

Stock code : 1521

TA YIH INDUSTRIAL CO., LTD.

2025 ANNUAL REPORT

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Website for inquiry Annual Report :

Stock Exchange Public Information Observatory :

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

Company website : <http://www.tayih-ind.com.tw>

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6. Name of exchanges for listing and trading of overseas securities : None

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

7. Company website : <http://www.tayih-ind.com.tw>

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1·Report to shareholders

1-1.Business results for 2025 :

1-1-1.Business Result :

The all-year Net Operating Revenue of the Company in 2025 was NT\$3,629,959 thousand, decreased by NT\$66,261 thousand compared to that of 2024 at NT\$3,696,220 thousand; in addition, the Pre-tax Income in 2025 was NT\$83,192 thousand, increased by NT\$292 thousand compared to that of 2024 at NT\$82,900 thousand.

Comparison table of revenue and net profit after tax for the years 2025 and 2024:

Unit: NT\$ Thousands

Year	2025	2024	Increase/ Decrease by	Increase/ Decrease by %
Net Operating Revenue	3,629,959	3,696,220	(-) 66,261	(-) 1.79
Operating Income	106,911	42,603	(+) 64,308	(+) 150.95
Pre-tax Income	83,192	82,900	(+) 292	(+) 0.35
Net Income	66,409	87,428	(-) 21,019	(-) 24.04
EPS (NT\$/Share)	0.87	1.15	(-) 0.28	(-) 24.35

1-1-2.Budget implementation: no financial forecast was released for 2025.

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

(1)Financial structure

Debt to assets ratio : 37.66%

Long-term capital accounted for real estate, plant and equipment ratio : 224.86%

(2)Profitability

Return on Assets : 2.31%

Return on Equity : 3.56%

Net Profit Margin : 1.83%

Earnings per share : NT\$0.87

1-1-4.Status of research and development

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

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

In 2025, the expenses amounted to NT\$145,671 thousand, which accounted for 4.01% of the net operating income.

(2)Projects in development stage :

As both vehicle and motorcycle industries advance toward greater intelligence, personalization, and visual distinction, automotive lighting systems are no longer confined to basic illumination. Instead, they have evolved into a core element of vehicle design, playing a critical role in shaping brand identity.

The R&D roadmap for Fiscal Year 2025 focused on bi-functional modular optical technologies, technological aesthetic designs, and brand-oriented lighting applications. By implementing modular generation upgrades and optimizing optical structures, the Company aimed to enhance product functionality and performance while strengthening market competitiveness.

This year's R&D initiatives encompassed multi-lens headlamps, slim and ultra-thin bi-functional modules, concealed and semi-coated illuminated marking technologies, with a strong emphasis on styling and technological aesthetics. These developments not only address automakers' demands for differentiated design and functional integration but also anticipate future regulatory trends and support diverse applications. The overall R&D strategy emphasized modularization, generational upgrades, and high value-added design, establishing a solid technological foundation for subsequent product launches and mass production.

(A) Multi-Lens Bi-Functional Headlight Modules

This project focuses on developing bi-functional headlight modules for four-wheeled vehicles, featuring a multi-lens design. Dual LED switching mechanisms enable variable illumination patterns tailored to different driving conditions. By integrating optical modules with electronic control systems, the solution enhances lighting flexibility and driving safety, making it well-suited for premium vehicle models and advanced intelligent lighting applications.

(B) Concealed Illuminated Marking Lamp

Centered on the concept of “invisible lighting,” this project employs optical structures and material design to allow the light to blend seamlessly into the vehicle exterior when not activated, while providing clear and uniform illumination when turned on. The technology can be applied to front, rear, or brand-identification areas, enhancing overall styling quality and aligning with automakers’ trends toward simplified exterior design.

(C) High-Tech Optical System Design

This R&D program focuses on the optical expression of technological aesthetics. By leveraging specialized optical structures, surface treatments, and innovative illumination designs, the lighting systems deliver a futuristic appearance with strong visual recognition. These systems can be adapted to various vehicle designs and serve as key components of brand identity, enhancing market differentiation.

(D) Slim Bi-Functional Module Gen. 2

This project represents a generational upgrade of the bi-functional module, featuring optical and structural optimizations focused on a slim profile. While maintaining lighting performance, the Gen. 2 module further reduces height and width, enhancing design flexibility for vehicle lamps and supporting streamlined front-end styling and next-generation vehicle designs.

(E) Semi-Coated Emblem Lamps

This project utilizes semi-coating technology in emblem lamps, enabling the emblem to display a metallic or dark appearance when inactive, while delivering uniform, soft illumination when activated. The technology balances premium exterior aesthetics with nighttime visibility, supporting brand-focused and modular vehicle design requirements.

(F) Miniaturized dual convex lens BIPES (Bi-Projection Enhanced System) Gen. 3

Building on the existing bi-functional module technology platform, this project advances toward higher efficiency, greater integration, and broader application flexibility. The Gen. 3 module improves optical efficiency and module commonality, reducing overall system costs and enhancing adaptability across various vehicle models, positioning it as one of the Company’s key next-generation platform modules.

(G) Ultra-Thin Bi-Functional Headlight Module Platform

This project focuses on an ultra-narrow design to meet automakers’ demand for thin-profile, sharply styled headlamps. By reconfiguring optical layouts and structural design, the module maintains bi-functional lighting performance within a constrained space, enhancing overall headlamp design flexibility and product competitiveness.

1-2. Business Plan Overview for 2026:

1-2-1. Management Guidelines

- (1) To fulfill customer needs, expand revenue, and enhance corporate profitability.
- (2) To stay abreast of technological trends, cultivate talent, and strengthen design and development capabilities.
- (3) To establish a lean and automated manufacturing environment with visualized and real-time management systems, thereby enhancing overall manufacturing competitiveness.
- (4) To improve defect control and incoming material quality management processes, and

to reinforce employees' quality awareness.

(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 Volume and Its Basis :

(1) Expected Sales Volume: Domestic automobile sales are estimated at approximately 430,000–440,000 units.

(2) Basis: projected based on plans of automotive makers.

1-2-3. Key Production and Sales Policies

(1) Ensure domestic four-wheeler orders while actively expanding the two-wheeler and export markets.

(2) Monitor raw material costs, logistics expenses, and exchange rate fluctuations, and adjust inventory in a timely manner.

(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) Continue energy-saving, waste-reduction, and pollution-prevention initiatives, and ensure that no environmentally harmful restricted substances are used during design and manufacturing processes.

1-3. Future Development Strategies of the Company :

1-3-1. By staying ahead of trends and specifications in 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. Implement resource management mechanisms and promote sustainable resource use, embedding green and environmental concepts into product planning and manufacturing, while actively pursuing energy and carbon reduction and fulfilling social responsibilities.

1-4. Affected by External Competitive, Regulatory and Overall Business Environment :

In 2025, the Company was impacted by global political and economic uncertainties. In the domestic market, consumer demand remained subdued during the first half of the year. Market conditions gradually improved in the second half, supported by increased government incentives through additional vehicle commodity tax reductions on passenger cars, leading to a recovery in automobile sales. The total annual market volume reached approximately 414,000 units.

Nevertheless, Taiwan's automotive industry continues to face structural transformation, intensifying competition for talent, and labor shortages. These risks and challenges have posed adverse impacts on the operations of automotive parts manufacturers.

In the export market, the North American automotive sector was affected by tariff policies under the Trump administration, supply chain disruptions, and reductions in electric vehicle subsidies. Automakers shifted toward the production of hybrid vehicles to sustain new vehicle sales growth. However, rising vehicle prices resulting from tariff measures continued to create headwinds for overall vehicle sales performance.

Looking ahead to 2026, uncertainties in the global economy and geopolitical landscape are expected to sustain elevated supply chain risks, presenting ongoing challenges for the automotive industry. In the domestic market, supported by stabilizing economic conditions and the continuation of vehicle commodity tax reduction policies, total annual sales are projected to reach approximately 430,000 to 440,000 units.

With respect to exports, the Company will continue to expand its customer base in

the North American market and actively conduct technical presentations for both domestic and international clients. The Company will endeavor to secure additional orders for automotive lighting systems and tooling projects for new vehicle models, with the objective of sustaining revenue growth. 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 all our shareholders, ladies and gentlemen, good health and all the best in everything!

Chairman : Wu Chun-I

2·Corporate Governance Report

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

2-1-1.Information of directors and supervisors

April 13, 2026

Title	Nationality or place of registration	Name	Gender/Age	Elect Date	Term	First time When elected Date	Shares holding when elected		Current Number of shares held		Shares held by spouse and minor children currently		Shares 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
							Number of shares	shareholding ratio	Number of shares	shareholding ratio	Number of shares	shareholding ratio	Number of shares	shareholding ratio			Title	Name	Relation	
Chairman	Republic of China	Representative: Wu Chun-I	Male/81-90	June 13,2023	3 years	June 15,1988	NA	NA	1,254,488	1.65%	396,821	0.52%	0	0	Pei-men Senior Agricultural and Industrial Vocational School	Note 4	Director	Wu Jhen-Yi	the first degree	—
	Republic of China	Ding wan Investment Industrial Co., Ltd.			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 01,2023	NA	NA	0	0	0	0	0	0	Vice chairman of the Company Faculty of Engineering, Osaka Electro-Communication University, Japan	—	—	—	—	—
	Japan	Koito Manufacturing Co., Ltd.			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	NA	NA	0	0	0	0	0	0	Doshisha University, Japan Department of Business	Deputy Director of International Headquarters of Koito Manufacturing Co., Ltd Managing Corporate Officer of Koito Manufacturing Co., Ltd	—	—	—	—
	Japan	Koito Manufacturing Co., Ltd.			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	NA	NA	0	0	0	0	0	0	Faculty of Science and Engineering, Waseda University, Japan	Deputy general manager of Koito Manufacturing Co., Ltd.	—	—	—	—
	Japan	Koito Manufacturing Co., Ltd.			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	June 11,2024	(Note1)	Jene 14,2017	NA	NA	0	0	0	0	0	0	EMBA Professor of Department of Industrial and Information Management ,NCKU PhD in Industrial Engineering from Purdue University, USA	Note 5	—	—	—	—
	Republic of China	Ding wan Investment Industrial Co., Ltd.			3 years	June 12,2014	10,000	0.01%	10,000	0.01%	0	0	0	0	—	—	—	—	—	—
Director	Republic of China	Da Wei Investment Enterprise Co., Ltd.		June 11,2024	(Note1)	June 11,2024	20,797,622	27.28%	20,817,622	27.31%	0	0	0	0	—	Chairman of Tayih Kenmos Auto Parts Co., Ltd.	—	—	—	—
	Republic of China	Representative: Wu Ma Hui-Er	Female/81-90	June 11,2024	(Note1)	December 14,1976	NA	NA	396,821	0.52%	1,254,488	1.65%	0	0	Supervisor of Ding Wan Investment Industrial Co.,Ltd.	Project Manager of Finance Department	Chairman	Wu Chun-I	spouse	
	Republic of China	Representative: Wu Jhen-Yi	Female/51-60	June 19,2025	(Note2)	June 12,2014	NA	NA	2,000	0.0026%	0	0	35,000	0.046%	General Manager of Tayih Landis Hotel Russell Institute of Technology, Australia	Chairman of Tayih International Hotel Co., Ltd. Chairman of Da Wei Investment Enterprise Co., Ltd.	Chairman	Wu Chun-I	the first degree	
Independent director	Republic of China	Chang Jui-Hui	Female/51-60	December 23,2023	(Note3)	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	Shares holding when elected		Current Number of shares held		Shares held by spouse and minor children currently		Shares 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
							Number of shares	shareholding ratio	Number of shares	shareholding ratio	Number of shares	shareholding ratio	Number of shares	shareholding ratio			Title	Name	Relation	
Independent director	Republic of China	Lo Bin-Hsien	Male / 71-80	December 23, 2023	(Note3)	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 of Aeon Motor Co., Ltd. Independent director of Laienparts Technology Co., Ltd.	—	—	—	—
Independent director	Republic of China	Hsien Sung-Wen	Male/ 51-60	December 23, 2023	(Note3)	December 23, 2023	0	0	0	0	0	0	0	0	Adjunct Lecturer, Department of Accounting and Information Science, Southern Taiwan University of Science and Technology Master of The Department of Account and Information Technology, National Chung Cheng University	Director of Jie Xiang Accounting Firm	—	—	—	—

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

Note 2: 2025.6.19 The representative of Da Wei Investment Enterprise Co., Ltd. has been changed from Ms. Wu Ma Hui-Er(Term:2024/6/11~2025/6/19) to Ms. Wu Jhen-Yi.. Term:2025/6/19~2026/6/12

Note 3: Term:2023/12/23~2026/6/12

Note 4: Chairman of Tayih Kenmos Auto Parts Co., Ltd. Director of TYC Brother Industrial Co., Ltd. Director. Chairman of Yi-Jian Investment Co.,Ltd. Director of Mai Huang Enterprise Co., Ltd.

Note 5: Chairman of Taiwan Fasteners Integrated Service CO., LTD. Chairman of Jingfong Industry Co., Director of Jingfong Investment Co., Ltd. Director of Tayih Kenmos Auto Parts Co., Ltd. Director of Macauto Industrial Co., Ltd.. Chairman of Faber Innovation INC.

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

Name of institutional shareholders	Major shareholders of institutional shareholders	Shareholding ratio
Ding wan Investment Industrial Co.,Ltd.	Wu Jhen-Yi	62.84 (Note)
	Chen-wang Industrial Co.,Ltd.	37.16
Da Wei Investment Enterprise Co., Ltd.	Wu Jhen-Yi	75.79
	Ding wan Investment Industrial Co.,Ltd.	21.89
	Chen-wang Industrial Co.,Ltd.	2.32
Koito Manufacturing Co.,Ltd.	Toyota Motor Corporation	20.89
	Company (Treasury stock)	9.85
	Japan Master Trust Bank (trust account)	9.67
	Japan Custody Bank (Trust Account)	3.36
	State Street Bank & Trust 505001	3.35
	Nippon Life Insurance Company	3.15
	Dai-ichi Life Insurance Co., Ltd.	2.60
	Sumitomo Mitsui Banking Corporation	1.77
	Bank of Tokyo-Mitsubishi UFJ, Ltd.	1.67
	Sumitomo Life Insurance Company	1.56

Note : Trust property special account

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

April 13, 2026

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 Holders (Standing Proxy, Mitsui Sumitomo Banking Corporation)	
	Tokio Marine & Nichido Fire Insurance Co., Ltd.	
Company (Treasury stock)	Unable to provide due to local practice restrictions	—
Japan Master Trust Bank (trust account)	Unable to provide due to local practice restrictions	—
Japan Custody Bank (Trust Account)	Unable to provide due to local practice restrictions	—
State Street Bank & Trust 505001	Unable to provide due to local practice restrictions	—
Nippon Life Insurance Company	Unable to provide due to local practice restrictions	—
Dai-ichi Life Insurance Co., Ltd.	Unable to provide due to local practice restrictions	—
Sumitomo Mitsui Banking Corporation	Stock companyMitsui Sumitomo Finance Co., Ltd.	100%
Bank of Tokyo-Mitsubishi UFJ, Ltd.	Mitsubishi UFJ Finance Corporation	100%
Sumitomo Life Insurance Company	Unable to provide due to local practice restrictions	—

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

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: 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.	N/A	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.	N/A	0
Koito Manufacturing Co., Ltd. Representative: Konagaya Hideharu	Director of Konagaya Hideharu graduated from the Faculty of Science and Engineering, Waseda University, Japan. Currently deputy general manager of Koito Manufacturing Co., Ltd. He has over five years of relevant work experience.	N/A	0
Koito Manufacturing Co., Ltd. Representative: Yamamoto Kakuya	Director of Yamamoto Kakuya graduated from the Department of Doshisha University, Japan Department of Business. Currently Deputy Manager of the International Headquarters of Koito Manufacturing Co., Ltd. The Managing Corporate Officer of Koito Manufacturing Co., Ltd. He has over five years of relevant work experience.	N/A	0
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 previously served as an independent director of Fu Chun Shin Machinery Manufacture Co., Ltd. He currently serves as the chairman of Jingfong Industry Co., Ltd. He has over five years of relevant work experience.	N/A	0
Da Wei Investment Enterprise Co., Ltd. Representative: Wu Jhen-Yi	Director of Wu Jhen-Yi graduated from Russell Institute of Technology, Australia. She was previously General Manager of Tayih Landis Hotel. She is the Chairman of Tayih International Hotel Co., Ltd. She has over five years of relevant work experience.	N/A	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. Therefore, we can leverage her expertise in accounting and business management to continuously monitor the company's operations.	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 and Independent director of Aeon Motor Co.,Ltd..and Laienparts Technology Co., Ltd. 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. Therefore, we can leverage his expertise in finance and taxation to continuously monitor the company's operations.		2
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. Therefore, we can leverage their expertise in accounting and auditing to continuously monitor the company's operations.		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 finance and legal expertise

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 51 and 90. Two female director accounts for 22.2%, five directors who specialize in accounting and finance account for 55.6%, 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 51 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: Five 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 expects that, in addition to considering the professional knowledge and skills of the candidates, the Board will try to increase the number of female directors and strive to achieve the goal of having at least one-third of the directors of a single gender, so as to enhance the gender diversity of the Board.

The implementation of the Board Diversity Policy is as follows:

Core of Diversity		Basic Information							Professional Knowledge and Skills								
Job Title	Name	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
					51-60	61-70	71-80	81-90									
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	V
	Kreng Bor-Wen	R.O.C.	Male			V				V		V	V	V	V	V	V
	Wu Jhen-Yi	R.O.C.	Female		V					V		V	V			V	V
Independent Director	Chang Jui Hui	R.O.C.	Female		V				V	V	V	V		V	V	V	
	Lo Bin-Hsien	R.O.C.	Male				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 seconddegree familial relationships, ensuring the independence of the board of directors.

2-1-2. Information on the company's General manager, Deputy general manager, assistant general managers, and the managers of all the company's divisions and branches

April 13, 2026

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	
General manager	Republic of China	Jyh Chin-Juang	Male	2023.11.14	0	0	0	0	0	0	General manager 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)	-	-	-	-
Deputy general manager	Japan	Yamamoto Hidetsugu	Male	2016.04.01	0	0	0	0	0	0	Deputy general manager of the company Master of Mechanical Engineering, Meiji University, Japan.	None	-	-	-	-
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 Chang Jung Christian 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	-	-	-	-

2-2. Remuneration paid during the most recent fiscal year to directors, general manager, and deputy general manager :

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

December 31, 2025 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 and G 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	The Company	All companies in the financial report						
Chairman	Representative: Wu Chun-I	0	0	0	0	0	0	0	0	0	0	6,861	6,861	33	33	0	0	0	0	6,894	6,894	10.38%	10.38%	無	
Director	Representative: Kreng Bor-Wen	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0%	0%	無	
	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	0%	0%	無	
Vice chairman	Representative: Iwanabe Megumi	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0%	0%	無	
Director	Representative: Yamamoto Kakuya	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0%	0%	無	
Director	Representative: Konagaya Hideharu	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0%	0%	無	
	Koito Manufacturing Co., Ltd.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0%	0%	無	
	Da Wei Investment Enterprise Co., Ltd.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0%	0%	無	
Director	Representative: Wu Ma Hui-Er (note1)	0	0	0	0	0	0	0	0	0	0	1,450	1,450	96	96	0	0	0	0	1,546	1,546	2.33%	2.33%	無	
	Representative: Wu Jhen-Yi (note2)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0%	0%	無	
Independent director	Chang Jui-Hui	500	0	0	0	0	160	160	660	660	0.99%	0.99%	0	0	0	0	0	0	0	0	660	660	0.99%	0.99%	無
Independent director	Lo Bin-Hsien	500	0	0	0	0	160	160	660	660	0.99%	0.99%	0	0	0	0	0	0	0	0	660	660	0.99%	0.99%	無
Independent director	Hsien Sung-Wen	500	0	0	0	0	160	160	660	660	0.99%	0.99%	0	0	0	0	0	0	0	0	660	660	0.99%	0.99%	無

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\$600,000.

Note 1: 2024.6.11 ~2025.6.19 representative appointed by Da Wei Investment Enterprise Co., Ltd.

Note 2: 2025.6.19 representative appointed by Da Wei Investment Enterprise Co., Ltd.

2-2-2.Remuneration of General manager and Deputy general manager :

December 31, 2025 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			
General manager	Jyh Chin-Juang	2,644	2,644	108	108	1,156	1,156	0	0	0	0	3,908 5.88%	3,908 5.88%	None
Deputy general manager	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, 2025 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			
General manager	Jyh Chin-Juang	2,644	2,644	108	108	1,156	1,156	0	0	0	0	3,908 5.88%	3,908 5.88%	None
Assistant Manager	Cheng Ching Hsiang	1,804	1,804	108	108	665	665	0	0	0	0	2,577 3.88%	2,577 3.88%	None
Assistant Manager	Chen Jin-Wen	1,624	1,624	99	99	521	521	0	0	0	0	2,244 3.38%	2,244 3.38%	None
Assistant Manager	Wang Zhi-Cheng	1,298	1,298	79	79	439	439	0	0	0	0	1,816 2.73%	1,816 2.73%	None

2-2-4. The 2025 employee profit sharing granted to the management team.

December 31, 2025 NT\$ thousands

Title	Name	Stock dividends Amount	Cash: dividends Amount	Total	Proportion of total amount to net profits after tax (%)
General manager	Jyh Chin-Juang	0	0	0	0.00%
Deputy general manager	Hidetsugu Yamamoto				
Assistant Manager	Chen Jin-Wen				
Assistant Manager	Cheng Ching Hsiang				
Assistant Manager	Wang Zhi-Cheng				

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 :

Year of occurrence	Item	NT\$ thousands ; %		Comparative analysis and explanation
		The Company	Consolidated report	
2024	Remuneration - Director	10,894	10,894	In 2025, the remuneration of the directors, General manager and Deputy general manager accounted for 21.58% of the net income after taxes, higher than 16.93% in 2024. The increase was mainly due to a 24.04% decrease in after-tax net profit in 2024.
	General manager and Deputy general manager	3,910	3,910	
	Total	14,804	14,804	
	Proportion of total remuneration to net profit after tax	16.93	16.93	
2025	Remuneration - Director	10,420	10,420	
	General manager and Deputy general manager	3,908	3,908	
	Total	14,328	14,328	
	Proportion of total remuneration to net profit after tax	21.58	21.58	
differences		decrease 3.22%	decrease 3.22%	

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 losses 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 2025, 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. The Board of Directors held 5 meetings in 2025 (A), with attendance by directors 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)	0	5	0%	
Vice chairman	Iwanabe Megumi (Representative of Koito Manufacturing Co., Ltd.)	5	0	100%	
Director	Konagaya Hideharu (Representative of Koito Manufacturing Co., Ltd.)	5	0	100%	
Director	Yamamoto Kakuya (Representative of Koito Manufacturing Co., Ltd.)	3	2	60%	
Director	Kreng Bor-Wen (Representative of Ding wan Investment Industrial Co., Ltd.)	4	1	80%	
Director	Wu Ma Hui-Er (Representative of Da Wei Investment Enterprise Co., Ltd.)	0	3	0%	2025.06.19 dismissed. Attended 3 meetings during the term.
Director	Wu Jhen-Yi (Representative of Da Wei Investment Enterprise Co., Ltd.)	2	0	100%	2025.06.19 appointed. Attended 2 meetings during the term.
Independent director	Chang Jui-Hui	5	0	100%	
Independent director	Lo Bin-Hsien	5	0	100%	
Independent director	Hsien Sung-Wen	5	0	100%	

2-3-1-2. Other Matters to Be Noted :

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 : None.

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 any agenda item involves a conflict of interest, the chairperson shall remind the directors required to recuse themselves to leave the meeting prior to the reading of the agenda item.

Board of Directors Date and session	Content of Motion	Name of directors	Reason for avoidance	Participation in voting
January 9, 2025 (17th Session, 16th Time)	Lifting non-competition restrictions on director	Kreng Bor-Wen	The content of the motion involves a conflict of interest concerning Director Kreng Bor-Wen.	The Director 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.
	Donation to the related party.	Wu Chun-I Wu Ma Hui-Er	The chairman of the related party is the same person as the company's Chairman.	Two directors attended by proxy but did not participate in the discussion or vote. 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' 2024 year-end bonuses and compensation structure for 2025	Wu Chun-I, Wu Ma Hui-Er	The content of the motion involves the annual salary of the chairman Wu Chun-I.	Two directors attended by proxy but did not participate in the discussion or vote. This case was approved after the chairman consulted and all other directors present except for the withdrawal had no objections.
November 5, 2025 (17th Session, 20th Time)	Discussion on the directors' and managers' compensation structure for 2026.	Wu Chun-I, Wu Jhen-Yi	The content of the motion involves the annual salary of the chairman Wu Chun-I.	The Chairman entrusted Director Wu Jhen-Yi to attend. Director Wu individuals abstained from the discussion and voting, and she did not act as proxies for chairman to exercise voting rights. This case was approved after the chairman consulted and all other directors present except for the withdrawal had no objections.

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

The Company operates in accordance with the “Rules for Performance Evaluation of Board of Directors”, In the first quarter of the year, the Company handled the self-evaluation or peer evaluation for board members and committee. The 2025 results were reported on the board of directors’ meeting on March 13, 2026. The Evaluation results are as follows :

Item	Description				
Evaluation cycle	Once every year				
Evaluation period	From January 1, 2025 to end of December 31 (For certain directors, the term is from the date of appointment to December 31.)				
Evaluation scope	Board members	Board of directors and its 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	self-assessment for the overall Sustainability Committee members
Evaluation content	<ol style="list-style-type: none"> 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 	<ol style="list-style-type: none"> 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 	<ol style="list-style-type: none"> 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 	<ol style="list-style-type: none"> 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 	<ol style="list-style-type: none"> 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	<ol style="list-style-type: none"> 1. All directors' self-evaluation reports were obtained in January 2026. and proposed to the Board of Directors on on March 13, 2026. 2. Director's individual self-evaluation report for overall assessment score was 96%. 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.. 	<ol style="list-style-type: none"> 1. Procedure unit completed evaluation for overall Board and all directors on January 30, 2026. The overall assessment score was 94%. The result was good. and proposed to the Board of Directors on on March 13, 2026. 2. Areas for improvement include increasing attendance at board and shareholder meetings and enhancing director training.. 	<ol style="list-style-type: none"> 1.All members' self-evaluation reports were obtained in January 2026, and proposed to the Board of Directors on on March 13, 2026. 2. Audit Committee members's individual self-evaluation report for overall assessment score was 100%. The result was excellent. 	<ol style="list-style-type: none"> 1. All members' self-evaluation reports were obtained in January 2026, and proposed to the Board of Directors on on March 13, 2026. 2. Remuneration Committee members's individual self-evaluation report for overall assessment score was 100%. The result was excellent. 	<ol style="list-style-type: none"> 1. All members' self-evaluation reports were obtained in January 2026, and proposed to the Board of Directors on on March 13, 2026. 2. Sustainability 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 2025, except for one director who didn't complete 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) To enhance the independence of the Board of Directors, the Company has established three independent directors, who also serve as members of the Audit Committee. The three independent directors are Ms. Chang Jui-Hui, Mr. Luo Bin-Hsien, and Mr. Hsieh Sung-Wen. With their professional expertise in areas such as accounting and financial analysis, they are able to provide valuable advice to the Board on matters relating to business operations, internal control implementation, and financial issues.

(2) To improve information transparency :

- A) The Company entrusts PwC Taiwan to conduct regular audits. The information required by the decree can be disclosed in a correct and timely manner, with a designated person responsible for the collection and disclosure of company information.
- B) The Company has established a spokesperson and deputy spokesperson system to ensure that all material information is disclosed in a timely manner.
- C) The Company's website has set up a stakeholder section which links to the Market Observation Post System (MOPS), allowing shareholders and stakeholders to access relevant information on the Company's financial and business operations.

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

2-3-2-1. Authorities and annual Key Responsibilities of the Audit 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. Other Significant Matters Prescribed so required by the company or the Competent Authority.

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

2-3-2-3. The auditing committee held 5 meetings(A) in 2025 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	5	0	100%	
Independent director	Lo Bin-Hsien	5	0	100%	
Independent director	Hsien Sung-Wen	5	0	100%	

2-3-2-4. Other Matters to Be Noted :

- 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.
2025/1/9 2st session the 12 th meeting	Lifting non-competition restrictions on director.	None	The motion was passed unanimously by all attending committee members.	Except for those who should have recused themselves in accordance with the law, the motion was passed without objection.
	Donation to the related party			
2025/3/6 2st session the 13 th meeting	2024 Annual Business Report and Financial Report	None	The motion was passed unanimously by all attending committee members.	The motion was passed unanimously by all attending directors.
	2024 Profit Distribution Proposal			
	Discussion on 2024 Internal Control System Statement			
	Proposal to amend the company's internal control system			
	Assessment of CPAs and Associated Firm Independence and Competence CPA Appointment and Auditor Compensation Proposal			
2025/5/7 2st session the 14 th meeting	Proposal for the Company's Consolidated Financial Statements for Q1 2025	None	The motion was passed unanimously by all attending committee members.	The motion was passed unanimously by all attending directors.
2025/8/6 2 st session the 15 th meeting	To change Certified Public Accountants due to the internal rotation of PwC accounting firm	None	The motion was passed unanimously by all attending committee members.	The motion was passed unanimously by all attending directors.
	Proposal for the Company's Consolidated Financial Statements for Q2 2025			
2025/11/5 2 st session the 16 th meeting	Proposal for the Company's Consolidated Financial Statements for Q3 2025	None	The motion was passed unanimously by all attending committee members.	The motion was passed unanimously by all attending directors.
	Proposal to amend the company's internal control system			
	Internal Audit Plan Discussion for 2025			

- (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: None.
- 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 : None.
- 3.The communication between independent directors and internal audit supervisors and CPAs (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
2025/1/9	Discussion	Report on internal audit results of Nov - Dec 2024	All independent directors had no objections.
2025/3/6	Discussion	Report on internal audit results of Jan - Feb 2025	All independent directors had no objections.
2025/5/7	Discussion	Report on internal audit results of Mar -Apr 2025.	All independent directors had no objections.
2025/8/6	Discussion	Report on internal audit results of May - Jul 2025	All independent directors had no objections.
2025/11/5	Discussion	Report on internal audit results of Aug - Oct 2025 Explain the revision of the internal control system and internal audit plan for 2026.	All independent directors had no objections.

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

Date of communication	Method	Topics for communication	Results of communication
2025/3/6	Discussion	Review the results of the consolidated and individual financial statements in 2024.	All independent directors had no objections.
2025/5/7	Discussion	Review the results of the consolidated financial statements for Q1 2025.	All independent directors had no objections.
2025/8/6	Discussion	Review the results of the consolidated financial statements for Q2 2025.	All independent directors had no objections.
2025/11/5	Discussion	Review the results of the consolidated financial statements for Q3 2025.	All independent directors had no objections.

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 to raise personnel’s awareness in writing (by email) in February 3, April 21, July 21 and October 17, 2025, that directors and insiders shall not trade their shares during the 30 days before the disclosure of 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	
			annual financial statements and during the 15 days before the 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 9 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. 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 2025 was reported to the board meeting in March 13, 2026. 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 2026 (refer to page 29, 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 13 of 2026 then reported to the Board of Directors in March 13 of 2026.	(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 2025, is shown in the table below:</p> <table border="1"> <thead> <tr> <th>Date of training</th> <th>Organizer</th> <th>Course</th> <th>Training hours</th> </tr> </thead> <tbody> <tr> <td>2025/6/10</td> <td>Taiwan Corporate Governance Association</td> <td>Key messages from financial statements-in line with IFRS18</td> <td>3.0</td> </tr> <tr> <td>2025/8/15</td> <td>Securities and Futures Institute</td> <td>Promotion Seminar on Legal compliance with insider equity transactions for 2025</td> <td>3.0</td> </tr> <tr> <td>2025/11/5</td> <td>Taiwan Corporate Governance Association</td> <td>Accountability of Directors and Supervisors for Misrepresentation in Financial Statements</td> <td>3.0</td> </tr> <tr> <td>2025/11/10</td> <td>Taiwan Corporate Governance Association</td> <td>Recent Development and News of Taiwan and International Tax</td> <td>3.0</td> </tr> <tr> <td>2025/12/17</td> <td>Securities and Futures Institute</td> <td>New Thinking on Corporate Risk Hedging: Seminar on Coping with Exchange Rate Challenges and Asset Management Trends</td> <td>3.0</td> </tr> </tbody> </table>	Date of training	Organizer	Course	Training hours	2025/6/10	Taiwan Corporate Governance Association	Key messages from financial statements-in line with IFRS18	3.0	2025/8/15	Securities and Futures Institute	Promotion Seminar on Legal compliance with insider equity transactions for 2025	3.0	2025/11/5	Taiwan Corporate Governance Association	Accountability of Directors and Supervisors for Misrepresentation in Financial Statements	3.0	2025/11/10	Taiwan Corporate Governance Association	Recent Development and News of Taiwan and International Tax	3.0	2025/12/17	Securities and Futures Institute	New Thinking on Corporate Risk Hedging: Seminar on Coping with Exchange Rate Challenges and Asset Management Trends	3.0	
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5.Does the Company have other important information for better understanding the Company's corporate governance system	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	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	
(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)?			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 30~32, note 2) and is appropriately responded to by the spokespersons on important corporate social responsibility issues of concern to stakeholders.	
6.Has the company appointed a professional stock affairs agency for shareholders affairs?	V		The Company authorized China Trust as stock service agency to handle shareholder transactions since 1997.	There is no significant difference.
7.Information disclosure				
(1) Has the Company established a corporate website to disclose information regarding its finance, business and corporate governance status?	V		(1) The Company discloses its financial, business and corporate governance information on its website.	(1)There is no significant difference.
(2) Does the Company use other information disclosure to channels (e.g. Maintaining an English website, designating staff to handle information collection and disclosure, appointing spokespersons, webcasting investors conference etc)?	V		(2) The company adopts other methods of information disclosure : ①The company has set up an English website. ②The Company has dedicated a person responsible for the collection and disclosure of company information. ③The Company has established the spokesperson system, one spokesperson and an acting spokesperson as required by the regulations. The communication channel of the spokesperson is very smooth, and the shareholders can call or write to express their opinions or inquiries about the company's business. ④Has disclosed the information of the investor conference on the website.	(2)There is no significant difference.
(3) Does the company announce and declare the annual financial report within two months after the end of the fiscal year, and announce and declare the first, second, and third financial reports and the monthly operating results within the prescribed time limit?	V		(3) The Company publishes and declares relevant financial reports and operating conditions for each month in accordance with the relevant regulations of the competent authority. It is also expected that through the coordinated efforts of various departments and the strong cooperation of accounting firms, the announcement and declaration of the annual financial report within two months after the end of the fiscal year will be the main goal of the Company. It is expected to	(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	
			give shareholders and investors transparent and rapid financial information.	
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. Optional group insurance plans at discounted rates.</p> <p>②In 2025, provided the staff with free health checkups and arranged inspection at the factory by the Tainan Municipal Hospital.</p> <p>③Provide the colleagues free flu vaccine injection.</p> <p>④Provide relevant medical counseling to employees by arranging doctors to station in the factory on a monthly basis.</p> <p>⑤To create a friendly workplace environment, a special room is allocated for breast feeding (or collection milk) for female employees.</p> <p>⑥To uphold the health of non-smoking colleagues, smoking is completely banned in the factory, and only designated places are allowed for smoking.</p> <p>⑦Establish a staff welfare committee to handle various employee benefits (such as emergency assistance, allowances for weddings, funerals, and special occasions, bonuses for three festivals and employee travel.).</p> <p>⑧Sign up special domestic stores and to provide complete and high-quality consumer information to the colleagues.</p> <p>⑨Funding for the activities of the Colleague Badminton and Basketball Club and Croquet tournaments with cash prizes for advancing or winning teams.</p> <p>⑩A monthly pension is provided in accordance with the law. Enhance the professional knowledge of employees and provide internal and external on-the-job training for employees.</p> <p>⑪Reduce the living expenses of foreign employees in Taiwan and provide free dormitories for foreign employees and covers agency service fees on their behalf.</p> <p>⑫To guarantee the basic human rights of female employees,</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>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>⑬ Certain leave entitlements, minimum leave units, and pay standards exceed statutory requirements, enabling employees to better balance work and personal life.</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 2025: 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, 2025.</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 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: Establish other functional committees.</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	Communication performance in 2025
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 international institutional investors (Ad Hoc) 6. Set up stock affairs and investor relations windows for communication (Ad Hoc) 7. Major news released at MOPS (Ad Hoc) Responsible Department: Spokesperson: Cheng Ching-Siang, Assistant Manager Telephone: 06-2615151 # 225 Email: joanc@tayih-ind.com.tw	1. Monthly revenue announcements, 12 times in total. 2. Quarterly financial report announcements, 4 times in total. 3. One investor briefing session held. 4. One shareholders' meeting held and annual report published. 5. 16 major announcements in both Chinese and English.
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 (Ad Hoc) 6. Education training and publicity courses (Ad Hoc) 7. Email contact (Ad Hoc) Responsible Department: HR manager: Tsai Tsung-Han, Manager Telephone: 06-2615151 # 216 Email: jefftime@tayih-ind.com.tw	1. Human Resource Department: 6 times in total. 2. The Staff Welfare Committee meeting: 12 times in total. 3. The Safety and Health Committee meeting: 12 times in total. 4. Online education and training: 30 courses, 64 hours, with 1,235 participants. 5. Education training: 28 courses, 35 hours, with 352 participants. 6. Two email complaints were received and both cases have been resolved.

Supplier	Management of Suppliers Product quality and safety Operational status	<ol style="list-style-type: none"> 1.Key Supplier Evaluation & Engineering supervision Guidance (Annual Plan) 2. Supplier contact via phone and email (Ad Hoc) 3. Supplier Delivery Performance Evaluation (once a month) 4. Monthly Quality Meeting with suppliers (once a month) 5.Questionnaire filling(Ad Hoc) <p>Responsible Department: Procurement manager: Gong Min-long, Manager Telephone: 06-2615151 # 250 Email: evan@tayih-ind.com.tw</p>	<ol style="list-style-type: none"> 1. According to the annual plan, a total of 14 suppliers were evaluated, and engineering supervision and guidance were conducted 66 times. 2. Ad hoc contacts were made as needed based on business requirements. In 2025, the main contacts focused on assessing the impact of typhoons and earthquakes, conducted a total of four times, to ensure safe and stable operations. 3. Supplier delivery performance (quality, timeliness, and cooperation) was assessed monthly, with rewards and penalties applied, totaling 12 assessments. 4. Monthly quality meetings with suppliers were held, totaling 12 sessions, with quality targets achieved. 5. In August 2025, a carbon emission survey was conducted, covering 32 key suppliers in major industries.
Customers	Product and service quality Product price competitiveness Fulfillment on the delivery date Customer relationship management Customer privacy protection	<ol style="list-style-type: none"> 1.Telephone contact (Ad Hoc) 2.Email contact (Ad Hoc) 3.Customer visit (Ad Hoc) 4.Factory audit(Ad Hoc) 5.Company official website(Ad Hoc) 6.Customer satisfaction survey (once a year) <p>Responsible Department: Sales manager: Hou,Wei-Zhe , Special assistant Tel : 06-2615151 #393 E-mail: kevin@tayih-ind.com.tw</p>	<ol style="list-style-type: none"> 1.In 2025, the Company conducted one comprehensive review of its International Automotive Task Force IATF 16949 Quality Management System documentation to ensure 100% validity of certification and to demonstrate stable and reliable product supply quality. 2.In 2025, the Company held one New Technology Showcase and Technical Exchange Forum per quarter, for a total of four sessions during the year. These events were organized to share the latest developments in optical and lighting technologies and to maintain the Company's leadership in brand innovation and technological application. 3.In 2025, the Company conducted one assessment of product price competitiveness, including benchmarking and teardown analysis of competitors' lighting products to verify cost structures and ensure that the Company's product competitiveness remained aligned with market conditions. In response to significant external factors, such as tariff policies, the Company convened monthly meetings to maintain transparent communication with customers and jointly develop competitive commercial solutions. 4.In 2025, the Company collected monthly delivery quality performance reports from each customer as reference for performance tracking, totaling 12 reviews for the year.

			<p>5. In 2025, the Company conducted non-regular monthly visits to different customers to ensure timely understanding of customer requirements and market dynamics, with more than 30 customer visits completed during the year.</p> <p>6. The Company conducted customer supplier satisfaction survey every six months. Through quantitative analysis, the Company evaluated its corporate governance and operational performance to ensure that its services met or exceeded customer expectations. A total of 10 completed questionnaires were received in 2025.</p> <p>7. In 2025, the Company carried out one review of the validity periods of NDA executed with customers to ensure continued compliance.</p> <p>8. In 2025, the Company conducted quarterly internal education and training sessions (four sessions in total) to reinforce information security and confidentiality awareness in compliance with the principles of International Organization for Standardization ISO 27001 regarding information security and privacy protection.</p>
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Note 3 : Status of education and training for directors and supervisors:

Name of director/supervisor	Date	Organizer	Course	Hours	Total hours
Wu Chun-I	2025/8/7	Taiwan Corporate Governance Association	Corporate Governance and Securities Laws and Regulations	3.0	6.0
	2025/11/6	Taiwan Corporate Governance Association	Trends and Risk Management in Digital Technology and Artificial Intelligence	3.0	
Iwanabe Megumi	2025/6/10	Taiwan Corporate Governance Association	Key messages from financial statements-in line with IFRS18	3.0	6.0
	2025/11/5	Taiwan Corporate Governance Association	Accountability of Directors and Supervisors for Misrepresentation in Financial Statements	3.0	
Konagaya Hideharu	2025/6/10	Taiwan Corporate Governance Association	Key messages from financial statements-in line with IFRS18	3.0	6.0
	2025/11/5	Taiwan Corporate Governance Association	Accountability of Directors and Supervisors for Misrepresentation in Financial Statements	3.0	
Kreng Bor-Wen	2025/3/11	Taiwan Corporate Governance Association	How do those charge with governance review sustainability reports and their responsibility for the quality of sustainability information disclosure	3.0	9.0
	2025/6/10	Taiwan Corporate Governance Association	Key messages from financial statements-in line with IFRS18	3.0	
	2025/11/10	Taiwan Corporate Governance Association	Recent Development and News of Taiwan and International Tax	3.0	
Wu Jhen-Yi	2025/6/10	Taiwan Corporate Governance Association	Key messages from financial statements-in line with IFRS18	3.0	6.0

Name of director/supervisor	Date	Organizer	Course	Hours	Total hours
	2025/11/5	Taiwan Corporate Governance Association	Accountability of Directors and Supervisors for Misrepresentation in Financial Statements	3.0	
Chang Jui-Hui	2025/6/10	Taiwan Corporate Governance Association	Key messages from financial statements-in line with IFRS18	3.0	15.0
	2025/7/16	Taiwan Corporate Governance Association	Sustainable Development Promotion Conference-Taipei	3.0	
	2025/10/3	Securities and Futures Institute	Prevention of Insider Trading Promotion Conference for 2025	3.0	
	2025/10/31	Securities and Futures Institute	Promotion Seminar on Legal compliance with insider equity transactions for 2025	3.0	
	2025/11/5	Taiwan Corporate Governance Association	Accountability of Directors and Supervisors for Misrepresentation in Financial Statements	3.0	
Lo Bin-Hsien	2025/6/10	Taiwan Corporate Governance Association	Key messages from financial statements-in line with IFRS18	3.0	9.0
	2025/8/15	Securities and Futures Institute	Promotion Seminar on Legal compliance with insider equity transactions for 2025	3.0	
	2025/11/5	Taiwan Corporate Governance Association	Accountability of Directors and Supervisors for Misrepresentation in Financial Statements	3.0	
Hsien Sung-Wen	2025/6/10	Taiwan Corporate Governance Association	Key messages from financial statements-in line with IFRS18	3.0	12.0
	2025/10/3	Securities and Futures Institute	Prevention of Insider Trading Promotion Conference for 2025	3.0	
	2025/10/31	Securities and Futures Institute	Promotion Seminar on Legal compliance with insider equity transactions for 2025	3.0	
	2025/11/5	Taiwan Corporate Governance Association	Accountability of Directors and Supervisors for Misrepresentation in Financial Statements	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 8.		0
Independent director	Lo Bin-Hsien			2
Independent director	Hsien Sung-Wen			0

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

1.Authorities and annual Key Responsibilities of the Remuneration Committee.

- (1)Prescribe and periodically review the performance review and remuneration policy, system, standards, and structure for directors and managerial officers.

- (2) Periodically evaluate and prescribe the remuneration of directors and managerial officers.
2. The remuneration committee comprised of 3 members.
3. The term of office of the current members: July 10, 2023 to June 12, 2026.
4. The remuneration committee held 3 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	3	0	100%	
Committee member	Lo Bin-Hsien	3	0	100%	
Committee member	Hsien Sung-Wen	3	0	100%	

2-3-4-3. Other Matters to Be Noted :

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 Responsibilities 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. Responsibilities 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 Company's sustainability committee consists of 4 members.
2. The term of office of the current members: November 6, 2023 to June 12, 2026. The sustainability committee held 2 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 9 hours of further study on sustainability related courses	2	0	100	Professional qualifications and experiences refer to page 8.
Committee member	Lo Bin-Hsien	A total of 15 hours of further study on sustainability related courses	2	0	100	
Committee member	Hsien Sung-Wen	A total of 6 hours of further study on sustainability related courses	2	0	100	
Committee member	Jyh Chin-Juang	1.A total of 3 hours of further study on sustainability related courses 2. Oversees operations of the Company's ESG Committee, comprised of cross-departmental members.	2	0	100	
<p>Other Matters to Be Noted :</p> <p>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. : none.</p>						

2-3-6.The implementation of the promotion of sustainable development and the differences and reasons from Sustainable Development Best Practice Principles for TWSE/TPEX Listed 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 General manager. 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 2025:</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 Sustainability Development Committee as a designated unit to promote sustainable development in January 2024.In November 2024, the Board of Directors approved the establishment of a Sustainability Development Committee composed	There is no significant difference.

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?			of a majority of independent directors. The company conducts risk assessments on environmental, social and corporate governance issues related to the company's operations in accordance with the principle of materiality, and formulates relevant risk management policies or strategies (refer to page 46~49, Note 1). The implementation status was reported to the board of directors on August 6, 2025.	
3.Environmental issues : (1) Whether the company establishes an appropriate environmental management system according to its industrial characteristics	V		<p>(1)</p> <p>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. 16th, 2023 and updated valid until December 31, 2026.</p> <p>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.</p> <p>C) In order to protect the environment, employee health and fulfill</p>	(1) There is no significant difference.

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>social responsibilities, under the guidelines of the environment and safety and health management system, we are committed to :</p> <p>①Follow the regulations : 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 : 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. 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 1,262 electronic invoices were issued in 2025, resulting in a reduction of 0.0143868 metric tons of carbon emissions.</p>	(2) There is no significant difference.
(3)Does the company assess the potential risks and opportunities for the current and future climate change, and take	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. Since</p>	(3) There is no significant difference.

Items	Implementation status			Differences and Causes of Corporate Social Responsibility Codes with Listed Companies
	Yes	No	Description of summary	
<p>measures to address climate-related issues?</p> <p>(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?</p>	V		<p>2024, the Company has independently completed greenhouse gas inventory in accordance with ISO14064-1 from 2024 and plans to obtain third-party verification for 2025 in 2026.</p> <p>(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 50~51, Note 2 for our 2025 activity targets and achievements.</p>	(4) There is no significant difference.
<p>4.Social issues</p> <p>(1)Has the company formulated relevant management policies and procedures in accordance with relevant international human rights convention?</p>	V		<p>(1)①Human rights policies :</p> <p>The company strictly adheres to the United Nations Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the International Labour Organization Conventions, and relevant national labor laws. We are committed to safeguarding the fundamental human rights of all employees, including regular, contract, temporary staff, and interns. The company respects freedom of association, prohibits all forms of discrimination and forced labor, and promotes a corporate culture of diversity, equality, and inclusion.</p> <p>②Human rights concerns and practices :</p> <p>① Occupational Safety, Health, and Wellness Promotion :</p> <p>A) In accordance with ISO 45001, the company implements hazard identification and risk assessment processes, aiming to achieve the annual target of zero major work-related injuries.</p> <p>B) Regular employee health check-ups are conducted, and results are analyzed along with work-related factors to prevent potential health risks. For employees engaged in</p>	(1) There is no significant difference.

Items	Implementation status		Differences and Causes of Corporate Social Responsibility Codes with Listed Companies
	Yes	No	
			<p>high workload or high-risk tasks, follow-up management is implemented to ensure preventive measures are taken against work-induced health issues.</p> <p>C) Health promotion activities are implemented based on employee needs, encouraging voluntary participation and fostering a culture of healthy living.</p> <p>② Ensure that recruitment, compensation, promotion and training decisions are based on professional competence. Unequal treatment based on gender, race, religion, disability, sexual orientation, political affiliation, or union membership is strictly prohibited. We are committed to equal pay for equal work, elimination gender pay gaps, and maintaining a fair, performance-oriented compensation system.</p> <p>③ Child labor is forbidden to be used : In accordance with the national Labor Standards Act, the company strictly prohibits the employment of individuals under the age of 15. Employees under 18 must provide a consent form from their legal guardian. They are not permitted to engage in hazardous or harmful work, are prohibited from working overtime on regular or rest days, and may not work between 8:00 PM and 6:00 AM.</p> <p>④ Prohibition of forced working : No individual shall be forced or coerced into performing labor against their will. The company strictly prohibits withholding personal identification documents, collecting deposits, or any similar practices. All employees have the right to freely terminate the employment relationship within the scope of applicable regulations, ensuring the protection of labor freedom.</p> <p>⑤ Regular two-way communication channels, such as labor-management meetings and employee grievance</p>

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>procedures, are established to ensure that employee opinions are recognized and addressed.</p> <p>⑥ 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 Establish 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, not less than 1% shall be allocated for employee remuneration. Of the aforementioned amount, no less than 1% shall be allocated as compensation for frontline employees. 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.</p> <p>② Employee welfare measures: The company has set up an employee welfare committee. The company allocates nearly NT\$12 million in employee welfare every year. It plans and provides various high-quality benefits</p>	(2) There is no significant 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>for employees, such as birthday bonuses, allowance for wedding and funeral, maternity/paternity allowances, etc., and provides employees with free health check-ups; as for the vacation system, on the basis of fixed two-day weekends and national holidays, the company provides statutory annual leave under the Labor Standards Act and offers additional leave types exceeding legal requirements, such as leave for siblings' weddings, filial care, accompanying children for school, and public service leave.</p> <p>③ Workplace Diversity and Equality: Realize equal pay for equal work and equal promotion opportunities regardless of gender, fostering inclusive and sustainable economic growth. In 2025, female employees accounted for an average of 35% of the workforce (unchanged from 2024), of which 11% held managerial positions or above.</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</p>	(3) There is no significant difference.

Items	Implementation status		Differences and Causes of Corporate Social Responsibility Codes with Listed Companies
	Yes	No	
			<p>own health status and have better knowledge for self-health management.</p> <p>② Arrange physicians to be stationed in the factory every month (3 hours/time) to provide consulting services related to employee health. 110 employees consulted physicians in 2025.</p> <p>③ In terms of health promotion, the company organizes various training programs on a regular basis to employees' physical, mental and spiritual wellness. A total of 4 health promotion lectures, Sexual Harassment Prevention, workplace bullying prevention, stress management, smoking cessation and Essential Oil Massage were held in 2025.</p> <p>④ In 2025, the company organized various health promotion activities, including one on-site influenza vaccination session and one COVID-19 vaccination session, as well as two sessions each of annual health check-ups and blood donation drives.</p> <p>⑤ The infirmary provided health consultation and related injured care assessments, and there were 69 visits in 2025.</p> <p>⑥ It 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>⑦ In terms of workplace safety, the company identifies and addresses potential hazards at an early stage through activities such as hazard prediction and employee-driven safety improvement proposals.</p> <p>⑧ In 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>⑨ In 2024 years and 2025 years, the number of injuries was 0, and the goal of 0 injuries in the year was achieved.</p> <p>⑩ In 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 border="1"> <thead> <tr> <th>Year</th> <th># of classes</th> <th># of attendees</th> </tr> </thead> <tbody> <tr> <td>2024</td> <td>9</td> <td>562</td> </tr> <tr> <td>2025</td> <td>13</td> <td>597</td> </tr> </tbody> </table> <p>⑪ Through 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.</p> <p>⑫ In the past two years, disaster prevention education, training and publicity:</p> <table border="1"> <thead> <tr> <th>Year</th> <th># of classes</th> <th># of attendees</th> </tr> </thead> <tbody> <tr> <td>2024</td> <td>7</td> <td>979</td> </tr> <tr> <td>2025</td> <td>6</td> <td>1262</td> </tr> </tbody> </table> <p>⑬ For 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.</p> <p>⑭ The number of fire and death toll in the recent two years:</p> <table border="1"> <thead> <tr> <th>Year</th> <th>The number of fire</th> <th>The death toll</th> </tr> </thead> <tbody> <tr> <td>2024</td> <td>0</td> <td>0</td> </tr> <tr> <td>2025</td> <td>0</td> <td>0</td> </tr> </tbody> </table>	Year	# of classes	# of attendees	2024	9	562	2025	13	597	Year	# of classes	# of attendees	2024	7	979	2025	6	1262	Year	The number of fire	The death toll	2024	0	0	2025	0	0	(4) There is no significant difference.
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(5) With regard to customer health and safety, customer privacy, marketing and labeling products and services, has the company complied with relevant	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	(5) There is no significant difference.																											

Items	Implementation status			Differences and Causes of Corporate Social Responsibility Codes with Listed Companies
	Yes	No	Description of summary	
laws and international standards, and formulated relevant consumer protection policies and appeal procedures?			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, the Company will first provide product replacement at no cost. We will then endeavor to identify the root cause in the shortest possible time and implement effective corrective measures to prevent recurrence. There is a special stakeholders area set up as stakeholders communication and a complaint channel.	
(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 significant 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 has prepared a sustainability report with reference to the general guidelines published by the Global Reporting Initiative (GRI), but has not yet obtained third-party verification.	There is no significant 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 Sustainable Development and has established a Sustainable Development Committee. 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 51~52,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. 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.

Major issues	Item for risk assessment	Risk management policy or strategy
	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.
Corporate Governance	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.

Major issues	Item for risk assessment	Risk management policy or strategy
		<p>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.</p>
	<p>Regulatory compliance Succession plan</p>	<p>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.</p> <p>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.</p> <p>3. Succession plans for directors major management levels</p> <p>(1) Successor and succession plans for directors</p> <p>The age of the company's directors ranges from 50 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.</p> <p>(2) Succession plans for major management levels</p> <p>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.</p>
	<p>Responsible Business Conduct and Supplier Management</p>	<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> <p>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.</p> <p>2. Compliance Requirements: Suppliers are required to provide relevant compliance documentation, such as environmental management system certifications, social responsibility reports, and other related evidence.</p> <p>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.</p> <p>(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.</p> <p>(2) Risk Assessment Tools: Risk evaluation tools are employed to regularly assess existing suppliers, with particular focus on high-risk regions and industries.</p> <p>4. Due Diligence Procedures:</p>

Major issues	Item for risk assessment	Risk management policy or strategy
		<p>(1) Document Review: Suppliers must submit compliance certifications and reports, such as environmental impact assessment and labor contracts.</p> <p>(2) On-site Inspections: Both scheduled and surprise on-site audits are conducted to verify that supplier operations comply with Company policy requirements.</p> <p>(3) Stakeholder Interviews: Interviews are held with employees of suppliers and local community members to assess labor conditions and environmental impact.</p>
	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. <div data-bbox="607 938 1639 1294" style="border: 1px solid black; padding: 10px; margin-top: 20px;"> <p style="text-align: center; background-color: #e0e0e0; margin: 0;">Cyber Security Organization Chart</p> <pre> graph TD A[Cyber Security Management Committee] --- B[Cyber Security management representative] A --- C[risk team] A --- D[documentation team] A --- E[audit team] </pre> </div>

Note 2 : Energy conservation and carbon reduction performance and target

Items	2024 Performance	2025 Performance	Higher (Lower) than the previous period	2026 Plan	Higher (Lower) than the previous period	Methods of achieving the goal:												
Production of business waste	72.55 mt	51.43mt (Approximately 6.5 metric tons remain and are pending removal by a qualified contractor.)	29% reduction	50.92mt	1.0% reduction	<ol style="list-style-type: none"> 1. Strengthen the inspection of waste recycle condition. 2. Study the greatest defects and work on the original source to reduce the defect cause so as to reduce the amount of waste. 3. The previously contracted waste disposal vendor was found to be in violation of the Waste Disposal Act. Approximately 5 metric tons of waste plastics (general industrial waste) and 1.8 metric tons of scrap materials remain, totaling about 6.8 metric tons, which will be arranged for removal and treatment by a new qualified contractor. 4. Proportion by category of industrial waste generated in the recent two years. <p style="text-align: right;">(Unit:mt)</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Year</th> <th>Hazardous industrial waste</th> <th>General industrial waste</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>2024</td> <td>21.88</td> <td>50.67</td> <td>72.55</td> </tr> <tr> <td>2025</td> <td>17.65</td> <td>30.51</td> <td>51.43</td> </tr> </tbody> </table>	Year	Hazardous industrial waste	General industrial waste	Total	2024	21.88	50.67	72.55	2025	17.65	30.51	51.43
Year	Hazardous industrial waste	General industrial waste	Total															
2024	21.88	50.67	72.55															
2025	17.65	30.51	51.43															
Reduction of CO2 emission	8756.1 ton-CO2e	7526.19 ton-CO2e	14% reduction	7300.40 ton-CO	3.0% reduction	<ol style="list-style-type: none"> 1. Improve the performance of various types of electrical equipment, and review the discontinuation or abolition of non-essential equipment to reduce electricity consumption (Discontinuation of the reflector BMC manufacturing process.). 2. Continue to inspect electricity usage and pick out unreasonable power for improvement. 3. A total of 1,262 electronic invoices were issued in 2025, resulting in a reduction of 0.0143868 metric tons of carbon emissions. 												
Reduction of VOC volatile organic emissions	14.03 mt	14.30 mt	1.9% increase	14.16 mt	1.0% reduction	<p>With the introduction of painting robots, increased trial production for multiple product variants, and the mass production of new vehicle models, the painting workload has increased, resulting in a 1.9% rise in VOC emissions compared to the previous period. Strengthen inspection to avoid improper use and dispersion of volatile organic solvents. In addition, initiatives to reduce VOC emissions through 1.New development parts without painting design ` 2.Reduction of poor painting project ` 3.Improve spraying technology</p>												

Amount of water consumption	50,462 mt	36,332 mt	28% reduction	35,969 mt	1.0% reduction	1. Survey and analysis of water consumption throughout the plant and implementation of reduction measures. (Cooling towers were consolidated, and the 350-ton cooling tower at the welfare building was decommissioned) 2. Regularly conduct water inspection and improvement of abnormal throughout the whole plant area.
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Note 3 : The sustainable development specific promotion plan and implementation results in 2025 :

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.	Implementation Status in 2025: 1. In-person training: 28 sessions totaling 35 hours, attended by 352 participants (230 male, 122 female), including 317 managers and 35 general staff. 2. Online training: 30 sessions totaling 64 hours, attended by 1,235 participants (846 male, 389 female), including 883 managers and 352 general staff.
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 2025, the Tainan Municipal Hospital was arranged to carry out regular health examinations for 576 employees in the factory. (2) There were 73 attendees in two sessions of "Influenza Vaccine and COVID-19 Vaccine On-site Injection" in 2025. (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 83 attendees in the speech on "Workplace Bullying Prevention. Mental Stress Relief – Counseling by a Psychologist " in 2025. (5)There were 8 attendees in the speech on "Smoking Cessation Program " in 2025. (6)There were 49 attendees in the speech on "Sexual Harassment Prevention " in 2025. (7)There were 20 attendees in the speech on health development "Essential Oil Massage Class " in 2025. (8) There were 110 received on-site health consultation and guidance evaluation from doctors.
3	Energy conservation and waste reduction: (1)Reduction of business waste (2)Reduction of CO2 emission (3)Reduction of Voc volatile organic emissions (4)Reduction on water consumption	The actual performance for 2025 as follows : (1) 72.55→51.43 mt : annual increment 29% (approximately 6.8 metric tons remain 2025 and are scheduled for gradual removal in 2026) (2) 8,756.1→7,526.19 ton-CO2e : annual reduction 14%(The reflector BMC manufacturing process has been discontinued, resulting in zero natural gas consumption.) (3) 14.03→14.30 mt : annual decrease 1.9% (The painting workload increased by 17.5%.) (4) 50,462→36,332 mt : annual reduction 28% (Cooling towers were consolidated, resulting in the decommissioning of the 350-ton cooling tower at the welfare building and the elimination of its water

Item	Project Name	Implementation Results
		usage. Additionally, water usage for the cleaning process in the reflector BMC manufacturing process has been discontinued.)
4	Sponsor various charity activities:	<p>The participation in community and charity activities, and actual donation performance for 2025 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 309 person-times employees donated blood.</p> <p>(2) There were 11 attendees to join Anping safety walking.</p> <p>(3) There were 1 attendees to join "100% Occupational Safety, Safety Follows" Guanziling walking activity.</p> <p>(4) There were 51 attendees to join attending three beach clean up 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) Repaired the Tian Tan .Tian Gong Temple's incense burner, with a donation of NT\$10,000.</p> <p>(7) Celebrated the birthday of Mazu at Zhongliao Tianhou Temple in Qigu District, Sponsored NT\$100,000</p> <p>(8) Donated NT\$500,000 to the Wu Jin Mao Foundation to support blood donation drives, beach clean-ups, arts and cultural activities, and other public welfare initiatives.</p> <p>(9) Donated NT\$600,000 to the Friends of the Police Association of R.O.C., to support the organization in carrying out various public welfare activities.</p>
5	Couducting Industry-Academy Cooperation Projects	The company conducted Industry-Academy Cooperation Projects with Kun Shan University of Science and Technology. There were 1 students to learn in the company for job opportunity and talent training.

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

Items	Execution Status
<p>1. Description of the supervision and governance of climate-related risks and opportunities by the board of directors and management.</p> <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> <p>3. Describe the impact of extreme weather events and transition actions on finances.</p> <p>4. Describe how the process of identifying, assessing, and managing climate risks is integrated into the overall risk management system.</p>	<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) Since 2024, the company has independently completed its greenhouse gas inventory in accordance with ISO 14064-1. 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 line with the sustainability roadmap for TWSE/TPEX listed companies, the Company completed external verification by the end of March 2026 and expects to obtain the verification report in May of the same year.</p> <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> <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> <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>(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 border="1"> <thead> <tr> <th data-bbox="728 702 806 750">item</th> <th data-bbox="810 702 1339 750">Work projects</th> <th data-bbox="1344 702 1512 750">estimated finish time</th> <th data-bbox="1516 702 2060 750">Execution Status</th> </tr> </thead> <tbody> <tr> <td data-bbox="728 753 806 837">1</td> <td data-bbox="810 753 1339 837">Set up a dedicated (part-time) unit and internal verification unit.</td> <td data-bbox="1344 753 1512 837">December, 2023</td> <td data-bbox="1516 753 2060 837">Safety and health committee convened a meeting to initiate greenhouse gas inventory and education in February 2023.</td> </tr> <tr> <td data-bbox="728 841 806 901">2</td> <td data-bbox="810 841 1339 901">Prepare talent training plan (14064-1 Internal verification personnel).</td> <td data-bbox="1344 841 1512 901">December, 2023</td> <td data-bbox="1516 841 2060 901">Completed internal verification personnel training for one in May 2023.</td> </tr> <tr> <td data-bbox="728 904 806 965">3</td> <td data-bbox="810 904 1339 965">Formulate policy, control mechanism and objects in 2026 and 2027.</td> <td data-bbox="1344 904 1512 965">December, 2023</td> <td data-bbox="1516 904 2060 965">Poepose the procedure of greenhouse gas inventory in the end of 2023.</td> </tr> <tr> <td data-bbox="728 968 806 1045">4</td> <td data-bbox="810 968 1339 1045">Autonomous Internal verification</td> <td data-bbox="1344 968 1512 1045">December, 2023</td> <td data-bbox="1516 968 2060 1045">Completed the base year (2022) independent greenhouse gas inventory in November 2023</td> </tr> <tr> <td data-bbox="728 1048 806 1125">5</td> <td data-bbox="810 1048 1339 1125">Autonomous greenhouse gas inventory</td> <td data-bbox="1344 1048 1512 1125">December, 2024</td> <td data-bbox="1516 1048 2060 1125">Completed the base year (2023) independent greenhouse gas inventory in October 2024</td> </tr> <tr> <td data-bbox="728 1128 806 1324">6</td> <td data-bbox="810 1128 1339 1324">Autonomous greenhouse gas inventory</td> <td data-bbox="1344 1128 1512 1324">December, 2025</td> <td data-bbox="1516 1128 2060 1324">In May 2025, the baseline year (2024) voluntary greenhouse gas inventory was completed. In Q4 of the same year (October), a consulting firm was engaged for confirmation, and in November, the firm began providing guidance for the 2025 voluntary inventory.</td> </tr> <tr> <td data-bbox="728 1327 806 1420">7</td> <td data-bbox="810 1327 1339 1420">Autonomous greenhouse gas inventory</td> <td data-bbox="1344 1327 1512 1420">December, 2026</td> <td data-bbox="1516 1327 2060 1420">The voluntary greenhouse gas inventory for the baseline year 2025 is expected to be completed by March 2026. Third-party verification of the</td> </tr> </tbody> </table>	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	In May 2025, the baseline year (2024) voluntary greenhouse gas inventory was completed. In Q4 of the same year (October), a consulting firm was engaged for confirmation, and in November, the firm began providing guidance for the 2025 voluntary inventory.	7	Autonomous greenhouse gas inventory	December, 2026	The voluntary greenhouse gas inventory for the baseline year 2025 is expected to be completed by March 2026. Third-party verification of the
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7	Autonomous greenhouse gas inventory	December, 2026	The voluntary greenhouse gas inventory for the baseline year 2025 is expected to be completed by March 2026. Third-party verification of the																													

			2025 baseline year will be conducted in April 2026, with a verification statement to be obtained.
	8	External verification (Issue 2027 verification statement)	December, 2027 The voluntary greenhouse gas inventory for the 2026 baseline year is planned in Q1 2027. Third-party verification of the 2026 baseline year will be conducted in Q2 2027, with a verification statement to be issued.
9. Greenhouse gas inventory and confirmation status with reduction targets, strategies, and specific action plans.	9. Refer to 2-3-7-1: The Company's Greenhouse Gas inventory and Assurance status for the past two years. 2-3-7-2: Greenhouse Gas reduction Targets, strategies, and detailed action plans.		

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

1. Greenhouse Gas Inventory Information

(1)Company profile

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 2024 (voluntary inventory) (metric tons CO2e per year)	Intensity of 2024 (tons CO2 e/NT\$ millions)	Total emissions intensity of 2025 (External verification) (metric tons CO2e per year)	Intensity of 2025 (tons CO2 e/NT\$ millions)
Head office	Direct emissions (Scope 1, i.e.)	562.9206		284.0331	
	energy indirect emissions (Scope 2, i.e.)	7,655.9921		7164.4711	
	other indirect emissions (Scope 3, i.e.)	2,866.9046		6101.6996	
	Total emissions	11,085.8173	2.9982	13,550.2038	3.7098

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 plans to obtain external assurance for 2025 in 2026 Q2 .

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) The company executes external contracts in accordance with the “Ethical Corporate Management Best Practice Principles” and “Procedures for Ethical Management and Guidelines for Conduct”, and duly fulfills its contractual obligations. Furthermore, where matters discussed at board meetings involve content that may be detrimental to the interests of the Company, the relevant directors shall abstain from participation in the discussion and voting and shall recuse themselves. All directors and senior management of the Company have signed a declaration of compliance with the code of conduct and the policy of honest operation.	(1)There is no significant difference
(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 "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 difference
(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 difference

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.	
<p>2. Corporate Conduct and Ethics Implementation</p> <p>(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?</p> <p>(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?</p> <p>(3) Does the company set up a policy to prevent conflicts of interest, provide a proper complaint channel, and its implementation?</p>	V		<p>(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.</p> <p>(2) The "Procedures for Ethical Management and Guidelines for Conduct" shall designate the Finance Department as the solely responsible unit. On November 5, 2025, The responsible unit submit reports to the board of directors.</p> <p>(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.</p>	<p>(1) There is no significant difference</p> <p>(2) There is no significant difference</p> <p>(3) There is no significant difference</p>
<p>(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</p>	V		<p>(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.</p>	<p>(4) There is no significant difference</p>

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. (2025: 39 participants, 19.5 hours)The company provided regularly internal promotion of the ethical management policy to any director, managers, employee, mandatory. On August 19, 2025, The company provided internal promotion of the ethical management policy via email. Communicate the importance of integrity to any director, managers, employee, mandatoryactively promote them.	(5)There is no significant difference
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 difference (2)There is no significant difference (3)There is no significant difference
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 difference
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 : no difference.				

Items	Implementation status			Differences and reasons for the integrity management code of the listed company
	Yes	No	Description of summary	
<p>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", 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.</p>				

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 : 2026.03.13

The 2025 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, 2025, 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 13, 2026; 0 of the 9 directors presented objected, the rest agreed to the content of the statement and hereby declared so.

TA YIH INDUSTRIAL CO., LTD.
Chairman : Wu Chun-I
General manager : 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 : None.

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
2025.06.10	1.To approve 2024 Business Report and Financial Statements.	Voting results for this motion: The participating shareholders of voting powers: 46,077,804 voting powers. Votes approved: 45,748,160 votes , Percentage of the total representation at the time of voting : 99.28% , Votes against : 63,126 votes , Votes invalid : 0 vote , Votes abstained : 266,518 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 approve 2024 earnings distribution. Dividends : Cash dividends of NT\$ 1.0 per share	Voting results for this motion: The participating shareholders of voting powers: 46,077,804 voting powers. Votes approved: 45,746,157 votes , Percentage of the total representation at the time of voting : 99.28% , Votes against : 65,129 votes , Votes invalid : 0 vote , Votes abstained : 266,518 votes ; The case was approved as per the original proposal.	Distribute according to the resolution of the shareholders' meeting. The Chairman was convened on June 10, 2025, and the resolution was to set on July 5, 2025 as the benchmark date for the interest-bearing, and July 30, 2025 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: 46,077,804 voting powers. Votes approved: 45,747,148 votes , Percentage of the total representation at the time of voting : 99.28% , Votes against : 64,141 votes , Votes invalid : 0 vote , Votes abstained : 266,515 votes ; The case was approved as per the original proposal.	Processed according to the resolution.
	4. To approve the amendments to certain articles of the Company's "Regulations for Election of Directors"	Voting results for this motion: The participating shareholders of voting powers: 46,077,804 voting powers. Votes approved: 45,745,150 votes , Percentage of the total representation at the time of voting : 99.27% , Votes against : 66,137 votes , Votes invalid : 0 vote , Votes abstained : 266,517 votes ; The case was approved as per the original proposal.	Processed according to the resolution.
	5. To approve the lifting of "Non-Compete Restriction" against the Company's directors.	Voting results for this motion: The participating shareholders of voting powers: 46,077,804 voting powers. Votes approved: 45,732,449 votes , Percentage of the total representation at the time of voting : 99.25% , Votes against : 78,995 votes , Votes invalid : 0 vote , Votes abstained : 266,360 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
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. Board 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.	
	2025.05.07	Borad of directors approved the financial report for the first quarter of 2025.
	2025.08.06	1.The company cooperates with PwC's internal adjustments and changes the visa accountant case.
		2. Borad of directors approved the financial report for the second quarter of 2025.
3.Preparation of the Company's 2024 Sustainability Report.		
4. Amendment to Changes in the company's internal audit manager		
2025.11.05	1. Borad of directors approved the financial report for the third quarter of 2025.	
	2. Audit execution plan for the fiscal year 2026.	
	3.Proposed amendments to the company's internal control regulations concerning the establishment of internal controls for frontline employees.	
	4.Operating Plan and Budget Proposal for the fiscal year of 2026.	
	5.Directors' and managers' annual salary structure for 2026.	
2026.03.13	1.Approved the proposal of 2025 distribution of employee compensation.	
	2.Borad of directors approved the consolidated financial report for 2025.	
	3.The distribution of earnings for the fiscal year 2025.	
	4.Assessment of the 2025 "Internal Control System Declaration".	
	5. In line with internal adjustments at PwC Taiwan, it is proposed to adjust the signing order of the certifying CPAs.	
	6.Assessment of the independent and competence of the company's CPA.	
	7.To approve the CPA of the financial statement and CPA's fee.	
	8. Re-election of all directors and nomination of director candidates	
	9. Approved the lifting of non-competition restrictions for newly-elected directors and their representatives	
	10. Matters related to the convening of the shareholder's annual meeting for 2026.	
	11. Assessment of the Plan and Budget Proposal for the fiscal year of 2026.	

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 : None

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	2025.01.01	2,200	860	3,060	PwC's internal adjustments and changes the signing accountant
	Tien Chung-Yu	~2025.03.31				
	Yeh Fang-Ting	2025.04.01				
	Lin Hsiu-shan	~2025.12.31				

Note : Non-audit service content: : Transfer Pricing Report service fee NT\$250 thousands, reading and consideration of other information NT\$40 thousands, Corporate Income Tax audit NT\$470 thousands, NT\$20 thousands for assessment table of information on salaries of full-time employees in non-management positions, and translation of financial report NT\$80 thousands.

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	Approved by the Board of Directors on August 6, 2025.		
Reason for Change and Explanation	Starting from 2025 Q2, in connection with internal rotation at PwC Taiwan, the signing accountants have been changed from CPAs Yeh Fang-Ting and Tien Chung-Yu to CPAs Yeh Fang-Ting and Lin Hsiu-shan.		
Explanation of Termination or Non-Acceptance of Appointment	Condition \ litigant	Accountant	Appointed person
	Voluntary termination of appointment.	Not applicable	Not applicable
	Decline (to continue) appointment.	Not applicable	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 Lin Hsiu-shan
Date of Appointment	2025/08/06
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	Not applicable
Written Opinions of the Successor Accountant on Matters of Disagreement with the Previous Accountant	Not applicable

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, general manager, 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 :

None

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	2025		As of the year till 2026.04.13	
		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)	20,000	1,200,000	0	(5,500,000)
Director	Wu Ma Hui-Er (note 2)	0	0	NA	NA
Director	Wu Jhen-Yi (note 2)	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
General manager	Jyh Chin-Juang	0	0	0	0
Deputy general manager	Yamamoto Hidetsugu	0	0	0	0
Assistant Manager	Cheng Ching Hsiang	0	0	0	0
Senior Assistant Manager	Chen Chin-Wen	0	0	0	0
Assistant Manager	Chen Yao-Bao (note 3)	0	0	NA	NA
Assistant Manager	Wang Zhi-Cheng	0	0	0	0

Note 1 : 2024.6.11 newly-elected

Note 2 : 2025.6.19 The representative of Da Wei Investment Enterprise Co., Ltd. has been changed from Ms. Wu Ma Hui-Er to Ms. Wu Jhen-Yi.

Note 3 : 2025.4.1 managerial personnel changed, resulting in the dismissal of the manager.

Note 4: The table above disclosed only changes in shareholdings during the period in which the individuals served as directors or managers of the Company.

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: None

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 : None

2026.04.13

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	20,817,622	27.31%	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			
Hefeng United Co., Ltd. Representative: Su,Hui-Chen	500,000	0.66%	0	0	0	0	—	—	—
	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	361,000	0.47%	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 : None.

(Ta Yih International Investment Co., BVI, 100% owned by TA YIH INDUSTRIAL CO., LTD., completed the liquidation and derefistration in September 2025.)

3 • Information of Capital Raising

3-1. Company capital and share

3-1-1. Source of shares

3-1-1-1. Formation of Equity

2026.04.13

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 capital increase 10,000	—	—
1979	5	1,000	20,000	20,000	20,000	20,000	Cash capital increase 10,000	—	—
1980	8	1,000	50,000	50,000	50,000	50,000	Cash capital increase 30,000	—	—
1981	8	1,000	75,000	75,000	75,000	75,000	Cash capital increase 2,500 Capital reserve to capital increase 22,500	—	—
1982	7	1,000	105,000	105,000	105,000	105,000	Cash capital increase 30,000	—	—
1983	12	1,000	135,000	135,000	135,000	135,000	Cash capital increase 30,000	—	—
1985	11	1,000	165,000	165,000	165,000	165,000	Cash capital increase 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 capital increase 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 capital increase 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 :

2026.04.13

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

2026.04.13

Name of Principal shareholder	Number of shares held	shareholding
Koito Manufacturing Co., Ltd.	24,774,750	32.50%
Da Wei Investment Enterprise Co., Ltd.	20,817,622	27.31%
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%
Hefeng United Co., Ltd.	500,000	0.66%
Wu Mai Hui-Er	396,821	0.52%
Wu Chun-Lang	383,561	0.50%
Tsai,Wen-Chen	361,000	0.47%

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 13, 2026, the Board of Directors resolved to distribute the shareholders' bonus in cash for NT\$57,175,500 from the 2025 undistributed earnings, or NT\$0.75 per share; The proposal is submitted to 2026 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. Of the aforementioned amount, no less than 1% shall be allocated as compensation for frontline employees.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. Of the aforementioned amount, no less than one percent shall be allocated as compensation for frontline employees, 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\$ 840,325.
 - (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 2026, the Board of Directors proposed to distribute the 2025 employees' compensation of NT\$ 840,325, The entire sum of NT\$ 840,325 was used as frontline employees' compensation, and there is no difference between the employee's compensation as set in the 2025 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\$ 837,287.
 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 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.
- 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 : None
- 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 : None.

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 : None.

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 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: 2025

Unit : NT\$ thousands

Industry category	Car lights	Molds	others	total
Sum of business	3,246,018	55,817	328,124	3,629,959
Revenue proportion (%)	89.42	1.54	9.04	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 :

The Company has maintained a long-standing position in the automotive lighting industry. In Fiscal Year 2025, it continued to prioritize high value-added modular lighting design, technological exterior aesthetics, and brand-oriented lighting applications as the core pillars of its R&D and business strategy, proactively addressing automakers' demands for differentiated styling, functional integration, and product generational evolution.

This R&D project focuses on generational upgrades of bi-functional modules, multi-lens designs, concealed and semi-coated illumination concepts, as well as ultra-thin and slim-profile lamp modules. These developments not only enhance overall lighting performance and design flexibility but also anticipate future regulatory trends and support a wide range of applications. Based on technological characteristics and market application, the initiatives are organized into the following four categories:

1. High-Integration Bi-Functional Headlamp Module Technologies

- (1) Multi-Lens Bi-Functional Headlamps
- (2) Slim Bi-Functional Module Gen. 2
- (3) Miniaturized dual convex lens BIPES (Bi-Projection Enhanced System) Gen. 3
- (4) Ultra-Thin Bi-Functional Headlamp Module

These technologies are based on a bi-functional optical structure. Through generational modular upgrades and structural optimization, they enhance lighting efficiency, reduce module size, and increase design flexibility. Dual-LED configurations provide variable lighting patterns according to driving conditions, while slim and ultra-thin modules accommodate the sharp, thin-profile styling demands of next-generation vehicles. These solutions are suitable for mid- to high-end vehicle models and support future intelligent lighting applications.

2. Technological Aesthetic and Styling Optical System

- (1) Optical Systems Exhibiting a Technological Aesthetic

This technology emphasizes the visual expression of lighting systems in both unlit and illuminated states. Through optical structure, material application, and surface treatment, the lamps convey a strong sense of technological sophistication and reinforce brand recognition. These products serve as key visual elements of vehicle

exterior design, assisting automakers achieve differentiated styling and enhance market visibility.

3. Brand-Oriented Identification and Marking Lamp Technologies

(1) Concealed Illuminated Marking Lamps

(2) Semi-Coated Emblem Lamps

These technologies focus on brand lighting and marking applications. Through concealed illumination and semi-coated designs, the lamps blend seamlessly with the vehicle exterior when unlit, while delivering clear and uniform illumination when activated. The products are suitable for applications such as emblems, markings, and welcome lighting, balancing premium aesthetics with nighttime visibility and meeting the requirements of brand-oriented, high-end vehicle models.

4. Modular and Platform Lighting Solutions

Most of this year's R&D initiatives adopt modular and platform-based design strategies. By leveraging shared optical and structural foundations alongside diverse appearance and functional configurations, the Company enhances product commonality while reducing overall development and mass-production costs. This approach enables rapid adaptation to varying automaker requirements, shortens development cycles, and strengthens overall market competitiveness.

4-1-2. Industry overview :

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

Recently, the global vehicle and motorcycle industries have steadily advanced toward electrification, intelligent systems, and highly distinctive designs. Automotive lighting systems have evolved from serving purely as illumination devices to becoming critical, integrated components that contribute to driving safety, exterior styling, and brand identity. With the maturation of LED and optical technologies, vehicle lighting has become an essential element of automotive design, imposing higher demands for optical performance, structural integration, and design flexibility.

In the vehicle industry, rising consumer expectations for vehicle safety and technological sophistication have led bi-functional headlamp modules with multi-lens control and versatile beam pattern applications to gradually become mainstream configurations. Concurrently, evolving vehicle styling trends are driving lamp designs toward slim, ultra-thin, and modular platform-based architectures, balancing performance requirements with aesthetic considerations.

In the motorcycle market, the growing adoption of premium motorcycles and electric motorcycle has elevated the role of lighting beyond basic illumination. Vehicle lamps are increasingly expected to meet manufacturers' requirements for exterior design and brand image. Slim, thin-profile bi-functional modules, along with marking and emblem lamps featuring distinctive styling characteristics, have emerged as strategic directions for market development.

Furthermore, regulatory requirements across countries regarding lighting performance, beam pattern control, and visual recognition have become increasingly stringent. This has prompted automakers to proactively adopt next-generation lighting technologies to enhance product competitiveness and ensure compliance with future regulations. Overall, the automotive lighting industry is at a pivotal stage, transitioning from a purely function-oriented approach to an integrated development model that combines performance, design, and brand identity.

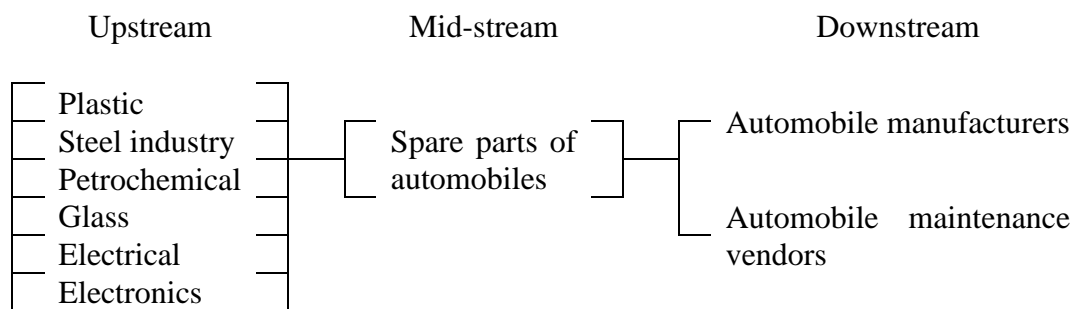
In line with the Taiwan government's active promotion of defense industry self-reliance and the accelerated domestic development of key aerospace components, the Company continues to maintain its AS9100D Aerospace Quality Management System certification and expand its footprint in aerospace lighting applications. These efforts encompass military aircraft lighting components, maintenance spare parts, and participation in both military and commercial aircraft lighting programs through collaborations with international aircraft manufacturers.

In addition, the Company remains vigilant in tracking government mid- to long-term railway industry strategies and initiatives. Leveraging over 25 years of expertise in rail vehicle lighting, its solutions are extensively applied across high-speed rail, metro

systems, light rail, and conventional railways. Through the government's Six Major Action Plans, the Company is expanding domestic opportunities while progressively entering international railway lighting markets. Moving forward, the Company will continue to enhance R&D and innovation capabilities, implement rigorous internal and external validation mechanisms, and further expand its technical capabilities and market footprint in both domestic and global rail vehicle lighting sectors.

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:

In response to shift in the global economic environment, ongoing supply chain restructuring, and continuous adjustments in international trade dynamics, the global automotive lighting market is accelerating its transition toward technological advancement and product structure transformation. Although Taiwan's automotive lighting industry remains relatively limited in overall scale, it has developed strong technological capabilities in areas such as LED lighting, optical design, intelligent lighting control, and high-efficiency energy-saving technologies. Through sustained investment in research and development and continues product upgrades, Taiwanese manufacturers have steadily enhanced their market competitiveness and expanded their international footprint. However, amid intense competition from leading automotive lighting manufacturers in Europe, the United States, and Japan in high-end technologies and system integration, as well as pricing pressure stemming from the cost and capacity advantages of Chinese manufacturers, Taiwan-based companies must continue to deepen R&D innovation, advanced product differentiation, and enhance intelligent application capabilities. These are essential to maintaining competitive advantages and capturing growth opportunities in the global automotive lighting market.

Trends in Automotive Lighting Technology Development:

The current automotive lighting market is characterized by the following key trends:

(1) Modularization and Platform-Oriented Design

Automotive lighting products are gradually shifting from single-project development toward modular, platform-based, and generational design approaches. By leveraging shared optical architectures and structural platforms, combined with diverse exterior designs and functional configurations, manufacturers can effectively shorten development cycles, reduce development costs, and improve product launch efficiency.

(2) Highly Integrated Bi-Functional and Multi-Functional Designs

Bi-functional modules are increasingly evolving toward higher levels of integration, incorporating multi-lens configurations and diversified beam pattern

applications to enhance driving safety and meet the demands of various driving scenarios.

(3) Enhanced Technological Aesthetics and Brand Identity

Lighting design has become a critical element of vehicle brand identity. Concealed illumination, semi-coated designs, and technology-oriented optical presentations deliver clear and highly recognizable lighting effects without compromising exterior aesthetics, making them key design direction for premium and next-generation vehicles.

(4) Trend Toward Slim and Narrow Design Configurations

As vehicle styling becomes sharper and more streamlined, lighting design faces increasingly constrained by available space. The development of slim and ultra-thin Bi-functional modules has emerged as a key competitive factor in automotive lighting technology.

2. Future Corporate Direction: Deepening R&D Innovation and Strengthening Market Applications

(1) Enhancement of Intelligent Lighting and Integrated Control Systems

- A. Continue advancing intelligent lighting technologies, such as AFS and ADB, by integrating electronic control systems with optical modules to improve nighttime driving safety and lighting precision.
- B. In response to trends in connected vehicles and intelligent mobility, lighting systems are being evaluated for integration with vehicle communication architectures to enhance their added value in terms of driving safety and vehicle recognition.

(2) Development of High-Efficiency Optical Technologies and Modular, Platform-Based Designs

- A. Further strengthen Bi-functional optical architectures, miniaturized projection lens systems, and generational modular designs to deliver automotive lighting solutions that balance high performance with design flexibility.
- B. Optimize optical structures and material applications to enhance lighting efficiency, reduce energy consumption, and support the trends toward slim and ultra-thin automotive lighting designs.

(3) Enhancing Technological Aesthetics and Brand-Identifiable Lighting Technologies

- A. Develop concealed illumination, semi-coated, and technology-oriented optical designs to enhance visual recognition in both unlit and illuminated states, providing differentiated product options.
- B. Continue promoting the use of brand-specific lighting and marking lamps to reinforce overall vehicle design and brand identity, meeting the demands of premium and next-generation vehicle models.

(4) Development of Energy-Saving and Eco-Friendly Lighting Technologies to Meet Sustainability Goals

- A. Continue developing high-efficiency, low-energy-consumption LED modules to reduce energy usage and enhance overall lighting performance.
- B. In line with market and regulatory trends, evaluate the potential of health and safety-oriented lighting technologies to seize future diversified market opportunities.

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	2024	2025	As of the date 2026.03.31
Cost of research and development	159,896	145,671	34,446

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. Pattern changeable static ground projection light system
2. A compact, low-cost front fog light with corner light functionality
3. Miniaturized dual convex lens BIPES (Bi-Projection Enhanced System) Gen. 2
4. High aspect ratio projection lens set for two-wheeled vehicles
5. Emblem light edge light-emitting technology
6. In-mold decoration (IMD/IML) technology for interior atmosphere light
7. Slim Bi-Functional Module Gen. 1
8. Through-Type Composite Headlamp for Rail Vehicles
9. Exterior Lighting for Military Aircraft and Domestic spare parts for maintenance
10. Interior and Exterior Lighting for Commercial Aircraft

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: 2025
Unit : NT\$ thousands

Area	Taiwan	United States	Japan	China	Others	Total
Sum of business	2,045,842	1,458,546	11,531	8,649	105,391	3,629,959
Revenue Proportion (%)	56.36	40.18	0.32	0.24	2.90	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)Rationalization of mold structure and materials, and effective utilization of idle materials.
- (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 automatation of manufacturing equipment and reduction of labor costs.

Electronic production information

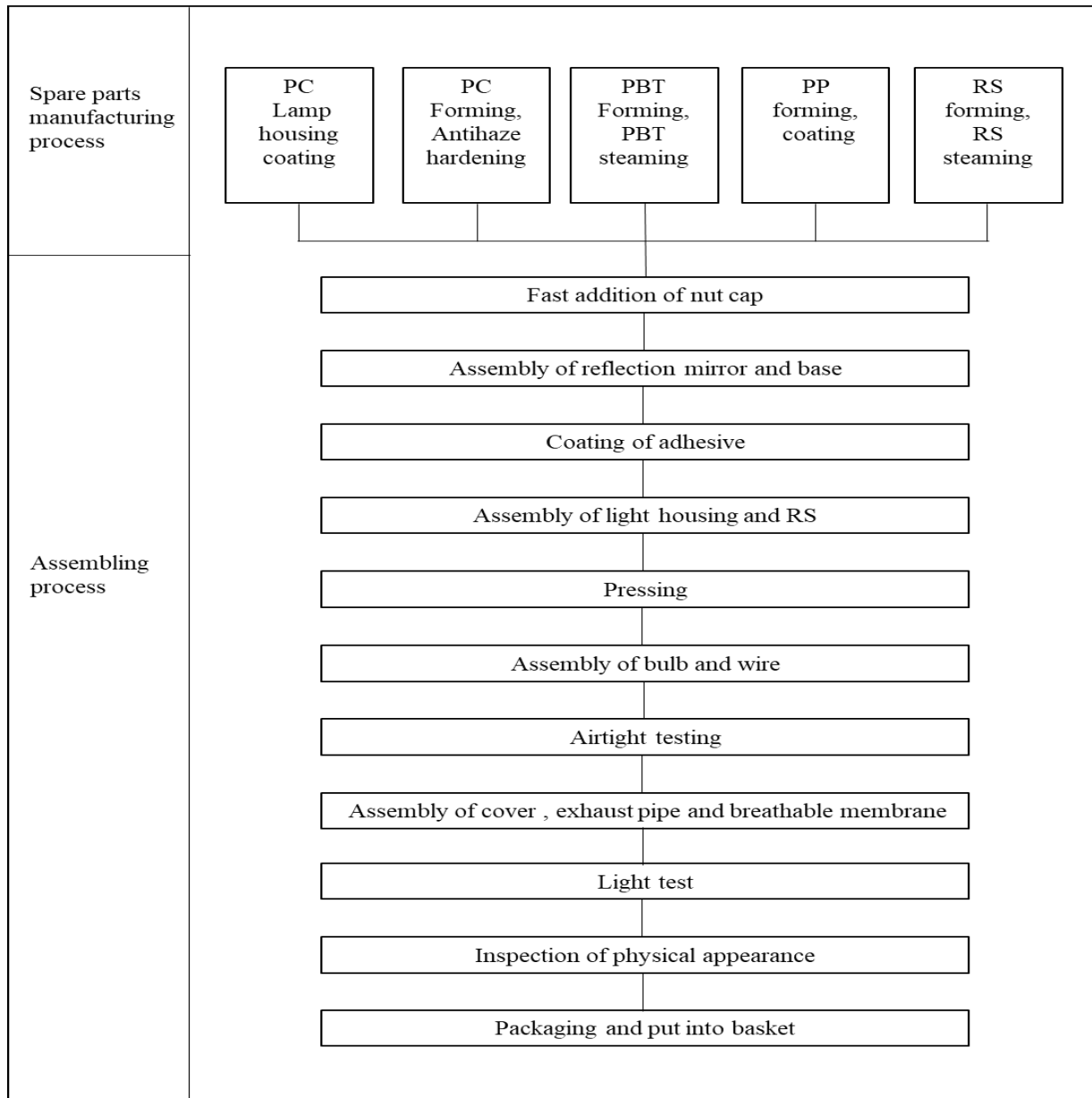
4-2-2.Important application of major products and production processes:

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

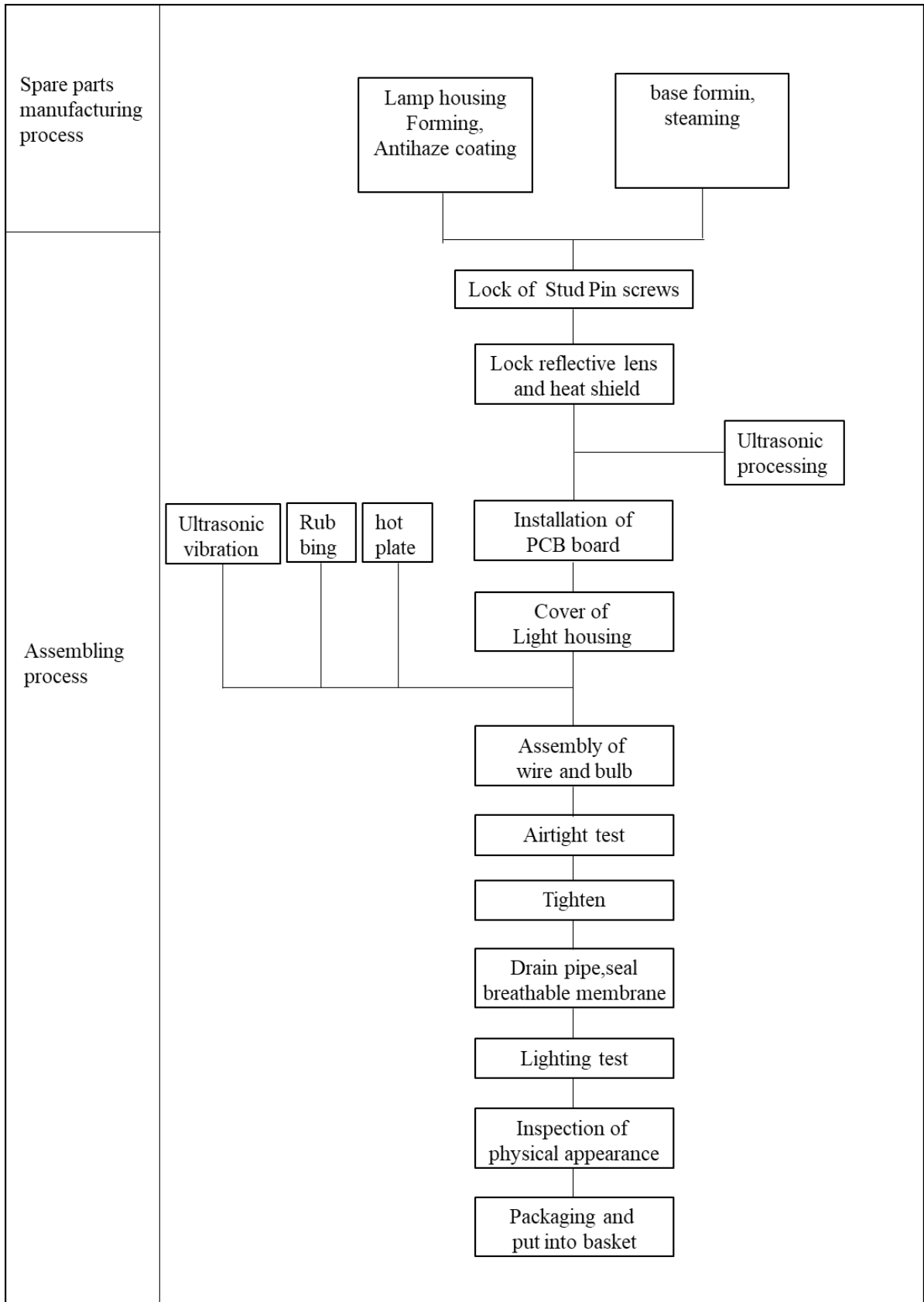
Major products	Important application
(1) Lighting for cars	For the car assembling industry.
(2) Lighting for motorcycles	For motorcycle assembling industry

4-2-2-2.Production of major products

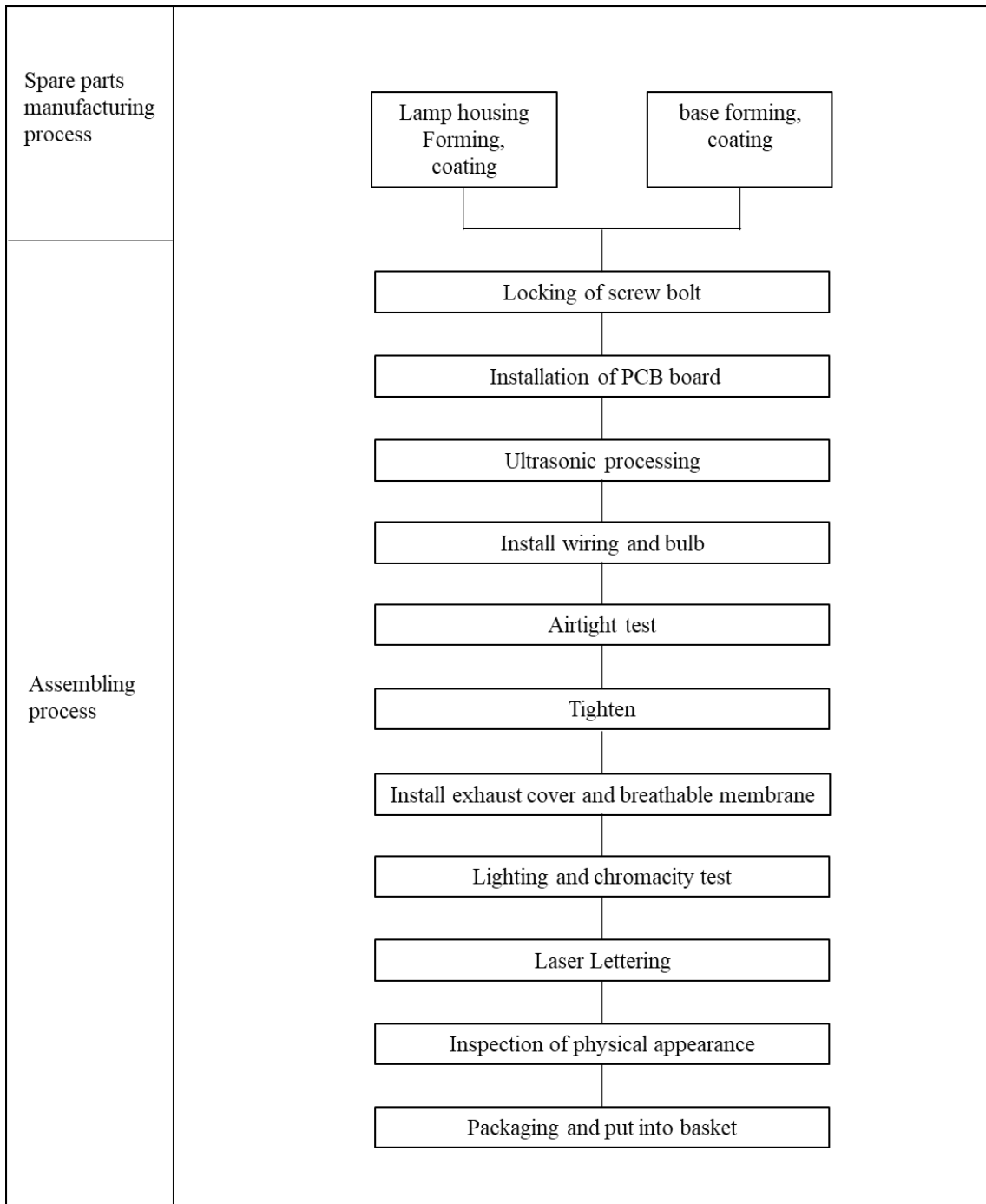
1.Manufacturing process of headlight :



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

Item	2024				2025				Till the first quarter of 2026 (Note 2)			
	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	349,351	16	None	Company A	472,977	18	None	Not Applicable			
2	Company B	321,902	14	None	Company B	338,467	13	None				
	Others	1,581,691	70	-	Others	1,750,204	69	-				
	Net purchases	2,252,944	100	-	Net purchases	2,561,648	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 2026 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

Item	2024				2025				Till the first quarter of 2026 (Note 2)			
	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	1,336,022	36	None	Company C	1,531,375	42	None	Not Applicable			
2	Company D	1,264,412	34	None	Company D	1,174,710	32	None				
3	Koito Manufacturing Co., Ltd.	145,511	4	Director and major shareholder	Koito Manufacturing Co., Ltd.	0	0	Director and major shareholder				
4	Others	950,275	26	-	Others	923,874	26	-				
	Net sales	3,696,220	100	-	Net sales	3,629,959	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		2024	2025	As of the date 2026.04.13
Number of employees	Sales person	21	20	20
	Management staff	176	169	161
	Factory personnel	544	516	526
	Total	741	705	707
Average age		45	46	43
Average service years		11	11	12
The educational background breakdown	PhD.	0	0	0
	Master degree	89	85	83
	College	344	340	342
	Senior high school	238	221	229
	Below senior high school	70	59	53

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 2025, the Company conducted health examinations for employees aged 30 and above, as well as those engaged in special operations, covering a total of 576.

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 2025 year-end party in Formosa Yacht Resort.

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

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

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

9. 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 2025, 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 2025:

(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.The Company obtained ISO 27001 Information Security Management System certification in 2023, valid from June 28, 2023 to October 31, 2025. In 2025, the Company obtained ISO 27001:2022 certification, valid from June 28, 2003 to June 28, 2026.
 - 4.In 2025, a total of NT\$6,200,000 was invested in information security-related hardware, software, and system integration services.
 - 5.In 2025, the company conducted one social engineering simulation, involving 202 participants with a click rate of 23%. Follow-up reinforcement training was completed for 47 high-risk individuals.
- 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	2025	2024	Differences		Change analysis
			Amount	%	
Current assets	2,026,961	1,811,739	215,222	11.88	
Property, plants, and equipment	875,530	922,565	(47,035)	(5.10)	
Intangible assets	932	1,531	(599)	(39.12)	
Other non-current assets	88,972	88,399	573	0.65	
Total net assets	2,992,395	2,824,234	168,161	5.95	
Current liabilities	1,023,685	832,709	190,976	22.93	1
Non-current liabilities	103,369	123,246	(19,877)	(16.13)	
Total liabilities	1,127,054	955,955	171,099	17.90	
Capital stocks	762,300	762,300	0	0.00	
Capital surplus	61,412	61,278	134	0.22	
Retained Earnings	1,041,629	1,044,208	(2,579)	(0.25)	
Other equity	0	493	(493)	(100.00)	
Total equity	1,865,341	1,868,279	(2,938)	(0.16)	
<p>If there is a change of more than 20%, and the amount of the change reaches NT\$10 million, an explanation shall be given :</p> <p>1.The increase in Current liabilities: The increase in accounts payable was mainly attributable to the continued growth in orders from STLA, resulting in increased purchases of outsourced small lamps and related components.</p>					

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	2025	2024	Amount increased(decreased)	Change ratio (%)	Change Analysis
Operating revenue	3,629,959	3,696,220	(66,261)	(1.79)	
Operating gross profit	590,846	513,628	77,218	15.03	
Operating expenses	483,935	471,025	12,910	2.74	
Net income	106,911	42,603	64,308	150.95	1
Non-operating income and expenses	(23,719)	40,297	(64,016)	(158.86)	2
Net profit before tax	83,192	82,900	292	0.35	
Income tax expense	(16,783)	4,528	(21,311)	(470.65)	3
Net income for this reporting period	66,409	87,428	(21,019)	(24.04)	4
Other comprehensive income	6,749	60,874	(54,125)	(88.91)	5
Total comprehensive income	73,158	148,302	(75,144)	(50.67)	
<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 increase in Net income: The gross profit for the current period increased, mainly due to effective cost control and a significant increase in revenue from North America. 2. The decrease in Non-operating income and expenses: mainly due to increased foreign exchange loss from U.S. Dollars depreciation. 3. The decrease in Income tax expense: prior period recognized of Deferred income tax benefits from the disposal of the Company's equity interest in Fuzhou Koito. 4. The decrease in Net income : the reason is the same as item 3. 4. The increase in Other comprehensive income : Mainly due to a decrease in cumulative translation differences of foreign operations arising from the disposal of the Company's equity interest in Fuzhou Koito, compared to the prior 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 increase in 2026 compared to 2025. 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	2025	2024	Increase (Decrease) ratio
Cash flow ratio	7.55%	25.18%	(17.63%)
Fund Flow Adequacy Ratio	101.86%	86.34%	15.52%
Cash reinvestment ratio	0.03%	4.64%	(4.61%)
<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) Decrease in fund flow adequacy ratio : Mainly due to the decrease in the cash flow in the recent five fiscal years. (3) Decrease in cash reinvestment ratio : Mainly due to the decrease in net cash inflow from business operation. 			

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(2026)

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
185,633	3,781,620	3,644,478	322,775	N/A	N/A
Analysis of cash flow for the coming year 2026 : (1) Operating activities : The sales revenue for 2026 is estimated to be stable, so business activities can generate net cash inflows. (2) Investing activities : mainly from the purchase of fixed assets. (3) Financing activities : mainly due to the estimated cash dividends of NT\$57,173 thousands to be paid.					

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 : There are currently no other investment activities.

5-5-2. Main cause for gains or losses : Not applicable

5-5-3. Improvement plan for losses : Not applicable.

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 2025
Interest expense	NT\$1,097 thousands
Net income ratio	0.03%

1. Effect on profit and loss

The interest expenses in 2025 was NT\$1,097 thousands, which accounts for 0.03% of the revenue, and it has no significant impact on the company.

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 2025
Net gain/loss on foreign currency exchange	NT\$(31,925) thousands
Net income ratio	(0.88%)

The Company has consistently monitored foreign exchange fluctuations in the international market and continues to implement the following countermeasures :

- 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	Multi-Lens Bi-Functional Headlight	750	2026	Market functional / customer requirements
2	Concealed Illuminated Marking Lamps	650	2026	Market functional / customer requirements
3	High-Tech Optical Systems Design	970	2026	Market functional / demand trends/customer requirements
4	Slim Bi-Functional Module Gen. 2	430	2026	Market functional /demand trends/customer requirements
5	Semi-Coated Emblem Lamp	300	2026	Market functional / customer requirements
6	Miniaturized dual convex lens BIPES (Bi-Projection Enhanced System) Gen. 3	680	2026	Market functional / demand trends/customer requirements
7	Ultra-Thin Bi-Functional Headlight Module Platform	750	2026	Market functional / 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 2025 and the first quarter of 2026 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

1. The company align with the development of the domestic automotive industry, we actively introduce advanced technologies from both domestic and foreign countries and conduct independent research and development. Every year, we invest significantly in design and development costs to strengthen production and management techniques and improve the company's overall economic efficiency.

2. 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 create and maximize the company's long-term business advantage..

3. 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.

4. On November 5, 2025, 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 and progress in 2025

1. Patent Acquisition and Management Improvements: A total of 1 Taiwan patent was granted in 2025.

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

As of the fourth quarter of 2025, the company has achieved the following intellectual property results:

1. Taiwan Invention Patents: 7 cases
2. Taiwanese utility model patents: 20 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 : None.

Note : (Ta Yih International Investement Co., BVI, 100% owned by TA YIH INDUSTRIAL CO., LTD., completed the liquidation and derefistration in September 2025.)

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