes, and includes smart technology to automatically adjust disinfection mode based on environmental conditions. In the future, this technology may be integrated with vehicle HVAC (Heating, Ventilation, and Air Conditioning) systems, forming part of a smart public transportation solution that address growing post-pandemic demand for clean and healthy travel environments.

1-2. Overview of Business Plan of 2025:

1-2-1. Management Guidelines

- (1) Create customer demand, expand revenue, and achieve the company's maximum benefit.
- (2) Grasp on technical trends, and strengthening design and development.
- (3) Establishing a manufacturing site with low waste, automation, and a comprehensive contingency system.
- (4) Raising quality awareness, and building SOPs.
- (5) Perfecting talent incubation, and cultivating successor echelons.
- (6) Adhering to regulatory requirements, rigorously enforce security and disaster prevention measures, actively promote energy conservation and carbon reduction, and fulfill social responsibilities.

1-2-2. Expected Sales and Their Foundations:

- (1) Expected Sales: about 440~450 thousand automobiles are sold domestically.
- (2) Foundation: projected based on plans of automotive makers.

1-2-3. Important Production and Sales Policies

- (1) Securing domestic automobile orders and developing motorcycles and export markets in a progressive manner.
- (2) Adjusting inventory in a timely manner by grasping expenses of raw materials and logistics and changes in exchange rates.
- (3) Promote the integration and optimization of processes and equipment utilization to build a manufacturing environment capable of flexible adjustments in response to production load fluctuations, while establishing a zero-waste production management system.
- (4) Improving energy conservation, waste reduction, pollution prevention, etc., on an ongoing manner and ensuring that restricted substances hazardous to the environment are not used in the design and manufacturing process.

1-3. Future Development Strategies of the Company :

- 1-3-1. By staying ahead of trends and specifications in electric vehicle lighting, the Company engages in early-stage technology development to proactively create

customer demand.

1-3-2. By adopting emerging information technologies and implementing digital tools such as IoT, Industry 4.0 systems, AI, and ERP, the Company is driving digital transformation to enhance operational efficiency and strengthen information security.

1-3-3. The Company is committed to implementing effective resource and energy management mechanisms, promoting sustainable resource utilization, and embedding green and environmental protection concepts into product planning and manufacturing. Through these efforts, the Company actively pursues energy conservation, carbon reduction, and the fulfillment of its corporate social responsibility.

1-4. Effects by External Competition, Legal Circumstances and Overall Business Environment :

After reaching a peak in new car sales(477,000 units) in 2023 driven by fulfillment of backlogged vehicle orders from the pandemic period, the Taiwan automotive market stabilized in 2024, with a total annual sales volume of 457,000 units, marking a slight decrease compared to the previous year. However, international factors such as U.S.-China tensions, the Russia-Ukraine conflict, contributed to rising raw material costs, increased export freight rates, global inflation, and exchange rate fluctuations. The significant strain on the supply chain, coupled with intensified domestic competition and a shortage of skilled labor, has posed significant challenges and negatively impacted the operations of the automotive parts industry.

Prospecting the year 2025, Although the global economy and geopolitical landscape remain uncertain, the domestic market is expected to experience a shift in demand, spurred the last year of the government's vehicle replacement incentive program. Consequently, Taiwan's annual automobile sales volume is forecasted to remain between 440,000 to 450,000 units. In terms of export sales, the Company will continue to develop new customers in addition to contending for overseas orders from the Koito Group, meanwhile actively launching new technologies to domestic and foreign customers so as to gain more orders of lamps for new car models and their molds. Furthermore, the Company has taken various cost rationalization improvement to improve production efficiency and reduce production costs.

In the near future, the Company will implement an austere corporate governance, promote sustainable development, fulfill corporate social responsibility and invest in research and development consistently. In addition, with the corporate philosophy of sincerity and sustainable development, the Company, supported by all shareholders and all-out effort by our employees in solidarity, guarantees its stable growth and will create reasonable gains and values for shareholders, employees and the society. We sincerely expect the support, encouragement and feedbacks from all the shareholders, with adherence to the original intention.

We wish you, ladies and gentlemen, good health and the best of luck.

Chairman : Wu Chun-I

2•Corporate Governance Report

2-1.Information on the company's directors, president and vice president, deputy assistant general managers, and the supervisors of all the company's divisions.

2-1-1.Information of directors and supervisors

April 12, 2025

Title	Nationality or place of registration	Name	Gender/ Age	Elect Date	Term	First time When elected Date (Note 2)	Shares holding when elected		Current Number of shares held		Shares held by spouse and minor children currently		held under other's name		Major experience (education)	Holding a concurrent post The Company or the other company Position	For those who are the spouses of or are supervisors within the second degree of kinship.			Notes
							umber of shares	reholding ratio	umber of shares	reholding ratio	umber of shares	reholdin g ratio	Number of shares	reholding ratio			Title	Name	Relation	
Chairman	Republic of China	Representative: Wu Chun-I	Male/ 81-90	June 13,2023	3 years	June 15,1988	1,254,488	1.65%	1,254,488	1.65%	396,821	0.52%	0	0	Pei-men Senior Agricultural and Industrial Vocational School	Note 3	Director	Wu Ma Hui-Er	spouse	—
	Republic of China	Ding wan Investment Industrial Co., Ltd.		June 13,2023	3 years	June 12,2014	10,000	0.01%	10,000	0.01%	0	0	0	0	—	—	—	—	—	—
Vice chairman	Japan	Representative: Iwanabe Megumi	Male/ 51-60	June 13,2023	3 years	April 01,2004	0	0	0	0	0	0	0	0	VP of our Company Faculty of Engineering, Osaka Electro-Communication University, Japan	—	—	—	—	—
	Japan	Koito Manufacturing Co., Ltd.		June 13,2023	3 years	June 15,1988	24,774,750	32.50%	24,774,750	32.50%	0	0	0	0	—	—	—	—	—	—
Director	Japan	Representative: Yamamoto Kakuya	Male/ 51-60	June 13,2023	3 years	August 08, 2019	0	0	0	0	0	0	0	0	Department of Industrial Chemistry, Faculty of Engineering, Shizuoka University, Japan	Note 4	—	—	—	—
	Japan	Koito Manufacturing Co., Ltd.		June 13,2023	3 years	June 15,1988	24,774,750	32.50%	24,774,750	32.50%	0	0	0	0	—	—	—	—	—	—
Director	Japan	Representative: Konagaya Hideharu	Male/ 61-70	June 13,2023	3 years	June 12,2020	0	0	0	0	0	0	0	0	Faculty of Science and Engineering, Waseda University, Japan	Executive Vice President of Koito Manufacturing Co., Ltd.	—	—	—	—
	Japan	Koito Manufacturing Co., Ltd.		June 13,2023	3 years	June 15,1988	24,774,750	32.50%	24,774,750	32.50%	0	0	0	0	—	—	—	—	—	—
Director	Republic of China	Representative: Kreng Bor-Wen	Male/ 61-70	Jene 11,2024	(Note1)	Jene 14,2017	0	0	0	0	0	0	0	0	EMBA Professor of Department of Industrial and Information Management ,NCKU Ph.D., Purdue University, USA	Note 5	—	—	—	—
	Republic of China	Ding wan Investment Industrial Co., Ltd.		June 13,2023	3 years	June 12,2014	10,000	0.01%	10,000	0.01%	0	0	0	0	—	Chairman of Tayih Kenmos Auto Parts Co., Ltd	—	—	—	—
Director	Republic of China	Da Wei Investment Enterprise Co., Ltd.		Jene 11,2024	(Note1)	Jene 11,2024	20,797,622	27.28%	20,797,622	27.28%	0	0	0	0	—	Chairman of Tayih Kenmos Auto Parts Co., Ltd.	—	—	—	—
	Republic of China	Representative: Wu Ma Hui-Er	Female/ 81-90	Jene 11,2024	(Note1)	December 14,1976	396,821	0.52%	396,821	0.52%	1,254,488	1.65%	0	0	Supervisor of Ding Wan Investment Industrial Co.,Ltd.	Project Manager of Finance Department	Director	Wu Chun-I	spouse	
Independent director	Republic of China	Chang Jui-Hui	Female/ 51-60	December 23,2023	(Note2)	December 23,2023	0	0	0	0	0	0	0	0	Deputy Director of Finance and Accounting Department of Mitsui & Co.(Taiwan),Ltd. Graduate School of Commerce,WASEDA University	Chairman of Qifu Industrial Co.,Ltd Director of Chenwang Industrial Co., Ltd.	—	—	—	—

Title	Nationality or place of registration	Name	Gender/ Age	Elect Date	Term	First time When elected Date (Note 2)	Shares holding when elected		Current Number of shares held		Shares held by spouse and minor children currently		Held under other's name		Major experience (education)	Holding a concurrent post The Company or the other company Position	For those who are the spouses of or are supervisors within the second degree of kinship.			Notes
							umber of shares	areholding ratio	umber of shares	areholding ratio	umber of shares	areholding ratio	Number of shares	reholding ratio			Title	Name	Relation	
Independent director	Republic of China	Lo Bin-Hsien	Male / 71-80	December 23, 2023	(Note2)	December 23, 2023	0	0	0	0	0	0	0	0	Branch Director and Chief Secretary of the National Taxation Bureau of the Southern Area, Ministry of Finance PhD, School of Finance and Economics National Kaohsiung University of Science Technology	Assistant Professor, Department of Accounting and Information National Kaohsiung University of Science Technology	—	—	—	—
Independent director	Republic of China	Hsien Sung-Wen	Male/ 41-50	December 23, 2023	(Note2)	December 23, 2023	0	0	0	0	0	0	0	0	Master of The Department of Account and Information Technology, National Chung Cheng University Department of Accounting, Feng Chia University	Director of Jie Xiang Accounting Firm	—	—	—	—

Note 1: Term: 2024/6/11~2026/6/12.

Note 2: Term: 2023/12/23~2026/6/12. 、

Note 3: Chairman of Tayih Kenmos Auto Parts Co., Ltd. 、Director of TYC Brother Industrial Co., Ltd. Director. Chairman of Ta Yih Industrial Co., Ltd. Director of Mai Huang Enterprise Co., Ltd.

Note 4: Director of Hubei Koito Automotive Lamp Co., Ltd. Chairman of Fuzhou Koito automotive Lamp Co., Ltd. Director of Guangzhou Koito Automotive Lamp Co., Ltd. Vice Assistant of Manager, Koito Manufacturing Co., Ltd.

Note 5: Chairman of Taiwan Fasteners Integrated Service CO., LTD. Chairman of Jingfong Industry Co., Ltd. Independent Director of Fu Chun Shin Machinery Manufacture Co., Ltd. Director of Tayih Kenmos Auto Parts Co., Ltd. Director of Macauto Industrial Co., Ltd.. Director of Jingfong Investment Co., Ltd.

2-1-1-1. Major shareholders of institutional shareholders

April 12, 2025

Name of institutional shareholders	Major shareholders of institutional shareholders	Shareholding ratio
Ding wan Investment Industrial Co., Ltd.	Chen-wang Industrial Co., Ltd.	Shareholding more than 10%
	Wu, Jhen-Yi	
Da Wei Investment Enterprise Co., Ltd.	Ding wan Investment Industrial Co., Ltd.	Shareholding more than 10%
	Wu, Jhen-Yi	
Koito Manufacturing Co., Ltd.	Toyota Motor Corporation	Top 10 share holders
	Japan Master Trust Bank, Ltd. (trust account)	
	Custody Bank of Japan, Ltd.. (trust account)	
	Nippon Life Insurance Company	
	Sumitomo Mitsui Banking Corporation	
	Dai-ichi Life Insurance Co., Ltd.	
	Bank of Tokyo-Mitsubishi UFJ, Ltd.	
	CEP LUX-ORBIS SICAV	
	Sumitomo Life Insurance Company	
	JP MORGAN Securities Co., Ltd.	

2-1-1-2. Major shareholders of institutional shareholders

April 12, 2025

Name of the Institution	Major shareholder of Institutions (note 2)	Note
Chen-Wang Industrial Co.,Ltd.	Wu,Jhen-Yi	99.99%
Toyota Motor Corporation	Japan Trustee Services Bank, Ltd.	Top 10 shareholders
	Toyota Industries Corporation	
	Japan Master Trust Bank, Ltd.	
	Nippon Life Insurance Company	
	JP Morgan Morgan Chase Bank (Standing Attorney Mizuho Bank, Ltd. Settlement Sales Department)	
	DENSO CORPORATION	
	State Street Bank & Trust Company (Standing Attorney, Inc. Mizuho Bank, Settlement Sales Department)	
	Mitsui Sumitomo Insurance Co., Ltd	
	The Bank of New York Mellon as Depositary Bank for Depositary Receipt	
	Tokio Marine & Nichido Fire Insurance Co., Ltd.	
Japan Master Trust Bank, Ltd. (trust account)	Unable to provide due to local practice restrictions	—
Custody Bank of Japan, Ltd.. (trust account)	Unable to provide due to local practice restrictions	—
Nippon Life Insurance Company	Unable to provide due to local practice restrictions	—
Sumitomo Mitsui Banking Corporation	Stock companyMitsui Sumitomo Finance Co., Ltd.	100%
Dai-ichi Life Insurance Co., Ltd.	Unable to provide due to local practice restrictions	—
Bank of Tokyo-Mitsubishi UFJ, Ltd.	Mitsubishi UFJ Finance Corporation	100%
CEP LUX-ORBIS SICAV	Unable to provide due to local practice restrictions	—
Sumitomo Life Insurance Company	Unable to provide due to local practice restrictions	—
JP MORGAN Securities Co., Ltd.	Unable to provide due to local practice restrictions	—

2-1-1-3. Disclosure of Professional Qualifications of Directors and Independence of Independent Directors

Name Condition	Professional qualifications and experience	Independence Status	Number of other public companies in which director is acting as independent director
Ding wan Investment Industrial Co., Ltd. Representative: Wu Chun-I	Chairman Wu Chun-I has been the Chairman of the Company for more than 40 years and has extensive experience in the business and currently the Chairman of Tayih Kenmos Auto Parts Co., Ltd. and Director of T.Y.C. Brother Ind. Co., Ltd.	①Comcurrently the chairman of the Company's affiliate (100% subsidiary). ②Chairman Wu and his spouse are natural person shareholders who rank among the top ten in shareholdings. ③A first-degree relative of the chairman of Dawei Investment Enterprise Co., Ltd., a corporate shareholder holding more than 5% of the issued shares of this company. ④Chairman Wu is also the chairman of affiliate, Tayih Kenmos Auto Parts Co., Ltd.. ⑤Except for the above circumstances, Conformity to the independence specified of the 'Regulations Governing the Appointment of Independent Directors and Compliance Matters for Public Companies'.	0
Koito Manufacturing Co., Ltd. Representative: Iwanabe Megumi	Vice chairman of Iwanabe Megumi graduated from the Faculty of Engineering, Osaka Electro-Communication University, Japan . He was previously Manager of Manufacturing of Koito Manufacturing Co., Ltd. He has over five years of relevant work experience.	①Koito Manufacturing Co., Ltd. is the first majority shareholderhold which holds five percent of total number of issued shares of the company. ②Iwanabe Megumi is elected as director in the Designated Representative of Koito Manufacturing Co., Ltd. ③Except for the above circumstances, Conformity to the independence specified of the 'Regulations Governing the Appointment of Independent Directors and Compliance Matters for Public Companies'.	0
Koito Manufacturing Co., Ltd. Representative: Konagaya Hideharu	Director of Konagaya Hideharu graduated from the Faculty of Science and Engineering, Waseda University, Japan. Currently the Executive Vice President of Koito Manufacturing Co., Ltd. He has over five years of relevant work experience.	①Koito Manufacturing Co., Ltd. is the first majority shareholderhold which holds five percent of total number of issued shares of the company. ②Konagaya Hideharu is elected as director in the Designated Representative of Koito Manufacturing Co., Ltd. ③Except for the above circumstances, Conformity to the independence specified of the 'Regulations Governing the Appointment of Independent Directors and Compliance Matters for Public Companies'.	0
Koito Manufacturing Co., Ltd. Representative: Yamamoto Kakuya	Director of Yamamoto Kakuya graduated from the Department of Industrial Chemistry, Faculty of Engineering, Shizuoka University, Japan. Currently Deputy Manager of the International Headquarters of Koito Manufacturing Co., Ltd. The Chairman of Fuzhou Koito Automotive Lamp Co.,Ltd. He has over five years of relevant work experience.	①Koito Manufacturing Co., Ltd. is the first majority shareholderhold which holds five percent of total number of issued shares of the company. ②Yamamoto Kakuya is elected as director in the Designated Representative of Koito Manufacturing Co., Ltd. ③Director Yamamoto is the Chairman of Fuzhou Koito Automotive Lamp Co., Ltd. The company is a wholly owned subsidiary of Koito. ④Except for the above circumstances, Conformity to the independence specified of the 'Regulations Governing the Appointment of Independent Directors and Compliance Matters for Public Companies'.	0

Condition Name	Professional qualifications and experience	Independence Status	Number of other public companies in which director is acting as independent director
Ding wan Investment Industrial Co., Ltd. Representative: Kreng Bor-Wen	Director of Kreng Bor-Wen holds a PhD in industrial engineering from Purdue University ,USA. A retired professor from Department of Industrial and Information Management ,NCKU. He has over five years of relevant work experience.	①He is the Director of affiliate, Tayih Kenmos Auto Parts Co., Ltd.. ②He serves as a consultant for the company, providing advice on relevant business operations. ③Except for the above circumstances, Conformity to the independence specified of the 'Regulations Governing the Appointment of Independent Directors and Compliance Matters for Public Companies.	1
Da Wei Investment Enterprise Co., Ltd. Representative: Wu Ma Hui-Er	Director of Wu Ma Hui-Er graduated from senior business school. She is the Project Manager of Finance Department in the company. She has over five years of relevant work experience.	①She and her spouse are natural person shareholders who rank among the top ten in shareholdings. ②A first-degree relative of the chairman of Dawei Investment Enterprise Co., Ltd., a corporate shareholder holding more than 5% of the issued shares of this company. ③Her spouse is also the chairman of the Company's affiliate (100% subsidiary) and affiliate, Tayih Kenmos Auto Parts Co., Ltd.. ④Except for the above circumstances, Conformity to the independence specified of the 'Regulations Governing the Appointment of Independent Directors and Compliance Matters for Public Companies.	0
Chang Jui-Hui	Independent Director of Chang Jui Hui graduated from the Graduate School of Commerce,WASEDA University. She was previously Deputy Director of Finance and Accounting Department of Mitsui & Co.(Taiwan),Ltd. Currently Chairman of Qifu Industrial Co.,Ltd. She has over five years of relevant work experience.	The three independent directors listed on the left are in compliance with the qualification requirements stipulated in the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" and Article 14-2 of the Securities and Exchange Act promulgated by the Financial Supervisory Commission during the two years before their election and during their tenure. In addition, independent directors have been given the power to fully participate in decision-making and express opinions in accordance with Article 14-3 of the Securities and Exchange Act to perform relevant functions and powers accordingly.	0
Lo Bin-Hsien	Independent Director of Lo Bin-Hsien graduated from the PhD,School of Finance and Economics National Kaohsiung University of Science Technology . He was previously Branch Director and Chief Secretary of the National Taxation Bureau of the Southern Area, Ministry of Finance. Currently Assistant Professor,Department of Accounting and Information National Kaohsiung University of Science Technology. Qualified as a Public or Private Junior College, College or University. He has over five years of relevant work experience.		0

Condition Name	Professional qualifications and experience	Independence Status	Number of other public companies in which director is acting as independent director
Hsien Sung-Wen	Independent Director of Hsien Sung-Wen graduated from the Master of The Department of Account and Information Technology, National Chung Cheng University. He was previously Deputy Manager of the Audit Department of Gen Zhong United Accounting Firm. Currently Director of Jie Xiang Accounting Firm. Qualified CPA and certificate in professional and technical personnel. He has over five years of relevant work experience.		0

Note: None of the above board members falls under any of the conditions defined in Article 30 of the Company Act.

2-1-1-4. Diversity and Independence of Directors

1. Diversity of Directors

Based on the diversification policy and strengthening corporate governance, the company promotes the development of the composition and structure of the board of directors. To measure professional background, integrity or relevant professional qualifications, etc., after the resolution of the board of directors is passed, it will be sent to the shareholders' meeting for election. The composition of the board of directors shall not exceed one-third of the number of directors, except for directors who also serve as managers of the Company, and shall formulate appropriate diversification policies according to their own operation, operation type and development needs, including but not limited to the following:

(1) Basic conditions and values: gender, age, nationality and culture.

(2) Professional knowledge and skills: operational judgment, operational management, industry knowledge, international market outlook, accounting and financial analysis, and financial law.

The nomination and election of the Board of Directors of the Company complies with Articles of Incorporation, Company Act and Election regulations for Directors which based directors' qualifications and under none circumstance of Article 30 of the Company Act. To implement diversity policy, and strengthen corporate governance and structure of the board of directors, the current board of directors of the company consists of nine directors aged between 41 and 90. Two female director accounts for 22.2%, four directors who specialize in accounting and finance account for 44.4%, and three independent directors' incumbency are less than one session.

The specific management objectives and achievement of the board diversity policy are as follows:

Management Objectives	Status
Directors are in different ages.	Achieved: Directors are aged between 41 and 90.
At least one different gender director.	Achieved: Two female director
At least one different nation director of different nationality.	Achieved: Three Japanese directors.
At least one director specializes in accounting and finance.	Achieved: Four directors specialize in accounting and finance.
The time in office and incumbency of independent directors has not exceeded 3 terms	Achieved: Three independent directors' incumbency are less than one term.

At the time of the full re-election of the board of directors in 2026, the company's board will select directors not only based on the candidates' professional knowledge and skills but also with the goal of ensuring that at least one-third of the board seats are held by directors of any one gender, thereby enhancing gender diversity within the board.

The implementation of the Board Diversity Policy is as follows:

Core of Diversity		Basic Information									Professional Knowledge and Skills							
		Nationality	Gender	Has Employee Status	Age					Years as independent director (under 3 sessions)	Operation Judgment	Accounting and financial analysis	Management	Crisis handling	Industry knowledge	International market view	Leadership capability	Decision-making ability
41-50	51-60				61-70	71-80	81-90											
Job Title	Name																	
Director	Wu Chun-Yi	R.O.C.	Male						V		V		V	V	V	V	V	V
	Iwanabe Megumi	Japan	Male			V					V		V	V	V	V	V	V
	Konagaya Hideharu	Japan	Male				V				V	V	V	V	V	V	V	V
	Yamamoto Kakuya	Japan	Male			V					V		V	V	V	V	V	V
	Kreng Bor-Wen	R.O.C.	Male				V				V		V	V	V	V	V	V
	Wu Ma Hui-Er	R.O.C.	Female	V						V			V					
Independent Director	Chang Jui Hui	R.O.C.	Female			V				V	V	V	V	V		V	V	V
	Lo Bin-Hsien	R.O.C.	Male					V		V	V	V	V	V		V	V	V
	Hsien Sung-Wen	R.O.C.	Male		V					V	V	V		V		V	V	V

2. Independence of the Board of Directors

The company has 3 independent directors, accounting for 33.3% of the total board members. Before and after assuming their positions, these independent directors all meet the qualification requirements set forth by the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies."

The directors of the company do not have circumstances as stipulated in Article 26-3, Paragraphs 3 of the Securities Exchange Act. More than half of a company's directors and they are not related to each other within a spouse or second degree, ensuring the independence of the board of directors.

2-1-2. Information on the company's president, vice presidents, assistant general managers, and the managers of all the company's divisions and branches

April 12, 2025

Job title	Nationality	Name	Gender	Elect Date	Holding shares		Shares held by spouse and minor children		Shares held under other nominees		Major work experience (educational background)	Holding a concurrent post in other companies	For those who are the spouses of or are managers within the second degree of kinship.			Note
					Number of shares	shareholding ratio	Number of shares	shareholding ratio	Number of shares	shareholding ratio			Title	Name	Relation	
President	Republic of China	Jyh Chin-Juang	Male	2023.11.14	0	0	0	0	0	0	President of the company Master of Chemistry, Chung Yuan Christian University	Director of Tayih Kenmos Auto Parts (Thailand) Co., Ltd. Director of Ningbo Kenmos Technology Ltd.(legal representative) Director of Tayih Auto Parts (USA) LLC (legal representative)	—	—	—	—
Vice President	Japan	Yamamoto Hidetsugu	Male	2016.04.01	0	0	0	0	0	0	Vice President of the company Master of Mechanical Engineering, Meiji University, Japan.	None	—	—	—	—
Senior Assistant Manager	Republic of China	Chen Jin-Wen	Male	2024.01.16	0	0	0	0	0	0	Assistant Manager of the Company's Sales Department Master of Power Mechanical Engineering, Tsinghua University	None	—	—	—	—
Assistant Manager	Republic of China	Cheng Ching Hsiang	Female	2024.01.16	0	0	0	0	0	0	Assistant Manager of the Company's Finance Department Evergreen University Accounting Department	Director of Tayih Kenmos Auto Parts (Thailand) Co., Ltd Supervisor of Ding wan Investment Industrial Co., Ltd.	—	—	—	—
Assistant Manager	Republic of China	Wang Zhi-Cheng	Male	2024.01.16	0	0	0	0	0	0	Assistant Manager of the Company's Production Headquarters Department of Electrical Engineering, Southern Taiwan University of Science and Technology	None	—	—	—	—

Note: Associate General Manager Chen Yao-Bao was reassigned as Special Assistant to the General Manager on April 1, 2025.

2-2. Remuneration paid during the most recent fiscal year to directors, president, and vice presidents :

2-2-1. Remuneration of directors(including the independent directors)

December 31, 2024 Unit : NT\$ thousands

Title	Name	Remuneration of directors								The ratio of the summation of A, B, C and D to the net profit after tax.		Part-time employees receive relevant remuneration								The ratio of the summation of A, B, C ,D, E, F andG to the net profit after tax		Whether a remuneration is received from a subsidiary company
		Remuneration (A)		Resignation Pensions (B)		Remuneration of directors (C)		Business execution expenses (D)				Compensation and bonuses payable and special allowances (E)		Resignation Pensions (F)		Employee compensation (G)						
		The Company	All companies in the financial report	The Company	All companies in the financial report	The Company	All companies in the financial report	The Company	All companies in the financial report	The Company	All companies in the financial report	The Company	All companies in the financial report	The Company	All companies in the financial report	The Company		All companies in the financial report				
																Cash amount	Amount of shares	Cash amount	Amount of shares			
Chairman Director	Representative: Wu Chun-I	0	0	0	0	0	0	0	0	0	0	6,861	6,861	16	16	0	0	0	0	6,877 7.87%	6,877 7.87%	None
	Representative: Kreng Bor-Wen (note1)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	None
	Ding wan Investment Industrial Co., Ltd.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	None
Vice chairman Director Director	Representative: Iwanabe Megumi	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	None
	Representative: Yamamoto Kakuya	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	None
	Representative: Konagaya Hideharu	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	None
	Koito Manufacturing Co., Ltd.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	None
Director	Da Wei Investment Enterprise Co., Ltd. (note1)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	None
	Representative: Wu Ma Hui-Er (note2)	0	0	0	0	0	0	0	0	0	0	1,900	1,900	17	17	0	0	0	0	1,917 2.19%	1,917 2.19%	None
Independent director	Chang Jui-Hui	500	0	0	0	0	0	200	200	700 0.80%	700 0.80%	0	0	0	0	0	0	0	0	700 0.80%	700 0.80%	None
Independent director	Lo Bin-Hsien	500	0	0	0	0	0	200	200	700 0.80%	700 0.80%	0	0	0	0	0	0	0	0	700 0.80%	700 0.80%	None
Independent director	Hsien Sung-Wen	500	0	0	0	0	0	200	200	700 0.80%	700 0.80%	0	0	0	0	0	0	0	0	700 0.80%	700 0.80%	None

1. Please state the policy, system, standards and structure of independent directors' remuneration, and describe the relevance to the amount of remuneration according to the responsibilities, risks and time invested : The remuneration of independent directors of the company is fixed by the board of directors' meeting. Independent directors do not participate in the distribution of remuneration when the company makes profits.
2. Other than disclosure in the above table, Directors remunerations earned by providing services (e.g. providing consulting services as a non-employee) to the Company in the most recent fiscal year : Director Kreng Bor-Wen serves as a consultant to the company and receives a remuneration of NT\$300,000.

Note 1: 2024.6.11 newly-elected at the shareholders' meeting.

Note 2: 2024.6.11 representative appointed by Da Wei Investment Enterprise Co., Ltd.

2-2-2.Remuneration of President and Vice president :

December 31, 2024 Unit : NT\$ thousands

Title	Name	Salary (A)		Retirement allowance (B)		Bonuses and special allowances (C)		Employee compensation (D)				The ratio of the summation of A, B, and D to the net profit after tax.		Is there any remuneration from other invested businesses apart from subsidiaries
		The Company	All companies in the financial report	The Company	All companies in the financial report	The Company	All companies in the financial report	The Company	All companies in the financial report (Note 5)	Amount of shares	Cash amount	The Company	All companies in the financial report	
President	Jyh Chin-Juang	2,651	2,651	108	108	1,151	1,151	0	0	0	0	3,910 4.47%	3,910 4.47%	None
Vice president	Hidetsugu Yamamoto	0	0	0	0	0	0	0	0	0	0	0 0%	0 0%	None

2-2-3.Disclosure of the remuneration of the top five executives individually :

December 31, 2024 Unit : NT\$ thousands

Title	Name	Salary (A)		Retirement allowance (B)		Bonuses and special allowances (C)		Employee compensation (D)				The ratio of the summation of A, B, and D to the net profit after tax.		Is there any remuneration from other invested businesses apart from subsidiaries
		The Company	All companies in the financial report	The Company	All companies in the financial report	The Company	All companies in the financial report	The Company		All companies in the financial report (Note 5)		The Company	All companies in the financial report	
								Cash amount	Amount of shares	Cash amount	Amount of shares			
President	Jyh Chin-Juang	2,651	2,651	108	108	1,151	1,151	0	0	0	0	3,910 4.47%	3,910 4.47%	None
Assistant Manager	Cheng Ching Hsiang	1,810	1,810	104	104	720	720	0	0	0	0	2,634 3.01%	2,634 3.01%	None
Assistant Manager	Chen Yao-Bao	1,739	1,739	105	105	457	457	0	0	0	0	2,301 2.63%	2,301 2.63%	None
Assistant Manager	Chen Jin-Wen	1,629	1,629	66	66	483	483	0	0	0	0	2,178 2.49%	2,178 2.49%	None
Assistant Manager	Wang Zhi-Cheng	1,303	1,303	70	70	420	420	0	0	0	0	1,793 2.05%	1,793 2.05%	None

Note: Associate General Manager Chen Yao-Bao was reassigned as Special Assistant to the General Manager on April 1, 2025.

2-2-4. The 2024 employee profit sharing granted to the management team.

December 31, 2024 NT\$ thousands

Title	Name	Stock dividends Amount	Cash: dividends Amount	Total	Proportion of total amount to net profits after tax (%)
President	Jyh Chin-Juang	0	0	0	0.00%
Vice president	Hidetsugu Yamamoto				
Assistant Manager	Chen Chin-Wen				
Assistant Manager	Cheng Ching Hsiang				
Assistant Manager	Chen Yao-Bao				
Assistant Manager	Wang Zhi-Cheng				

Note: Associate General Manager Chen Yao-Bao was reassigned as Special Assistant to the General Manager on April 1, 2025.

2-2-5. Separately compare and describe total remuneration, as a percentage of net income stated in the parent company only financial reports or individual financial reports, as paid by this company and by each other company included in the consolidated financial statements during the past 2 fiscal years to directors, supervisors, general managers, and assistant general managers, and analyze and describe remuneration policies, standards, and packages, the procedure for determining remuneration, and its linkage to operating performance and future risk exposure :

NT\$ thousands ; %

Year of occurrence	Item	The Company	Consolidated report	Comparative analysis and explanation
2023	Remuneration - Director	7,634	7,634	In 2024, the remuneration of the directors, President and Vice president accounted for 16.93% of the net income after taxes, which is reduce than the 24.15% in the previous year 2023. The main reason for Net income after tax Increased d by 106% in 2024.
	President and Vice president	2,607	2,607	
	Total	10,241	10,241	
	Proportion of total remuneration to net profit after tax	24.15	24.15	
2024	Remuneration - Director	10,894	10,894	
	President and Vice president	3,910	3,910	
	Total	14,804	14,804	
	Proportion of total remuneration to net profit after tax	16.93	16.93	
ifferences		decrease 7.22%	decrease 7.22%	

The remuneration of the company's directors is authorized by the board of directors in accordance with the provisions of Article 26 of the Articles of Association, based on their level of involvement and contribution to the Company's operations, considering industry norms., The directors of the Company are paid for the execution of the company's business. The amount depends on the value of the company's participation in the operation and the value of the contribution.

The remuneration of the company's directors is authorized by the board of directors in accordance with the provisions of Article 30-1 of the Articles of Association:The Company's annual net profit before deducting employee and director remuneration shall be distributed up to 2% shall be allocated for director remuneration.However, if there are accumulated losses, the amount of loses compensation shall be reserved distribution according to the aforementioned the proportion.

As for the independent directors, the directors' meeting will set a fixed remuneration, and will not participate in the company's profit distribution.

The remuneration of the company's managers shall be handled in accordance with Article 27 of the Articles of Association. The standard of manager's remuneration payment depends on the performance of the individual's performance and the contribution to the overall operation of the company, taking into account the market rate. The procedures for paying salary, besides considering the overall operational performance, future industry business risks and development trends, the individual participation and the contribution of the individual performance and contribution to company performance, will be given reasonable compensation. Relevant performance

appraisal and reasonableness of remuneration are reviewed by the Remuneration Committee and the Board of Directors, and the remuneration system is reviewed at times, depending on the actual operating conditions and relevant laws and regulations, in order to balance the company's sustainable management and risk control.

In 2024, the Company only provided attendance fees and remuneration to independent directors for their participation in board meetings. There is no distribution of remuneration for the directors and managers' employee remuneration.

2-3. The state of the company's implementation of corporate governance :

2-3-1. The operation of Board of Directors :

2-3-1-1. There are 11 board of directors' meeting(A) held in 2023 The attendance of the directors and supervisors is as follows :

Title	Name	Actual attendance B	By proxy Actual attendance	Actual Rate of Attendance B/A	Note
Chairman	Wu Chun-I (Representative of Ding wan Investment Industrial Co., Ltd)	5	3	62.5%	
Vice chairman	Iwanabe Megumi (Representative of Koito Manufacturing Co., Ltd.)	8	0	100%	
Director	Konagaya Hideharu (Representative of Koito Manufacturing Co., Ltd.)	7	0	87.5%	
Director	Yamamoto Kakuya (Representative of Koito Manufacturing Co., Ltd.)	6	2	75%	
Director	Kreng Bor-Wen (Representative of Ding wan Investment Industrial Co., Ltd.)	4	0	100%	2024.06.11 re-elected 4 meetings were held during the period.
Director	Wu Ma Hui-Er (Representative of Da Wei Investment Enterprise Co., Ltd.)	1	2	25%	2024.6.11 appointed 4 meetings were held during the period.
Independent director	Chang Jui-Hui	8	0	100%	
Independent director	Lo Bin-Hsien	8	0	100%	
Independent director	Hsien Sung-Wen	8	0	100%	

2-3-1-2. Other noteworthy matters :

1. If the board of directors operates under any of the following circumstances, it shall state the date, period, content of the proposal, the opinions of all independent directors and the company's handling of the opinions of independent directors :

(1) Matters specified in Article 14-3 of the Securities and Exchange Act: The company has established an audit committee; therefore Article 14-3 does not apply. For explanations regarding matters specified in Article 14-5 of the Securities and Exchange Act, please refer to the "Operation of the Audit Committee" section".

(2) Other than the preceding matters, written record of the objection or retained opinion of the independent directors : No such situation.

2. When the directors evade due to conflict of interests, the directors shall state the name of the directors, the content of the proposal, the reasons for the avoidance of interests and the participation in the voting, as shown in the following table.

If the motion concerns the interest of any directors present during the meeting of the board, the master of ceremony will once again remind the involved parties to evade the meeting (the directors, independent directors, managers and other attendees and those present) before the motion is read out.

Board of Directors Date and session	Content of Motion	Name of directors	Reason for avoidance	Participation in voting
January 16, 2024 (17th Session, 8th Time)	Plans to appoint a lawyer to handle litigation between the company and shareholder Koito Manufacturing Co., Ltd.	Iwanabe Megumi Konagaya Hideharu Yamamoto Kakuya	The content of the motion involves of The Director Koito's conflicts of interest. The three directors are representatives of Koito.	Three individuals abstained from the discussion and voting, and they did not act as proxies for other directors to exercise voting rights. This case was approved after the chairman consulted and all other directors present except for the withdrawal had no objections..
	Discussion on the directors' and managers' FY2023 year-end bonuses and FY2024-year salaries.	Wu Chun-I,	The content of the motion involves the annual salary of the chairman Wu Chun-I.	Chairman individuals abstained from the discussion and voting, and he did not act as proxies for other directors to exercise voting rights. This case was approved after the chairman consulted and all other directors present except for the withdrawal had no objections.
March 8, 2024 (17th Session, 9th Time)	Plan to adjust the remuneration of the company's independent directors	Chang Jui-Hui Lo Bin Hsien Hsien Sung-Wen	The content of the motion involves the self-interests of 3 people	Three individuals abstained from the discussion and voting, and they did not act as proxies for other directors to exercise voting rights. This case was approved after the chairman consulted and all other directors present except for the withdrawal had no objections.
	Donation to the related party.	Wu Chun-I	The content of the motion involves the annual salary of the chairman Wu Chun-I.	Chairman individuals abstained from the discussion and voting, and he did not act as proxies for other directors to exercise voting rights. This case was approved after the chairman consulted and all other directors present except for the withdrawal had no objections.
July 18, 2024 (17th Session, 13th Time)	The company's subsidiary plans to dispose of shares of Fuzhou Koito Ta Yih Automotive Lamp Co., Ltd.	Iwanabe Megumi Konagaya Hideharu Yamamoto Kakuya Wu Chun-I Wu Ma Hui-Er	The content of the motion involves of The Director Koito's conflicts and of interest. The three directors are representatives of Koito Chairman Wu Chun-I is the person in charge of Ta Yih Investment and is the spouse of Director Wu Ma Hui-Er.	Vice Chairman individuals abstained from the discussion and voting, and he did not act as proxies for other directors to exercise voting rights. The remaining four persons were present by proxy and did not exercise their right to vote. This case was approved after the chairman consulted and all other directors present except for the withdrawal had no objections.
November 24, 2024 (17th Session, 15th Time)	Appointment of members of the Committee for Sustainable Development	Chang Jui-Hui Lo Bin Hsien Hsien Sung-Wen	The proposal involves the personal interests of three individuals.	Three individuals abstained from the discussion and voting, and they did not act as proxies for other directors to exercise voting rights. The chairman consulted with all attending directors, excluding those directors who were required to abstain according to regulations, and there were no objections from the remaining directors present. Therefore, the motion was passed.

3. the board of directors and self-evaluation or peer evaluation for board members and committee :

The Company passed the performance evaluation method for the board of directors in the board of directors' meeting on November 12, 2020. In the first quarter of the

year, the Company handled the self-evaluation or peer evaluation for board members and committee. The 2024 results were reported on the board of directors' meeting on March 06, 2025. The Evaluation results are as follows :

Item	Description			
Evaluation cycle	Once every year			
Evaluation period	From January 1, 2024 to the end of December 31 (A part of directors were from their induction to the end of December 31)			
Evaluation scope	Board members	Board of director and Board members	Functional Committee	
Evaluation method	valuation for the overall board members	Evaluation of deliberative units	self-assessment for the overall Audit Committee members	self-assessment for the overall Remuneration Committee members
Evaluation content	1.Understanding of company's goals and tasks 2.Awareness of directors' duties 3.Participation in the company's operations 4.Internal relationship management and communication 5.Expertise of the board directors and continuing education 6.Internal control	1.Participation in the company's operations 2.Quality of the board's decision-making 3.Composition and structure of the board 4.Election of the board directors and continuing education 5.Internal control	1. Participation in the company's operations 2. Cognition of the responsibilities of the functional committee 3. Improve the decision-making quality of functional committees 4. Composition of functional committees and selection of members 5. Internal Control	1. Participation in the company's operations 2. Cognition of the responsibilities of the functional committee 3. Improve the decision-making quality of functional committees 4. Composition of functional committees and selection of members
Evaluation result	1. Obtained all directors' self-evaluation reports on January 9, 2025 and proposed to the Board of Directors on on March 6, 2025 2. Director's individual self-evaluation report for overall assessment score was 97%. The result was good. 3. Two directors had an attendance rate of less than 80%, and two directors did not meet the company's corporate governance training standards. The company will take a more cautious approach in scheduling board meetings to improve director attendance and arrange training programs for directors..	1. Procedure unit completed evaluation for overall Board and all directors on January 20, 2025. The overall assessment score was 4.8. The result was good, and proposed to the Board of Directors on on March 6, 2025. 2. Areas for improvement include increasing attendance at board and shareholder meetings and enhancing director training..	1.Obtained all members' self-evaluation reports on January 9, 2025 and proposed to the Board of Directors on on March 6, 2025. 2. Audit Committee members's individual self-evaluation report for overall assessment score was 100%. The result was excellent.	1.Obtained all members' self-evaluation reports on January 9, 2025 and proposed to the Board of Directors on on March 6, 2025. 2. Remuneration Committee members's individual self-evaluation report for overall assessment score was 100%. The result was excellent.

4.Evaluation of the implementation of the objectives in strengthening the functions of the board of directors in the current year :

(1)Strengthening the functions of the board of Directors

A) The company arranged on-the-job training courses after Board Meeting for directors not only attending the meetings but also further studying to improve directors' competency and corporate governance skills. In 2024, except for two

directors who completed only three hours of training, all others completed at least six hours of training. The future object is at least six hours on-the-job training for each director.

- B) The Company established the Code of Practice for Corporate Governance and the Code of Practice for Corporate Social Responsibility in March 2017. Amendment to the Company's " Rules Governing the Scope of Powers of Independent Directors " and Proposal to establish the “Ethical Corporate Management Best Practice Principles” and “Procedures for Ethical Management and Guidelines for Conduct” in 2024.
 - C) In order to strengthen the independence operation of the Board of Directors, the Company has established three independent directors and consisting the auditing committee, namely Mrs. Chang Jui-Hui , Mr. Lo Bin-Hsien, and Mr. Hsien Sung-Wen. The three independent directors all have relevant professional knowledge of accounting and financial analysis and can give advice to the Board regarding business, internal control and finance.
- (2)To improve information transparency :
- A) The Company entrusts PwC Taiwan to certify on a regular basis. The information required by the decree can be disclosed in a correct and timely manner, and a designated person is responsible for the collection and disclosure of company information.
 - B) The Company has established a spokesperson and acting spokesperson system to ensure that all major information can be promptly disclosed.
 - C) The Company's website has set up a stakeholder area which links to the public information observatory for shareholders and stakeholders to refer to the financial business of the company.

2-3-2.The operation of the Auditing Committee :

2-3-2-1.Authorities and annual work tasks of the Auditing Committee.

- 1.Adoption or amendment of an internal control system pursuant to Article 14-1 of Securities and Exchange Act .
- 2.Assessment of the effectiveness of the internal control system.
- 3.Adoption or amendment, pursuant to Article 36-1 of Securities and Exchange Act, of handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, or endorsements or guarantees for others.
- 4.A matter bearing on the personal interest of a director.
- 5.A material asset or derivatives transaction.
- 6.A material monetary loan, endorsement, or provision of guarantee.
- 7.The offering, issuance, or private placement of any equity-type securities.
- 8.The hiring or dismissal of an attesting CPA, or the compensation given thereto.
- 9.The appointment or discharge of a financial, accounting, or internal auditing officer.
- 10.Annual financial reports and second quarter financial reports that must be audited and attested by a CPA, which are signed or sealed by the chairperson, managerial officer, and accounting officer.
- 11.Any other material matter so required by the company or the Competent Authority.

2-3-2-2.Professional Qualifications of Audit Committee members, Please refer to page 9~10.

2-3-2-3.The auditing committee held 7 meetings(A) in 2024 and the attendance is as follows :

Title	Name	Actual attendance B	By proxy Times	Actual Rate of Attendance B/A	Note
Independent director (convener)	Chang Jui-Hui	7	0	100%	
Independent director	Lo Bin-Hsien	7	0	100%	
Independent director	Hsien Sung-Wen	7	0	100%	

2-3-2-4.Other noteworthy matters :

- 1.If the operation of the auditing committee encounters one of the following circumstances, the date, session, content of the proposal, the contents of Independent

Director's dissenting or qualified opinions or significant suggestions ,the resolution of the audit committee, and the company's handling of the audit committee's opinions shall all be stated.

(1)Matters listed in Article 14-5 of Securities and Exchange Act.

Auditing Committee's meeting Date and session	Content of proposal	The contents of Independent Director's dissenting or qualified opinions or significant suggestions	Auditing Committee The resolution of the proposal	The company's handling of the auditing committee's opinion.
2024/1/16 2st session the 5 th meeting	Plans to appoint a lawyer to handle litigation between the company and shareholder Koito Manufacturing Co., Ltd.	None	Passed without objection after the chairman's consultation	Passed the proposal and proposed for discussion in the 8th meeting of the 17th Board.
2024/3/8 2st session the 6 th meeting	1. 2023 Annual Business Report and Financial Report	None	Passed without objection after the chairman's consultation	Passed the proposal and proposed for discussion in the 9th meeting of the 17th Board.
	2. 2023 Year Profit Distribution Proposal	None	Passed without objection after the chairman's consultation	Passed the proposal and proposed for discussion in the 9th meeting of the 17th Board.
	3. Discussion on 2023 Internal Control System Statement	None	Passed without objection after the chairman's consultation	Passed the proposal and proposed for discussion in the 9th meeting of the 17th Board.
	4. Evaluate the independence and competency of CPAs	None	Passed without objection after the chairman's consultation	Passed the proposal and proposed for discussion in the 9th meeting of the 17th Board.
	5. Appointment of visa accountants and review of public expenses	None	Passed without objection after the chairman's consultation	Passed the proposal and proposed for discussion in the 9th meeting of the 17th Board.
	6. Lifting non-competition restrictions on directors and their representatives	None	Passed without objection after the chairman's consultation	Passed the proposal and proposed for discussion in the 9th meeting of the 17th Board.
	7. Donation to the related party	None	Passed without objection after the chairman's consultation	Passed the proposal and proposed for discussion in the 9th meeting of the 17th Board.
2024/4/17 2st session the 7 th meeting	Lifting non-competition restrictions on directors and their representatives	None	Passed without objection after the chairman's consultation	Passed the proposal and proposed for discussion in the 10th meeting of the 17th Board.
2024/5/7 2st session the 8 th meeting	1. Discussion on 2024 Q1 financial statements	None	Passed without objection after the chairman's consultation	Passed the proposal and proposed for discussion in the 11th meeting of the 17th Board.
	2. Lifting non-competition restrictions on directors and their representatives	None	Passed without objection after the chairman's consultation	Passed the proposal and proposed for discussion in the 11th meeting of the 17th Board.
2024/7/18 2st session the 9 th meeting	The company's subsidiary plans to dispose of shares of Fuzhou Koito Ta Yih Automotive Lamp Co., Ltd.	None	Passed without objection after the chairman's consultation	Passed the proposal and proposed for discussion in the 13th meeting of the 17th Board.
2024/8/6 2st session the 10 th meeting	1. Discussion on 2023 Q2 financial statements	None	Passed without objection after the chairman's consultation	Passed the proposal and proposed for discussion in the 14th meeting of the 17th Board.
	2. Changes in the company's internal audit manager	None	Passed without objection after the chairman's consultation	Passed the proposal and proposed for discussion in the 14th meeting of the 17th Board.
2024/11/6 2st session the 11 th meeting	1. Discussion on 2024 Q3 financial statements	None	Passed without objection after the chairman's consultation	Passed the proposal and proposed for discussion in the 15th meeting of the 17th Board.

Auditing Committee's meeting Date and session	Content of proposal	The contents of Independent Director's dissenting or qualified opinions or significant suggestions	Auditing Committee The resolution of the proposal	The company's handling of the auditing committee's opinion.
	2. Proposal to amend the company's internal control system	None	Passed without objection after the chairman's consultation	Passed the proposal and proposed for discussion in the 15th meeting of the 17th Board.
	3. Internal Audit Plan Discussion for the Year 2025	None	Passed without objection after the chairman's consultation	Passed the proposal and proposed for discussion in the 15th meeting of the 17th Board.

(2) Other than the above matters, other matters that have not been approved by the auditing committee but have been approved by more than two-thirds of the directors: No such situation.

2. Implementation of independent directors' avoidance of interest-related proposals, the name of the independent director, content of proposals, reasons for avoidance, participation of the voting shall be stated : No such situation.

3. The communication between independent directors and internal audit supervisors and accountants (including the discussion, methods, and results of the company's financial and business condition);

(1) Summary of the communication between independent directors and internal audit supervisors:

Date of communication	Method	Topics for communication	Results of communication
2024/1/16	Discussion	Report on internal audit results of Nov - Dec 2023	No advice of all independent directors
2024/3/8	Discussion	Report on internal audit results of Jan - Feb 2024	No advice of all independent directors
2024/5/7	Discussion	Report on internal audit results of Mar 2024.	No advice of all independent directors
2024/6/11	Discussion	Report on internal audit results of Apr - May 2024	No advice of all independent directors
2024/8/6	Discussion	Report on internal audit results of Jun - Jul 2024	No advice of all independent directors
2024/11/6	Discussion	Report on internal audit results of Aug - Oct 2024 Explain the revision of the internal control system and internal audit plan for 2025	No advice of all independent directors

(2) Summary of the communication between independent directors and accountants:

Date of communication	Method	Topics for communication	Results of communication
2024/3/8	Discussion	Review the results of the consolidated and individual financial statements in 2023.	No advice of all independent directors
2024/5/7	Discussion	Review the results of the consolidated financial statements for Q1 2024.	No advice of all independent directors
2024/8/6	Discussion	Review the results of the consolidated financial statements for Q2 2024.	No advice of all independent directors
2024/11/6	Discussion	Review the results of the consolidated financial statements for Q3 2024.	No advice of all independent directors

2-3-3.Taiwan Corporate Governance implementation as required by the Taiwan Financial Supervisory Commission:

Items	Implementation status			Taiwan Corporate Governance implementation as required by the Taiwan Financial Supervisory Commission:
	Yes	No	Description of summary	
1.Does Company follow “Taiwan Corporate Governance Implementation” to establish and disclose its corporate governance practices?	V		The company has established a code of practice for corporate governance in March 2017 and disclosed it on the company's website.	There is no significant difference.
2.Shareholder structure and shareholders’ right.				
(1) Does the company have Internal Operating procedures for handling shareholders' suggestions, concerns, disputes and litigation matters? If yes, have these procedures been implemented accordingly?	V		(1) In order to ensure the interests of shareholders, the company has a spokesperson and acting spokesperson system to handle the shareholders' suggestions, concerns and disputes. The litigation matters are referred to the company's legal counsel.	(1) There is no significant difference.
(2) Does the company possess a list of the major shareholders and beneficial owners of these major shareholders?	V		(2) The major shareholders are in a position to inform the Company of the increase or decrease of equity, pledge and decontamination according to the regulations. The Company also regularly updates the information of the ultimate controller of the major shareholders and keeps abreast of its final controller list.	(2) There is no significant difference.
(3) Has the company built and execute a risk management system and “firewall” between the Company and its affiliates?	V		(3) The Company has established appropriate internal risk control mechanisms and firewalls, pursuant to the rules for specific companies or groups related business operations and financial transactions, supervision measures for subsidiaries, rules of endorsement and guarantee, loans to others and guidelines for acquisition or disposition of assets. Business relations between affiliated enterprises have been evaluated by an independent third party to prevent violations of unlawful transactions.	(3) There is no significant difference.
(4) Has the company established internal rules prohibiting insider trading on undisclosed information?	V		(4) Besides the internal control system, the Company has established operating procedures for the prevention of insider trading, and has established an ethical code of conduct in March, 2016, which prohibits insiders from making personal gains through the use of company property, information or by virtue of their position. Furthermore, we followed the regulations for the prevention of insider trading and Corporate Governance Best Practice Principles from 2024 to raise personnel’s awareness in writing (by email) in January31, April 18, July 22 and October18, that directors and insiders shall not trade their shares during the 30 days before the disclosure of the annual financial statements and during the 15 days before the	(4) There is no significant difference.

Items	Implementation status			Taiwan Corporate Governance implementation as required by the Taiwan Financial Supervisory Commission:
	Yes	No	Description of summary	
			disclosure of the quarterly. Insiders shall comply with the related regulations	
3.Composition and responsibilities of Board of Directors				
(1) Has the Company established a diversification policy for the composition of its board of Directors and has it been implemented accordingly?	V		(1)The Company has clearly specified the diversity policy for the composition of the Board of Directors in Article 20 of the "Code of Practice on Corporate Governance". The composition of the Board of Directors of the Company is based on the scale of the company's operation and development and the shareholding situation of its major shareholders. When screening director candidates, based on the policy of diversification, the professional background, academic (experience), integrity or relevant professional qualifications are measured. At present, all directors and independent directors of the company have complete and rich academic experiences and diverse composition. The number of director seats is 9, including 3 independent directors; the number of independent directors has reached more than one-third (inclusive), and the specific management goal of "the director who concurrently serves as the company's manager does not exceed one-third of the directors' seats", and the specific management object of at least one different gender director has driven the company to achieve full play to the functions of business decision-making and supervision. Please refer to page 10~11 for details on the implementation of board members' diversification.	(1)There is no significant difference.
(2)Has the Company establish other functional committees besides the Remuneration Committee and Auditing Committee?	V		(2) The Company has set up the Committee for Sustainable Development in November 2024 . The other functional committees will be set up depending on future needs.	(2) There is no significant difference.
(3) Has the Company set performance assessment rules and methods for the BOD and does it perform this evaluation every year?	V		(3) The company formulated the performance evaluation method for board of directors in November 2020. The performance review for board of directors was conducted in Q1 and the evaluation results were reported to the board meeting in March . The performance evaluation results for 2024 was reported to the board meeting in March 6, 2025. In addition, the evaluation results will be applied to individual directors' nomination renewal reference.	(3) There is no significant difference.

Items	Implementation status			Taiwan Corporate Governance implementation as required by the Taiwan Financial Supervisory Commission:
	Yes	No	Description of summary	
(4) Does regularly evaluate the independence of the Certified Public Accountant?	V		(4) The Finance Department of the Company regularly and annually according to the provisions of Article 29, Paragraph 3 of the "Corporate Governance Best Practice Principles for TWSE/TPEX", and referring to "Audit Quality Indicators"(AQIs), to review the CPAs for their independence and competency with 22 evaluation items in February 2025 (refer to page 30, note 1), reviewing the independence of the company's appointed Certified public accountants on different aspects and the evaluation is found in line with the criteria as set by the company. This proves that the Certified Public Accountant is able to serve as the independent accountant for the company, and the results of this assessment approved to the Auditing committee in March 6 of 2025 then reported to the Board of Directors in March 6 of 2025.	(4) There is no significant difference.
4.Does the company have a dedicated unit/staff member in charge of the Company' corporate governance affairs (including but not limited to providing information required for director/supervisor's operations, convening board/shareholder meetings in compliance with the law, apply for/change company registry, and producing meeting minutes of board/shareholder meetings)?	V		<p>1. The Company has allocated a sufficient number of qualified personnel for corporate governance matters. and the CFO Ms. Cheng Ching Hsiang concurrently serves as the corporate governance officer, responsible for promoting corporate governance matters. The main responsibilities are as follows :</p> <p>(1) Comprehensively handling all works related to Board of Directors' meeting and remuneration Committee's meeting, including providing the information needed by the directors to perform their business, scheduling of the agenda, sending of meeting notices, production of meeting affairs and meeting minutes to facilitate the process of the meeting.</p> <p>(2) Handling the shareholder's meeting related issues : the annual registration date of the shareholders' meeting shall be made according to the law and the notice of the meeting, the handbook and the proceedings shall be filed before the deadline, and any changes must be registered after any amendments of the Articles of Incorporation or the re-election of the directors.</p> <p>(3) Assist directors on board and continuing education, provide information necessary for directors to perform business, assist directors to follow laws and other matters stipulated by laws and regulations, articles of association or contracts, etc.</p> <p>(4) Evaluate and purchase the appropriate "Liability Insurance for Directors, Supervisors and Managers".</p> <p>(5)Conduct annual performance review for board and members, and report the results to board of directors in the first quarter of every</p>	There is no significant difference.

Items	Implementation status			Taiwan Corporate Governance implementation as required by the Taiwan Financial Supervisory Commission:																								
	Yes	No	Description of summary																									
			<p>year.</p> <p>(6) Maintain the investor relationship section of the company's website.</p> <p>(7) The company also stipulates standard operating procedures for “handling the requirements of directors” to follow.</p> <p>(8) Review the annual corporate governance evaluation indicators issued by the Corporate Governance Center.</p> <p>2. The number of training hours by Assistant manager Cheng Ching-Siang, a corporate governance officer, in 2024, is shown in the table below:</p> <table><tr><th>Date of training</th><th>Organizer</th><th>Course</th><th>Training hours</th></tr><tr><td>2024/5/16-5/17</td><td>Securities and Futures Institute</td><td>Sustainable Disclosure Practical Study</td><td>9.0</td></tr><tr><td>2024/6/11</td><td>Taiwan Corporate Governance Association</td><td>New challenges for global sustainable reporting t</td><td>3.0</td></tr><tr><td>2024/9/12-9/13</td><td>Taiwan Corporate Governance Association</td><td>Workshop on the Identification of Climate Risk and Seminar on the Net Zero Emissions</td><td>9.0</td></tr><tr><td>2024/11/6</td><td>Taiwan Corporate Governance Association</td><td>Supply Chain associated Cybersecurity Governance and Risk Management under Corporate Sustainability Strategies</td><td>3.0</td></tr><tr><td>2024/11/19</td><td>Taiwan Stock Exchange</td><td>Sustainable Development Committee and Sustainability Forum</td><td>3.0</td></tr></table>	Date of training	Organizer	Course	Training hours	2024/5/16-5/17	Securities and Futures Institute	Sustainable Disclosure Practical Study	9.0	2024/6/11	Taiwan Corporate Governance Association	New challenges for global sustainable reporting t	3.0	2024/9/12-9/13	Taiwan Corporate Governance Association	Workshop on the Identification of Climate Risk and Seminar on the Net Zero Emissions	9.0	2024/11/6	Taiwan Corporate Governance Association	Supply Chain associated Cybersecurity Governance and Risk Management under Corporate Sustainability Strategies	3.0	2024/11/19	Taiwan Stock Exchange	Sustainable Development Committee and Sustainability Forum	3.0	
Date of training	Organizer	Course	Training hours																									
2024/5/16-5/17	Securities and Futures Institute	Sustainable Disclosure Practical Study	9.0																									
2024/6/11	Taiwan Corporate Governance Association	New challenges for global sustainable reporting t	3.0																									
2024/9/12-9/13	Taiwan Corporate Governance Association	Workshop on the Identification of Climate Risk and Seminar on the Net Zero Emissions	9.0																									
2024/11/6	Taiwan Corporate Governance Association	Supply Chain associated Cybersecurity Governance and Risk Management under Corporate Sustainability Strategies	3.0																									
2024/11/19	Taiwan Stock Exchange	Sustainable Development Committee and Sustainability Forum	3.0																									
5.Does the Company have other important information for better understanding the Company’s corporate governance system (including but not limited to interests and rights of employees, care for employees, relation with investors, relation with suppliers, relation with interested parties,	V		In addition to maintaining good communication with investors, employees, consumers, suppliers, and distributors through the Chairman's mailbox, labor conferences, procurement, finance, and other dedicated units, the company has set up stakeholder areas on the company's website. It serves as a conduit for communication with stakeholders (refer to page 31, note 2) and is appropriately responded to by the spokespersons on important corporate social responsibility issues	There is no significant difference.																								

Items	Implementation status			Taiwan Corporate Governance implementation as required by the Taiwan Financial Supervisory Commission:
	Yes	No	Description of summary	
8.Does the Company have other important information for better understanding the Company's corporate governance system (including but not limited to interests and rights of employees, care for employees, relation with investors, relation with suppliers, relation with interested parties, continuing education of directors and supervisors, execution of risk management policies and risk measuring standards, execution of customer policies, liability insurance for the Company's directors and supervisors)?	V		<p>Other important information for better understanding the company governance :</p> <p>(1)Maintenance the Interests and rights of employees :</p> <p>①Handle employee health insurance and labor insurance, and provide group insurance for employees (medical insurance and accident insurance) at no cost.</p> <p>②In 2024, provided the staff with free health checkups and arranged inspection at the factory by the Tainan Municipal Hospital.</p> <p>③Provide relevant medical counseling to employees by arranging doctors to station in the factory on a monthly basis.</p> <p>④Establish a staff welfare committee to handle various employee benefits (such as emergency assistance, wedding and funeral celebrations, and bonuses for three festivals).</p> <p>⑤Funding for the activities of the Colleague Badminton and Basketball Club in 2024.</p> <p>⑥Provide the colleagues free flu vaccine injection.</p> <p>⑦Sign up special domestic stores and to provide complete and high-quality consumer information to the colleagues.</p> <p>⑧A monthly pension is provided in accordance with the law.</p> <p>⑨Enhance the professional knowledge of employees and provide on-the-job training for employees.</p> <p>⑩Reduce the living expenses of foreign employees in Taiwan and provide free dormitories for foreign employees.</p> <p>⑪To guarantee the basic human rights of female employees, measures for sexual harassment prevention, appeal and punishment were set up in 2004, The content will be expanded to the "Prevention Plan for Unlawful Infringements During the Performance of Duties" to provide more comprehensive protection in 2024,..</p> <p>⑫To create a friendly workplace environment, a special room is allocated for breast feeding (or collection milk) for female employees.</p> <p>⑬To uphold the health of non-smoking colleagues, smoking is completely banned in the factory, and only designated places are allowed for smoking.</p> <p>⑭A labor-management meeting is held every three months in 2024 to</p>	There is no significant difference.

Items	Implementation status			Taiwan Corporate Governance implementation as required by the Taiwan Financial Supervisory Commission:
	Yes	No	Description of summary	
			<p>coordinate labor-management relations and to promote labor-management cooperation.</p> <p>(2) Investor Relations: Establish an investor section on the company website, providing shareholders with various corporate information, and assign dedicated personnel to handle shareholders' suggestions.</p> <p>(3) Supplier Relationship: good relations with suppliers are maintained at all times, no disputes and no litigations. The company holds regular symposiums and dinner parties every year.</p> <p>(4) Relations with stakeholders: stakeholders shall communicate with the Company and put forward proposals to protect their due legal rights and interests.</p> <p>(5) Status of the annual training for directors and supervisors in 2024: refer to page 32~33, note 3 for details.</p> <p>(6) Execution of risk management policy and risk measuring standards : various internal regulations are established legally for various risk management and evaluation.</p> <p>(7) Execution of customer policies : stable and good relations with customers are maintained with the view of creating profits.</p> <p>(8) Liability insurance for the Company's directors and supervisors : liability insurance for directors and supervisors will be covered by end of June, 2024.</p>	
<p>9. Please specify the measures adopted by the Company to improve the items listed in the corporate governance review result from Taiwan Stock Exchange's Corporate Governance Center and the improvement plans for items yet to be improved :</p> <p>(1) Improved situation in 2023 TWSE Evaluation results: Strengthened disclosure of information on the Company's website and arranged for training courses for directors.</p> <p>(2) Suggestions and measures for priority improvement: The sustainability report prepared by the company is submitted to the Board of Directors for approval.</p>				

Note 1: Assessment of the independence and suitability of CPAs.

Item	assessment of the independence and suitability	Assessment result
1	CPA is not in any direct or indirect material indirect financial interest relationship with the Company.	Y
2	Accounting firm does not overly rely on the revenue source of one single customer (the Company).	Y
3	CPA is not in any direct or indirect major close business relationship with the Company.	Y
4	CPA is not subject to the concern of possibility of loss of customer (the Company).	Y
5	CPA is not in any direct or indirect potential employment relationship with the Company.	Y
6	CPA is not subject to fees related to the audit case of the Company.	Y
7	The other members of the accounting firm are not subject to major fault in professional service reports previously provided.	Y
8	The accounting firm does not issue assurance service report designed for or assisting the effective operation of the implementation of financial information system.	Y
9	The accounting firm is not subject to the situation where the original documents prepared are used for the material or important matters of the audit case of the Company.	Y
10	CPA and audit service team member does not assume the position of director, manager or duties having material impact on the audit case presently or in the last two years.	Y
11	The non-audit service provided by the CPA to the Company does not affect the important items of the audit case directly.	Y
12	CPA does not promote or act as broker for the stocks or other securities issued by the Company	Y
13	CPA, except for services permitted by the law, does not represent the Company to defend in legal cases or other dispute matters with a third party.	Y
14	CPA or audit service team member is not in kinship with directors, managers or personnel handling duties having material impact on the audit case.	Y
15	The co-practice accountant working together with the CPA of the Company does not assume the position of director, managerial officer of the Company or duties having material impact on the audit case within one year after discharge from previous job position.	Y
16	CPA and the audit service team does not receive gifts or presents of significant value from the Company or directors, managerial officers or major shareholders of the Company.	Y
17	Up to the most recent certification operation, there is no occurrence of CPA without change for seven consecutive years.	Y
18	Whether he/she is equipped with the CPA qualification to perform duties of CPA.	Y
19	Whether he/she is subject to disciplinary action of competent authority and CPA Association, or decision rendered in accordance with the provisions of Paragraph 3 of Article 37 of the Securities and Exchange Act.	Y
20	Whether he/she is equipped with relevant industrial knowledge.	Y
21	Whether he/she performs financial statement audit works according to the Generally Accepted Auditing Standards (GAAS) and Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountant.	Y
22	Whether he/she utilizes the CPA status to engage in improper competition in industrial and commercial activities.	Y

Note 2: Stakeholder communication

Identification	Important issues	Communication channels, response methods and communication frequency	Unit responsible for feedback
Shareholders/investors	Corporate Governance Investment plan Shareholder participation Operational performance	1. Announce operating income (once a month) 2. Announce financial report (once per quarter) 3. Regularly conduct legal person briefing sessions or online legal briefing sessions (at least once a year) 4. Hold annual shareholders' meeting and publish annual report (once a year) 5. Receive visits from domestic and foreign legal persons and analysts (irregularly) 6. Set up stock affairs and investor relations windows for communication (irregularly)	Spokesperson: Cheng Ching-Siang , Assistant Manager Telephone: 06-2615151 # 225 Email: joanc@tayih-ind.com.tw
Employees	Living environment Working environment Labor-employer Relations Physical and mental health	1. Human Resource Department (once every two months) 2. The Staff Welfare Committee meeting (once a month) 3. The Safety and Health Committee meeting (once a month) 4. Company assembly (once per quarter) 5. Online education and training (irregularly) 6. Education training and publicity courses (irregularly) 7. Email contact (irregularly)	HR manager: Tsai Tsung-Han, Manager Telephone: 06-2615151 # 216 Email: jefftime@tayih-ind.com.tw
Customers	Product and service quality Product price competitiveness Fulfillment on the delivery date Customer relationship management Customer privacy protection	1. Telephone contact (irregularly) 2. Email contact (irregularly) 3. Customer visit (irregularly) 4. Factory audit (irregularly) 5. Company official website (irregularly) 6. Customer satisfaction survey (once a year)	Sales manager: Hou, Wei-Zhe , Special assistant Telephone: 06-2615151 # 393 Email: kevin@tayih-ind.com.tw
Supplier	Management of Suppliers Product quality and safety Operational status	1. Customer visit or factory audit (once a year) 2. Telephone contact (irregularly) 3. Email contact (irregularly) 4. Collaborative Factory Symposium (once a year) 5. Questionnaire filling (irregularly)	Procurement manager: Gong Min-long, Manager Telephone: 06-2615151 # 250 Email: evan@tayih-ind.com.tw

Note 3 : Status of education and training for directors and supervisors:

Name of director/supervisor	Date	Organizer	Course	Hours	Total hours
Wu Chun-I	2024/11/7	Taiwan Corporate Governance Association	Geostrategy and Sustainability Disclosure Standards	3.0	6.0
	2024/12/18	Taiwan Corporate Governance Association	The duties and responsibilities of companies and directors under securities trading laws	3.0	
Iwanabe Megumi	2024/6/11	Taiwan Corporate Governance Association	New challenges for global sustainable reporting	3.0	6.0
	2024/11/6	Taiwan Corporate Governance Association	Supply Chain associated Cybersecurity Governance and Risk Management under Corporate Sustainability Strategies	3.0	
Konagaya Hideharu	2024/6/11	Taiwan Corporate Governance Association	Sustainability reporting challenge	3.0	6.0
	2024/11/6	Taiwan Corporate Governance Association	Supply Chain associated Cybersecurity Governance and Risk Management under Corporate Sustainability Strategies	3.0	
Yamamoto Kakuya	2024/11/6	Taiwan Corporate Governance Association	Supply Chain associated Cybersecurity Governance and Risk Management under Corporate Sustainability Strategies	3.0	3.0
Kreng Bor-Wen	2024/5/10	Taiwan Institute of Directors	Make good use of policy tools to improve corporate governance and reduce R&D risks	3.0	12.0
	2024/6/11	Taiwan Corporate Governance Association	Sustainability reporting challenge	3.0	
	2024/11/6	Taiwan Corporate Governance Association	Supply Chain associated Cybersecurity Governance and Risk Management under Corporate Sustainability Strategies	3.0	
	2024/11/8	Taiwan Corporate Governance Association	Legal compliance Director's Duty to Monitor	3.0	
Wu Ma Hui-Er	2024/12/18	Taiwan Corporate Governance Association	The duties and responsibilities of companies and directors under securities trading laws	3.0	3.0
Chang Jui-Hui	2024/4/16	Securities and Futures Institute	How directors and supervisors should supervise corporate risk management and crisis management	3.0	21.0
	2024/5/16	Securities and Futures Institute	Shareholder's meetings, management rights and equity strategies	3.0	
	2024/6/11	Taiwan Corporate Governance Association	Sustainability reporting challenge	3.0	
	2024/10/8	Taiwan Stock Exchange	2024WIW Forum "Digital Finance and Sustainable Finance Concerto under the AI Boom" Special Lecture	3.0	
	2024/10/25	Taiwan Stock Exchange	Promotion Seminar on Legal compliance with insider equity transactions for 2024	3.0	
	2024/11/6	Taiwan Corporate Governance Association	Supply Chain associated Cybersecurity Governance and Risk Management under Corporate Sustainability Strategies	3.0	
	2024/12/25	Securities and Futures Institute	Listed Companies - Seminar on Utilizing Derivative Products to Expand Asset Management in Asia	3.0	
Lo Bin-Hsien	2024/6/11	Taiwan Corporate Governance Association	Sustainability reporting challenge	3.0	15.0

Name of director/supervisor	Date	Organizer	Course	Hours	Total hours
	2024/9/12-9/13	Taiwan Corporate Governance Association	Workshop on the Identification of Climate Risk and Seminar on the Net Zero Emissions	9.0	
	2024/11/6	Taiwan Corporate Governance Association	Supply Chain associated Cybersecurity Governance and Risk Management under Corporate Sustainability Strategies	3.0	
Hsien Sung-Wen	2024/6/11	Taiwan Corporate Governance Association	Sustainability reporting challenge	3.0	6.0
	2024/11/6	Taiwan Corporate Governance Association	Supply Chain associated Cybersecurity Governance and Risk Management under Corporate Sustainability Strategies	3.0	

2-3-4.The operation and composition of the remuneration committee :

2-3-4-1.Information on the members of the 5th Committee :

Identity	Condition Name	Professional qualifications and experiences	Independence Situations	The number of public companies the member of the remuneration committee is concurrently serving
Independent director (Convener)	Chang Jui-Hui	refer to page 9~10.		0
Independent director	Lo Bin-Hsien			0
Independent director	Hsien Sung-Wen			0

2-3-4-2.Information regarding the operation of the Remuneration Committee :

- 1.The remuneration committee comprised of 3 members.
- 2.The term of office of the current members: July 10, 2023 to June 12, 2026.
- 3.The remuneration committee held 2 meetings (A), the attendance is as follows :

Title	Name	Actual attendance B	By proxy	Actual Rate of Attendance B/A	Note
Convener	Chang Jui-Hui	2	0	100%	
Committee member	Lo Bin-Hsien	2	0	100%	
Committee member	Hsien Sung-Wen	2	0	100%	

2-3-4-3.Other noteworthy matters :

- 1.When the Board of Directors does not adopt or amend the recommendations of the Remuneration Committee, it shall state the date and time of the Board of Directors, the content of the proposal, the results of the resolutions of the Board of Directors and the company's handling of the opinions of the Remuneration Committee (e.g. the salary remuneration approved by the Board of Directors is better than the recommendations of the Remuneration Committee) , should explain the difference and the reasons) : none
- 2.The resolution of the Remuneration Committee, if the member has objections or reservations and has a record or written statement, shall state the date, session, content of the proposal, the opinions of all members and the treatment of the members' opinions : none.

2-3-5. The operation and composition of the sustainability committee :

2-3-5-1. Qualifications for appointment and Powers of members of the Sustainable Committee :

1. Qualifications for appointment : Committee members should have professional knowledge and abilities about corporate sustainability, and at least one director should participate in the supervision and be appointed by the board of directors.

2. Powers of the sustainability committee :

(1)To formulate, promote and strengthen the company's sustainable development policies, annual plans and strategies, etc.

(2)To promote and implement the Company's integrity management and risk management and other related work.

(3)To track, review, and revise the implementation and effectiveness of the Company's sustainable development.

(4)Other matters to be performed by the Committee pursuant to the resolution of the Board of Directors.

2-3-5-2. The Professional qualifications and experiences and composition of the sustainability committee :

1. The sustainability committee comprised of 4 members.

2. The term of office of the current members: November 6, 2023 to June 12, 2026. The sustainability committee held 0 meetings (A),The professional qualifications and experiences,the attendance and discussion matters of the committee member are as follows :

Title	Name	Professional qualifications and experiences	Actual attendance (B)	By proxy	Actual Rate of Attendance (B/A)	Note
Convener	Chang Jui-Hui	A total of 6 hours of further study on sustainability related courses	0	0	0	refer to page 32~33 for course name
Committee member	Lo Bin-Hsien	A total of 15 hours of further study on sustainability related courses	0	0	0	
Committee member	Hsien Sung-Wen	A total of 6 hours of further study on sustainability related courses	0	0	0	
Committee member	Jyh Chin-Juang	1.A total of 3 hours of further study on sustainability related courses (Supply Chain associated Cybersecurity Governance and Risk Management under Corporate Sustainability Strategies) 2. Responsible for the operation of the company's ESG committee composed of members from various departments	0	0	0	

Other noteworthy matters :

The date, session, content of the proposal of the sustainability committee, the contents of Committee member's dissenting or significant suggestions ,the resolution of the sustainability committee, and the company's handling of the sustainability committee's opinions shall all be stated. : Not applicable as no meeting was held.

2-3-6.The implementation of the promotion of sustainable development and the differences and reasons from the code of practice for sustainable development of listed and OTC companies:

Items	Implementation status			Differences and Causes of Corporate Social Responsibility Codes with Listed Companies
	Yes	No	Description of summary	
1. Does the company establish a governance structure to promote sustainable development, and set up a dedicated (part-time) unit to promote sustainable development, which is authorized by the board of directors to handle senior management, and supervised by the board of directors?	V		<p>The company has long been committed to safeguarding the rights and interests of all stakeholders, and at the same time incorporates the practice of sustainable development into the company's daily operation and management to fulfill its corporate social responsibility. The company has formulated the "Sustainable Development Code of Practice" as the basis for promoting sustainable development operations.</p> <p>The promotion of the company's sustainable development is mainly composed of two units: the general manager's office, and the safety and hygiene office, and is organized by the President. Their duties include planning out work safety, environmental protection, energy saving measures, and overseeing the implementation progress and promote performance of the government's relevant energy saving and carbon saving plans.</p> <p>The specific promotion plan and implementation results of sustainable development in 2024:</p> <ol style="list-style-type: none"> 1.Strengthen corporate governance, improve the company's operating performance and enhance shareholders' rights and interests. 2.Commit to the research and development of green design products, and the development and use of low-polluting raw materials to reduce the impact on the environment. 3.Save energy, recycle and effectively use energy, and prevent pollution. 4.Actively enhance the environmental awareness and ability of employees and suppliers. 5.Protect employees' rights and benefits, and encourage employees to participate in social welfare activities. 	There is no major differences.
2. Does the company conduct risk assessments on environmental, social and corporate governance issues related to the company's operations in accordance with	V		The company set up ESG Committee as a designated full-time unit to promote sustainable development in January 2024.The company conducts risk assessments on environmental, social and corporate governance issues related to the company's operations in accordance	There is no major differences.

Items	Implementation status			Differences and Causes of Corporate Social Responsibility Codes with Listed Companies
	Yes	No	Description of summary	
the principle of materiality, and formulate relevant risk management policies or strategies?			with the principle of materiality, and formulates relevant risk management policies or strategies (refer to page 44~48, Note 1). And also submit regular reports (at once a year) to the board of directors.	
3.Environmental issues : (1) Whether the company establishes an appropriate environmental management system according to its industrial characteristics	V		(1) A) In terms of promoting environmental safety and health activities, the Company complies with the domestic environmental safety and health regulations. In addition, it is also in line with international standards to implement of environmental safety and health management system. The Company obtained ISO14001 certificates for environmental management system and OHSAS18001 certificates for occupational safety and health management system in December 31, 2002. In August 2020, the company obtained ISO45001 certificates, the newly revision of OHSAS18001. Both certificates (ISO14001 and ISO45001) were certificated after re-assessment on Oct. 16 th , 2023 and updated valid until December 31, 2026. B) The company also has an environmental and safety as follows : Established on 1964, the Company is engaged in the production of headlights for automobiles and motorcycles. It mainly supplies domestic and foreign major automobile and motorcycle factories. Since its inception, it has been adhering to the business philosophy of "contributing to society, seeking the common interests of customers, employees, all cooperators and shareholders, and achieving coexistence and common prosperity for sustainable management" and the business policy of "continuous improvement, enhancement of international competitiveness, and full satisfaction of customers." to produce high-quality products to meet customer needs. C) In order to protect the environment, employee health and fulfill social responsibilities, under the guidelines of the environment and safety and health management system, we are committed to : ① Follow the regulations :	(1) There is no major differences.

Items	Implementation status			Differences and Causes of Corporate Social Responsibility Codes with Listed Companies
	Yes	No	Description of summary	
(2)Is the company committed to improving the utilization efficiency of various resources and using recycled materials with low impact on environmental loadings.	V		<p>Ensure that the company's business and production activities comply with environmental protection, safety and health laws and other related regulations.</p> <p>②Continuous improvement :</p> <p>①Continue energy conservation, waste reduction, pollution prevention and other improvement work, and ensure that no banned substances harmful to the environment are used in the design and manufacturing process.</p> <p>②Continuously implement the improvement work such as disease and injury prevention, workplace health management to create a safe, bright, healthy and comfortable workplace.</p> <p>③Full participation : It engaged in all employees, customers, contractors, suppliers and the outside world to create a win-win relationship to jointly protect the environment and reduce the risk of occupational disasters.</p> <p>④Sustainability : Implement the energy management mechanism and sustainable use of resources, and gradually build the concept of green and environmental protection in product planning and manufacturing.</p> <p>(2)The company has established an environmental committee dedicated to improving the efficiency of the use of various resources, reducing energy and resource consumption, and actively reducing raw materials and waste, and switch to electronic invoices instead of paper invoices to reduce the impact on the environment. A total of 1,371 electronic invoices were issued in 2024, resulting in a reduction of 10.42 metric tons of carbon emissions.</p>	(2) There is no major difference.
(3)Does the company assess the potential risks and opportunities for the current and future climate change, and take measures to address climate-related issues?	V		<p>(3) The company has assessed the potential risks and opportunities for the present and future of the enterprise regarding climate change and has taken measures to respond to climate-related issues. We plan to complete the internal verification of greenhouse gas inventory in accordance with ISO14064-1 in 2023 and external verification in 2025.</p>	(3) There is no major difference.

Items	Implementation status			Differences and Causes of Corporate Social Responsibility Codes with Listed Companies
	Yes	No	Description of summary	
(4)Has the Company counted greenhouse gas emissions, water consumption and total weight of waste in the past two years, and formulated policies for energy conservation and carbon reduction, greenhouse gas reduction, water use reduction or other waste management?	V		(4) Since 2018, our company has established an Environmental Management Committee, which has improved and demonstrated our environmental management performance through organizational operations and self-improvement. Our activities aim to continuously save energy, reduce waste, prevent pollution, implement energy and resource management mechanisms, and promote sustainable resource utilization. Since 2009, our company has annually launched activities to reduce CO2, VOCs, waste, and industrial water usage. Please refer to page 48~49,Note 2 for our 2024 activity targets and achievements.	(4) There is no major difference.
4.Social issues (1)Has the company formulated relevant management policies and procedures in accordance with relevant international human rights convention?	V		<p>(1)①Human rights policies : The company's human rights policy is to abide by the local laws and regulations of Taiwan, and to abide by the core labor standards of the basic conventions of the International Labor Organization. It treats and respects current colleagues, contract and temporary staff and interns.</p> <p>②Human rights concerns and practices : ①Provide a safe and healthy working environment : A) The management goal is zero disaster. B) Analyze the results of health examinations and work-related factors to track and manage specific ethnic groups to prevent potential health risks. C) Guided by the needs of employees, promote healthy activities, encourage employees to participate independently, to pursuit a healthy life. ②Eliminate unlawful discrimination to ensure equal job opportunities : Abide by Taiwan laws, international norms and company human rights policies, and implement relevant internal regulations ③Child labor is forbidden to be used : The company only accepts applicants who have reached the</p>	(1)There is no major difference.

Items	Implementation status			Differences and Causes of Corporate Social Responsibility Codes with Listed Companies
	Yes	No	Description of summary	
(2) Does the company formulate and implement reasonable employee welfare measures (including compensation, vacation and other benefits), and appropriately reflect the operating performance or results in employee compensation?	V		<p>age of 18. When hiring the employees, double check their ID's to ensure that there is no omission.</p> <p>④ Prohibition of forced working : Do not force or threaten any unwilling person to perform labor services.</p> <p>⑤ To help employees maintain physical and mental health and work-life balance : Provide diverse activities such as arts, sports, family participation and parent-child interaction, and also expand the interpersonal interaction of colleagues through community participation.</p> <p>③ Actions to reduce the risk of human rights : In order to reduce human rights risks, the company has actively implemented specific improvement plans in recent years to create a high-quality, safe and bright working environment.</p> <p>④ Education and training practices on human rights protection : ① Provide compliance and promotion of relevant regulations during the education and training of newcomers. ② To establishment and promote sexual harassment prevention standards. ③ Provide a complete series of occupational safety training.</p> <p>(2) ① Employee Compensation Article 30-1 of the company's articles of association clearly states that if there is a profit in the current year, no less than 1% shall be set aside as employee compensation. The company has established work rules and related personnel management regulations, covering the base wages, working hours, vacations, retirement benefits, labor and health insurance benefits, occupational disaster compensation, etc. ② Employee welfare measures: The company has set up an employee welfare committee. The company allocates nearly NT\$12 million in employee welfare</p>	(2) There is no major difference.

Items	Implementation status			Differences and Causes of Corporate Social Responsibility Codes with Listed Companies
	Yes	No	Description of summary	
(3) Does the company provide a safe and healthy working environment for employees, and regularly implement safety and health education for employees?	V		<p>every year. It plans and provides various high-quality benefits for employees, such as birthday bonuses, wedding and funeral allowances, maternity/paternity allowances, etc., and provides employees with free medical examinations; as for the vacation system, on the basis of fixed two-day weekends and national holidays, the number of special vacation days stipulated by the Labor Standards Act is given.</p> <p>③ Workplace Diversity and Equality: Realize equal pay for equal work and equal promotion opportunities for men and women, and maintain more than 10% of female supervisor positions (12% in 2023), and promote sustainable and inclusive economic growth. The average proportion of female employees in 2024 is 35%, of which female supervisor positions for 14%.</p> <p>④ Operational performance is reflected in employee remuneration: The company's rules and regulations clearly stipulate that employees' salaries include the company's operational performance bonus. The calculation of the bonus is based on the company's monthly operational performance. In addition, the annual year-end bonus is also calculated according to the profit status of the company, and is paid according to the employee's performance and rank in the company.</p> <p>(3) The company has long been committed to providing employees with safety and health working environment by set up a comfortable and bright workplace. In addition, the Company has received the certificate of OHSAS 18001 (the occupational safety and health management system, later obtained the newly revised version ISO45001) and ISO14001(the environmental management system) :</p> <p>① For the physical health, regular employee health examinations are held every year. Through various health education and information providing, employees are able to understand their own health status and have better knowledge for self-health</p>	(3) There is no major difference.

Items	Implementation status			Differences and Causes of Corporate Social Responsibility Codes with Listed Companies
	Yes	No	Description of summary	
			<p>management.</p> <p>②Arrange physicians to be stationed in the factory every month (3 hours/time)to provide consulting services related to employee health. 91 employees consulted physicians in 2024.</p> <p>③For the health, the company occasionally organizes various educational and training courses related , to improve employees' physical, mental and spiritual wellness. A total of 5 health promotion lectures, Three Highs Prevention, Sexual Harassment Prevention, Suicide Prevention, Cherishing Gatekeepers and Alcohol Abstinence, and Essential Oil Massage were held in 2024.</p> <p>④Four health promotion activities will be held in 2024: two on-site injection services for influenza vaccine and COVID-19 vaccine; one publicly funded screening for colorectal cancer, oral cancer, and hepatitis B and C; and one on-site Pap smear and mammography screening.</p> <p>⑤The infirmary provided health consultation and related injured care assessments, and there were 68 visits in 2024.</p> <p>⑥It has been proved by Health Promotion Administration to renew the badge of accreditation healthy workplace in 2023. Updated validity date to December 31, 2026.</p> <p>⑦For the work safety, the company has proactively discovered and improved potential safety problems in the workplace through activities such as danger prediction and false alarm proposal.</p> <p>⑧In addition, through education and training and case publicity, the Company will develop employees' emergency response capabilities and safety concepts, strengthen employees' cognitive ability, and reduce the occurrence of accidents caused by unsafe behavior.</p> <p>⑨In 2023 years and 2024 years, the number of injuries was 0, and the goal of 0 injuries in the year was achieved.</p> <p>⑩In the past two years, industrial safety education, training and publicity:</p>	

Items	Implementation status			Differences and Causes of Corporate Social Responsibility Codes with Listed Companies									
	Yes	No	Description of summary										
(4)Does the company establish an effective career development training program for employees?	V		<table><tr><th>Year</th><th># of classes</th><th># of attendees</th></tr><tr><td>2023</td><td>31</td><td>1,654</td></tr><tr><td>2024</td><td>9</td><td>562</td></tr></table>	Year	# of classes	# of attendees	2023	31	1,654	2024	9	562	
			Year	# of classes	# of attendees								
			2023	31	1,654								
			2024	9	562								
			⑪Through regular fire evacuation drills and fire extinguisher operation training, as well as irregular fire and disaster prevention education, the company improved employees' ability and awareness to response to fire effectively, and therefore reduced the possibility of fire accidents heavily.										
			⑫In the past two years, disaster prevention education, training and publicity:										
			<table><tr><th>Year</th><th># of classes</th><th># of attendees</th></tr><tr><td>2023</td><td>11</td><td>1,239</td></tr><tr><td>2024</td><td>7</td><td>979</td></tr></table>	Year	# of classes	# of attendees	2023	11	1,239	2024	7	979	
			Year	# of classes	# of attendees								
			2023	11	1,239								
			2024	7	979								
⑬For the repair of fire-fighting equipment and the control of public dangerous goods on site, the company conducted not only regular on site inspections and repairs in accordance with laws and regulations, but also self-directed monthly fire inspections to implement fire prevention and disaster prevention.													
⑭The number of fire and death toll in the recent two years:													
<table><tr><th>Year</th><th>The number of fire</th><th>The death toll</th></tr><tr><td>2023</td><td>0</td><td>0</td></tr><tr><td>2024</td><td>0</td><td>0</td></tr></table>	Year	The number of fire	The death toll	2023	0	0	2024	0	0				
Year	The number of fire	The death toll											
2023	0	0											
2024	0	0											
(4)The company's education and training committee sets up a complete training plan for the development of colleagues' careers every year, so as to ensure that colleagues can perform tasks in existing positions, and acquire the skills required for promotion and work.													
(4) There is no major difference.													

Items	Implementation status			Differences and Causes of Corporate Social Responsibility Codes with Listed Companies
	Yes	No	Description of summary	
(5)With regard to customer health and safety, customer privacy, marketing and labeling products and services, has the company complied with relevant laws and international standards, and formulated relevant consumer protection policies and appeal procedures?	V		(5)The Company's products all meet the international safety regulations such as VSTD in Taiwan, UNECE in Europe, FMVSS in America, Safety Standard in Japan, GB in Mainland China, AIS in India, and ADR in Australia so as to effectively maintain and guarantee the driving safety of vehicles. In addition, in response to the requirements of rail vehicle customers, it must comply with the safety requirements of international regulations such as Taiwan's CNS, Japan's JIS, Europe's EN/IEC, and the United States' SAE., In the event of a customer complaint, first at all to provide free product replacement, and then strive to solve the customer's problems within the shortest time. The privacy of customers is subject to be confidential according to relative agreements and personal data protection laws. There is a special stakeholders area set up as stakeholders communication and a complaint channel.	(5) There is no major difference.
(6)Does the company formulate supplier management policies that require suppliers to follow relevant regulations on environmental protection, occupational safety and health, or labor human rights, and their implementation situations?	V		(6)In order to enable suppliers to work together to enhance corporate social responsibility, the Company has included relevant corporate social responsibilities such as environmental protection, occupational safety and health or labor human rights compliance in evaluating the qualification of new suppliers, Suppliers who violate the corporate social responsibility policies and have a significant impact on the environment and society may be terminated for the supply contract at any time.	(6) There is no major difference.
5.Does the company make reference to internationally report preparation standards or guidelines to prepare corporate social responsibility reports and other reports that disclose the company's non-financial information? Did the above-mentioned report been ascertained or verified by third-party verification units?		V	The company currently does not fall within the scope of the law stipulating that the corporate social responsibility report should be prepared, so the report has not been prepared. The report will be prepared according to the laws from 2025.	There is no major difference.
6.If the company has established its sustainable development code of practice according to “Sustainable Development Practice Principles for TWSE/GTSM Listed companies ” please describe the operational status and differences : The Company has established a Code of Practice for				

Items	Implementation status			Differences and Causes of Corporate Social Responsibility Codes with Listed Companies
	Yes	No	Description of summary	
Sustainable Development and the overall operation has not much difference from the Code.				
7.Other important information to facilitate better understanding of the company’s implementation of sustainable development: please refer to page 49~50,Note 3 for details.				

Note : The principle of materiality refers to those who have a significant influence on the company's investors and other stakeholders in relation to environmental, social and corporate governance issues.

Note 1 : according to the principle of materiality, the relevant strategies for corporate social responsibility and risk management policies :

Major issues	Item for risk assessment	Risk management policy or strategy
Environment	Environmental protection	<p>To protect the environment, safeguard employee health, and fulfill corporate social responsibilities, the Company, under the guidelines of its environmental and occupational safety and health management system, is committed to the following:</p> <ol style="list-style-type: none"> 1. Ensuring that all business operations and production activities comply with environmental protection, occupational safety and health laws and regulations, as well as other applicable requirements. 2. Continuously improving energy conservation, waste reduction, and pollution prevention measures, while ensuring that no environmentally hazardous prohibited substances are used in the design and manufacturing processes. 3. Ongoing implementation of disease and injury prevention improvements, reinforcement of workplace health management, and the creation of a safe, bright, healthy, and comfortable working environment. 4. Fostering a win-win and interactive relationship among all employees, clients, contractors, suppliers, and external parties to jointly protect the environment and reduce the risk of occupational accidents. 5. Implementing resource and energy management mechanisms to promote sustainable resource use, and gradually embedding the concept of environmental sustainability into product planning and manufacturing. 6. The Company has established an Environmental Committee dedicated to enhancing resource utilization, reducing energy and material consumption, and actively working to minimize raw material usage and waste generation to reduce environmental impact. 7. The Environmental Committee shall convene regularly every two months to review and track improvements related to environmental matters within the facility. 8. According to the environmental system operation and management plan, internal audits of the environmental management system are conducted annually in October.
	Environmental impact	<p>Conduct a comprehensive environmental impact assessment to define the specific scope of the Company's operations on the environment.</p> <ol style="list-style-type: none"> 1. Pollution Control: Implement immediate pollution control measures to clean and restore contaminated land, water sources, or air. 2. Green Technologies and Sustainable Practices: Introduce green technologies and adopt sustainable practices to minimize future environmental impacts. For example, by utilizing renewable energy sources and improving waste management processes.

Major issues	Item for risk assessment	Risk management policy or strategy
		3. Monitoring and Reporting: Establish a continuous monitoring system to regularly report on environmental impact and the progress of improvement measures, ensuring transparency and accountability.
Social responsibilities	Occupational Health and Safety	<ol style="list-style-type: none"> 1. The Company has established a Safety and Health Committee dedicated to improving workplace safety and creating a friendly working environment. 2. The Occupational Safety and Health Committee shall convene regularly each month to review and follow up on matters related to occupational safety and health within the premises. 3. In accordance with the Safety and Health Management Plan, an internal audit of the safety and health management system is conducted every October.
	Talent training and management	<ol style="list-style-type: none"> 1. Provide regularly training for employees on responsible business conduct and due diligence to ensure they understand and can effectively implement the Company's policies. 2. Organize training and seminars for suppliers to enhance their awareness and practical capabilities regarding responsible business practices. 3. Strengthen employee awareness and engagement in responsible business conduct through internal communications, promotional materials, and other means.
	Social impact	<p>Identify and assess the negative impacts of the Company's economic activities on local communities and other stakeholders, such as rising unemployment or harm to local businesses.</p> <ol style="list-style-type: none"> 1. Stakeholder Communication: Publicly disclose our responsible business conduct policy and due diligence findings on the Company website and in the annual report to ensure transparent communication with stakeholders. 2. Compensation Plan: Establish a compensation program to provide financial support to affect communities or individuals. 3. Support for the Local Economy: Promote local economic development through initiatives such as investing in local infrastructure, supporting small business growth, and creating employment opportunities. 4. Social Compensation and Support: Provide necessary support and compensation to impacted communities and individuals, including financial assistance, psychological counseling, and social services. 5. Third-party Review and Collaboration: Engage third-party organizations to conduct independent assessments to ensure fairness and effectiveness of the remedial measures. Collaborate with non-governmental organizations and community groups to jointly implement improvement and remedial efforts.
	Human rights policy	<ol style="list-style-type: none"> 1. Human Rights Impact Assessment: Conduct impact assessments on human rights of the Company's activities, with particular focus on labor rights, community rights, and effects on vulnerable groups. 2. Formulation and Implementation of Human Rights Policies: Develop and enforce human rights policies to ensure that the Company's operations align with international human rights standards. 3. Education and Training: Provide human rights education and training for employees and management to enhance their awareness and capacity in upholding human rights.

Major issues	Item for risk assessment	Risk management policy or strategy
	Ethical Corporate Management	<ol style="list-style-type: none"> 1. Before entering into business transactions, the Company evaluates the legitimacy of potential business partners and checks for any records of dishonesty, avoiding transactions with parties known for dishonest conduct. 2. The General Manager's Office and the Finance Department are jointly responsible for related operations and, when necessary, shall report to the Board of Directors on the Company's integrity management policies, measures to prevent dishonest conduct, and their implementation status. 3. The Company implements a director conflict of interest avoidance mechanism in accordance with the relevant " Regulations Governing Procedure for Board of Directors Meetings." 4. The Company regularly assesses the compliance with its accounting and internal control systems through internal auditors, certified public accountants, and self-assessments of regulatory compliance, and submits the results to the Board of Directors. 5. To prevent dishonest conduct, the Company explicitly prohibits directors, managerial officers, and employees from engaging in such behavior through its "Code of Ethical Conduct" and "Anti-Bribery and Anti-Corruption Regulations," and actively promotes awareness of these standards. 6. The Company and its subsidiaries have established rigorous accounting systems, internal controls, and audit mechanisms to prevent dishonest conduct. A whistleblower system is in place to encourage both internal and external personnel to report illegal or dishonest activities, and regularly assessments are conducted to ensure compliance with relevant business processes.
Corporate Governance	Regulatory compliance Succession plan	<ol style="list-style-type: none"> 1. Through the internal regulations of relevant governance and the implementation of internal control mechanisms, we ensure that all personnel and operations of the company truly comply with relevant laws and regulations. 2. To strengthen the competency of the directors, the Company arranges relevant training for the directors every year and takes out directors' liability insurance for the directors. 3. Succession plans for directors major management levels <ol style="list-style-type: none"> (1) Successor and succession plans for directors The age of the company's directors ranges from 45 to 85 years old with professional skills and industrial experience including business management, finance, accounting, industry, etc., for providing a good foundation for the company's sustainable operations. The company arranges regular training and evaluation for directors, and introduces internal or external talents with diverse backgrounds, experiences, expertise, operational management capabilities, leadership, and decision-making abilities to understand and participate in the operations of the board of directors or functional committees in the event of a board election or board vacancy, for cultivation of the next generation of board members and the Chairman's successor candidates. (2) Succession plans for major management levels The basic conditions for a company's arrangement for management succession are not only good communication skills, necessary professional skills, and experience background, but also in line with company's corporate philosophy, including the core spirit of integrity, progress, efficiency, and the key leadership qualities of integrity and responsibility in order to implement corporate governance. The Company inventories and selects potential key management successor candidates through annual employee performance evaluation, and regular observations and performance evaluations. Through project assignments, internal job rotations, and management courses, the Company assists supervisors in deepening their management skills and expanding their multi-perspective thinking to ensure a smooth transition of senior talent in the future.

Major issues	Item for risk assessment	Risk management policy or strategy
	Responsible Business Conduct and Supplier Management	<p>The Company is committed to responsible business practices and strictly adheres to the principles of the Organization for Economic Co-operation and Development (OECD) and the Responsible Business Alliance (RBA) in its supply chain management.</p> <ol style="list-style-type: none"> 1. Policy Formulation and Commitment: A comprehensive business conduct policy has been established, clearly stating the Company's commitment to comply with OECD and RBA standards. These policies encompass areas such as environmental protection, labor rights, occupational health and safety, and ethical business practices. 2. Compliance Requirements: Suppliers are required to provide relevant compliance documentation, such as environmental management system certifications, social responsibility reports, and other related evidence. 3. Risk Identification and Assessment: The Company regularly conducts risk assessments on suppliers, evaluating factors such as environmental impact, labor conditions, and health and safety standards. <ol style="list-style-type: none"> (1) Supplier Selection: Background checks are performed on new suppliers, and existing suppliers are subject to periodic on-site audits to ensure alignment with the Company's policies. (2) Risk Assessment Tools: Risk evaluation tools are employed to regularly assess existing suppliers, with particular focus on high-risk regions and industries. 4. Due Diligence Procedures: <ol style="list-style-type: none"> (1) Document Review: Suppliers must submit compliance certifications and reports, such as environmental impact assessment and labor contracts. (2) On-site Inspections: Both scheduled and surprise on-site audits are conducted to verify that supplier operations comply with Company policy requirements. (3) Stakeholder Interviews: Interviews are held with employees of suppliers and local community members to assess labor conditions and environmental impact.
	Information security	<p>The Company establishes quantitative indicators to measure information security performance based on the definitions and responsibilities across various levels, aiming to ensure the confidentiality, integrity, availability, and legality of core system management operations. These indicators help assess the implementation status of the information security management system and the achievement of its objectives.</p> <ol style="list-style-type: none"> 1. Confidentiality: Measures must be taken to prevent any sensitive information of the Company from leaking onto the internet. 2. Integrity: The accuracy of sensitive Company data, such as insurance records and personal information, must be maintained. 3. Availability: The Company must ensure that important data in its possession is properly backed up and readily accessible when needed. 4. Compliance: The Company must comply with relevant domestic laws (e.g., the Personal Data Protection Act, the Trade Secrets Act, and laws related intellectual property rights) to avoid infringing on the rights and interests of the Company or third parties. 5. Information security is managed in accordance with the Company's standard documents, namely the "Risk and Opportunity Management Procedures" and "Information Security Organization and Management Operating Procedures." 6. Work responsibilities are defined and executed in accordance with the information security organizational chart.

Major issues	Item for risk assessment	Risk management policy or strategy	
		<div style="border: 1px solid black; padding: 10px; text-align: center;"> <p>Cyber Security Organization Cha</p> <div style="display: flex; justify-content: center; align-items: center; margin: 10px 0;"> <div style="border: 1px solid black; padding: 5px; margin: 0 10px;">Cyber Security management representative</div> <div style="border: 1px solid black; padding: 5px; margin: 0 10px;">Cyber Security Management Committee</div> </div> <div style="display: flex; justify-content: space-around; margin-top: 20px;"> <div style="border: 1px solid black; padding: 5px; text-align: center;">information team</div> <div style="border: 1px solid black; padding: 5px; text-align: center;">design team</div> <div style="border: 1px solid black; padding: 5px; text-align: center;">audit team</div> </div> </div>	

Note 2 : Energy conservation and carbon reduction performance and target

Items	Performance of 2023	Higher (Lower) than the previous period	Performance of 2024	Higher (Lower) than the previous period	Plans of 2025	Higher (Lower) than the previous period	Methods of achieving the goal:												
Production of business waste	60.89 mt	reduction 1.0%	72.55 mt	increment 19% (Disclosure of waste plastics will be added from 2024)	71.82mt	reduction 1.0%	<div>1. Strengthen the inspection of waste recycle condition.</div> <div>2. Study the greatest defects and work on the original source to reduce the defect cause so as to reduce the amount of waste.</div> <div>3. Proportion by category of industrial waste generated in the recent two years.</div> <div>(Unit:mt)</div> <table><tr><td>Year</td><td>Hazardous industrial waste</td><td>General industrial waste</td><td>Total</td></tr><tr><td>2023</td><td>23.01</td><td>37.88</td><td>60.89</td></tr><tr><td>2024</td><td>21.88</td><td>50.67</td><td>72.55</td></tr></table>	Year	Hazardous industrial waste	General industrial waste	Total	2023	23.01	37.88	60.89	2024	21.88	50.67	72.55
Year	Hazardous industrial waste	General industrial waste	Total																
2023	23.01	37.88	60.89																
2024	21.88	50.67	72.55																
Reduction of CO2 emission	11,958.01 ton-CO2e	reduction 3.0%	8,756.1 ton-CO2e	reduction 26.8%	8,493.42 ton-CO	reduction 3.0%	<div>1. Improve the performance of various types of electrical equipment, and review the discontinuation or abolition of non-essential equipment to reduce electricity consumption.</div> <div>2. Continue to inspect electricity usage and pick out unreasonable power for improvement.</div> <div>3. A total of 1,371 electronic invoices were issued in 2024, resulting in a reduction of 10.42 metric tons of carbon emissions.</div>												

Reduction of VOC volatile organic emissions	19.88 mt	reduction 1.0%	14.03 mt	reduction 29.4%	13.89 mt	reduction 1.0%	Strengthen inspection to avoid improper use and dispersion of volatile organic solvents. 1.New development parts without painting design 2.Reduction of poor painting project 3.Improve spraying technology
Amount of water consumption	53,246 mt	reduction 1.0%	50,462 mt	reduction 5.2%	49,957 mt	reduction 1.0%	1. Survey and analysis of water consumption throughout the plant and implementation of reduction measures. 2. Regularly conduct water inspection and improvement of abnormal throughout the whole plant area.

Note 3 : The sustainable development specific promotion plan and implementation results in 2024 :

Item	Project Name	Implementation Results
1	Staff education and training: To organize various trainings inside and outside the factory to improve the quality of human resources.	In 2024, in addition to the regular internal training conducted by various departments, the company adopted a predominantly online learning model for employee development. By the end of the year, employees had completed a total of 1,300 online courses, accumulating 2,831 hours of viewing time—an average of 108 courses viewed per month. Furthermore, there were 850 instances of external training participation, which included programs such as automotive plant training and public sector seminars.
2	Employee health check: Organize employee health checks. Provide health related education and information (Includes health promotion lectures) to improve employees' understanding on their health status, and have knowledge and methods of self-health management.	(1)In 2024, the Tainan Municipal Hospital was arranged to carry out regular health examinations for 427 employees in the factory. (2) There were 298 attendees in two sessions of "Influenza Vaccine and COVID-19 Vaccine On-site Injection" in 2024. (3) It has been proved to renew the “Badge of Accreditation Healthy Workplace” in 2023. Updated effective date to December 31, 2026. (4) There were 29 attendees in one publicly funded screening test for colorectal cancer, oral cancer, and hepatitis B and C in 2024. (5)There were 40 attendees in the speech on health development “Three Highs Prevention and Control" board game style in 2024. (6)There were 60 attendees in the speech on “Sexual Harassment Prevention " in 2024. (7)There were 27 attendees in the speech on “suicide prevention " in 2024. (8)There were 20 attendees in the speech on health development “Cherish the Gatekeepers and Quit Drinking " in 2024. (9) There were 43 attendees in the publicly funded screening test for Pap smear, mammography in 2024. (10) There were 37 attendees in the speech on health development “essential oil massage " in 2024. (11) There were 91 received on-site health consultation and guidance evaluation from doctors.
3	Energy conservation and waste reduction: (1)Reduction of business waste	The actual performance for 2024 as follows : (1) 60.89→72.55 mt : annual increment 19.15% (Disclosure of waste plastics will be added from 2024)

Item	Project Name	Implementation Results
	(2)Reduction of CO2 emission (3)Reduction of Voc volatile organic emissions (4)Reduction on water consumption	(2) 11,958.01→8,756.1 ton-CO2e : annual reduction 26.78% (3) 19.88→14.03 mt : annual reduction 29.43% (4) 53,246→50,462 mt : annual reduction 5.23%
4	Sponsor various charity activities:	<p>The participation in community and charity activities, and actual donation performance for 2024 as follows :</p> <p>(1) For response to blood donation the company Host a blood donation event amd co-organized two times blood donation activity with Wu Jinmao memorial culture and education foundation. T.Y.C. Brother Industrial Co., Ltd.. Tayih Kenmos Auto Parts Co., Ltd. T.Y.C love foundation. Nansei Teppanyaki. There were total 112 people to donate blood, in-plant blood donation car two times. A total of 322 person-times employees donated blood, totaling 524 bags of blood in the three blood donation activities.</p> <p>(2) There were 6 attendees to join Anping safety walking.</p> <p>(3) There were 3 attendees to join "100% Occupational Safety, Safety Follows" Guanziling walking activity.</p> <p>(4) There were 24 attendees to join attending two beach cleanup held by vehicles Manufacturer.</p> <p>(5) There were 10 attendees to join attending the road running competition invited by Kuozui Motors .</p> <p>(6) Sponsored NT\$100,000 to the Tainan City Cultural Association, a corporate body, to revitalize and regenerate historic sites and promote the development of local cultural industries.</p> <p>(7) Sponsored the 113th annual golf team fee of NT\$10,000 for the Tainan City Yi Zai Association to promote golf.</p> <p>(8) Donated NT\$20,000 to the Jade Emperor Jade Saint Temple Temple Building Fund's Central Kitchen "Holiday Meal Delivery Love Never Stops" campaign to provide meal delivery services to elderly people living alone and vulnerable groups.</p> <p>(9) Donated NT\$ 50,000 to Zhushan Charity Association to assist them in organizing meal delivery activities for disabled elderly people at home during the Mid-Autumn Festival.</p> <p>(10) Sponsored NT\$20,000 to Zhongliao Longevity Club in Qigu District to organize Double Ninth Festival activities for the elderly.</p>
5	Couducting Industry-Academy Cooperation Projects	The company conducted Industry-Academy Cooperation Projects with Kun Shan University of Science and Technology. There were 9 students to learn in the company for job opportunity and talent training.

2-3-7.Execution Status of Climate-related Information :

Items	Execution Status
1. Description of the supervision and governance of climate-related risks and opportunities by the board of directors and management.	<p>1. Given the increasingly significant impact of climate change on corporate operations, the Board of Directors plays a role in supervisor for the company's sustainable development management strategy.</p> <p>(1) Environmental Management Committee will review and formulate a policy for climate and environment related issues, and report it to the management level (general manager) for review and implementation. The general manager will report the final implementation results to the board of directors.</p> <p>(2) According to the ISO14064-1 standard in 2024, the company completed self-directed greenhouse gases inventory. The inspection boundaries are designated as No. 11, Xinxin Rd., South Dist., Tainan City (Head office) and 1F.3F., No. 39, Xinle Rd., South Dist., Tainan City (Branch factory). Additionally, the company plan to obtain external assurance report following the plan of Sustainable Development Roadmap for TSE and OTC companies in 2027.</p>
2. Explain how identified climate risks and opportunities affect the business, strategy, and finances of the enterprise (short-term, medium-term, long-term).	<p>2. Company needs to identify potential climate risks, including the impact of extreme weather events on business.</p> <p>(1) The short-term impacts of climate events : Such as interruptions in production, affecting related supply chains and company operations; The company must devise strategies to address climate change, such as enhancing production processes to reduce carbon emissions; financially, climate risks may lead to asset depreciation, requiring higher insurance premiums to cover climate-related risks.</p> <p>(2) The medium to long-term impacts : As climate change alters market structures and consumer behaviors, company need to comprehensively review their business models and value chains, considering possible climate change scenarios, adjusting products and services to meet market demands, investing in research and innovation projects, developing lowcarbon, recyclable products or services, and financially planning for additional capital investments.</p>
3. Describe the impact of extreme weather events and transition actions on finances.	<p>3. Extreme weather events, such as hurricanes, floods, etc., can have direct and indirect impacts on company operations and finances. Direct impacts include production interruptions, supply chain disruptions, facility damage, etc., all of which can lead to a decrease in company revenue and profits. Indirect impacts include rising insurance costs, increased capital costs, etc., all of which can have negative effects on the financial condition. To address climate change, the company will undergo a transformation in energy and economic structures. This includes investing in renewable energy, improving energy efficiency, developing low-carbon technologies, etc. These transformation actions require significant capital investment, but at the same time, they also bring about new business opportunities. By participating in these transformation actions, the company can gain new sources of revenue and improve financial performance.</p>
4. Describe how the process of identifying, assessing, and managing climate risks is integrated into the overall risk management system.	<p>4. The process of identifying, assessing, and managing climate risks can be integrated into the overall risk management system through the following step.</p> <p>(1) Risk Identification: Conduct annual risk identification of climate risks and opportunities based on the company's business characteristics.</p> <p>(2) Risk Assessment: The Office of the General Manager and departments related to risk management jointly conducted an integrated enterprise risk assessment.</p> <p>(3) Risk Management: Consider climate change as a strategic business risk and incorporate its identification, measurement, and management processes into the company's overall risk procedures.</p>

<p>5. If scenario analysis is used to assess resilience to climate change risks, details should be provided on the scenarios, parameters, assumptions, analysis factors, and key financial impacts.</p> <p>6. If there is a transformation plan to address and manage climate-related risks, describe the content of the plan, as well as the indicators and objectives used to identify and manage physical risks and transition risks.</p> <p>7. If using internal carbon pricing as a planning tool, details should be provided on the pricing basis.</p> <p>8. If climate-related goals are set, details should be provided on the activities covered, greenhouse gas emission scopes, planning timeframe, progress achieved annually, etc. If carbon offsets or Renewable Energy Certificates (RECs) are used to achieve these goals, details should be provided on the source and quantity of carbon offsets or the quantity of RECs.</p> <p>9. Greenhouse gas inventory and confirmation status with reduction targets, strategies, and specific action plans.</p>	<p>(4)Risk Reporting: If using scenario analysis to assess resilience to climate change risks, provide details on the scenarios, parameters, assumptions, analysis factors, and key financial impacts.</p> <p>5. The company currently does not use scenario analysis for assessment but is carefully considering the use of this tool to enhance resilience to climate change risks.</p> <p>6. The Company will conduct detailed risk assessment and strategy planning to respond to the transition of climate-related risk management for decreasing the impact on climate change and transition risks.</p> <p>7.The company currently does not use internal carbon pricing as a planning tool.</p> <p>8. The planning schedule of the greenhouse gas inventory and verification of the company :</p> <table><tr><th>item</th><th>Work projects</th><th>estimated finish time</th><th>Execution Status</th></tr><tr><td>1</td><td>Set up a dedicated (part-time) unit and internal verification unit.</td><td>December, 2023</td><td>Safety and health committee convened a meeting to initiate greenhouse gas inventory and education in February 2023.</td></tr><tr><td>2</td><td>Prepare talent training plan (14064-1 Internal verification personnel).</td><td>December, 2023</td><td>Completed internal verification personnel training for one in May 2023.</td></tr><tr><td>3</td><td>Formulate policy, control mechanism and objects in 2026 and 2027.</td><td>December, 2023</td><td>Poepose the procedure of greenhouse gas inventory in the end of 2023.</td></tr><tr><td>4</td><td>Autonomous Internal verification</td><td>December, 2023</td><td>Completed the base year (2022) independent greenhouse gas inventory in November 2023</td></tr><tr><td>5</td><td>Autonomous greenhouse gas inventory</td><td>December, 2024</td><td>Completed the base year (2023) independent greenhouse gas inventory in October 2024</td></tr><tr><td>6</td><td>Autonomous greenhouse gas inventory</td><td>December, 2025</td><td>It is expected to complete the independent greenhouse gas inventory in the base year (2024) in May 2025.</td></tr><tr><td>7</td><td>Autonomous greenhouse gas inventory</td><td>December, 2026</td><td>—</td></tr><tr><td>8</td><td>External verification (Issue 2027 verification statement)</td><td>December, 2027</td><td>—</td></tr></table> <p>9. According to the ISO14064-1 standard in 2024, the company completed self-directed greenhouse gases inventory and plan to obtain verification in 2026. Related reduction objects please refer to page</p>	item	Work projects	estimated finish time	Execution Status	1	Set up a dedicated (part-time) unit and internal verification unit.	December, 2023	Safety and health committee convened a meeting to initiate greenhouse gas inventory and education in February 2023.	2	Prepare talent training plan (14064-1 Internal verification personnel).	December, 2023	Completed internal verification personnel training for one in May 2023.	3	Formulate policy, control mechanism and objects in 2026 and 2027.	December, 2023	Poepose the procedure of greenhouse gas inventory in the end of 2023.	4	Autonomous Internal verification	December, 2023	Completed the base year (2022) independent greenhouse gas inventory in November 2023	5	Autonomous greenhouse gas inventory	December, 2024	Completed the base year (2023) independent greenhouse gas inventory in October 2024	6	Autonomous greenhouse gas inventory	December, 2025	It is expected to complete the independent greenhouse gas inventory in the base year (2024) in May 2025.	7	Autonomous greenhouse gas inventory	December, 2026	—	8	External verification (Issue 2027 verification statement)	December, 2027	—
item	Work projects	estimated finish time	Execution Status																																		
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7	Autonomous greenhouse gas inventory	December, 2026	—																																		
8	External verification (Issue 2027 verification statement)	December, 2027	—																																		

	48~49,Note2.Greenhouse gas inventory emissions in 2024 are in the table below without third party verification. The inspection boundaries are designated as No. 11, Xinxin Rd., South Dist., Tainan City (Head office) and 1F.3F., No. 39, Xinle Rd., South Dist., Tainan City (Branch factory).			
	Ambit	Total emissions intensity (metric tons CO2e per year)	Proportion of emissions source classification	Planning schedule
	Direct emissions (Scope 1, i.e.)	562.9133	6.59%	Plan to obtain external assurance report in 2026.
	energy indirect emissions (Scope 2, i.e.)	7,979.0297	93.41%	Plan to obtain external assurance report in 2026.

2-3-7-1.Greenhouse Gas Inventory and Verification Status for the Past Two Years

1. Greenhouse Gas Inventory Information

(1)Basic Information of Taiwan Cement Corporation

Basic Information of Taiwan Cement Corporation	According to the Sustainable Development Roadmap for Listed Companies, disclosure should include at least
<input type="checkbox"/> Companies with a capital of over NT\$10 billion, Steel Industry, or Cement Industry <input type="checkbox"/> Companies with a capital of over NT\$5 billion but less than NT\$10 billion <input checked="" type="checkbox"/> Companies with a capital of less than NT\$5 billion	<input type="checkbox"/> Individual GHG inventory of the parent company <input type="checkbox"/> GHG inventory of consolidated entities <input type="checkbox"/> Assurance provided to the parent company's GHG inventory <input type="checkbox"/> Assurance provided to the consolidated entities' GHG inventory <input checked="" type="checkbox"/> Not yet disclosed

(2)Greenhouse Gas Inventory Information The Most Recent Two-Year Greenhouse Gas Emissions (tons CO2 e), Intensity (metric tons CO2 e per million NT dollars), and Data Coverage Scope.

boundaries No. 11, Xinxin Rd., South Dist., Tainan City and 1F.3F., No. 39, Xinle Rd., South Dist., Tainan City		Total emissions intensity of 2023 (metric tons CO2e per year)	Intensity of 2023 (tons CO2 e/NT\$ millions)	Total emissions intensity of 2024 (metric tons CO2e per year)	Intensity of 2024 (tons CO2 e/NT\$ millions)
Head office	Direct emissions (Scope 1, i.e.)	624.1712		562.9133	
	energy indirect emissions (Scope 2, i.e.)	11,057.5773		7,979.0297	
	Total emissions	11,681.7485	2.4251	8,541.9430	2.3111

2. Assurance Information

As of the date of this annual report's publication, the assurance details for the greenhouse gas emissions over the two most recent years include the scope of assurance, the assuring body, the assurance standards, and the assurance opinions provided :

The inspection boundaries are designated as No. 11, Xinxin Rd., South Dist., Tainan City (Head office) and 1F.3F., No. 39, Xinle Rd., South Dist., Tainan City (Branch factory) in 2022. The self-directed greenhouse gas inventory from 2022 to 2025 has not been implement external assurance. The company plan to obtain external assurance in the third quarter of 2027 .

2-3-7-2. Greenhouse Gas Emission Reduction Targets, Strategies and Specific Action Plans

Describe the greenhouse gas reduction base year and its data, reduction targets, strategies, and specific action plans, as well as the status of achieving reduction targets :

To develop greenhouse gas (GHG) reduction strategies, the Company completed a self-defined GHG inventory in 2022, setting 2021 as the baseline year. In 2023, Scope 1 and Scope 2 emissions were 624.1712 tons and 11,057.5773 tons CO₂e, respectively, with Scope 2 emissions accounting for the highest proportion at 94.66%. The Company aims to reduce indirect emissions through its carbon neutrality reduction plan, targeting an annual reduction of 3.3%. As of 2024, carbon neutrality efforts have resulted in a 23% reduction compared to the baseline year. The goal is to achieve at least a 3.3% annual reduction from the baseline year onward, reaching a cumulative reduction of 46% by 2035, equivalent to an overall emission reduction of 40%. The detailed carbon neutrality reduction plan is as follows:

Specific implementation plan for carbon neutrality reduction over the past five years								
	Item	Distinction	Projected outcome (Ton)	Implementation plan				
				2023	2024	2025	2026	2027
1	Vacuum metallization equipment integration and layout renovation	Daily Improvement	101	→ Integration of equipment, reduction of standby power, and improvement of issues related to power remaining during holidays.				
2	Integration of plastic material drying hopper for injection molding to reduce the number of units used.	Daily Improvement	714	→ Originally 53 plastic material drying hoppers were in use; after integration improvements, a total of 19 units of equipment were reduced from 2023 to 2024.				
3	Vacuum metallization layout renovation, reducing air conditioning load by 89 RT and fan motor power by 37.5 HP.	Daily Improvement	310	→ Before improvement: Total air conditioning capacity was 105 RT, and total fan motor power was 45 HP. After improvement: 1 unit of 16 RT air conditioning unit with a 7.5 HP fan was used.				
4	Partial load operation in molding was transferred to another machine to reduce production (standby power consumption) (hydraulic press production → fully electric machine production).	Daily Improvement	61		→ 850T molding products were transferred to 1000T and 1050T molding machines, reducing standby power consumption.			

Specific implementation plan for carbon neutrality reduction over the past five years								
	Item	Distinction	Projected outcome (Ton)	Implementation plan				
				2023	2024	2025	2026	2027
5	Consolidation and removal of cooling water tower in the Welfare Building.	Daily Improvement	58			-----▶ Water tank systems were consolidated to reduce electricity consumption by 25 HP and lower routine maintenance costs.		
6	Replacement of 1,300-ton hydraulic forming machines with fully electric models, reducing electricity consumption by 40%.	Innovative technology	190	————▶ The original equipment, with 18 years of usage and power consumption of 135KW, was replaced by an all-electric model with a power usage of 75KW				
7	Replacement of large, old post-molding tempering furnace in the forming area with a smaller post-molding tempering furnace.	Innovative technology	186	————▶ The original equipment, 21 years old and using electric power plus steam hot air circulation heating, was replaced with a compact and high-efficiency model.				
8	Replacement of constant frequency chiller and air compressors with variable frequency models.	Innovative technology	120	————▶ Three units of equipment over 15 years old and prone to frequent breakdowns were replaced with high-efficiency variable frequency models.				
9	Implementation of equipment replacement and upgrades according to the CO2 reduction strategy and mid-term plan.	Innovative technology	1,841	————▶ Since 2022, a total of 10 units of equipment have been replaced or decommissioned.	————▶	-----▶ By 2030, 15 units of large, outdated equipment are scheduled to be replaced annually with high-efficiency models.		-----▶

2-3-8.Fulfilling the integrity management situation and adopting measures :

Items	Implementation status			Differences and reasons for the integrity management code of the listed company
	Yes	No	Description of summary	
1.Establishment of Corporate Conduct and Ethics Policy and Implementation Measures				
(1)Does the company set up the integrity policies approved by the board of directors. The integrity policies should be expressed in its regulations and external correspondence, as well as the commitment of the board of directors and high management to actively implement business policies?	V		(1) On March 8, 2024, the board of directors formulated to establish the “Ethical Corporate Management Best Practice Principles” and “Procedures for Ethical Management and Guidelines for Conduct”. The Company did not set up the integrity policies approved by the board of Directors. However, the contracts signed by the Company in the course of its operation are based on the principle of good faith and mutual benefit to sign a reasonable contract and actively fulfill the contractual commitments according to the Principles and Procedures. In addition, The directors may not participate in the discussion and voting and should evade when the content of discussion is harmful to the interests of the company.	(1)There is no significant differences
(2)Whether the company has established risk assessment mechanisms against unethical conduct, regularly analyze and evaluate business activities with a higher risk of dishonesty in the business scope, and establish prevention programs accordingly and review their adequacy and effectiveness on a regular basis. And at least cover the preventive measures for the conduct of the of Article 7 second paragraph of the code of "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies"?	V		(2) The “Ethical Corporate Management Best Practice Principles” and “Procedures for Ethical Management and Guidelines for Conduct” and the internal regulations "Prevention of Bribery and Acceptance of Bribes" have clearly prohibited unscrupulous acts such as bribery, acceptance of bribes, illegal political contributions, improper donations or sponsorships, offering or accepting unreasonable gifts, hospitality and other improper benefits. The regulation stipulates the handling procedures when accepting unfair benefits, the disciplinary punishment and appeal system, and regularly assess the risk of dishonesty behavior for business activities with high dishonesty behavior within the business scope, and accordingly revise the plan to prevent dishonesty behavior and related internal control system.	(2)There is no significant differences
(3)Does the company clearly specify the operating procedures, behavior guidelines, disciplinary penalties and grievance system in the plan to prevent dishonesty, implement it, regularly review and revise the plan	V		(3)In order to prevent dishonest behaviors, the Company clearly stated that directors, managers and employees shall not have dishonest behaviors in the “Ethical Corporate Management Best Practice Principles” and “Procedures for Ethical Management and Guidelines for Conduct” and “Code of Ethical Conduct” and “Provisions on Preventing Bribery and Acceptance of Bribes”, and The company	(3)There is no significant differences

Items	Implementation status			Differences and reasons for the integrity management code of the listed company
	Yes	No	Description of summary	
			provided regularly internal promotion of the ethical management policy to any director, managers, employee, mandatary. In addition, the company have rigorous accounting systems, internal control and audit systems to prevent dishonesty. A reporting system has been established to encourage internal and external personnel to report illegal and dishonest behavior. The Company regularly evaluates the implementation situation.	
2. Corporate Conduct and Ethics Implementation				
(1) Does the company assess the integrity record of the transaction party and specify the terms of good faith in the contract with the transaction partner?	V		(1) The company will consider the legality of the business party and whether there is a record of dishonesty before having contacts with the business party, and avoid trading with those who have dishonest records. The business units will communicate the company's ethical management policy to the company's business partners.	(1) There is no significant differences
(2) Does the company set up a special full-time unit that promotes the integrity management of the company under the board of directors, and regularly reports its implementation (at least once a year) to the board of directors?	V		(2) On March 8, 2024, the board of directors formulated to establish the "Procedures for Ethical Management and Guidelines for Conduct". This Corporation shall designate the Finance Department as the solely responsible unit. On November 6, 2024, The responsible unit submit reports to the board of directors.	(2) There is no significant difference
(3) Does the company set up a policy to prevent conflicts of interest, provide a proper complaint channel, and its implementation?	V		(3) The company's "Rules for Board of Directors' meeting Procedures" stimulates a system for avoiding directors' conflict of interests. Those who are interested in the bills listed by the board of directors and their own legal persons, may express the opinions and answer questions, but may not join the discussion and voting, and shall not act on behalf of other directors to exercise their voting rights.	(3) There is no significant differences
(4) Whether the company has established an effective accounting system and internal control system for the implementation of integrity management, and the internal audit unit formulates the relevant audit plan based on the assessment results of the risk of dishonesty, and checks the compliance with the plan to prevent	V		(4) The Company carries out the inspection of the accounting and the internal control system through the internal auditors, certified public accountant, and self-evaluation in accordance with the law, and reports the results to the Board of Directors.	(4) There is no significant differences

Items	Implementation status			Differences and reasons for the integrity management code of the listed company
	Yes	No	Description of summary	
dishonesty. Or entrust a CPA to perform the audit? (5)Does the company regularly hold education training internally and externally of the corporate integrity management?	V		(5)The integrity management has been included in the education and training for the new comer. The company provided regularly internal promotion of the ethical management policy to any director, managers, employee, mandatary. On August 23, 2024, The company provided internal promotion of the ethical management policy via email. Communicate the importance of integrity to any director, managers, employee, mandataryactively promote them.	(5)There is no significant differences
3.Status of implementation of reporting of malpractices (1)Does the company provide incentives and means for employees to report malpractices and provide channels for reporting malpractices? Does the company assign designated personnel to investigate the report malpractice? (2)Has the company established the standard operating procedures for the investigation of the complaint, the follow-up measures to be taken after the investigation is completed, and the relevant confidentiality mechanism? (3)Does the company assure the employees who reported on the malpractices that they will not be prosecuted for making such reports?	V V V		(1)The Company’s “Procedures for Ethical Management and Guidelines for Conduct”.“Employee Code of Conduct” and the “Provisions to prevent bribery” have clearly defined the reward and discipline system, and the personnel unit and the audit office will handle the related matters. (2)The Company’s “Procedures for Ethical Management and Guidelines for Conduct”. “Employee code of conduct”, “Provisions to prevent bribery” and “internal control system” have included the relevant procedures and confidentiality mechanisms for investigations of reported malpractices. (3)The company will enforce protective measures to assure that the good faith informer will not be retaliated against.	(1)There is no significant differences (2)There is no significant differences (3)There is no significant differences
4.Enhanced information disclosure Has the company disclosed its integrity principles and progress onto its website and MOPS?	V		The company has on its website www.tayih-ind.com.tw and MOPS disclosed the company’s integrity principles.	There is no significant differences
5.If the company has its own code of conduct in accordance with the Ethical Corporate Management Best Principles for TWSE/GTSM Listed Companies, please describe the difference between its operation and the Code : On March 8, 2024, the company formulated to establish the “Ethical Corporate Management Best Practice Principles” and operated based on the principles without difference.				

Items	Implementation status			Differences and reasons for the integrity management code of the listed company
	Yes	No	Description of summary	
6.Other important information to facilitate better understanding of the company’s corporate conduct and ethics compliance practices (e.g. review the company’s corporate conduct and ethics policy) : The company has "employee work rules", On March 8, 2024, the board of directors formulated to establish the “Ethical Corporate Management Best Practice Principles” and “Procedures for Ethical Management and Guidelines for Conduct”. which clearly regulates for not accepting gifts, not accepting kickbacks, not accepting commissions, and not leaking confidentiality regarding production or business; and implementing regulations regarding corporate governance based on internal control and auditing systems. The Company will also pay attention to the development of relevant domestic and foreign integrity management regulations anytime to improve the existing integrity management policies and implementation accordingly. In addition, the Company will announce the company's significant financial information on Market observation Post System in accordance with relevant regulations for investors and interested parties to refer to.				

2-3-9.Other key information conducive to the understanding of the implementation of integrity management : None

2-3-10.The status of the implementation of the internal control system shall be disclosed:

2-3-10-1.Statement of Internal Control System :

TA YIH INDUSTRIAL CO., LTD.
Statement of Internal Control System

Date : 2025.03.06

The 2024 internal control system of the Company, based on the results of the self-assessment, would like to state the following :

- 1.The Company is aware that the establishment, implementation and maintenance of the internal control system is the responsibility of the board of directors and managers of the Company, the Company has already established the system. The purpose is to provide reasonable results in terms of operational effectiveness and efficiency (including profitability, performance and ensure the safety of assets, etc.), reporting reliability, in time, transparency, to provide reasonable assurance that complies with relevant regulations and relevant laws, and that compliance with relevant laws and regulations is achieved.
- 2.The internal control system has its inherent limitations. Regardless of how perfect the design is, an effective internal control system can only provide reasonable assurance of the achievement of the above three objectives; and, due to changes in the environment and conditions, the effectiveness of the internal control system may change.
However, the company's internal control system is equipped with a self-monitoring mechanism, and once the fault is identified, the company will take corrective action.
- 3.The Company judges whether the design and implementation of the internal control system is effective based on the judged item of the effectiveness of the internal control system as stipulated in the “Regulations Governing Establishment of Internal Control Systems by Public Companies” (hereinafter referred to as “Regulations”).
The internal control system judgment project used in the “Regulations” is based on the process of management control, which divides the internal control system into five components: 1. Control environment, 2 risk assessment, 3. control operations, 4. Information and communication, and 5. Monitoring operations. Each component also includes several items. Please refer to the “Regulations” for the above mentioned items.
- 4.The Company has adopted the above mentioned items of the internal control system to evaluate the effectiveness of the design and the implementation of the internal control system.
- 5.Based on the results of the preceding assessment, the Company believes that the internal control system (including supervision and management of subsidiaries) of the Company as on December 31, 2024, including understanding the effectiveness of operations and the achievement of efficiency goals. The design and implementation of the internal control system, such as timely, transparent and in compliance with relevant regulations and relevant laws and regulations, is effective and can reasonably ensure the achievement of the above objectives.
- 6.This statement will become the main content of the company's annual report and public statement, and will be made public. If the contents of the above disclosure are illegal or fake, it will conflict with legal liabilities of Articles 20, 32, 171 and 174 of the Securities Exchange Law.
- 7.This statement was approved by the board of directors of the Company on March 06, 2025; 0 of the 7 directors present objected, the rest agreed to the content of the statement and hereby declared so.

TA YIH INDUSTRIAL CO., LTD.
Chairman : Wu Chun-I
President : Jyh Chin-Juang

2-3-10-2.Where a CPA has been hired to carry out a special audit of the internal control system, furnish the CPA audit report : there is no such situation.

2-3-11. Significant resolutions of a shareholders meeting or a board of directors meeting during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report :

2-3-11-1. Implementation of important resolutions of the shareholders 'meeting

Date of meeting	Summary of important proposals	Result of resolution(election)			Review of the implementation of the resolution
2024.06.11	1.To accept 2023 Business Report and Financial Statements.	Voting results for this motion: The participating shareholders of voting powers: 53,087,896 voting powers. Votes approved: 53,021,176 votes , Percentage of the total representation at the time of voting : 99.87% , Votes against : 22,285 votes , Votes invalid : 0 vote , Votes abstained : 44,435 votes ; The case was approved as per the original proposal.			Relevant documents have been submitted to the competent authority for inspection and announcement in accordance with the Company Act and other relevant laws and regulations.
	2. To accept 2023 earnings distribution. Dividends : Cash dividends of NT\$ 0.7 per share	Voting results for this motion: The participating shareholders of voting powers: 53,087,896 voting powers. Votes approved: 53,021,171 votes , Percentage of the total representation at the time of voting : 99.87% , Votes against : 23,290 votes , Votes invalid : 0 vote , Votes abstained : 43,435 votes ; The case was approved as per the original proposal.			Distribute according to the resolution of the shareholders' meeting. The Board of Directors was convened on June 11, 2024, and the resolution was to set on July 7, 2024 as the benchmark date for the interest-bearing, and August 2, 2024 as the issue date.
	3. To approve the amendments to certain articles of the Company's "Articles of Incorporation"	Voting results for this motion: The participating shareholders of voting powers: 53,087,896 voting powers. Votes approved: 52,869,164 votes , Percentage of the total representation at the time of voting : 99.58% , Votes against : 169,299 votes , Votes invalid : 0 vote , Votes abstained : 49,433 votes ; The case was approved as per the original proposal.			Processed according to the resolution.
	3. Re-reelect of 2 directors of the Company.	Candidate Type	Name	Number of election rights	Based on the results of re-election as directors in shareholders meeting and effective immediately
		Director	Ding Wan Investment Industrial Co., Ltd. Representative: Kreng Bor-Wen	53,149,624	
		Director	Da Wei Investment Enterprise Co., Ltd.	52,771,228	
	4. To approve the lifting of "Non-Compete Restriction" against the Company's directors.	Voting results for this motion: The participating shareholders of voting powers: 53,117,896 voting powers. Votes approved: 52,900,732 votes , Percentage of the total representation at the time of voting : 99.59% , Votes against : 132,718 votes , Votes invalid : 0 vote , Votes abstained : 84,446 votes ; The case was approved as per the original proposal.			Processed according to the resolution.
	3.Release of the non-competition for new independent directors.	Voting results for this motion: The participating shareholders of voting powers: 52,808,128 voting powers. Votes approved: 52,715,092 votes , Percentage of the total representation at the time of voting : 99.82% , Votes against : 49,984 votes , Votes invalid : 0 vote , Votes abstained : 43,052 votes ; The case was approved as per the original proposal.			Processed according to the resolution.

2-3-11-2.Important resolutions of the board:

Date of meeting	Summary of important proposals
2024.01.16	Operating Plan and Budget Proposal for the fiscal year of 2024.
2024.03.08	1.Approved the proposal of 2023 distribution of employee compensation
	2.Borad of directors approved the consolidated financial report for 2023.
	3.The distribution of earnings for the fiscal year 2023.
	4.Assessment of the 2023 "Internal Control System Declaration".
	5.Assessment of the independent and competence of the company's CPA.
	6.To approve the CPA of the financial statement and CPA's fee.
	7.Amendment of the company's "Articles of Incorporation".
	8. Amendment to the Company's "Rules of Procedures for Board of Directors ' Meetings".
	9. Amendment to the Company's " Rules Governing the Scope of Powers of Independent Directors ".
	10. Proposal to establish the “Ethical Corporate Management Best Practice Principles” and “Procedures for Ethical Management and Guidelines for Conduct”.
	11. Proposal to establish the "Operational Procedures for Financial Transactions among Related Parties" of the company.
	12.Director by-election.
	13.Lifting of non-competition restrictions for new directors.
	14.The company accepts matters related to nominate of director candidates by shareholder.
	15.The company accepts matters related to propose motion by shareholder.
	16.Matters related to the convening of the shareholder's annual meeting for 2024.
	17. The board's approval for the donation to related parties.
2024.04.17	1.Nomination of the candidates for directors.
	2.Lifting of non-competition restrictions for new directors.
2024.05.07	1.Borad of directors approved the financial report for the first quarter of 2024.
	2.Lifting of non-competition restrictions for new directors.
2024.06.11	1. Set the date for calculation of interest of dividends and the issue date for 2024.
2024.07.18	Amendment to The company's subsidiary plans to dispose of shares of Fuzhou Koito Ta Yih Automotive Lamp Co., Ltd.
2024.08.06	1.Borad of directors approved the financial report for the second quarter of 2024.
	2. Amendment to Changes in the company's internal audit manager
2024.11.06	1. Borad of directors approved the financial report for the third quarter of 2024.
	2.Amendment to the Company's " Directions for Auditing Internal Control Systems".
	3.Audit execution plan for the fiscal year 2025.
	4.Operating Plan and Budget Proposal for the fiscal year of 2025.
	5. Proposal to establish "The Committee for Sustainable Development Charter " of the company.
	6.Appointment of members of the Committee for Sustainable Development.
2025.01.09	1.Amendment to the Company's "Regulations for Election of Directors ".
	2.Lifting of non-competition restrictions for directors.
	3.The board's approval for the donation to related parties.
2025.03.06	1.Borad of directors approved the consolidated financial report for 2024.
	2.Approved the proposal of 2024 distribution of employee compensation
	3.The distribution of earnings for the fiscal year 2024.

Date of meeting	Summary of important proposals
	4.Assessment of the 2024 "Internal Control System Declaration".
	5.Amendment to the Company's " Directions for Auditing Internal Control Systems".
	6.Amendment of the company's "Articles of Incorporation".
	7.Assessment of the independent and competence of the company's CPA.
	8.To approve the CPA of the financial statement and CPA's fee.
	9.The company accepts matters related to propose motion by shareholder.
	10.Matters related to the convening of the shareholder's annual meeting for 2025.
	11. Assessment of the Plan and Budget Proposal for the fiscal year of 2025.

2-3-12.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 : No such situation

2-4.Information of CPA professional fees :

2-4-1.Information of the CPA :

Accounting firm	Name of CPA	Accountant inspection period	Audit fee	Non-audit fee	Total (NT\$ thousands)	Note
PwC Taiwan	Yeh Fang-Ting	2024.01.01 ~2024.12.31	2,400	890	3,290	
	Tien Chung-Yu					

Note : Non-audit service content: : NT\$250 thousands for the transfer pricing report service fee, NT\$40 thousands for reading and consideration of additional information NT\$480 thousands for assessment of profit-seeking enterprise income tax, NT\$20 thousands for assessment table of information on salaries of full-time employees in non-management positions, and NT\$100 thousands for English translation for individual financial report.

2-4-2.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.

2-4-3.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.

2-5.Information on replacement of certified public accountant: If the company has replaced its certified public accountant within the last 2 fiscal years or any subsequent interim period, it shall disclose the following information :

2-5-1. Regarding the former accountant

Change of Date	2023.03.08		
Reason for Change and Explanation	Considerations for internal management within the company include		
Explanation of Termination or Non-Acceptance of Appointment	Condition \ litigant	Accountant	Appointed person
	Voluntary termination of appointment.	No longer accepting (continuing) appointment	V
	Decline (to continue) appointment.	No longer accepting (continuing) appointment	Not applicable

Opinions and Reasons for Audit Reports Issued in the Past Two Years, excluding Unqualified Opinions.	N/A		
Whether there are any differences of opinion with the issuer	Yes	Accounting principles or practices.	-
		Disclosure of financial reports.	-
		Audit scope or procedures.	-
		Other	-
	N/A	V	
caption			
Other disclosure items (as required by Article 10, Section 6, Items 4 to 7 of this standard).	N/A		
Change of Date		2023.08.04	
Reason for Change and Explanation		The Company has cooperated with the internal transfer of PwC Taiwan, which was originally certified by CPAs Lin Tzu-Shu and Liu, Yeh Fang-Ting. Starting from the Two quarter of 2023, these personnel have been replaced by CPAs Yeh Fang-Ting and Tien Chung-Yu .	
Explanation of Termination or Non-Acceptance of Appointment	Condition \ litigant	Accountant	Appointed person
	Voluntary termination of appointment.	No longer accepting (continuing) appointment	Not applicable
	Decline (to continue) appointment.	No longer accepting (continuing) appointment	Not applicable
Opinions and Reasons for Audit Reports Issued in the Past Two Years, excluding Unqualified Opinions.	N/A		
Whether there are any differences of opinion with the issuer	Yes	Accounting principles or practices.	-
		Disclosure of financial reports.	-
		Audit scope or procedures.	-
		Other	-
	N/A	V	
caption			
Other disclosure items (as required by Article 10, Section 6, Items 4 to 7 of this standard).	N/A		

2-5-2.Regarding the successor accountant :

Office Name	PricewaterhouseCoopers Taiwan
Accountant's Name	Accountant Yeh Fang-Ting, Accountant Tien Chung-Yu
Date of Appointment	2023/08/04
Consultation Matters and Results regarding the Accounting Treatment Method or Accounting Principles for Specific Transactions before the Appointment and the Possible Opinion to be Issued on Financial Reports	None
Written Opinions of the Successor Accountant on Matters of Disagreement with the Previous Accountant	None

2-5-3.Reply of the former accountant to the provisions of Article 10, paragraph 6, subparagraph 1 and subparagraph 2.3 of the Guidelines : None.

2-6.Where the company's chairman, president, or any managerial officer in charge of finance or

accounting matters has in the most recent year held a position at the accounting firm of its certified public accountant or at an affiliated enterprise of such accounting firm : No such situation.

2-7.Any transfer of equity interests and/or pledge of or change in equity interests (during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report) by a director, supervisor, managerial officer, or shareholder with a stake of more than 10 percent during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report. Where the counterparty in any such transfer or pledge of equity interests is a related party, disclose the counterparty's name, its relationship between that party and the company as well as the company's directors, supervisors, and ten-percent shareholders, and the number of shares transferred or pledged.

2-7-1.Changes in shareholder's equity of directors, managers and shareholders whose shareholdings exceeding 10% :

Job title	Name	2024		As of the year till 2025.04.12	
		Number of shares held Increase (Decrease) ratio	Number of shares Increase (Decrease) ratio	Number of shares held Increase (Decrease) ratio	Number of shares Increase (Decrease) ratio
Director	Ding Wan Industrial Co., Ltd.	0	0	0	0
Chairman	Wu Chun-I (Representative for Din Wan Investment Co., Ltd.)	0	0	0	0
Director	Kreng Bor-Wen (note 1) (Representative for Din Wan Investment Co., Ltd.)	0	0	0	0
Director cum principal shareholder	Koito Manufacturing Co., Ltd.	0	0	0	0
Vice chairman	Iwanabe Megumi (Representative of Koito Manufacturing Co., Ltd.)	0	0	0	0
Director	Hideharu Konagaya (Representative of Koito Manufacturing Co., Ltd.)	0	0	0	0
Director	Yamamoto Kakuya (Representative of Koito Manufacturing Co., Ltd.)	0	0	0	0
Director cum principal shareholder	Da Wei Investment Enterprise Co., Ltd. (note 1)	0	(800,000)	0	2,700,000
Director	Wu Ma Hui-Er	0	0	0	0
Independent director	Chang Jui Hui	0	0	0	0
Independent director	Lo Bin-Hsien	0	0	0	0
Independent director	Hsien Sung-Wen	0	0	0	0
President	Jyh Chin-Juang	0	0	0	0
Vice president	Yamamoto Hidetsugu	0	0	0	0
Manager	Cheng Ching Hsiang	0	0	0	0
Senior Assistant Manager	Chen Chin-Wen	0	0	0	0
Assistant Manager	Chen Yao-Bao (Note 2)	0	0	0	0
Assistant Manager	Wang Zhi-Cheng	0	0	0	0

Note 1 : 2024.6.11 newly-elected

Note 2 : 2025.4.1 the position will be changed to Special Assistant to the General Manager, and the managerial position will be relinquished..

Note 3 : The table above disclosed only changes in shareholder's equity during headship of directors and managers.

2-7-2. Information on the equity transfer to related parties: None.

2-7-3. Information on the counterparty of the equity pledge as a related party: the counterparty of the equity pledge is not a related party.

2-8.Relationship information, if among the 10 largest shareholders any one is a related party, or is the spouse or a relatives within the second degree of kinship of another :

2025.04.12

Nate (note 1)	Shares owned		Shares held by spouse and minor children currently		Shares held under other nominees		Relationship information, if among the top 10 largest shareholders any one is a related party, or is the spouse or a relative within the second degree of kinship of another: (Note 3)		Note
	Number of shares	Shareholding ratio	Number of shares	shareholding ratio	Number of shares	shareholding ratio	Name	Relationship	
Koito Manufacturing Co., Ltd. Representative : Oshima Masahiro	24,774,750	32.50%	0	0	0	0	—	—	—
	0	0	0	0	0	0			
Da Wei Investment Enterprise Co., Ltd. Representative : Wu Chen-Yi	20,797,622	27.28%	0	0	0	0	Wu Chun-I Wu Ma Hui-Er	The first degree The first degree	—
	2,000	0.002%	0	0	0	0			
Yi Heng Investment Co., Ltd Representative : Wu Chun-Lang	2,554,258	3.35%	0	0	0	0	Wu Chun-I Wu Ma Hui-Er Yuan Hong Investment Co., Ltd Wu Chun-Lang	The second degree The second degree in-laws The representative is the first degree Same person	—
	383,561	0.50%	127,681	0.17%	0	0			
Wu Chun-I	1,254,488	1.65%	396,821	0.52%	—	—	Da Wei Investment Enterprise Co., Ltd. Yi Heng Investment Co., Ltd Wu Ma Hui-Er Wu Chun-Lang	The representative is the same person The representative is the second degree Spouse The second degree	—
Kuo Qi Min Investment Co., Ltd. Representative : Wu Kuo-zhen	1,200,601	1.57%	0	0	0	0	—	—	—
	0	0	0	0	0	0			
Yuan Hong Investment Co., Ltd. Representative : Wu Cheng-Yuan	746,000	0.98%	0	0	0	0	Yi Heng Investment Co., Ltd Wu Chun-Lang	The representative is the first degree The first degree	—
	0	0	0	0	0	0			
Wu Ma Hui-Er	396,821	0.52%	1,254,488	1.65%	—	—	Da Wei Investment Enterprise Co., Ltd. Yi Heng Investment Co., Ltd Wu Chun-I Wu Chun-Lang	The representative is the first degree The representative is the second degree in-laws Spouse The second degree in-laws	—
Wu Chun-Lang	383,561	0.50%	127,681	0.17%	—	—	Yi Heng Investment Co., Ltd Wu Chun-I Wu Ma Hui-Er Yuan Hong Investment Co., Ltd.	The representative is the same person The second degree The second degree in-laws The representative is the first degree	—
Tsai, Wen-Chen	351,000	0.46%	0	0	0	0	—	—	—
Hefeng United Co., Ltd. Representative: Su, Hui-Chen	300,000	0.39%	0	0	0	0	—	—	—
	0	0	0	0	0	0			

2-9.The total number of shares and total equity stake held in any single enterprise by the

company, its directors and supervisors, managers, and any companies controlled either directly or indirectly by the company :

Unit : Share; %

Transfer of Investment (Note)	Investment of Company		Directors, supervisors, managers and investments directly or indirectly controlling the business		Comprehensive investment	
	Number of shares	% shareholding	Number of shares	% shareholding	Number of shares	% shareholding
Ta Yih International Investment Co., Ltd.	35,000	100%	—	—	35,000	100%

Note : The company adopts the equity method of investment.

3 • Information of Capital Raising

3-1. Company capital and share

3-1-1. Source of shares

3-1-1-1. Formation of Equity

2025.04.12

Unit : NT\$ thousands ; share

Year	Month	Issue price (NT \$)	Approved share capital		Paid-in capital		Note		
			Number of shares	Amount	Number of shares	Amount	Source of equity	Those who paid with property other than cash	Date of approval and license number
1976	2	1,000	10,000	10,000	10,000	10,000	Cash increment 10,000	—	—
1979	5	1,000	20,000	20,000	20,000	20,000	Cash increment 10,000	—	—
1980	8	1,000	50,000	50,000	50,000	50,000	Cash increment 30,000	—	—
1981	8	1,000	75,000	75,000	75,000	75,000	Cash increment 2,500 Capital reserve to capital increase 22,500	—	—
1982	7	1,000	105,000	105,000	105,000	105,000	Cash increment 30,000	—	—
1983	12	1,000	135,000	135,000	135,000	135,000	Cash increment 30,000	—	—
1985	11	1,000	165,000	165,000	165,000	165,000	Cash increment 21,000 Cash reserve to capital increase 9,000	—	1986.03.14 MOEAIC Cert. No. 10995
1988	6	1,000	220,000	220,000	220,000	220,000	Cash increment 55,000	—	1988.07.25 MOEAIC Cert. No. 4192
1991	4	1,000	250,000	250,000	250,000	250,000	Surplus convert to capital increase 30,000	—	1991.04.11 MOEAIC Cert. No. 2459
1991	8	1,000	268,000	268,000	268,000	268,000	Surplus convert to capital increase 18,000	—	1991.12.13 MOEAIC Cert. No. 9210
1992	7	1,000	289,180	289,180	289,180	289,180	Surplus convert to capital increase 21,180	—	1992.08.17 MOEAIC Cert. No. 5667
1993	11	10	45,000,000	450,000	45,000,000	450,000	Surplus convert to capital increase 61,256 Capital reserve to capital increase 99,564	—	1993.11.29 MOEAIC Cert. No. 7750
1994	9	10	50,000,000	500,000	50,000,000	500,000	Surplus convert to capital increase 30,000 Capital reserve to capital increase 20,000	—	1994.09.27 MOEAIC Cert. No. 5944
1995	9	10	63,000,000	630,000	63,000,000	630,000	Cash increment 49,000 Surplus convert to capital increase 51,000 Capital reserve to capital increase 30,000	—	1995.09.25 MOEAIC Cert. No. 114340
1998	8	10	69,300,000	693,000	69,300,000	693,000	Surplus convert to capital increase 63,000	—	1998.08.26 MOEAIC Cert. No. 123965
1999	8	10	76,230,000	762,300	76,230,000	762,300	Surplus convert to capital increase 69,300	—	1999.08.27 MOEAIC Cert. No. 131554

3-1-1-2. Classes of shares :

2025.04.12

Classes of shares	Approved share capital			Note
	Circulating shares	Unissued shares	Total	
Common shares	76,230,000	3,770,000	80,000,000	Listed stock

3-1-1-3. In the case of the issuance of securities by the self-registration, the relevant information on the approved amount, the scheduled issuance and the issued securities shall be disclosed : The Company does not issue of securities by self-registration, so it does not apply.

3-1-2.List of principal shareholders

2025.04.12

Name of Principal shareholder	Number of shares	shareholding
Koito Manufacturing Co., Ltd.	24,774,750	32.50%
Da Wei Investment Enterprise Co., Ltd.	20,797,622	27.28%
Yi Heng Investment Co., Ltd.	2,554,258	3.35%
Wu Chun-I	1,254,488	1.65%
Kuo Qi Min Investment Co., Ltd.	1,200,601	1.57%
Yuan Hong Investment Co., Ltd.	746,000	0.98%
Wu Mai Hui-Er	396,821	0.52%
Wu Chun-Lang	383,561	0.50%
Tsai,Wen-Chen	351,000	0.46%
Hefeng United Co., Ltd.	300,000	0.39%

Note : The total number of shares held is more than 5% or the proportion of shares accounts for the top ten shareholders.

3-1-3.Dividend policy and implementation status :

In consideration of the future funding needs and long-term financial planning for the Company, if there is profit after annual closing, after paying taxes and compensating accumulated losses, then 10% of the balance amount shall be provided as legal reserve. However, when the statutory retained earnings reserve has reached the amount of the issued share capital, no additional provision is necessary. Also, a special reserve shall be provided for the amount of decrease in the shareholders' equity in the current year. The balance, if any, shall be combined with the accumulated non-distributed profit from the last year for the profit distribution proposal to be made by the board of directors, which shall be submitted to the general shareholders' meeting for resolution before distribution. Among the above, the shareholder dividend shall not be less than 50% of the distributable profit of the current year and the cash dividend shall not be less than 50% of the total shareholder dividend.

The Company grants authority to the board of directors, with the presence of two-thirds or more of the directors and the agreement of a majority of those present, to distribute all or part of dividends, capital surplus, or statutory retained earnings reserves in cash, and to report such actions to the shareholders' meeting. This provision exempts the requirement for approval by the shareholders' meeting as mentioned in the preceding paragraph.

On March 06, 2025, the Board of Directors resolved to distribute the shareholders' bonus in cash for NT\$76,230,000 from the 2024 undistributed earnings, or NT\$1.0 per share; The proposal is submitted to 2025 AGM.

3-1-4.Effect of the proposed stock dividends to be adopted by the Shareholders' Meeting on the operating performance and earnings per share : Not applicable

3-1-5.Employee bonus and remuneration to Directors:

3-1-5-1.Percentages and ranges of employee bonus and remuneration to Directors and Supervisors, as specified in the Company's Articles of Association

1.Employee compensation : According to Article 30-1 of the Articles of Association of the Company :

The Company's annual net profit before deducting employee and director remuneration shall be distributed as follows:Not less than 1% shall be allocated for employee remuneration.However, if there are accumulated losses, the amount of loses compensation shall be reserved distribution according to the aforementioned proportions. Employee remuneration may be provided in the form of either stocks or cash. The employee remuneration distribution proposal shall be reported to the general shareholders' meeting.

2.Percentages and ranges of remuneration of Directors :

(1)According to Article 26 of the Articles of Association of the Company : The

remuneration for all directors is authorized to be determined by the board of directors based on their level of involvement and contribution to the Company's operations, considering industry norms.

(2) According to Article 30-1 of the Articles of Association of the Company :

The Company's annual net profit before deducting employee and director remuneration shall be distributed as follows: Up to 2% shall be allocated for director remuneration. However, if there are accumulated losses, the amount of losses compensation shall be reserved distribution according to the aforementioned proportions. The director remuneration is strictly disbursed in cash. The director remuneration distribution proposal shall be reported to the general shareholders' meeting.

3-1-5-2. The basis for estimating the amount of employee, director, and supervisor 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. For the current period, the basis for estimating the employee's compensation and the actual distribution amount are calculated, and when there is a difference between the estimated amount and the estimated number : if there is profit every year, no less than one percent shall be distributed as employee compensation and the board of directors shall decide to distribute it as stock or cash. However, if the Company has accumulated losses, such profit shall first go towards offsetting such accumulated losses, and the employee's remuneration will be paid according to the proportion of the preceding paragraph. At the end of the year, if there is no significant change in the distribution amount as resolved by the board of directors, after being reported to the shareholders' meeting, the accounting estimates are treated and adjusted in the resolution of the shareholders' meeting.
2. For the current period, the basis for estimating the compensation of the directors and supervisors and the actual distribution amount are calculated, and when there is a difference between the estimated amount and the estimated number : There is no issue of remuneration of directors and supervisors in this current period.
3. In the current period, the accounting basis for the calculation of the number of shares distributed to the employees and the actual distribution amount is different from the estimated number of shares : There is no distribution of shares to the employees in the current period.

3-1-5-3. The distribution of compensation as passed by the board of directors :

1. Employee compensation :

(1) Distribution of employee compensation : Cash NT\$837,287.

(2) If there is a difference between the employee's remuneration and the annual estimated amount, the difference, reason and treatment shall be revealed :

In 2025, the Board of Directors proposed to distribute the 2024 employees' compensation of NT\$837,287 and there is no difference between the employee's compensation as set in the 2024 financial statements.

2. Distribution of remuneration for the directors : There is no distribution of remuneration for the directors .

3. The proportion of the employee's remuneration distributed as stock and the total net profit after tax and the total amount of employee compensation in the current period: there is no distribution of stock to the employee.

3-1-5-4. The actual distribution of employee bonus and Director compensation for the previous fiscal year (with an indication of the number, value, and stock price, of the shares distributed), and, if there is any discrepancy between the actual distribution and the recognized employee bonuses and Director compensation, additionally the discrepancy, cause, and how it is treated :

1. The actual distribution of the employees' compensation of the previous year : Cash of NT\$1,651,747.

2. If there is a difference between the distribution of the employee's remuneration and the recognized amount, the difference, reason and treatment shall be revealed :

In 2024, the Board of Directors proposed to distribute the 2023 employees' compensation of NT\$1,651,747 and there is no difference between the employee's compensation as set in the 2023 financial statements.

3. The actual distribution of compensation for the directors of the previous year : There is

- no distribution of compensation for the directors .
- 4.If there is a difference between the distribution of the remuneration of the directors and the recognized amount, the difference, reason and treatment shall be revealed : There is no such situation.
- 3-1-6.Stock buyback : The Company does not buy back the company shares, therefore it is not applicable.
- 3-2.Issuance of corporate bonds : None
- 3-3.Issuance of Preferred Stocks : None.
- 3-4.Handling of overseas depositary receipts : The Company does not issue overseas depositary receipts, so it is not applicable.
- 3-5.Exercise of Employee Stock Option Plan (ESOP) : None.
- 3-6.Restricting employee rights of getting new shares : None
- 3-7. New shares in connection with mergers or acquisitions or with acquisitions of shares of other companies shall specify : None.
- 3-8.Implementation of Capital Allocation Plan : The company does not issue or privately raise securities, so it is not applicable.

4 • An overview of operations

4-1. Business content

4-1-1. Scope of business

4-1-1-1. The main contents of the company's business :

1. Business operation includes the manufacturing, sales of automobiles, motorcycles and spare parts, as well as import and export trading.
2. Manufacturing, processing and sales of parts for both aviation aircraft and ships.
3. Manufacturing, processing and sales of transportation machinery and its parts.
4. Manufacturing, sales, processing of machines, molds and related equipment for lighting, and import and export of trading.
5. CD01020 Manufacturing of rail vehicle and its parts.
6. F114080 Wholesales of rail vehicle and its parts.
7. C805050 Manufacturing of industrial plastic products.
8. CE01030 Manufacturing of optical instruments.
9. F113030 Wholesales business of precision instrument.

4-1-1-2. The proportion of the company's business :

Period: 2024

Unit : NT\$ thousands

Industry category	Car lights	Molds	others	total
sum of business	3,256,060	132,456	307,704	3,696,220
specific gravity (%)	88.09	3.59	8.32	100.00

4-1-1-3. The company's current products (service) : lamps and molds for automobiles, motorcycles, rail, aerospace and ships.

4-1-1-4. New products (services) planned by the company :

Comprehensive R&D program for intelligent automotive lighting and safety technologies: This R&D program focuses on the innovation and development of vehicle lighting technologies. It integrates a range of solutions covering personalized projection, safety-assist lighting, high-performance headlights, intelligent interior lighting applications, and health lighting systems for public transportation. These technologies are categorized into five key areas based on their functional characteristics to enhance R&D efficiency and accelerate technology deployment.

1. Personalized and interactive ground projection lamp technology

(1) Pattern changeable static ground projection lamp system

(2) Dynamic ground projection technology

Utilizing high-resolution LED projection modules, these technologies enable both static or dynamic pattern projection. The static version allows users to change the projected brand logo or customize the patterns, while the dynamic version adopts to vehicle status, such as displaying warning signs during turning or reversing. This technology enhances brand recognition, improves driving safety, and adds a futuristic touch to the vehicle, making it particularly suitable for high-end models and Advanced Driver Assistance Systems (ADAS).

2. High-performance intelligent headlight technology

(1) A compact, low-cost front fog lamp with corner lamp function

(2) Adaptive front light (AFS) with multi light pattern module for two-wheeled vehicles

This technology combination enhances headlight adaptability and safety in various driving conditions. The miniaturized front fog lamps integrate corner lamp functions to improve visibility while lowering production costs, making them ideal for mid- to entry-level vehicles. The two wheels AFS technology automatically adjusts the beam pattern according to vehicle speed and steering angle, enhancing nighttime and cornering illumination. It is especially beneficial in urban settings and on winding roads, reducing glare for other road users.

3. Efficient Optical Projection Lens Group Technologies

(1) Miniaturized dual convex lens BIPES (Bi-Projection Enhanced System)

(2) High aspect ratio projection lens set for two-wheeled vehicles

These technologies aim to boost lighting performance in motorcycles and EVs. The BIPES

- technology employs a dual convex lens that integrates both high and low beams within a single module, reducing size and enhancing optical efficiency, making it ideal for space-constrained vehicle models. The high aspect ratio projection lens is designed for streamlined motorcycles, utilizing aspheric lens technology to deliver wide-angle illumination, enhancing nighttime visibility and riding safety.
4. Smart Interior and Brand Lighting Technology
 - (1) Emblem lamp edge light-emitting technology
 - (2) In-mold decoration (IMD/IML) technology for interior atmosphere lamps

These technologies elevate both the interior and exterior lighting experience. Luminous emblem lamp utilizes uniform LED lighting to enhance brand visibility at night and may incorporate intelligent dimming functions for welcoming and dynamic lighting effects. IMD/IML atmosphere lamp technology provides high-quality interior illumination with customizable LED colors and textured surfaces, enhancing the driving experience, particularly suitable for premium and electric vehicle models.
 5. Public Transport Health Lighting Technology

Air disinfection lamp for public transport (bus/rail/air)

This technology applies UVC LED or photocatalyst technology in public transport vehicles, Smart sensors automatically adjust disinfection modes to ensure passenger health and safety. Future integration with HVAC (Heating, Ventilation, and Air Conditioning) systems will support clean air solutions for smart public transportation in the post-pandemic era.

This R&D program integrates personalized lighting, intelligent safety lighting, precision optical design, and health lighting technologies, leveraging innovative optical and electronic solutions to drive the future development of automotive lighting. These technologies not only enhance driving safety and brand recognition but also accelerate the advancement of smart transportation and the new energy vehicle markets, laying a more advanced foundation for future mobility technologies.

4-1-2. Industry overview :

4-1-2-1. The present situation and development of the industry :

In the post-pandemic era, the automotive lighting industry is facing new opportunities and challenges. With the continuous development of intelligent and automated technologies, the automotive lighting industry is evolving towards higher efficiency, intelligence, safety, and environmental friendliness. Here are several main current situations and development trends:

1. Development of autonomous driving technology:

The popularization and development of autonomous driving technology will have a significant impact on the automotive lighting industry. Autonomous vehicles require more intelligent and efficient lighting systems, such as the application of new lighting technologies like laser radar and optical radar, to improve the recognition ability and operational safety of autonomous vehicles.
2. Application of vehicle-to-vehicle communication technology:

The application of vehicle-to-vehicle communication technology will make the automotive lighting industry more intelligent and efficient. For example, through wireless connectivity with the vehicle's electronic control unit (ECU), intelligent control and adjustment of automotive lighting can be achieved, improving the performance and functionality of lighting fixtures.
3. Application of chip technology:

The application of chip technology will make the automotive lighting industry more efficient and reliable. For instance, chip technology can be used for fault detection and prediction in lighting fixtures, enhancing their reliability and lifespan, or chip-controlled lighting to increase the diversity of light and graphic changes.
4. Application of smart lighting:

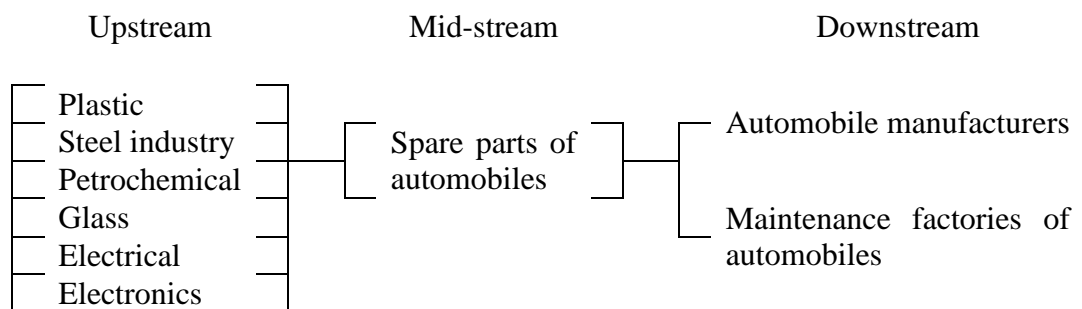
The application of smart lighting technology will make the automotive lighting industry more intelligent and energy-efficient. For example, utilizing smart lighting technology enables automatic adjustment and control of automotive lighting to adapt to different road conditions and driving environments, thereby improving energy efficiency and lifespan.

The automotive lighting industry is in a phase of rapid development, and it will become more intelligent, efficient, safe, and environmentally friendly in the future. It will gradually establish connections with the fields of autonomous driving, vehicle-to-vehicle communication, chip technology, and AI.

5. Due to the influence of international geopolitics and war factors, the Taiwanese government actively promotes the development of the defense industry and accelerates the enhancement of key domestic aerospace component autonomy. The government also invests a significant amount of funds to assist businesses and prioritize domestic procurement orders, extending the operation of the AS9100D aerospace quality system certification and continuously expanding the exploration of aerospace lighting opportunities in both military and civilian markets.
6. The government is planning a medium to long-term (10-20 years) plan for the development and promotion of the railway industry. Dayi has over 20 years of experience in developing railway vehicle lighting systems, with practical applications in high-speed rail, metro, and conventional railways. By leveraging the government's six action plans, we aim to expand domestic business opportunities and incorporate new opportunities in light rail. We will strengthen independent research and development capabilities, establish domestic verification mechanisms, and expand business opportunities and technological capabilities in the domestic and international railway vehicle lighting market.
7. With the increasingly severe depletion of ocean resources, the development of LED fishing lights has become significantly important. Since 2016, the first wave of investment in LED lighting has yielded empirical evidence of its advantages and disadvantages. Da-Yi Corporation will evaluate the development of alternative LED fishing vessel lights within the framework of market demand, further expanding opportunities in the lighting market..

4-1-2-2. Connection of the upstream, mid-stream and the downstream industry :

Automotive components are used by automotive manufacturers and maintenance factories for parts replacement. The materials can be divided into metal and non-metal components, including petrochemical, glass, steel, rubber, motor and electronics industries which cover quite an extensive range of industries. The following picture shows the upstream, middle and downstream industry correlation of the automotive components industry :



4-1-2-3. Various development trends of products and competition :

1. Developments in the vehicle lighting industry:

With the rapid development of economic globalization and international trade, the global automotive lighting market is undergoing a phase of transformation and technological upgrading. Although Taiwan's automotive lighting industry is relatively small in scale, it possesses a solid foundation in LED lighting, optical projection, smart lighting, and energy-saving technologies. The industry is proactively seeking to overcome market challenges and expand into overseas markets. However, in the face of intense technological competition from leading global manufacturers in Europe, the U.S., and Japan, as well as price pressures from the China market, Taiwanese manufacturers must rely on R&D innovation, differentiated product strategies, and the adoption of intelligent technologies to secure their position in the global market.

- Trends in Automotive Lighting Technology:** The current development of the automotive lighting market is characterized by the following major trends:
- (1) **Intelligent and Interactive Lighting**
Smart headlights are becoming mainstream in the market, with technologies such as AFS (adaptive front light system), ADB (adaptive driving beam headlamp), and projection lighting gaining popularity. These systems can automatically adjust lighting according to the driving environment and needs, enhancing both safety and the vehicle's technological sophistication. In addition, dynamic ground projection enables vehicles to interact with their surroundings. In the future, integration with V2X (Vehicle-to-Everything) is expected to further improve road safety and vehicle recognition.
 - (2) **High-Performance Optics and Energy-Saving Technologies**
LED and laser light sources are gradually replacing traditional halogen lamps and HID gas-discharge lamps, providing high brightness with lower power consumption. Technologies such as miniaturized dual convex lens BIPES (Bi-Projection Enhanced System) and high aspect ratio projection lens are enabling more lightweight and efficient lighting designs, particularly suitable for electric vehicles and new energy vehicles.
 - (3) **Personalization and Brand Identity Enhancement**
Automotive lighting now serves as more than just a functional element; it is also a symbol of brand image. Replaceable static ground projection lamp, emblem lamp line lighting technology and IMD/IML atmosphere lamp technology provide enhanced vehicle identity and personalized options. These features help elevate brand value and meet growing consumer demand for customization.
 - (4) **Safety and Environmental Responsibility**
Vehicle lights impact not only visibility but also driving safety. Small, low-cost fog light with AFS functionality provides optimal illumination in diverse weather and road conditions. Meanwhile, with the rise of Environmental, Social, Governance (ESG) initiatives, automotive lighting technologies are evolving toward greater energy efficiency and environmentally friendliness, such as reducing blue light impact on vision, improving luminous efficacy, and lowering energy consumption.
 - (5) **Development of Public Transport and Health Lighting Technologies**
In the post-pandemic era, air disinfection lamp technology for public transportation have emerged as a new market segment. By utilizing UVC LEDs or photocatalyst technology, these systems provide sterilization functions to enhance the safety of public transportation. In the future, such systems are expected to be integrated into of smart transportation solutions.
 - (6) **Competitive Landscape and Challenges for Taiwan's Automotive Lighting Industry**
The global automotive lighting market is currently dominated by a few international manufacturers, such as Germany's Hella and Osram, France's Valeo, and Japan's Koito, who hold advanced technologies and substantial market resources. On the other hand, Chinese manufacturers, leveraging large-scale production and cost advantages, are capturing the mid- to low-end market. In this polarized competitive landscape, Taiwanese manufacturers face significant challenges if they continue to rely solely on the traditional OEM model. To remain competitive, Taiwan's automotive lighting industry must pursue technological upgrades, branding strategies, and intelligent application development.
2. **Future Direction of the Company: Strengthening R&D Innovation and Market Application Direction**
- (1) **Enhance the application of smart lighting technologies**
 - (A) Develop more precise AFS, ADB technologies, along with intelligent control systems, to further enhance nighttime driving safety.
 - (B) Develop V2X-integrated lighting technology to facilitate greater interaction between vehicles and pedestrians through vehicle-to-everything communications.

- (2) Develop High-Efficiency Optical Technology and Modular Design
 - (A) Utilize dual convex lens technology and miniaturized LED projection lens assemblies to deliver more efficient and lightweight lighting design.
 - (B) Apply advanced optical materials and laser lighting technologies to enhance brightness and reduce energy consumption.
- (3) Strengthen personalization and brand recognition technologies
 - (A) Develop dynamic projection systems, intelligent luminous factory logos, and welcome light designs to offer differentiated products.
 - (B) Enhance interior lighting designs using IMD/IML technology, boosting competitiveness in the high-end vehicle market.
- (4) Expand the Application of Environmentally Friendly and Health-Oriented Lighting Technologies.
 - (A) Develop low-blue-light LED lighting fixtures to reduce the impact on drivers' vision and enhance driving safety.
 - (B) Develop UVC LED disinfection lighting technologies for use in public transportation and shared vehicle markets.

(5) Expand International Market Presence and Enhance Brand Competitiveness

As Taiwan's largest OEM automotive lighting manufacturer, the Company is actively develop its own brand, increasing product added value, and strengthen brand image and market influence. At the same time, it is depending collaborations with international automotive manufacturers, entering the European and American markets through Original Equipment Manufacturer (OEM), Original Design Manufacturer (ODM), and joint development models to expand the application of high-end automotive lighting technologies. In addition, by actively participating in international exhibitions, lighting technology forums, and B2B technology fairs, the Company aims to boost brand visibility, broaden its overseas market footprint, attracts more potential customers and partners, and further strengthen Taiwan's automotive lighting industry's competitive advantage on the global stage.

4-1-3. Technology and R&D overview :

4-1-3-1. Research and development expenses incurred for the most recent year and up to the date of publication of the annual report :

Unit : NT\$ thousands			
Year of occurrence	2023	2024	As of the date 2025.03.31
Cost of research and development	172,268	159,896	35,809

4-1-3-2. Technology or products that have been successfully developed in the most recent year and up to the date of publication :

1. Low-cost and interchangeable LED fog light system.
2. Optical "film" marking light system with exhibition capabilities.
3. Multi-segment array LED adaptive module.
4. Slim design far and near light lens module(automotive).
5. Motorcycle identification tail light using OLED-like technology.
6. Rail vehicle light guide style composite headlight (penetrating type) with exhibition and variable color capabilities.
7. Development of penetrating type composite headlights for Rail vehicle.
8. Development of aircraft exterior lighting systems. (Landing light/Taxing light/Anti-collision tail light/Anti-collision wing-tip light/ Formation light/light controller)

4-1-4. Long-term and short-term business development plans :

4-1-4-1. Short-term :

1. Actively strive for car lights and mold export orders.
2. Strengthen lamp simulation technology to enhance product competitiveness.
3. Obtain the international certification of the track quality management system and

- expand the business opportunities in the international market.
- 4. Actively publish new technologies to domestic and foreign automakers to secure new product orders.
- 4-1-4-2. Long-term :
 - 1. Continue to improve customers' satisfaction and to promote European markets.
 - 2. Develop new technologies, new products, find new customers, and to increase turnover.

4-2. The market, production and sales overview

4-2-1. Market analysis

- 4-2-1-1. The company mainly focuses on OEM customers, Sales of major commodities (services) (providing) region :

Period: 2024

Unit : NT\$ thousands

Area	Taiwan	United States	Japan	China	Others	Total
sum of business	2,163,154	1,237,294	168,399	4,848	122,525	3,696,220
specific gravity (%)	58.52	33.47	4.56	0.13	3.32	100.00

- 4-2-1-2. Market shares: 80% in Taiwan.

- 4-2-1-3. The future supply and demand and the growth of the market :

The automotive industry is deeply integrated into modern life and drives the development of both hardware and software supply chains. As a result, the factors influencing the future of the automotive industry are highly complex and diverse. As the automotive lighting market is a part of the automotive market, the supply and demand situation and growth of the automotive lighting market may also be subject to certain fluctuations and adjustments under these external factors.

Many countries and regions have begun to introduce relevant policies requiring automotive lighting manufacturers to produce more environmentally friendly, energy-efficient, and safer products. This will drive the transformation and upgrading of the Taiwan automotive lighting market, develop new products that comply with ESG policies and consumer demand, and improve market competitiveness and sustainability.

From the perspective of the overseas market, according to a report by market research company Grand View Research, the global automotive lighting market is expected to grow from USD 28 billion in 2021 to USD 36 billion in 2028, with a compound annual growth rate of 3.5%. The Asia-Pacific region will become the largest market, with mainland China's market growing the fastest. Europe, North America, and South America will also maintain steady growth.

From the above data and trends, although the future supply and demand situation and growth of the Taiwan automotive lighting market cannot grow significantly, there is still a certain market. However, under the promotion of global ESG policies, automotive lighting manufacturers need to strengthen technology research and development and product innovation to meet domestic and foreign market demand and improve market competitiveness. In addition, the overseas market is also an important way for automotive lighting manufacturers to develop markets and increase market share. After all, sticking to a single market in the trend of globalization will only limit the company's growth. In order to consider the future and shareholders' interests of the company, the company will take a forward-looking approach to exploring new markets and new products while balancing the domestic market and export orders.

- 4-2-1-4. Competitive niche :

- 1. Provide more innovative products:

Automotive lighting manufacturers can introduce more innovative products by using new materials, new technologies, new designs, and other innovative elements to attract more consumers and partners.

- 2. Comply with ESG policies:

As global ESG policies become increasingly strict, Dayi Transportation can integrate environmental friendliness, social responsibility, and corporate governance into the product development process, and improve brand image and

market competitiveness through relevant certifications and standards.

3. Provide better customer service:

Automotive lighting manufacturers can meet consumer needs and expectations by providing better and more comprehensive customer service, and continuously improving post-sales service, technical support, and customer relationship management to enhance customer satisfaction and loyalty.

4. Develop customized products:

Automotive lighting manufacturers can develop customized products that meet specific customer needs and requirements, providing personalized products and services to increase the company's customer base and market share.

5. The government is actively promoting the inclusion of railways, subways, and light rail in medium- and long-term construction plans, creating more niches for the rail industry's development and commercial creation.

6. Defense independence:

The government is actively promoting the independent development of the defense industry, investing a large amount of funds and resources in cultivating domestic manufacturers to develop independent aerospace products through military-civilian cooperation.

4-2-1-5. Advantages and disadvantages of the development of the prospects, and the countermeasures:

1. Advantages

- (1) Through the cooperation of design with Koito Group, the design technology and talent development can be strengthened.
- (2) Expand the integration of technology with the Koito Group, allocation of resources and cooperation, and expand the mainland, North America and other markets.
- (3) The participation of the each car maker in the development of cars for the Asia and the global, as well as the production and sales strategies of Koito Group, Ta Yih also participated in the development, production and sales of international division of lamps.
- (4) The automotive lighting molds that are exported to the United States, Japan, Brazil, South Africa and Southeast Asia won the praises of the customers; from now on, Tai Yih is committed to quality improvement, and to expand the export market.

2. Disadvantages and countermeasures

Disadvantage : Increase in cost.

Countermeasure :

- (1) Assign dedicated personnel to promote cost reduction activities (VA/VE).
- (2) Globalization and localization of raw materials and spare parts.
- (3) Expand the global of the supply chain for optimal distribution, and to source for low cost parts.
- (4) Instructions of Koito Group's centralized purchasing system, and to maintain and reduce the purchasing prices of materials.
- (5) Pre-orders of raw materials.
- (6) Rationalize the structure and material of the molds, and reuse of idle stock.
- (7) Improvement of team work through the TPS activities and to increase productivity and production efficiency.
- (8) Continue to reduce defects, reduce energy consumption, reduce the amount of consumables, and reduce production costs.
- (9) Digitalization of production information, and automated manufacturing equipment reduce labor costs.

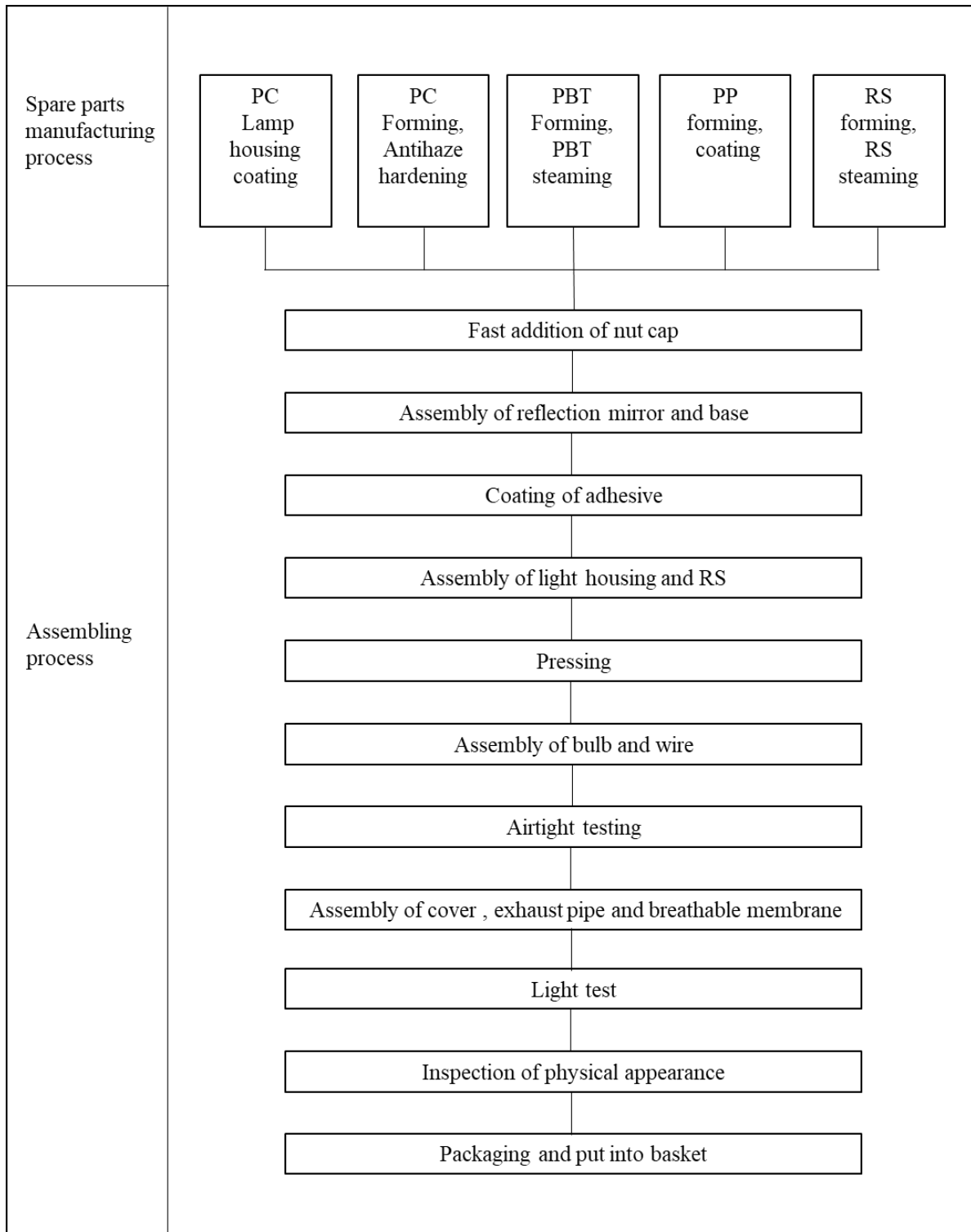
Electronic production information

4-2-2. Important application of major products and production processes:

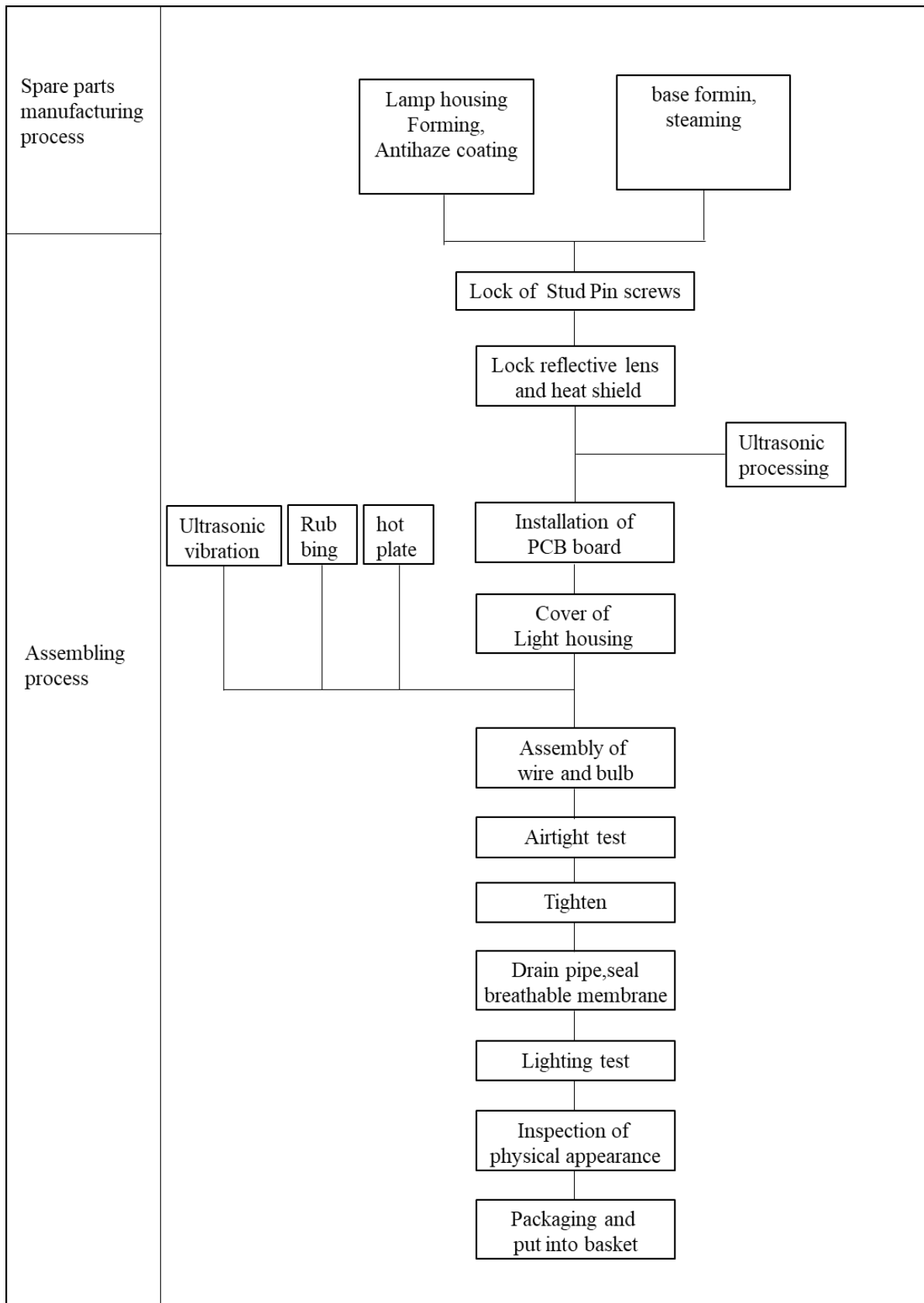
4-2-2-1. Important application of major products

Major products	Important application
(1) Lighting for cars	For the car assembling industry.
(2) Lighting for motorcycles	For motorcycle assembling industry

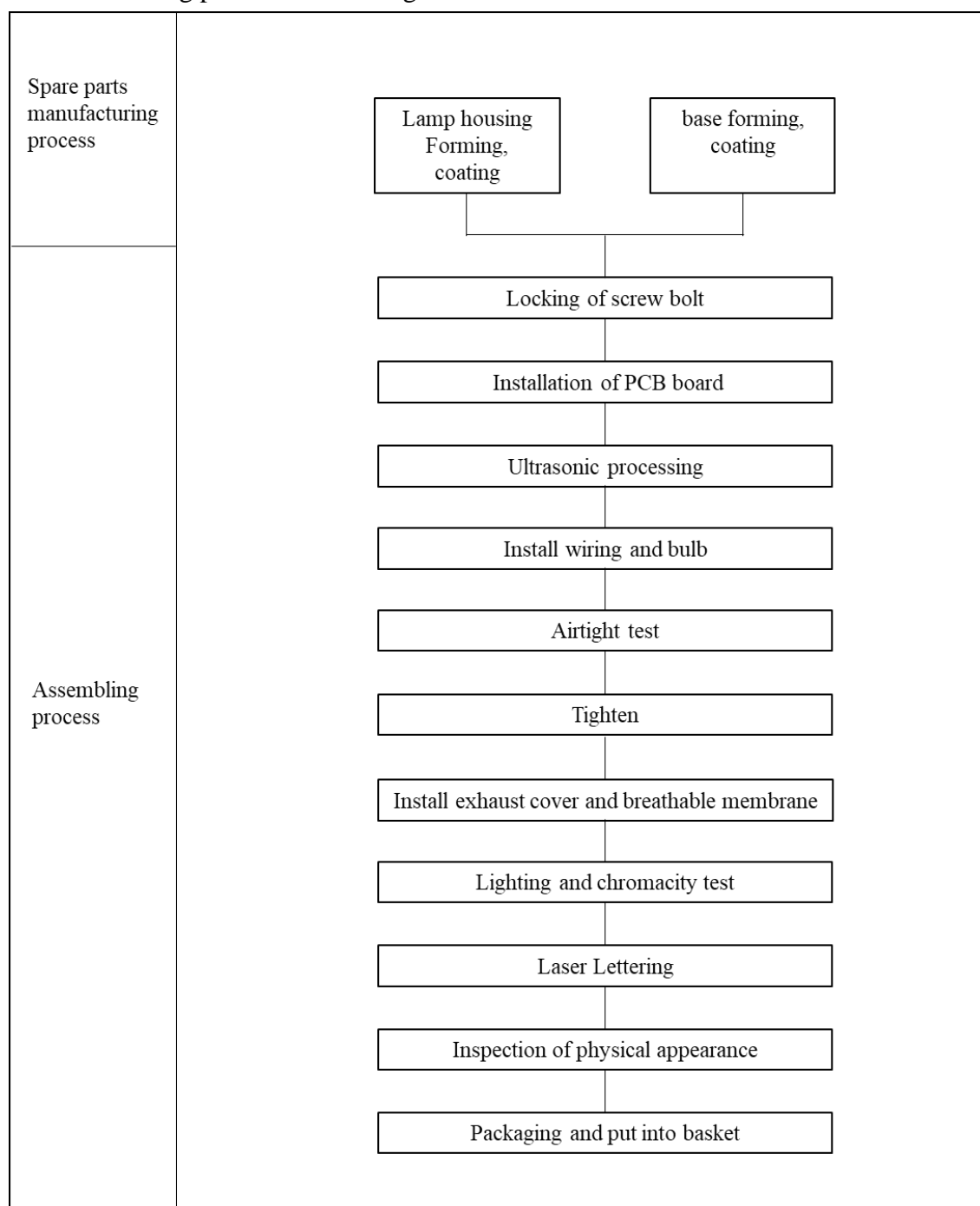
4-2-2-2. Production of major products
1. Manufacturing process of headlight :



2.Manufacturing process of identification lamps (except for small lamps) :



3.Manufacturing process of small lights



4-2-3. Supply status of the major raw materials :

Items	Supply area
PMMA	Local (Chi Mei) Oversea(Mitsubishi chemical, Asahi Kasei)
ABS	Local (Chi Mei)
PP	Local (Dynachem, Ginar Technology Engineering Plastics)
AAS	Local (Ginar, Chi Mei) Oversea(Japan A/L)
BMC	Local (Wah Hong Industrial Corp.)
PC	Local (Chi Mei) Oversea(Teijin ,SABIC, Mitsubishi)
PET+PBT	Local (Nan Ya) Oversea(SABIC, Dupont)

4-2-4. Setting forth the names of any suppliers (clients) that have supplied (sold) 10 percent or more of the company's procurements (sales) in the preceding 2 fiscal years, and the monetary amount and the proportion of such procurements (sales) as a percentage of total procurements (sales), and explaining the reason for any change in the amount :

4-2-4-1. Setting forth the names of any suppliers that have supplied 10 percent or more of the company's procurements in the preceding 2 fiscal years, and the monetary amount and the proportion of such procurements :

Unit : NT\$ thousands

2023					2024				Till the first quarter of 2025 (Note 2)			
Item	Name	Amount	Net annual net purchase ratio (%)	Relationship with the issuer	Name	Amount	Net annual net purchase ratio (%)	Relationship with the issuer	Name	Amount	Net purchase ratio as of the previous quarter of the current year (%)	Relationship with the issuer
1	Company A	664,915	19	None	Company A	349,351	16	None	Not Applicable			
2	Company B	395,439	11	None	Company B	321,902	14	None				
	Others	2,418,992	70	-	Others	1,581,691	70	-				
	Net purchases	3,479,346	100	-	Net purchases	2,252,944	100	-				

Note 1 : Reasons for the increase or decrease of the purchase amount : The Company maintains a stable cooperative relationship with the suppliers, and the proportion of purchases is adjusted according to the quality, price and conditions of the company's demand.

Note 2: The financial information for the first quarter of 2025 has not been reviewed by the accountant as of the printing date, and therefore is not disclosed.

4-2-4- 2.A list of any clients accounting for 10 percent or more of the company's total sales) amount in the 2 most recent fiscal years, the amounts sold to each, the percentage of total sales accounted for by each :

Unit : NT thousands

2023					2024				Till the first quarter of 2025 (Note 2)			
Item	Name	Amount	Net annual sales of goods (%)	Relationship with the issuer	Name	Amount	Net annual sales of goods (%)	Relationship with the issuer	Name	Amount	Net sales ratio as of the previous quarter of the current year	Relationship with the issuer
1	Company C	1,826,128	38	None	Company C	1,336,022	36	None	Not Applicable			
2	Company D	1,377,631	29	None	Company D	1,264,412	34	None				
3	Koito Manufacturing Co., Ltd.	559,039	12	Director and major shareholder	Koito Manufacturing Co., Ltd.	145,511	4	Director and major shareholder				
4	Others	1,054,206	21	-	Others	950,275	26	-				
	Net sales	4,817,004	100	-	Net sales	3,696,220	100	-				

Note 1: Reasons for changes in sales volume : Due to the results of the company's consideration of market trends, product demand, research and development technology, profits and contracts with customers.

Note 2: The financial information for the first quarter of 2025 has not been reviewed by the accountant as of the printing date, and therefore is not disclosed.

4-3. The number of employees employed for the 2 most recent fiscal years, and during the current fiscal year up to the date of publication of the annual report, their average years of service, average age, and education levels (including the percentage of employees at each level) :

Unit : person/year

Year of occurrence		2023	2024	As of the date 2025.04.12
Number of employees	Sales person	19	21	21
	Management staff	180	176	188
	Factory personnel	652	544	505
	Total	851	741	714
Average age		41	45	44
Average service years		10	11	10
The educational background breakdown	PhD.	0	0	0
	Master degree	95	89	85
	College	393	344	257
	Senior high school	293	238	290
	Below senior high school	70	70	82

4-4. Disbursements for environmental protection

4-4-1. Total losses (including damage awards and violation of environmental protection laws and regulations after environmental protection inspection) and fines for environmental pollution for the 2 most recent fiscal years, and during the current fiscal year up to the date of publication of the annual report : None.

4-4-2. The measures (including corrective measures) and possible disbursements to be made in the future : Not applicable.

4-5. Labor relations

4-5-1. Any employee benefit plans, continuing education, training, retirement systems, and the status of their implementation, and the status of labor-management agreements and measures for preserving employees' rights and interests :

4-5-1-1. Implementation of employee benefits :

1. All employees participate in labor insurance, national health insurance and group insurance :

In addition to all employees of the company participate in labor insurance and national health insurance. All employees of the company are free to participate in group insurance. The insurance coverage is personal life insurance (disability payment, death payment, etc.) and accidental injury death payment. Employees' first-degree relatives are also eligible to enroll in the group insurance plan at a preferential rate on a self-paid basis.

2. Regular health inspection for the employees :

(1) To ensure employee health, the Company provides regular free health check-ups. In addition, employees engaged in special operations, such as those exposed to dust or noise, are offered additional health examinations tailored to their specific working conditions.

(2) In September 2024, the Tainan Municipal Hospital was arranged to carry out health inspections for the Special Operation employees who's over 30 years old at the factory for 427 employees.

3. Purchase games and fitness equipment and provide the employees to use at no cost.

4. Provide employee meal allowance, set up a restaurant for employees to dine, and have a sales department for colleagues.

5. Held 2024 year-end party in Formosa Yacht Resort.

6. Provide the colleagues free flu vaccine and covid-19 injection in January and November 2024.

7. Set up a breast feeding room for female worker to breast feed after birth.

8. To arrange for a doctor to visit the company once a month and to provide medical advice and assistance to colleagues.

9. For those on business trips, their travel insurance shall be covered by the company.

10. Establish a staff welfare committee to handle employee welfare matters :

The Company established the Staff Welfare Committee on July 8, 1980, which is responsible for the welfare of all employees. At present, there are 23 members, except for one of the designated member (executor of business), which is appointed by the company, the rest are elected among the workers. Meeting is held per month, and an extraordinary meeting will be held when needed, discussing the employee's fringe benefits, and to ensure that the committee is doing a good job.

Weekday activities include :

(1) Issuing birthday monetary gifts for employees and vouchers for mother's day.

(2) Issuing monetary gifts for the Dragon Boat Festival, Mid-Autumn Festival and the Spring Festival.

(3) Issue monetary gifts for new weds employees, and subsidies for funerals.

(4) Issue employee hospitalization condolences for injuries.

(5) Issue maternity grant.

(6) In August of the year 2024, provide travel subsidy.

(7) Funding for the activities of the Colleague Badminton and Basketball Club.

(8) Sign up special domestic stores and to provide complete and high-quality consumer information to the colleagues.

4-5-1-2. Implementation of continuous study and training for employee

1. Continuously cultivate talents, assist colleagues to grow, and improve the quality of human resources.

2. In order to implement the company's education and training concepts and fully utilize

its functions, the company's education and training system is divided as :

(1) In-plant training: The annual company's education and training program is drawn up by the company's education committee. The company's supervisors or colleagues who be professional are appointed as lecturers, and the knowledge of the company's colleagues is passed on.

A) Training for new comers.

B) Strata training: distinguish between managerial level, section class, group level etc.

C) Professional training : distinguish between talent development, safety environment, production, quality, original price, development and other types of courses.

(2) Off-site training: In addition to the planned education and training in the factory, the staff of each department may send personnel to participate in training courses sponsored by various off-site training institutions.

4-5-1-3. Implementation of retirement system :

1. In order to ensure a stabilize life for the employees after retirement, the company established the retirement scheme for employees according to law, and established the Labor Retirement Reserve Supervision Committee on August 25, 1987, and set a retirement reserve of 2% per month based on the total salary, which is deposited in a special account at the Bank of Taiwan. This is for protecting the rights and interest of the laborers, and by the end of each year, if the balance of the account is insufficient to pay the amount of the pension calculated in accordance with the above-mentioned retirement conditions for the next year, the difference will be set at the end of March of the following year.

2. Since July 1st, 2005, the Republic of China has adopted a new government retirement system in parallel with the old. Employees who choose the pension system with the Labor Pensions Regulations are required to pay 6% of their monthly salary to the individual pension account of the Labor Insurance Bureau. Those who wish to pay voluntarily, and the voluntary payment rate is deducted from the employee's monthly salary to the individual pension account of the Labor Insurance Bureau.

Base on thee applicable provisions of the Labor Pensions, the Regulations of the company are as follows :

(1) Voluntary retire : Employees meeting any one of the following conditions may opt for voluntary retire (In accordance with the regulations, the person who chooses the labor pension regulations) :

A) Those who have worked for more than 15 years and have reached the age of 55.

B) Those who have worked for more than 25 years.

C) Those who have worked for more than 10 years, and have reached the age of 60.

(2) Forced retirement : The company may not force its employee to retire if the employee does not meet any of the following circumstances.

A) Have reached 65 years in age.

B) Workers who are at a loss of mind or physically disabled to carry the job.

The age specified in the first paragraph of the preceding paragraph, for workers capable of handling dangerous or physically fit for special tasks, shall be submitted to the central competent authority for approval and adjustment, but they must not be less than 55 years old.

(3) Criteria for pension grant :

A) The working years before and after the application of Labor Standard Acts, and continuing to apply the Labor Standard Acts pension requirement in accordance with the Labor Pensions Ordinance, the pension given is based on the standards in accordance with Articles 84-2 and 55 of the Labor Standard Acts.

B) Those who have the working years of the preceding paragraph and who are forced to retire in accordance with Article 35, paragraph 1 (2) of the Labor Standards Law, loss of mind or physically disabled due to carrying out their duties, in accordance with Article 55, Item 1 of the Labor Standards Law, the provisions will be an addition of 20%.

C) For employee who is the subject to the pension provisions of the Labor Pensions Regulations, the company pays a 6% of the monthly salary of the

employees' personal pension accounts.

(4)Payment of pension : The company shall pay the employee's pension and pay it within 30 days from the employee's retirement date.

4-5-1-4.Reduce the incidence of occupational disasters among employees :

1.In order to establish a zero-disaster, zero accident, healthy and comfortable working environment, the company passed the OHSAS-18001 Occupational Safety and Health Management System Certification in December of 2002 and obtained revision of ISO45001 in August of 2020,and certificated after re-assessment on Oct. 16th, 2023 and updated valid until December 31, 2026.and promised that the company's operation and production activities continue to meet the requirements of the government's occupational safety and health regulations. The company will continue to implement disease and injury prevention, and implementation of workplace health management to ensure employees' physical and mental health.

2.The annual safety and health activities for 2024:

(1)Zero disaster activities

A)Continue to review the contents of the equipment engineering STOP6 hazardous point washing out improvement and mechanical equipment operation essentials book, confirm that the content must have safety-related regulations or prompts, so as to implement basic safety education.

B)Strengthening of change management to prevent possible risks and hazards due to changes in personnel, mechanical equipment, raw materials, process technology, operation and maintenance, and operating environment.

(2)Promotion of physical and mental health

Implementation of the plan on "illness due to abnormal work load, human-induced hazards, prevention of workplace malpractices and maternal protection".

(3)Prevention of fire and disasters

A) Management of fire prevention of high risk fire and explosion areas.

B) Maintenance and improvement of fire safety facilities.

C) Management of hot work.

4-5-1-5.Other important agreements : None

4-5-2.Any loss sustained as a result of labor disputes in the most recent fiscal year, and during the current fiscal year up to the date of publication of the annual report, an estimate of losses likely to be incurred in the future, and indicate mitigation measures to be taken :

The relationship between the company's labor and management is still harmonious, because the leaders at all levels of the company take care of their colleagues, and take the initiative to discover problems and solve problems at any time, and all management rules and regulations concerning employee rights and interests are in accordance with the provisions of the Labor Law, so in the recent year and up to the end of the annual report, there is no any loss sustained as a result of labor disputes, and the company will continue to work on reducing labor disputes, maintain labor and capital harmony, and create a double win for both. In the case of active promotion and implementation of various employee welfare measures, there should be no loss due to labor disputes.

4-6. Information security management:

4-6-1.Information security risk management framework, information security policy, specific management plan and resources invested in information security management:

4-6-1-1.Information security risk management framework:

In order to ensure the security of the Company's own and customer partners' information assets, and to protect the rights and interests of the company and its stakeholders, the company's information management unit was responsible for formulating information security strategies , integrating, supervising and coordinating annual information security plans and security audit benchmarks, including coordinating related resources and cross-unit activities, coordinating information security incident management, planning information security education, formulating and executing information security audit operations; regularly reviewing and deciding on information security and information protection policies and policies, and implementing information security management measures effectiveness.

4-6-1-2.Information Security Policy:

In order to implement information security management, we hope to achieve the following policy goals through the joint efforts of all colleagues:

- 1.Ensure the confidentiality and integrity of information assets.
 - 2.Ensure that information regulates data access in accordance with departmental functions
 - 3.Ensure continuous operation of information systems.
 - 4.Prevent unauthorized modification or use of data and systems.
 - 5.Regularly perform information security audits to ensure the implementation of information security.
- 4-6-1-3.Specific management plan:
- 1.Internet Information Security Control:
 - (1)Set up a firewall.
 - (2)Real-time virus scanning of computer systems and data storage media.
 - 2.Data Access Control:
 - (1)The computer equipment shall be kept by a specific person, and the account number and password shall be set.
 - (2)Give different access rights according to job functions.
 - (3)Employees and factory customers are prohibited from taking photos or videos in the factory with unauthorized mobile phones.
 - (4)Remote access to management information systems requires proper approval.
 - 3.Strain recovery mechanism
 - (1)Regularly rehearse system recovery
 - (2)Establish internal and external backup mechanism of the system
 - (3)Regular review of computer network security controls
- 4-6-1-4.The resources invested in information security management:
- 1.Purchase professional information security, anti-virus software, firewall software, and ask the manufacturer to maintain it regularly every year.
 - 2.The company set up Information Security Management Committee.
 - 3.Obtained ISO27001 information security management system certification in 2023. The ISO 27001 certification was obtained on June 28, 2023, and is valid from June 28, 2023, to October 31, 2025.
 - 4.In 2024, a total of NT\$3,627,500 was invested in information security-related hardware, software, and system integration services.
 - 5.In 2024, a total of three Level-2 documents and one Level-4 document were revised.
- 4-6-2.In the most recent year and as of the date of publication of the annual report, losses, possible impacts and countermeasures due to major information security incidents: The company has not experienced major information security incidents in the most recent year and as of the date of publication of the annual report.

4-7.Important contracts :

Supply/sales contracts, technical cooperation contracts, engineering/construction contracts, long-term loan contracts, and other contracts that would affect shareholders' equity, where said contracts were either still effective as of the date of publication of the annual report, or expired in the most recent fiscal year :

Nature of the contract	Litigant	The commencement date of the contract	Major content	The restrictive clauses
Technical cooperation	Koito Manufacturing Co., Ltd.	2022.04.23~2028.04.22	Scope of technological offers And related rights and obligations	—

5 • Analysis of its financial position and financial performance, and risks :

5-1.Review and analysis of financial status : The main reasons and impacts of major changes in assets, liabilities, and shareholders' equity in the last two years. If the impact is significant, the future response plan should be explained

Unit : NT thousands ; %

Year of occurrence Items	2024	2023	Differences		Change analysis
			Amount	%	
Current assets	1,811,739	2,351,163	(539,424)	(22.94)	1
Investments accounted for using the equity method	0	0	0	0	
Property, plants, and equipment	922,565	958,028	(35,463)	(3.70)	
Intangible assets	1,531	5,035	(3,504)	(69.59)	
Other non-current assets	88,399	42,572	45,827	107.65	2
Total net assets	2,824,234	3,356,798	(532,564)	(15.87)	
Current liabilities	832,709	1,417,523	(584,814)	(41.26)	3
Non-current liabilities	123,246	166,070	(42,824)	(25.79)	4
Total liabilities	955,955	1,583,593	(627,638)	(39.63)	
Capital stocks	762,300	762,300	0	0.00	
Capital surplus	61,278	61,145	133	0.22	
Retained Earnings	1,044,208	984,890	59,318	6.02	
Other equity	493	(35,130)	35,623	101.40	5
Total equity	1,868,279	1,773,205	95,074	5.36	

If there is a change of more than 20%, and the amount of the change reaches NT\$10 million, an explanation shall be given :

1. The decrease in Current assets :

- The decrease in accounts receivable by NT\$171,599 thousand was mainly due to the termination of sales contracts for exports to Japan and production cuts by North American car manufacturers.
- The decrease in inventory by NT\$265,215 thousand was mainly due to the normalization of global ocean freight operations and the reduction of safety stock levels in North America.

2. The increase in Other non-current assets : Mainly due to the introduction of Dingxin computer system ERP equipment payment and recognition of Deferred income tax assets.

3. The decrease in Current liabilities: The decrease in accounts payable was mainly due to the reduction of safety stock levels in North America.

4. The decrease in Non-current liabilities : Mainly due to the decrease in pension liabilities payable.

5. The increase in Other equity : Mainly due to the disposal of equity interest in the investee company, Fuzhou Koito.

5-2.Review and analysis of financial performance

5-2-1 The annual report shall list the main reasons for any material change in operating revenues, operating income, or income before tax during the past 2 fiscal years :

Unit : NT\$ thousands

Year of occurrence Items	2024	2023	Amount increased(decreased)	Change ratio (%)	Change Analysis
Operating revenue	3,696,220	4,817,004	1,120,784	23.27	
Operating gross profit	513,628	713,423	(199,795)	(28.01)	
Operating expenses	471,025	514,937	(43,912)	(8.53)	
Net income	42,603	198,486	(155,883)	(78.54)	1
Non-operating income and expenses	40,297	(119,730)	160,027	133.66	2
Net profit before tax	82,900	78,756	4,144	5.26	
Income tax expense	4,528	36,346	(31,818)	(87.54)	3
Net income for this reporting period	87,428	42,410	45,018	106.15	
Other comprehensive income	60,874	(9,474)	70,348	742.54	4
Total comprehensive income	148,302	32,936	115,366	350.27	
<p>If the change is over than 20% and the amount of change is over than NT\$10 million, the explanation will be given :</p> <ol style="list-style-type: none"> 1. The decrease in Net income: The overall operating profit decreased due to insufficient mold production capacity and a reduction in the production of high-margin lighting products exported to North America. 2. The decrease in Non-operating income and expenses: Main reason is appreciation of US Dollar. 3. The decrease in Income tax expense: Main reason in recognition of Deferred income tax benefits from dispose of all the equity of Fuzhou Koito. 4. The increase in Other comprehensive income : It's mainly due to the decrease in the foreign exchange difference in the translation of financial statements of foreign operating institutions and the remeasurement of defined benefit plans compared with the previous period. 					

5-2-2.Provide a sales volume forecast for future and the basis therefor, and describe the effect upon the company's financial operations as well as measures to be taken in response :

Base on the orders negotiated with the car manufacturers for the next year and the assessment of the future environment, the company expects the sales volume to decrease in 2025 compared to 2024. No significant impact on the company's future financial operations.

5-3.Analysis of cash flow

5-3-1.Analysis of changes in recent annual cash flow :

Year of occurrence Item	2024	2023	Increase (Decrease) ratio
Cash flow ratio	25.18%	30.87%	(5.69%)
Fund Flow Adequacy Ratio	86.34%	83.49%	2.85%
Cash reinvestment ratio	4.64%	10.56%	(5.92%)
<p>1.Analysis of changes in recent annual cash flow :</p> <ol style="list-style-type: none"> (1) Decrease in cash flow ratio : Mainly due to the decrease in net cash inflow from business operation. (2)Increase in fund flow adequacy ratio : Mainly due to the increase in the cash flow in the recent five fiscal years. (3)Increase in cash reinvestment ratio : Mainly the working capital for this period decrease compared to the previous period. 			

5-3-2.Corrective measures to be taken in response to illiquidity : There is no liquidity risk for fund raising due to bank loans if operation capital is insufficient.

5-3-3. Analysis of cash flow for the coming year(2025)

Unit : NT\$ thousands

Initial stage Balance (1)	Throughout the year Net cash flow (2)	Annual cash Outflow (3)	Balance (insufficient) amount (1)+(2)-(3)	Cash deficiency remedy	
				Investment plans	Financial plan
284,528	3,317,911	3,248,261	354,178	N/A	N/A
Analysis of cash flow for the coming year 2025 : (1) Operating activities : The sales revenue for 2025 is estimated to be stable, so business activities can generate net cash inflows. (2) Investment activities : mainly paying for the purchase of fixed assets. (3) Financing activities : mainly estimated cash dividends of NT\$76,230 thousands.					

5-4. The effect upon financial operations of any major capital expenditures during the most recent fiscal year.

5-4-1. Review and analysis of major capital expenditures and the funds sources : No significant capital expenditure in the recent years.

5-4-2. Expected income : Not applicable.

5-5. The company's reinvestment policy for the most recent fiscal year, the main reasons for the profits/losses generated thereby, the plan for improving re-investment profitability, investment plans for the coming year :

5-5-1. Reinvestment policy :

On July 29, 2024, the Company into a share transfer agreement with a related party, Koito Manufacturing Co., Ltd., (Koito) to sell all of its equity interest in Fuzhou Koito Ta Yih Automotive Lamp Co., Ltd. The share transfer transaction has been completed, and there are currently no other investment activities.

5-5-2. Main cause for gains or losses :

The company's annual recognition losses of the affiliated companies adopting the equity method in the year 2023 was about NT\$173,905 thousands, which came from the recognition of the losses of Fuzhou Koito Dayi Auto Lamp Co., Ltd. influences. The main reason for the losses in 2023 was shrunk vehicle market in Mainland China.

5-5-3. Improvement plan for losses :

Continuous implementation of various cut cost activities.

5-5-4. Investment plan for the coming year : None.

5-6. Risk analysis and evaluation

5-6-1. The effect upon the company's profits (losses) of interest and exchange rate fluctuations and changes in the inflation rate, and response measures to be taken in the future :

5-6-1-1. The impact of changes in interest rates on the company's profit and loss and the measures of future responses :

Item	Financial report for 2024
Interest expense	NT\$4,225 thousands
Net income ratio	0.11%

1. Effect on profit and loss

The interest expenses in 2024 was NT\$4,225 thousands, which accounts for 0.11% of the revenue, and it has no significant impact on the company. The market interest rate for the first quarter of this year was comparable to last year, and the change is small.

2. Measures for future response

The interest rate has little effect on the company's profit and loss, but the company usually maintains a good relationship with the bank, keeps abreast of interest rate changes, and adjusts the bank loan amount according to the capital cost of each bank.

5-6-1-2. The effect upon the company's profits (losses) of exchange rate fluctuations and response measures to be taken in the future :

Item	Financial report for 2024
Net gain/loss on foreign currency exchange	NT\$37,513 thousands
Net income ratio	1.14%

The exchange rate fluctuations of the New Taiwan Dollar against the US dollar, Renminbi and the Japanese Yen have little impact on the Company's profit and loss. The Company has always paid attention to the exchange rate fluctuations in the international market and has continued to implement the following response measures :

1. The foreign currency received from sales of foreign products is used to pay up for the purchase of materials to generate foreign currency payables, using the nature of natural hedging to avoid most of the exchange risk. Therefore, only financial instruments are needed to apply for the foreign currency net assets (liabilities) to avoid exchange rate fluctuation risks.
 2. Keeps a close contact with the foreign exchange departments of financial institutions, collect relevant information on exchange rate changes at any time, fully grasp the international exchange rate trends and changes in information, and actively respond to the negative impact of exchange rate fluctuations.
 3. In accordance with the Order of the Securities and Futures Commission, Ministry of Finance on December 10, 2002 (2002), the Banking Certificate (1), No. 0910000610 "Regulations governing the Acquisition or Disposal of Assets by Public Companies" standardizes the procedures for trading financial derivatives and strengthens the risk control management system.
- 5-6-1-3. The impact of changes in inflation on the company's profit and loss and the measures of future responses :
1. Effect on profit and loss
Inflation has no impact on the company's profit and loss. It is the company's consistent policy to maintain close and good cooperation with suppliers. Even if there is any inflation, the company can still obtain the most affordable price and the most adequate supply of raw material.
 2. Future response measures
The inflation has not much impact on the finished products and raw materials of the company, but it will still pay close attention to the inflation situation, if necessary, appropriate action will be apply to the price of the finished products or pre-purchase raw materials, in order to reduce the impact of inflation on the company.

5-6-2. 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 :

Risk factor	Policy	Gains or losses Main cause	Future measures
High risk, high leverage investment	The company focuses on its own operations and does not engage in high-risk, highly leveraged investments.	The Company has not engaged in high-risk, high-leverage investment in the recent years, so it does not apply.	Not applicable
Loans to others	They are all handled in accordance with the "Measures for the Management of Funds and Others", and the relevant information is announced in accordance with regulations.	There is no fund loan to others in 2020, so it is not applicable.	Not applicable
Endorsement/guarantee	They are handled in accordance with the Company's "Management of Endorsements and Guarantees" and the relevant information is announced in accordance with regulations.	There is no endorsement or guarantees made for the recent years, so it is not applicable.	Not applicable
Derivatives trading	The derivative trading executed by the Company in the most recent year are not for trading purposes, and only hedge foreign currency operations are taken to reduce exchange rate fluctuations.	There is no derivative trading in 2020, so it is not applicable.	Not applicable

5-6-3. Future Research & Development plans and estimated investment in Research &

Development :

Unit : NT\$ thousands

Item	Topic	Research and development expenses (thousands)	Expected to be completed Production time	Future research and development is successful Main influencing factors
1	Pattern changeable static ground projection lamp system	700	2025	Market functional / customer requirements
2	Dynamic ground projection technology	700	2025	Market functional / customer requirements
3	A compact, low-cost front fog lamp with corner lamp functionality	700	2025	Market functional / demand trends/customer requirements
4	Adaptive front light (AFS) with multi light pattern module for two-wheeled vehicles	700	2025	Market functional /road safety/ demand trends/customer requirements
5	Miniaturized dual convex lens BIPES (Bi-Projection Enhanced System)	700	2025	Market functional
6	High aspect ratio projection lens set for two-wheeled vehicles	700	2025	Market functional / demand trends/customer requirements
7	Emblem lamp edge light-emitting technology	400	2025	Expansion into Overseas Markets / demand trends/ customer requirements
8	In-mold decoration (IMD/IML) technology for interior atmosphere lamps	400	2025	Market functional/customer requirements / demand trends
9	Air disinfection lamp for public transport (bus/rail/air)	400	2025	Expansion into Overseas Markets / demand trends/ customer requirements

5-6-4.The impact of important changes in domestic and overseas policies and laws on the company's financial business and the corresponding measures :

There is no significant change in the domestic and overseas policies and laws.

Response measures : The Company will continue to pay attention to relevant policy and legal changes and response immediately to the impact of changes.

5-6-5.Effect on the company's financial operations of developments and measures to be taken in response in science and technology as well as industrial change :

5-6-5-1.There is no obvious manufacturing or related technology change in the industry or market of the Company, so there is no impact on the financial business. Response measures:

5-6-5-2.The Company will monitor the technological and industrial changes in technology, and will respond appropriately if there is any impact.:In recent years, cyber attacks and ransomware information security incidents have been frequent, so the Company has focused on information security risk control and protection, imported ISO27001 information security management system, deployed a multi-level defense-in-depth information security management and control protection network, and implemented strict management and control. Measures; As of the publication date of the annual report, there has been no technological change (including information security risks) and industrial changes that would affect the financial business.

5-6-6.Effect on the company's crisis management of changes in the company's corporate image, and measures to be taken in response :

The company's corporate image is good, with continuous profit in 2023 and the first quarter of 2024 and there is no bad image of the corporation.

Response measures :

The spokesperson of the company wholeheartedly welcomes calls from shareholders or the media.

5-6-7.Expected benefits and possible risks associated with any merger and acquisitions, and mitigation measures being or to be taken : There is no acquisition or merging in the Company.

5-6-8.Expected benefits and possible risks associated with any plant expansion and mitigation

- measures being or to be taken : The Company has no expansion of plant.
- 5-6-9.Risks associated with any consolidation of sales or purchasing operations, and mitigation measures being or to be taken : None.
- 5-6-10.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 mitigation measures being or to be taken : None.
- 5-6-11.Effect upon and risk to company associated with any change in governance personnel or top management, and mitigation measures being or to be taken : There is no change in the governance of the top management or personnel.
- 5-6-12.Litigious and non-litigious matters. List major litigious, non-litigious or administrative disputes that: (1) 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 (2) have been concluded by means of a final and unappeasable judgment, or are still under litigation. Where such a dispute could materially affect shareholders' equity or the prices of the company's securities, the annual report shall disclose the facts of the dispute, amount of money at stake in the dispute, the date of litigation commencement, the main parties to the dispute, and the status of the dispute as of the date of publication of the annual report : None.
- 5-6-13.Other important risk management measures :
- 5-6-13-1.Intellectual Property Management plan
- The company upholds the corporate spirit of "Integrity, Diligence, and Responsibility" and is dedicated to the manufacturing and sales of auto and motorcycle parts, as well as the export of vehicle lighting. Over the years, we have consistently provided high-quality products that add value and enhance brand benefits for our customers. To align with the development of the domestic automotive industry, we actively introduce advanced foreign technologies and conduct independent research and development. Every year, we invest significantly in design and development costs to strengthen production techniques and improve the company's overall economic efficiency.
- To protect the company's key R&D achievements and encourage innovation and invention, TA YIH INDUSTRIAL CO.,LTD. has established a "Patent Management Policy" to reward R&D personnel for submitting their innovations. The company implements an internal audit mechanism for guidance and overall planning, with dedicated personnel regularly collecting and organizing patent data to build a patent documentation database.
- Subsequent patent analysis and evaluation are conducted based on the collected data. Using the analysis results, the company formulates corresponding patent application strategies, aligning them with technological development roadmaps and market expansion plans. This approach helps identify industry trends and market opportunities, accumulating patent assets to sustain and create long-term business advantages.
- In terms of trade secret protection, the company implements measures to reduce operational risks and enhance information security. Internally, reasonable data encryption methods are adopted, restricting access and operations on electronic assets to authorized devices only.
- Externally, the company enforces intellectual property contractual terms and strategic measures, requiring business partners to reasonably safeguard the company's trade secrets. These efforts ensure the protection of both customer and corporate long-term interests.
- On November 6, 2024, the implementation status of intellectual property management was reported to the Board of Directors to ensure the effective execution of related management measures and continuous improvement.
- 5-6-13-2.Implementation results in 2024
- 1.Patent Acquisition and Management Improvements: A total of 1 Taiwan patent was granted in 2024.

2.Partner Selection: Several preferred patent firms were selected for collaboration to meet clients' intellectual property confidentiality requirements and enhance the flexibility of cooperation.

5-6-13-3.List of intellectual property and achievement

As of the fourth quarter of 2024, the company has achieved the following intellectual property results:

- 1.Taiwan Invention Patents: 7 cases
- 2.Taiwanese utility model patents:19 cases
- 3.American invention patent: 1 case
- 4.Chinese invention patents: 1 case
- 5.Taiwanese trademarks: 4 cases

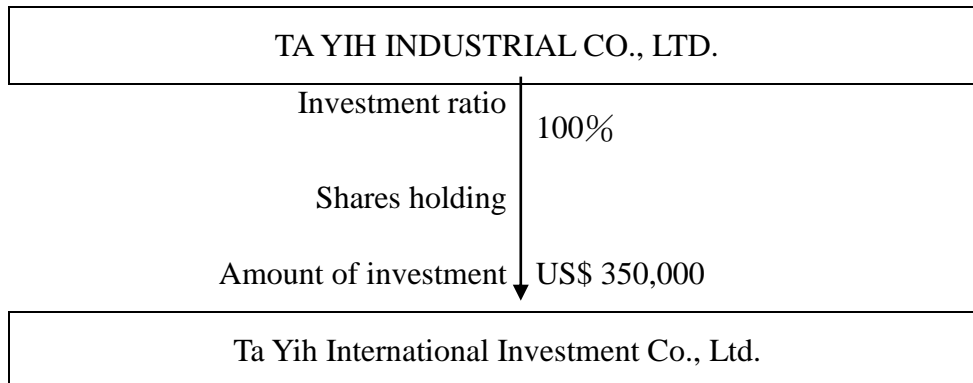
5-7.Other important matters : None.

6 • Special items

6-1.Information related to the company's affiliates

6-1-1. The consolidated business report of the Affiliated Enterprise

6-1-1-1.The organizational chart of the affiliated enterprise(2024.12.31)



6-1-1-2.Basic information of each affiliates :

Unit : \$

Name of Enterprise	A. Date of Establishment	Address	Paid-in capital	Primary business items or Production Items
Ta Yih International Investment Co., Ltd.	1995/11/17	Omar Hodge Building, Wickhams Cay I.P.O. Box 362, Road Town, Tortola, British Virgin Islands	USD 350,000	General investment industry

6-1-1-3.Information of shareholders of companies presumed to have a relationship of control and subordination : None.

6-1-1-4.The industries covered by the business operated by the affiliates overall :
British Virgin Islands Ta Yih International Investment Company. : General investment industry

6-1-1-5.The information of the directors, supervisors, and president of each affiliate :

Unit : \$; Shares : %

Name of Enterprise	Job title	Name or representative	Shares holding		Note
			Number of shares (contribution)	Shareholding ratio (Contribution ratio)	
Ta Yih International Investment Co., Ltd.	Chairman	TA YIH INDUSTRIAL CO.,LTD Representative –Wu Chun-I	USD 350,000	100%	

6-1-1-6.The overview of the operations of the affiliates :

Unit : NT\$ thousands

Name of Enterprise	Paid-in capital	Assets Total value	Total liabilities Total equity	Net value	Business revenue	Current other comprehensive income Amount after tax	Earnings per share (\$) Amount after tax
Ta Yih International Investment Co., Ltd.	11,475	8,159	0	8,159	0	25	(0.73)

6-1-2.The Consolidated Financial Statements of Affiliated Enterprises : Consistent with the consolidation of the financial statements of the main entity, no separate consolidated financial statements of affiliates will be prepared.

6-1-3.Affiliation Report : None.

6-2.Where the company has carried out a private placement of securities during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report : None.

6-3.Additional description of other matters : None.

7 · If any of the situations listed in Article 36, paragraph 3, subparagraph 2 of the Securities and Exchange Act, which might materially affect shareholders' equity or the price of the company's securities, has occurred during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report : None.



TA YIH INDUSTRIAL CO.,LTD.

Chairman : Wu Chun-I