Stock Code: 1319

東陽實業廠股份有限公司
Tong Yang Industry Co., Ltd.

2025 Annual Report

Printed on May 8, 2026

Website for annual report inquiries: http://mops.twse.com.tw
Company website: http://www.tyg.com.tw

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V. Overseas Securities Exchange Where Securities are Listed and Method of Inquiry: None.

VI. Company's website: http://www.tyg.com.tw

Table of Contents

Chapter 1 Letter to Shareholders

Dear Shareholders,

First and foremost, we would like to express our deepest gratitude and appreciation to all shareholders for your unwavering support throughout the past year. In 2025, the Company was adversely affected by U.S. tariffs and fluctuations in the New Taiwan Dollar exchange rate. As a result, consolidated revenue amounted to NT$25,094,263 thousand, representing a decrease of 1.96% compared to the previous year, while consolidated net income totaled NT$3,902,579 thousand, a decline of 12.41% year-over-year. Looking ahead, the Company will continue to undertake organizational streamlining and resource integration, optimize production lines and product quality to meet market demand, and actively implement capacity expansion plans. In addition, the Company will enhance product development, increase production capacity, focus on its core business competitiveness, and drive steady and sustainable operational growth. A summary of the operating results for 2025 and the business plan for 2026 is presented as follows:

I. 2025 Operating Report

1. Business Plan Implementation Results

For fiscal year 2025, the Company reported consolidated operating revenue of NT$25,094,263 thousand, representing a decrease of NT$501,800 thousand, or 1.96%, compared to NT$25,596,063 thousand in 2024. Consolidated gross profit amounted to NT$8,427,374 thousand, a decrease of NT$103,298 thousand, or 1.21%, from NT$8,530,672 thousand in 2024. Consolidated operating income was NT$4,602,192 thousand, decreasing by NT$211,168 thousand, or 4.39%, from NT$4,813,360 thousand in 2024. The decline in revenue and profitability was primarily attributable to the impact of tariffs and foreign exchange fluctuations. With respect to non-operating income and expenses, the total for 2025 was NT$189,184 thousand, representing a decrease of NT$527,141 thousand compared to NT$716,325 thousand in 2024. The primary reason was a net foreign exchange loss of NT$290,444 thousand arising from the appreciation of the New Taiwan Dollar in 2025, compared to a foreign exchange gain of NT$363,181 thousand in 2024, resulting in a decrease in profit of NT$653,625 thousand. Consequently, consolidated profit before tax for 2025 amounted to NT$4,791,376 thousand, a decrease of NT$738,309 thousand from NT$5,529,685 thousand in 2024. Consolidated net income was NT$3,902,579 thousand, down by NT$552,692 thousand from NT$4,455,271 thousand in 2024. Net income attributable to the parent company was NT$3,803,810 thousand, representing a decrease of NT$573,105 thousand, or 13.09%, compared to NT$4,376,915 thousand in 2024.

Unit: NT$1,000

Item	2025	2024	Change by amount	Change by percentage (%)
Consolidated operating revenue	25,094,263	25,596,063	(501,800)	(1.96)
Consolidated gross profit	8,427,374	8,530,672	(103,298)	(1.21)
Consolidated operating income	4,602,192	4,813,360	(211,168)	(4.39)
Consolidated non-operating income and expenses	189,184	716,325	(527,141)	(73.59)
Consolidated income before tax	4,791,376	5,529,685	(738,309)	(13.35)
Consolidated income for current period	3,902,579	4,455,271	(552,692)	(12.41)
Net income attributable to shareholders of the parent company	3,803,810	4,376,915	(573,105)	(13.09)

2. Budget Execution Status

Unit: NT$1,000

Item	Actual amount 2025	Volume forecast 2025	Completion rate (%)
Consolidated operating revenue	25,094,263	26,650,760	94.16
Consolidated gross profit	8,427,374	9,223,832	91.37
Consolidated operating expenses	3,825,182	3,869,692	98.85
Consolidated operating income	4,602,192	5,354,140	85.96
Consolidated income before tax	4,791,376	5,715,460	83.83

Note: The 2025 volume forecast has yet to be reviewed by CPAs.

3. Financial Revenue and Profitability Analysis

Year Analysis item			Financial analysis	
			2025	2024
Financial structure	Debt ratio (%)		25.67	26.47
	Ratio of long-term capital to property, plant, and equipment (%)		173.55	180.19
Profitability	Return on Assets (ROA) (%)		10.20	12.22
	Return on Equity (ROE) (%)		13.73	16.48
	As a percentage of paid-in capital (%)	Operating income	77.81	81.38
		Pre-tax Profit	81.01	93.49
	Net Profit Margin (%)		15.55	17.41
	Earnings per share (NT$) (Note)		6.43	7.40

Note: Earnings per share are calculated based on the weighted average number of outstanding shares for the year.

4. Research & Development (R&D) Status

Tong Yang has a technology R&D center that engages in new product development, with a focus on product design, materials, and coatings. The Company is dedicated to developing and innovating technology in the fields of engineering, optoelectronics, and e-communication and actively embraces automated equipment and remote information monitoring systems. Thus, we can quickly respond to various issues and perform data analysis on the production lines, thereby improving production efficiency. Additionally, to respond to the advancements in electric vehicles and autonomous driving, the technology R&D center has established an advanced components team and an intelligent electrical assembly team, expanding beyond the current scope of plastic products, to integrate the automotive electrical system, optical components, and decoration techniques, aiming to create innovative product integrations and provide customers with safe and comfortable transportation equipment parts and accessories with our specialized expertise and extensive experience.

Our plastic and metal sheet parts have obtained the most Certified Automotive Parts Association (CAPA) product certifications in the US market, and the TÜV Rheinland quality certifications in the European market. We are number one in the number of product quality certificates obtained in the world. In response to environmental protection, we introduced the water-based painting for plastic products in 2016 and became the only manufacturer in the world to receive CAPA certification for water-based painting products.

In recent years, Tong Yang has been developing integrated decorative lighting technology under the initiative known as the “Luminous+ Project,” aimed at making mass production viable by applying research and development outcomes directly to production models. This project includes illuminated exterior components such as 3D light-effect front grilles, large illuminated trim panels, light-up bumpers, and tailgates. The integrated light-element decorative technology is designed to deliver distinct visual effects during both day and night. Additionally, it can enhance the information transmission function and strengthen the connection between cars and people.

Smart interior decoration includes totem ambient lighting, smart touch panels, electric glove boxes, and smart central armrests, etc., which are all integrated into the use of driving cabins. The ever-evolving automotive electronic systems have led to the emergence of complex operating interfaces and a significant amount of information transmission requirements. The Company has incorporated functionality into the automotive interior accessories, developed human-machine interaction and hidden information display, integrated driving information, and created various control interfaces to liberate people from complex operations. They adjust the cabin environment based on external conditions and driving situations, to alleviate driver information fatigue and enhance driving focus.

As for environmental concerns, during the product R&D stage, Tong Yang has integrated the principles of lightweight design, energy efficiency, and carbon reduction. The items include plastic tailgate panels, plastic engine covers, plastic leaf springs, plastic front-end frames, and injection-molded foam interior and exterior trims. The successful cases of replacing steel with plastic and lightweight foam molding can reduce weight by 10-40%, increase fuel efficiency and gas mileage, reduce air pollution, and achieve energy-efficiency and carbon reduction. Tong Yang adopted a water-based painting technique and equipment, to minimize the use of harmful solvents and promote environmental sustainability.

The technology R&D center focuses on six main aspects of product development: lightweight, integrated, decoration, value, environmental protection, and smart technology. We continuously develop key technology, so as to fulfill the market demand and customer requirement.

Tong Yang perseveres in continuously engaging in R&D to become a leader in the industry and lay a professional, more stable, and solid foundation to compete in international markets.

II. Outline of the 2026 Business Plan

1. Management Principles

   Since the establishment, we have always adhered to "Humanistic Management" as our central notion, and "enthusiasm, honesty and creativity" as our corporate spirits. This has driven the development of the Tong Yang Group (TYG) in plastic parts of bicycles and motorcycles, and interior and exterior components. It has accelerated the development of high-level technology, provided more reliable products, developed its bases, and markets in the world, and provided more rapid and comprehensive services to our customers.

2. Sales Volume Forecast and Basis

   (1) Vehicle assembly business

   For the assembly business, growth rates are determined based on historical automobile market sales data in Taiwan and China, as well as projected vehicle assembly volumes provided by automakers. The nature of the assembly business involves undertaking commissioned development and manufacturing projects for automakers. Accordingly, the projected sales volume is estimated based on vehicle models currently in production and under development, together with the automakers’ forecast annual assembly volumes. The estimated sales volume for 2026 is 12,550,060 pcs.

   (2) Repair/Maintenance business

   In the collision auto replacement parts industry, Tong Yang holds a dominant global market share of around 70% for plastic parts and approximately 38% for sheet metal parts. Our products are exported to various regions worldwide. Drawing on past experience and taking into account market factors, such as politics and economics, as well as evaluating the potential of different markets and customers, the projected sales quantity for 2026 is estimated to reach 22,681,294pcs.

3. Key Production and Distribution Policy

   (1) Key production and distribution policy

   Vehicle assembly business

   a. Explore new overseas OEM and OES markets and adopt new technologies and methods to diversify revenue sources.
   b. Increase market share in the OEM market in Taiwan and mainland China, and strengthen relationships with current core car manufacturers and customers.

   Repair/Maintenance business

   a. Focus on expanding our presence in the insurance markets in North America and Europe and strive to obtain more product certifications to enhance our credibility and competitiveness.
   b. Enhance the development of new automotive parts and integrate the aftermarket product supply chain to increase product diversity, meeting customers' needs for one-stop shopping and fast delivery.

(2) Key production policy
   a. For the vehicle assembly market, adopt a make-to-order production method to supply long-term and stable orders from vehicle assembly plants in Taiwan and China and foreign OEM and OES markets to meet customer needs.
   b. For the repair/maintenance market, adopt a make-to-stock production method to cater to customer orders, which often involve diverse varieties in small quantities, to increase the supply rate.
   c. Adopt automated equipment and robots to enhance efficiency, productivity, and quality.
   d. Adopt water-based paints and coatings and electroplating wastewater treatment equipment to reduce VOC discharge and enhance environmental protection policies.
   e. Implement energy-saving and carbon reduction policies, including replacing old machinery and equipment with new ones, introducing energy-efficient equipment, and implementing various electricity-saving measures to reduce carbon emissions.

III. Future Company Development Strategy

1. Vehicle assembly business:
   (1) Strengthen R&D capabilities, improve sales capabilities, introduce new technologies, new processing methods and enhance mold development to become a Tier 1 supplier while strengthening relationships with existing core automotive manufacturers and customers.
   (2) Develop high-value-added products, such as AI dashboards, touch panels, optical grills, front-end modular assemblies, and high-end mold products.
   (3) Explore new overseas OEM and OES markets to increase the market share of OEM in Taiwan and China.
2. Repair/Maintenance business:
   (1) Continue to strengthen the development of new product molds and integrate aftermarket product supply chains to strengthen product diversity and meet customer needs for one-stop shopping services and quick delivery.
   (2) Focus on expanding our presence in the insurance markets in North America and Europe and strive to obtain more product certifications to enhance our credibility and competitiveness.
   (3) Increase product lines and products, such as stepper blinds and fans; optimize our product portfolio; and expand market share.
   (4) Expand and penetrate global sales and distribution channels, especially in the well-established insurance systems and quality-focused markets of North America and Europe.

IV. Effect of the External Competitive Environment, Legal and Regulatory Environment, and Overall Business Environment.

1. Effect of external competition

   To maintain its competitive market advantage, Tong Yang has long been committed to manufacturing high-quality products and continuously providing satisfactory services to customers. Upholding superior quality as its core corporate philosophy, the Company has received recognition from various international quality organizations over the years. In addition to obtaining CAPA certification, the largest automotive parts quality certification in the United States (Certified Automotive Parts Association), Tong Yang has also been awarded the Keys IQ certification by LKQ, the largest aftermarket (“AM”) parts distributor in the United States, as well as TÜV Rheinland quality certification in Europe. Through Tong Yang’s comprehensive and rigorous quality management system, the Company is able to provide customers with automotive parts of the highest safety and quality standards, further enhancing its global market share and competitiveness.

2. Effect of law and regulations

   Tong Yang's products are primarily automotive components. Addressing the environmental impacts arising from its operations, products, and services—including air pollution, wastewater, waste disposal, hazardous substances, and noise pollution—while establishing a comfortable, safe, and aesthetically pleasing working environment, represents the shared commitment of the Company's management and all employees toward continuous improvement and pollution prevention. In 2002 and 2005, the Company obtained certification for the ISO 14001 Environmental Management System (valid through July 5, 2026) and the OHSAS 18001 Occupational Health and Safety Management System (upgraded to ISO 45001 in 2018; valid through July 27, 2026), respectively. Through the establishment of a continuous improvement framework and the implementation of environmental, safety, and health management system review procedures, the Company ensures that the latest environmental protection and occupational safety regulations serve as the basis for production improvements, while maintaining compliance with applicable governmental environmental and occupational safety laws and regulations.

   In recent years, the development of new vehicles has increasingly emphasized "lightweighting," not only to comply with progressively stringent global energy-saving and carbon reduction regulations, but also to meet the evolving demands of electric vehicle development. As a leading global supplier of automotive interior and exterior components, Tong Yang actively responds to environmental regulations concerning energy saving and carbon reduction, as well as industry trends in electric vehicles, by continuously enhancing its technological capabilities and fully advancing the development of lightweight automotive parts, thereby capturing business opportunities arising from environmentally friendly vehicle manufacturing and the lightweighting of new energy vehicles.

3. Effect of the overall business environment

   Taiwan's automotive parts industry possesses advantages in small-volume, high-mix production and flexible manufacturing capabilities. Through continuous investment in research and development and the enhancement of production technologies, industry participants have developed strong international competitiveness. In recent years, although the domestic vehicle market has experienced fluctuations, the automotive parts industry has steadily expanded its export value as its competitive strength has accumulated over time. Export value increased by approximately 14.58% in 2022, reaching a historical high of NT$253.0 billion. In 2023, due to economic downturns and persistently high inventory levels, export value declined by 10.91% to NT$225.4 billion. In 2024, export value reached NT$228.5 billion, representing growth of 1.36%. In 2025, however, export value declined by 6.03% to NT$214.7 billion as a result of the imposition of high tariffs by U.S. President Donald Trump on imports worldwide. Driven by globalization and specialization strategies, the Company has established manufacturing facilities and marketing locations in Taiwan, China, the United States, and other regions. Through the gradual completion of its global distribution network, the Company has strengthened its competitive advantages and laid a solid foundation for the sustainable growth of the corporate group.

Finally, we hope that all shareholders will continue to support the Company as in the past and provide us with encouragement and guidance.
Thank you.

Wishing you all good health and all the best.

Chairman:	President:	Chief Accounting Officer:
Yeong-Maw Wu	Yung-Hsiang Wu	Chin-Hsi Chen

Chapter 2 Corporate Governance Report

I. Information Regarding Directors, Supervisors, President, Vice Presidents, Assistant Vice President, and the Supervisors of All the Company's Divisions and Branch Units:

(I) Information on the directors and supervisors (I)

April 19, 2026

Title (Note 1)	Nationality/Place of Registration	Name	Gender Age (Note 2)	Date Elected	Term	Date of First Election (Note 3)	Shareholding When Elected		Current Shareholding		Current Spouse & Minor Shareholding		Shareholdings in the Name of Others		Experience (Education) (Note 4)	Other Position Concurrently Held at the Company and Other Companies	Executives, Directors or Supervisors who Are Spouses or within the Second Degree of Kinship			Remarks (Note 5)
							Number of shares	Percentage of shareholding	Number of shares	Percentage of shareholding	Number of shares	Percentage of shareholding	Number of shares	Percentage of shareholding			Title	Name	Relationship	
Chairman	R.O.C.	Yeong-Maw Wu	Male 70-80	2023.06.19	3 years	1993.03	38,006,787	6.43%	38,006,787	6.43%	0	0.00%	14,328,600	2.42%	Department of Engineering Management, Kun Shan Technical College Vice Chairman of Tong Yang Group President (General Manager) of Tong Yang Group	• Chairman of Tong Yang Group • Director of Ru Yang • Chairman of Ding Chung • Director of Cayman Tong Yang • Director of HOW BOND	Director Director President of the business group	Yung-Feng Wu Yung-Hsiang Wu Tsu-Hsiung Chen	Brother Brother 2nd degree relative by marriage	None
Director	R.O.C.	Yung-Feng Wu	Male 80-90	2023.06.19	3 years	1993.03	36,677,497	6.20%	36,677,497	6.20%	2,930,455	0.50%	14,930,900	2.52%	Jianye Junior High School Chairman of Tong Yang Group	• Director of Tong Yang Group • Chairman of Ru Yang • Director of Ding Chung • Director of C&D CAPITAL II	Chairman Director President of the business group	Yeong-Maw Wu Yung-Hsiang Wu Ming-Tsung Wu	Brother Brother Father and son	None
Director	R.O.C.	Yung-Hsiang Wu	Male 60-70	2023.06.19	3 years	1993.03	33,903,930	5.73%	33,903,930	5.73%	2,610,188	0.44%	13,769,300	2.33%	Bachelor in Engineering, Department of Chemical engineering, Chung Yuan Christian University Vice President of Tong Yang Group	• Director of Tong Yang Group • President of Tong Yang Group • Director of Ding Chung • Director of Chang Chun Faway Tong Yang • Chairman of Foshan Tong Yang • Director of Cayman Tong Yang	Director Chairman	Yung-Feng Wu Yeong-Maw Wu	Brother Brother	None
Director	R.O.C.	Chi-Pin Wang	Male 60-70	2023.06.19	3 years	1996.06	137,278	0.02%	137,278	0.02%	0	0.00%	0	0.00%	Bachelor in Accounting, National Cheng Kung University	• Director and Vice President of Finance of Tong Yang Group • Director of C&D CAPITAL II	None	None	None	None

Title (Note 1)	Nationality/Place of Registration	Name	Gender Age (Note 2)	Date Elected	Term	Date of First Election (Note 3)	Shareholding When Elected		Current Shareholding		Current Spouse & Minor Shareholding		Shareholdings in the Name of Others		Experience (Education) (Note 4)	Other Position Concurrently Held at the Company and Other Companies	Executives, Directors or Supervisors who Are Spouses or within the Second Degree of Kinship			Remarks (Note 5)
							Number of shares	Percentage of shareholding	Number of shares	Percentage of shareholding	Number of shares	Percentage of shareholding	Number of shares	Percentage of shareholding			Title	Name	Relationship	
Independent Director	R.O.C.	Kan-Hsiung Lin	Male 80-90	2023.06.19	3 years	2017.06	0	0.00%	0	0.00%	0	0.00%	0	0.00%	• Department of Mechanical Engineering, Tatung Technology • President of Kai Ming Co., Ltd.	• Independent director of Tong Yang Group and audit committee member and remuneration committee member	None	None	None	None
Independent Director	R.O.C.	Ming-Tien Tsai	Male 70-80	2023.06.19	3 years	2017.06	0	0.00%	0	0.00%	0	0.00%	0	0.00%	• Ph.D. in Higher Education Management, Columbia University, USA • Master in International Financial Management, St John's University, NY, USA • Bachelor in Accounting, National Cheng Kung University • Executive Director of EMBA, National Cheng Kung University • . Dean, College of Management, Asia University, Taiwan • Dean of College of Smart Life and Management, Tajen University	• Adjunct professor, Engineering Management Graduate Program, College of Engineering, National Cheng Kung University • Independent director of Tong Yang Group and audit committee member and remuneration committee member	None	None	None	None

Title (Note 1)	Nationality/Place of Registration	Name	Gender Age (Note 2)	Date Elected	Term	Date of First Election (Note 3)	Shareholding When Elected		Current Shareholding		Current Spouse & Minor Shareholding		Shareholdings in the Name of Others		Experience (Education) (Note 4)	Other Position Concurrently Held at the Company and Other Companies	Executives, Directors or Supervisors who Are Spouses or within the Second Degree of Kinship			Remarks (Note 5)
							Number of shares	Percentage of shareholding	Number of shares	Percentage of shareholding	Number of shares	Percentage of shareholding	Number of shares	Percentage of shareholding			Title	Name	Relationship	
Independent Director	R.O.C.	Yen-Ling Cheng	Female 50-60	2023.06.19	3 years	2017.06	0	0.00%	0	0.00%	0	0.00%	0	0.00%	• Master, College of Science Management, Providence University • Part-time lecturer of Tainan University of Technology • Lecturer of Jiashuo Co., Ltd • Career consultant at Career Consulting Co., Ltd.	• Independent director of Tong Yang Group and audit committee member and remuneration committee member	None	None	None	None

Note 1: The institutional shareholder shall be identified by the names of institutional shareholders and representatives individually (in the case of an institutional representative, please specify the institutional shareholder's name) and also complete the following Table 1: The Company has no juristic person shareholders.

Note 2: Please specify the actual age, which may be expressed in ranges, such as 41-50 years old or 51-60 years old.

Note 3: Please also specify if the initial term of office for the Company's director or supervisor is interrupted.

Note 4: For the experience related to holding the current position, if one has worked in the CPA firm or an affiliate of the Company, he/she shall state the job title and responsible position.

Note 5: Where the chairman of the Board of Directors and the general manager or person of an equivalent post (the highest-level manager) of the Company is the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto (for example, additional seats of independent directors, and no more than half of the directors do not concurrently serve as employees or managers): None.

Information on the directors and supervisors (II)

I. Information Regarding the Professional Qualifications of Directors and the Independence of Independent Directors:

Qualifications Name (Note 1)	Professional qualifications and experience (Note 1)	Independence criteria (Note 2)	Number of Other Public Companies where the Individual Concurrently Serves as an Independent Director
Yeong-Maw Wu Chairman	He graduated from the Department of Industrial Management, Kun Shan Technical Institute, and devoted his life to the related field of the automotive parts industry. He has an international perspective, as well as judgment in global professional market competitiveness and leadership skills. He has been a director of the Company for over 40 years with rich experience. He was elected by the Board of Directors as Chairman of the Company on December 21, 2023 to lead the Company towards sustainable operations.	Not under any of the categories stated in Article 30 of the Company Act.	None
Yung-Feng Wu Director	He graduated from Chien Yeh Senior High School and devoted his life to the related field of the automotive parts industry. He has professional leadership, marketing and operations management skills, and served as Chairman of the Company for 31 years, leading the Company to become a leading pioneer in the industry. For the sake of corporate heritage and sustainable operation, he resigned as Chairman at the end of 2023, but remained as a director and elected Director Yeong-Maw Wu as Chairman of the Company.	Not under any of the categories stated in Article 30 of the Company Act.	None
Yung-Hsiang Wu Director	He graduated from Department of Chemical Engineering, Chung Yuan University and is currently the President of the Company. He is dedicated to the related fields of the automotive parts industry with rich experience in market strategy and business development. He is also committed to plant operations management and production line optimization, leveraging his substantial industry expertise to drive the Company toward further growth and the achievement of its sustainable development goals.	Not under any of the categories stated in Article 30 of the Company Act.	None
Chi-Pin Wang Director	He graduated from Department of Accounting, National Cheng Kung University and is currently the Finance Vice President of the Company. He has served in the Company for more than 30 years and is specialized in financial management and accounting, contributing to the enhancement of the Board’s risk management capabilities and supporting the Company’s continued growth and achievement of its sustainable development goals.	Not under any of the categories stated in Article 30 of the Company Act.	None
Kan-Hsiung Lin Independent Director	He graduated from Department of Mechanical Engineering, Tatung University and is the convener of the Audit Committee and Remuneration Committee. He has more than 5-year work experience required to manage the Company’s business with expertise in the development and design of mold and manufacturing, assisting the Company in enhancing its engineering and technical capabilities, thereby supporting the Company’s continued growth and achievement of its sustainable development goals.	The 3 independent directors are not under any of the categories stated in Article 30 of the Company Act and did not meet the following criteria during the two years prior to the nomination and during the service term: 1. An employee of the Company or any of its affiliates. 2. A director or supervisor of the Company or any of its affiliates. 3. A natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate amount of 1% or more of the total number of outstanding shares of the Company or is ranked in the top 10 in shareholdings. 4. A spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship of the managerial officer listed in the item 1 above, or of the persons listed in the preceding two items. 5. A director, supervisor, or employee of an institutional shareholder that directly holds 5% or more of the total number of issued shares of the Company, or that ranks among the top 5 in shareholdings, or that designates its representative to serve as a director or supervisor of the	None
Ming-Tien Tsai Independent Director	He graduated from Columbia University USA with a Ph.D. in Higher Education Management and currently serves as an adjunct professor at the Engineering Management Graduate Program of the College of Engineering, National Cheng Kung University. He was the former Executive Director of EMBA of National Cheng Kung University and he is currently the member of the Company’s Audit Committee and Remuneration Committee with more than 5-year work experience required for accounting and corporate business, specializing in corporate management and financial accounting that can help enhance the supervision function of the Audit Committee, supporting the Company’s continued growth and achievement of its sustainable development goals.		None

Qualifications Name (Note 1)	Professional qualifications and experience (Note 1)	Independence criteria (Note 2)	Number of Other Public Companies where the Individual Concurrently Serves as an Independent Director
Yen-Ling Cheng Independent Director	She graduated from the College of Management, Providence University. She is the member of the Company's Audit Committee and Remuneration Committee, with more than five years of work experience required to manage the Company's business. She is specialized in human resource analysis and counseling, providing professional advice on the Company's human resources management system, supporting the Company's continued growth and achievement of its sustainable development goals.	Company under Paragraph 1 or 2, Article 27 of the Company Act. 6. A director, supervisor, or employee of another company with the Board seats or more than half of the voting shares under control of one person. 7. A director, supervisor, or employee of another company whose chairman or general manager are the same person or spouse of the Company. 8. A director, supervisor, managerial officer, or shareholder holding 5% or more of the shares of a specified company or institution that has financial or business relationship with the Company. 9. A professional individual, sole proprietorship, partnership, owner of a company or institution, partner, director, supervisor, managerial officer or spouse thereof that provides auditing service for the Company or any of its affiliates, or provides commercial, legal, financial, or accounting service with cumulative remuneration more than NT$500,000 in the past two years. However, this restriction does not apply to members of the Remuneration Committee carrying out their duties pursuant to the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.	None

Note 1: Professional qualifications and experience: Please state the professional qualifications and experience of individual directors and supervisors. If they are members of the Audit Committee and have accounting or financial expertise, their accounting or financial background and work experience should be specified. Please also state whether they are under any of the categories stated in Article 30 of the Company Act.

Note 2: Independent directors should state their independence, including but not limited to whether they, their spouse, or their relatives within the second degree act as directors, supervisors or employees of the Company or its associates; the number and proportion of the Company's shares held by them, their spouse, relatives within the second degree (or in the name of others); whether they are a director, supervisor or employee of a company that has a specific relationship (please refer to sub-paragraphs 5-8, paragraph 1, Article 3 of "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies") with the Company; the amount of remuneration received for providing business, legal, financial, accounting and other services to the Company or its associates in the last two years.

II. Board Diversity and Independence:

(I) Board Diversity

In order to strengthen corporate governance and promote the sound development of the composition and structure of the Board of Directors, the composition of the Board members should take into account diversity. Directors who also serve as managers of the Company should not exceed one-third of the total number of directors. The Company has formulated the appropriate diversity policy based on the functions, operation type and development needs of the Board of Directors, with the focus on basic composition, industrial experience and professional capabilities.

Members of the Board shall generally possess the knowledge, skills and experience necessary to perform their duties.

To enhance the functions of the Board of Directors so as to achieve the goals of corporate governance, the Board of Directors as a whole should possess the following competences:

1. Operational judgment
2. Accounting and financial analysis
3. Operation management
4. Crisis management
5. Industrial knowledge
6. Global market perspective
7. Leadership
8. Decision making
9. Sustainable development and risk management knowledge and competence

The implementation of diversity for the Board members is as follows:

Diversified Core / Name of Director	Composition									Industrial experience				Professional skills			
	Nationality	Gender	A Concurrent Employee of the Company	Age			Service Term of the Independent Director			Manufacturing	Brand channel	Financial management	Operation management	Engineering technology	Marketing	Accounting	Sustainable development and risk
				Under 60 years old	61 - 70 years old	Over 71 years old	Less than 3 years	4-9 years	Over 9 years								
Yeong-Maw Wu Chairman	R.O.C.	Male				V				V	V		V	V	V		V
Yung-Feng Wu Director	R.O.C.	Male				V				V	V		V	V	V		V
Yung-Hsiang Wu Director	R.O.C.	Male	V		V					V	V		V	V	V		V
Chi-Pin Wang Director	R.O.C.	Male	V		V							V	V			V	V
Kan-Hsiung Lin Independent Director	R.O.C.	Male				V		V		V			V	V			V
Ming-Tien Tsai Independent Director	R.O.C.	Male				V		V				V	V			V	V
Yen-Ling Cheng Independent Director	R.O.C.	Female		V				V					V				V

(1) The Company has 7 directors (including 3 independent directors), all of them have overall operational management, sustainable development and risk management capabilities with their own industrial experience and professional skill sets. Chairman Yeong-Maw Wu, director Yung-Feng Wu, director Yung-Hsiang Wu and independent director Kan-Hsiung Lin are equipped with the capabilities of manufacturing and engineering technology; Director specializing in marketing and brand channels: Chairman Yeong-Maw Wu, director Yung-Feng Wu, and director Yung-Hsiang Wu; Director specializing in financial management and accounting professional capability with years of experience: Director Chi-Pin Wang; Director specializing in the development and design of mold, and manufacturing technology: Independent director Kan-Hsiung Lin; Director specializing in establishment of HR management system and employee suitability analysis and coaching: Independent director Yen-Ling Cheng; Director specializing in business management and financial accounting with practical teaching experience: Independent director Ming-Tien Tsai.

(2) The Company has 7 directors and all of them are R.O.C. residents. 2 directors concurrently serve as company managers, accounting for 29% (less than 1/3 of the Board seats), and there are 3 independent directors, accounting for 43% (more than 1/3 of the Board seats). Independent directors' service terms have not exceeded 3 consecutive terms. The age range of directors includes 1 director aged under 60 years old, 2 directors aged 61-70 years old, and 4 directors aged over 70 years old. Among the 7 directors, 4 directors (Director Chi-Pin Wang, independent director Kan-Hsiung Lin, independent director Ming-Tien Tsai, and independent director Yen-Ling Cheng) occupy more than half of the seats and do not have any relationship of spouses and relatives within the second degree of kinship with each other and there are no cases specified in sub-paragraphs 3 and 4 of Article 26-3 of the Securities and Exchange Act.

In addition to the foregoing, the Company also places importance on gender equality in the composition of the Board of Directors. The current Board consists of seven directors, including one female director, representing 14% of the Board membership. To further enhance gender diversity and effectiveness within the Board, the Company is committed to increasing the proportion of female directors, with the objective of achieving an optimal level whereby each gender accounts for at least one-third of Board seats. Accordingly, in the comprehensive re-election of directors at the 2026 shareholders' meeting, the Company has nominated seven directors, including three female directors, representing 43% of the total Board composition.

(3) The Board of Directors of the Company is considered diversified, and there are no restrictions on the gender, race, nationality, and cultural background of directors. In the future, the Company will amend its diversity policy in a timely manner, based on the functions, operation type and development needs of the Board of Directors. This includes standards such as basic qualifications, professional knowledge and skills to ensure that board members generally possess the necessary knowledge, skills, and competencies to perform their duties.

(4) Specific management objectives and achievements of the Board Diversity Policy

Management Objectives	Achievement
The number of directors who do not have any relationship of spouses and relatives within the second degree of kinship with each other should exceed half of the number of directors	Achieved
Directors who also serve as company managers should not exceed one-third of the number of directors	Achieved
There shall be at least one director of each gender.	Achieved
Independent directors should not serve more than three consecutive terms.	Achieved
The number of independent directors should not be less than one-third of the number of directors.	Achieved

(II) Board Independence

The Company's Board of Directors consists of seven directors, including three independent directors, representing 43% of the Board membership, which exceeds one-third of the total number of Board seats;

Among the seven directors, two directors concurrently serve as managerial officers of the Company, representing 29% of the Board membership, which does not exceed one-third of the total number of Board seats;

The consecutive term of office for all independent directors does not exceed three terms;

None of the independent directors holds shares in the Company;

Among the 7 directors, 4 directors occupy more than half of the seats and do not have any relationship of spouses and relatives within the second degree of kinship with each other and there are no cases specified in sub-paragraphs 3 and 4 of Article 26-3 of the Securities and Exchange Act.

In conclusion, the Board of Directors of the Company is considered independent.

(II) Information Regarding President, Vice Presidents, Assistant Vice President, and the Supervisors of All the Company's Divisions and Branch Units

April 19, 2026

Title (Note 1)	Nationality	Name	Gender	Date Elected	Shareholding		Spouse & Minor Shareholding		Shareholdings in the Name of Others		Main experience and qualifications (Note 2)	Concurrent Posts in Other Companies	Managerial Officers in a Spousal Relationship or Within the Second Degree of Kinship			Remarks (Note 3)
					Number of shares	Percentage of shareholding	Number of shares	Percentage of shareholding	Number of shares	Percentage of shareholding			Title	Name	Relationship	
President (General Manager)	R.O.C.	Yung-Hsiang Wu	Male	2011.10	33,903,930	5.73%	2,610,188	0.44%	13,769,300	2.33%	Bachelor in Engineering, Department of Chemical engineering, Chung Yuan Christian University	Director of Tong Yang Group President of Tong Yang Group Director of Ding Chung Director of Chang Chun Faway Tong Yang Chairman of Foshan Tong Yang Director of Cayman Tong Yang	None	None	None	None
President of the business group	R.O.C.	Tsu-Hsiung Chen	Male	2009.10	200,000	0.03%	0	0.00%	0	0.00%	Department of Transportation, R.O.C. Military Academy	None	None	None	None	None
President of the business group	R.O.C.	Ming-Tsung Wu	Male	2010.10	6,246,165	1.06%	230,956	0.04%	0	0.00%	Chang Jung Senior High School	Director of Ru Yang Supervisor of Feng Yu Chairman of Guangzhou Tong Yang Tatematsu Director of Chongqing Dajiang Tong Yang Director of Fuzhou Tong Yang Vice Chairman of Changsha GACC Tong Yang Director of Foshan Tong Yang Chairman of Xiangyang Tong Yang	None	None	None	None

Title (Note 1)	Nationality	Name	Gender	Date Elected	Shareholding		Spouse & Minor Shareholding		Shareholdings in the Name of Others		Main experience and qualifications (Note 2)	Concurrent Posts in Other Companies	Managerial Officers in a Spousal Relationship or Within the Second Degree of Kinship			Remarks (Note 3)
					Number of shares	Percentage of shareholding	Number of shares	Percentage of shareholding	Number of shares	Percentage of shareholding			Title	Name	Relationship	
												Vice Chairman of Changchun Faway Tongyang				
President of Vice President	R.O.C.	Tung-Chao Sun	Male	2017.05	0	0.00%	0	0.00%	0	0.00%	Master, Department of Power Mechanical Engineering, National Formosa University	None	None	None	None	None
President of Vice President	R.O.C.	Shih-Ming Huang	Male	2017.05	0	0.00%	0	0.00%	0	0.00%	EMBA of Department of Business Administration, National Chengchi University	Director of TYGM Director of TYGH Director of TYGL Director of TYGP	None	None	None	None
President of Vice President	R.O.C.	Ming-Lung Wu	Male	2018.01	0	0.00%	0	0.00%	0	0.00%	Master, Department of Mechanical Engineering, National Cheng Kung University	Chairman of Fuzhou Tong Yang Director of Guangzhou Tong Yang Tatematsu Director of Xiangyang Tong Yang Director of Foshan Tong Yang	None	None	None	None
Chief Supervisor	R.O.C.	Cheng-Sheng Cheng	Male	1996.03	0	0.00%	0	0.00%	0	0.00%	Department of Engineering Science, National Cheng Kung University	Chairman of Chongqing Dajiang Tong Yang	None	None	None	None
Chief Supervisor	R.O.C.	Ming-Ho Yang	Male	2019.02	0	0.00%	1,443	0.00%	0	0.00%	College of Management, National Chiayi University	None	None	None	None	None

Title (Note 1)	Nationality	Name	Gender	Date Elected	Shareholding		Spouse & Minor Shareholding		Shareholdings in the Name of Others		Main experience and qualifications (Note 2)	Concurrent Posts in Other Companies	Managerial Officers in a Spousal Relationship or Within the Second Degree of Kinship			Remarks (Note 3)
					Number of shares	Percentage of shareholding	Number of shares	Percentage of shareholding	Number of shares	Percentage of shareholding			Title	Name	Relationship	
Business Division Vice President	R.O.C.	Chi-Pin Wang	Male	1996.03	137,278	0.02%	0	0.00%	0	0.00%	Bachelor in Accounting, National Cheng Kung University	Director and Vice President of Finance of Tong Yang Group Director of C&D CAPITAL II	None	None	None	None
Business Division Vice President (Chief Financial/Accounting Officer and corporate governance officer)	R.O.C.	Chin-Hsi Chen	Male	2009.10	1,243	0.00%	0	0.00%	0	0.00%	Master, Department of Mechanical Engineering, National Cheng Kung University	None	None	None	None	None

Note 1: It shall include information of president, vice president, assistant vice president, supervisors of various departments and branches; any position equivalent to president, vice president, assistant vice president, regardless of job title, shall also be disclosed.

Note 2: For the experience related to holding the current position, if one has worked in the CPA firm or an affiliate of the Company, he/she shall state the job title and responsible position.

Note 3: Where the general manager or person of an equivalent post (the highest-level manager) of the Company is the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto (for example, additional seats of independent directors, and no more than half of the directors do not concurrently serve as employees or managers): None.

II. The Remuneration Paid During the Most Recent Fiscal Year to Directors, Supervisors, President, and Vice President:

The Remuneration of Directors, Independent Directors, Supervisors, President, and Vice President:

(I) If any of the following circumstances apply to the Company, the names and remuneration of individual directors or supervisors shall be disclosed separately. Otherwise, the Company may elect to disclose such information on an aggregated basis by remuneration tier with the corresponding names disclosed accordingly: The Company is not subject to any of the following circumstances and therefore adopts the aggregated disclosure method by remuneration tier with corresponding names disclosed accordingly.

1. Where it was a loss after tax in the parent company only or individual financial statements in the last three years, the name and remuneration of individual "Directors and Supervisors" shall be disclosed; however, it shall not apply in a situation where it is net income after tax in the parent company only or individual financial statements in the most recent year, and the said net income is sufficient to make up for the accumulated losses.
2. A company with directors whose shareholding percentages have been insufficient for three or more consecutive months during the most recent fiscal year shall disclose the remuneration of individual directors. A company with supervisors whose shareholding percentages have been insufficient for three or more consecutive months during the most recent fiscal year shall disclose the remuneration of individual supervisors.
3. A company with an average ratio of shares pledged by directors or supervisors that exceeds 50 percent in any three months during the most recent fiscal year shall disclose the remuneration paid to each director or supervisor who owns a ratio of shares pledged that exceeds 50 percent for each of these three months.
4. If the total amount of remuneration received by all the directors and supervisors from all the companies listed in its financial statements exceeds two percent of its net income after taxes, and the amount of remuneration received by any individual director or supervisor exceeds NT$ 15 million, the company shall disclose the amount of remuneration paid to individual directors or supervisors. (Description: The remuneration of Directors and Supervisors is calculated based on "Remuneration of Directors" plus "Remuneration of Supervisors" as in the Appendix without including the relevant remuneration received as concurrent employees.)
5. Any result of evaluation made on corporate governance of a listed company in the most recent year is in the second lowest level, or events of any trading method changes, any trading suspension, or de-listed from TWSE/TPEx, or any evaluation deemed not required by the Corporate Governance Evaluation Committee in the most recent year as of the publication date of this annual report.
6. The average annual salary of a full-time employee of a listed company who does not hold a managerial position in the most recent year is less than NT$500,000.
7. A TWSE or TPEx listed company had an increase of 10 percent or more in net profit after tax for the most recent fiscal year, but the average annual salary of its full-time non-management employees did not increase relative to the preceding fiscal year.
8. A TWSE or TPEx listed company had a decline in after-tax net income reaching 10 percent and exceeding NT$5 million for the most recent fiscal year, along with an increase in its average remuneration per director (not including the remuneration of those who are also employees) reaching 10 percent or more and exceeding NT$100,000.

(II) If the circumstance described in preceding sub-item 1 or in sub-item 5 applies to a company, it shall disclose the individual remuneration paid to each of its top five management personnel (e.g., General Manager, Deputy General Managers, Chief Executive Officer, or Chief Financial Officer): The Company is not subject to such circumstances and therefore adopts the aggregated disclosure method by remuneration tier with corresponding names disclosed accordingly.

(1-2-1) Remuneration to Directors and Independent Directors (aggregate remuneration with names indicated in each range)

Unit: NT$1,000

Title	Name	Remuneration to Directors								Total remuneration (A+B+C+D) and its ratio to after tax net income (Note 10)		Relevant remuneration received by directors who are also employees								Total remuneration (A+B+C+D+E+F+G) and its ratio to after tax net income (Note 10)		Remuneration paid to directors from an invested company other than the Company's subsidiaries or parent company (Note 11)
		Compensation (A) (Note 2)		Severance pay and pension (B)		Remuneration of Directors (C) (Note 3)		Fees for services rendered (D) (Note 4)				Salaries, bonus and special allowance (E) (Note 5)		Severance pay and pension (F)		Remuneration of employees (G) (Note 6)						
		The Company	All companies in the consolidated financial statements (Note 7)	The Company	All companies in the consolidated financial statements (Note 7)	The Company	All companies in the consolidated financial statements (Note 7)	The Company	All companies in the consolidated financial statements (Note 7)	The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements (Note 7)	The Company	All companies in the consolidated financial statements (Note 7)	The Company		All companies in the consolidated financial statements (Note 7)		The Company	All companies in the consolidated financial statements (Note 7)	
																Cash	Stock	Cash	Stock			
Chairman	Yeong-Maw Wu	44,409	46,135	0	0	15,000	15,000	440	440	59,849 1.57%	61,575 1.62%	24,475	24,475	108	108	9	0	59	0	84,441 2.22%	86,217 2.27%	0
Director	Yung-Feng Wu																					
Director	Yung-Hsiang Wu																					
Director	Chi-Pin Wang																					
Independent Director	Kan-Hsiung Lin	2,160	2,160	0	0	0	0	360	360	2,520 0.07%	2,520 0.07%	0	0	0	0	0	0	0	0	2,520 0.07%	2,520 0.07%	0
Independent Director	Ming-Tien Tsai																					
Independent Director	Yen-Ling Cheng																					

1. Please explain the independent director remuneration policy, system, standard, and structure, and the connection between the amount of remuneration and the considered factors such as their job responsibilities, risks, and working time:
    (1) The Company's Remuneration Committee has formulated and regularly reviewed the performance evaluation and remuneration policy, system, standard, and structure of the Board of Directors and managers, as well as periodically evaluating and determining the remuneration of directors and managers, and submit them to the board meeting for resolution.
    (2) In accordance with Article 16 of the Company's Articles of Incorporation, regardless whether the Company makes a profit or suffers a loss, the Company may pay the Directors the remunerations for performing their duties. The Board of Directors is authorized to determine such remunerations based on the extent of their involvements in the Company's operation and the value of their contribution and the remuneration level adopted by other companies in the same industry.
    (3) In accordance with Article 23 of the Company's Articles of Incorporation, the honorarium for all Directors shall be discussed and approved by the Board meeting.
    (4) The matters related to the duties of the Company's Independent Directors are set forth in the "Regulations Governing the Scope of Responsibilities of Independent Directors." The remunerations are a fixed amount paid out on a monthly basis based on related law and regulations, and the independent directors shall not receive the distribution of earnings. Their remuneration is not linked to the company's performance.
2. In addition to those disclosed in the above table, the remuneration received by the directors of the Company in the most recent year for providing services (such as serving as a non-employee consultant for the parent company/all companies listed in the financial report/investee companies, etc.): None.

(1-2-2) Remuneration Range Table

Remuneration Scale to Directors of the Company	Name of Director			
	The total of A+B+C+D		The total of A+B+C+D+E+F+G	
	The Company (Note 8)	All companies in the consolidated financial statements (Note 9) H	The Company (Note 8)	All companies in the consolidated financial statements (Note 9) I
Less than NT$1,000,000	Chi-Pin Wang / Kan-Hsiung Lin / Ming-Tien Tsai / Yen-Ling Cheng	Chi-Pin Wang / Kan-Hsiung Lin / Ming-Tien Tsai / Yen-Ling Cheng	Kan-Hsiung Lin / Ming-Tien Tsai / Yen-Ling Cheng	Kan-Hsiung Lin / Ming-Tien Tsai / Yen-Ling Cheng
NT$1,000,000 (Incl.)-NT$2,000,000 (Excl.)	None	None	None	None
NT$2,000,000 (Incl.)-NT$3,500,000 (Excl.)	None	None	None	None
NT$3,500,000 (Incl.)-NT$5,000,000 (Excl.)	None	None	Chi-Pin Wang	Chi-Pin Wang
NT$5,000,000 (Incl.)-NT$10,000,000 (Excl.)	Yung-Hsiang Wu	Yung-Hsiang Wu	None	None
NT$10,000,000 (Incl.)-NT$15,000,000 (Excl.)	None	None	None	None
NT$15,000,000 (Incl.)-NT$30,000,000 (Excl.)	Yung-Feng Wu	Yung-Feng Wu	Yung-Feng Wu / Yung-Hsiang Wu	Yung-Feng Wu / Yung-Hsiang Wu
NT$30,000,000 (Incl.)-NT$50,000,000 (Excl.)	Yeong-Maw Wu	Yeong-Maw Wu	Yeong-Maw Wu	Yeong-Maw Wu
NT$50,000,000 (Incl.)-NT$100,000,000 (Excl.)	None	None	None	None
More than NT$100,000,000	None	None	None	None
Total	7	7	7	7

Note 1: Directors' names shall be identified individually (institutional shareholders shall be identified by the names of institutional shareholders and representatives individually), the aggregate amount of each individual remuneration item paid to the general directors and independent directors shall be disclosed. If a director also serves as a General Manager or Deputy General Manager, this form and form (3-1) or form (3-2-1) or (3-2-2) below should be filled.

Note 2: Remunerations to the directors in the current year include director's salary, directors' allowances, severance pay, various bonuses, incentive payments, etc.

Note 3: The remuneration of directors approved by the Board of Directors in the most recent year.

Note 4: Professional service fees paid to the director in the most recent year (including traveling expense, special allowances, subsidies, dormitory, company cars, in-kind payments, etc.). If housing, vehicle, or other means of transportation, or personal expenses are provided, the nature and cost of the asset provided, the rental calculated based on the actual cost or the fair market value, fuel, and other payments shall be disclosed. If a driver is provided, disclose compensation paid to the driver in a note; however, do not calculate such as part of executive remuneration.

Note 5: It refers to the salary, duty allowance, severance pay, bonus, reward, transportation allowance, special allowance, various allowances, and provision of such tangible objects as dormitory and car received by the directors who acted as employees concurrently (including president, vice president, managerial officer, and employee) in the most recent year. If housing, vehicle, or other means of transportation, or personal expenses are provided, the nature and cost of the asset provided, the rental calculated based on the actual cost or the fair market value, fuel, and other payments shall be disclosed. If a driver is provided, disclose compensation paid to the driver in a note; however, do not calculate such as part of executive remuneration. Any salary listed under IFRS 2 Share-Based Payment, including employee stock options, new restricted employee shares, and cash capital increase by stock subscription, shall also be included in the remuneration.

Note 6: If the directors who acted as employees concurrently (including president, vice president, managerial officer, and employee) received employee bonus (including stock dividend and cash dividend) in the most recent year, please disclose the employee bonus approved by the Board of Directors prior to the motion for allocation of earnings submitted to the shareholders' meeting in the most recent year. If the amount cannot be estimated, the proposed distribution amount of this year should be calculated based on the actual distribution ratio of the previous year, and then fill out table 1-3.

Note 7: The aggregate of the remuneration of the Company's directors from the companies included in the consolidated financial reports (including the Company) should be disclosed.

Note 8: The aggregate of the remuneration of each director by the Company shall include the director's name disclosed in the corresponding space of the following table.

Note 9: The aggregate of the remuneration paid to each of the Company's directors by the companies included in the consolidated financial reports (including the Company) shall include the director's name disclosed in the relevant space of the following table.

Note 10: The earnings after tax shall refer to the earnings after tax identified in the entity or individual financial statement for the most recent year.

Note 11:

a. To specify whether the Company's directors have received remuneration from an invested company other than the Company's subsidiaries or parent company (If there is none, please fill in "none").

b. If the Company's directors have received remuneration from an invested company other than the company's subsidiaries or parent company, please include such remuneration into Section I in the following table and changed the name of the section into "parent company and all investees."

c. The remuneration shall refer to the remuneration (remuneration of employee, director, and supervisor), compensation, employee bonus, and professional practicing fees received by the Company's directors who acted as the directors, supervisors, or managerial officers of investees other than subsidiaries.

∗ The remuneration contents disclosed in this table are different from the concept of income specified in the Income Tax Act. Thus, the purpose of this table is for information disclosure only, rather than taxation purposes.

(2) Remuneration of Supervisors: None.
The Company has established the Audit Committee in place of supervisors.

(3-2-1) Remuneration to President and Vice President (aggregate remuneration with names indicated in each range)

Unit: NT$1,000

Title	Name	Salary (A) (Note 2)		Severance pay and pension (B)		Bonus and special allowance (C) (Note 3)		Remuneration to employees (D) (Note 4)				Total remuneration (A+B+C+D) and its ratio to after tax net income (%) (Note 8)		Remuneration paid to directors from an invested company other than the company's subsidiaries or parent company (Note 9)
		The Company	All companies in the consolidated financial statements (Note 5)	The Company	All companies in the consolidated financial statements (Note 5)	The Company	All companies in the consolidated financial statements (Note 5)	The Company		All companies in the consolidated financial statements (Note 5)		The Company	All companies in the consolidated financial statements (Note 5)	
								Cash	Stock	Cash	Stock			
President	Yung-Hsiang Wu	34,686	36,476	971	971	31,669	31,913	28	0	28	0	67,354 1.77%	69,388 1.82%	36
President of the business group	Tsu-Hsiung Chen													
President of the business group	Ming-Tsung Wu													
Vice President of the business group	Ming-Lung Wu													
Vice President of the business group	Tung-Chao Sun													
Vice President of the business group	Shih-Ming Huang													
Chief Supervisor	Cheng-Sheng Cheng													
Chief Supervisor	Ming-Ho Yang													
Vice President of the business division	Chi-Pin Wang													
Vice President of the business division	Chin-Hsi Chen													

∗ All who hold equivalent position to a president, vice president (i.e., director general, CEO, executive director, etc.) shall be disclosed regardless of the title.

(3-2-2) Remuneration Range Table

Remuneration Scale to President and Vice President	Names of President and Vice President	
	The Company (Note 6)	The parent company and all the investees included in the financial statements (Note 7) E
Less than NT$1,000,000	None	None
NT$1,000,000 (Incl.)-NT$2,000,000 (Excl.)	None	None
NT$2,000,000 (Incl.)-NT$3,500,000 (Excl.)	Chin-Hsi Chen	Chin-Hsi Chen
NT$3,500,000 (Incl.)-NT$5,000,000 (Excl.)	Chih-Pin Wang / Shih-Ming Huang / Tung-Chao Sun / Wu Ming-Long / Ming-Ho Yang	Chih-Pin Wang / Shih-Ming Huang / Tung-Chao Sun / Ming-Ho Yang
NT$5,000,000 (Incl.)-NT$10,000,000 (Excl.)	Tsu-Hsiung Chen / Ming-Tsung Wu / Cheng-Sheng Cheng	Tsu-Hsiung Chen / Ming-Tsung Wu / Cheng-Sheng Cheng / Ming-Lung Wu
NT$10,000,000 (Incl.)-NT$15,000,000 (Excl.)	None	None
NT$15,000,000 (Incl.)-NT$30,000,000 (Excl.)	Yung-Hsiang Wu	Yung-Hsiang Wu
NT$30,000,000 (Incl.)-NT$50,000,000 (Excl.)	None	None
NT$50,000,000 (Incl.)-NT$100,000,000 (Excl.)	None	None
More than NT$100,000,000	None	None
Total	10	10

Note 1: Presidents' and Vice President's names shall be identified individually in aggregate amount of each remuneration item. If a director also serves as a General Manager or Deputy General Manager, this form and form (1-1) or form (1-2-1) or (1-2-2) above should be filled.

Note 2: Please specify the salary, duty allowance, and severance paid to the presidents, and vice presidents in the most recent year.

Note 3: Please specify the bonus, reward, transportation allowance, special allowance, various allowances, and provision of such tangible objects as dormitory and car, as well as other remunerations, received by the presidents and vice presidents in the most recent year. If housing, vehicle, or other means of transportation, or personal expenses are provided, the nature and cost of the asset provided, the rental calculated based on the actual cost or the fair market value, fuel, and other payments shall be disclosed. If a driver is provided, disclose compensation paid to the driver in a note; however, do not calculate such as part of executive remuneration. Any salary listed under IFRS 2 Share-Based Payment, including employee stock options, new restricted employee shares, and cash capital increase by stock subscription, shall also be included in the remuneration.

Note 4: This refers to the employee remuneration (including stock dividend and cash dividend) paid to the president and vice president in the most recent fiscal year who concurrently hold positions as an employee. If the amount cannot be estimated, the proposed distribution amount of this year should be calculated based on the actual distribution ratio of the previous year, and then fill out table 1-3.

Note 5: The aggregate of the remuneration of the Company's president and vice president from the companies included in the consolidated financial reports (including the Company) should be disclosed.

Note 6: The aggregate of the remuneration of each president and vice president by the Company shall include the president's and vice president's name disclosed in the corresponding space of the following table.

Note 7: The aggregate of the remuneration paid to each of the Company's presidents and vice presidents by the companies included in the consolidated financial reports (including the Company) shall include the president's and vice president's names disclosed in the relevant space of the following table.

Note 8: The earnings after tax shall refer to the earnings after tax identified in the entity or individual financial statement for the most recent year.

Note 9:

a. To specify whether the Company's presidents and vice presidents have received remuneration from an invested company other than the company's subsidiaries or parent company (If there is none, please fill in "none").

b. If the Company's president and vice president have received remuneration from an invested company other than the company's subsidiaries or parent company, please include such remuneration into Section E in the following table and changed the name of the section into "parent company and all investees."

c. The remuneration shall refer to the remuneration (remuneration of employee, director, and supervisor), compensation, employee bonus, and professional practicing fees received by the Company's president and vice president who acted as the directors, supervisors, or managerial officers of investees other than subsidiaries.

＊ The remuneration contents disclosed in this table are different from the concept of income specified in the Income Tax Act. Thus, the purpose of this table is for information disclosure only, rather than taxation purposes.

(4) Remuneration of the top five supervisors receiving the highest payment of TWSE- and TPEx-listed companies: Not applicable.

The Company has no circumstances as described below. Thus, it does not need to disclose the individual remuneration paid to each of its top five management personnel (e.g., President, Vice President, Chief Executive Officer, or Chief Financial Officer).

a. Where it was a loss after tax in the parent company only or individual financial statements in the last three years, the remuneration of the top five management personnel shall be disclosed; however, it shall not apply in a situation where it is net income after tax in the parent company only or individual financial statements in the most recent year, and the said net income is sufficient to make up for the accumulated losses.

b. Any result of evaluation made on corporate governance of a listed company in the most recent year is in the second lowest level, or events of any trading method changes, any trading suspension, or de-listed from TWSE/TPEx, or any evaluation deemed not required by the Corporate Governance Evaluation Committee in the most recent year as of the publication date of this annual report.

Employee Remuneration Distributed to Managerial Officers and Status of Allocation

Unit: NT$1,000
April 19, 2026

	Title (Note 1)	Name (Note 1)	Stock	Cash	Total	The total amount as a percentage of net income (%)
Managerial officer	President	Yung-Hsiang Wu	0	28	28	0.001%
	President of the business group	Tsu-Hsiung Chen				
	President of the business group	Ming-Tsung Wu				
	Vice President of the business group	Ming-Lung Wu				
	Vice President of the business group	Tung-Chao Sun				
	Vice President of the business group	Shih-Ming Huang				
	Chief Supervisor	Cheng-Sheng Cheng				
	Chief Supervisor	Ming-Ho Yang				
	Vice President of the business division	Chi-Pin Wang				
	Vice President of the business division	Chin-Hsi Chen				

Note 1: Please disclose the name and job title individually, while the allocation of earnings may be summarized and then disclosed.

Note 2: This refers to the employee remuneration (including stock dividend and cash dividend) paid to managerial officers in the most recent fiscal year who concurrently hold positions as an employee. If the amount cannot be estimated, the proposed distribution amount of this year should be calculated based on the actual distribution ratio of the previous year. The earnings after tax refer to the earnings after tax in the most recent year. If the IFRSs are adopted, the earnings after tax shall refer to the earnings after tax identified in the entity or individual financial statement for the most recent year.

Note 3: The scope of managerial officers shall be defined in the following manner, as per the Board's decree under Jin Guan-Cheng-Jiao-Tze No. 1120384295. October 4, 2023:

(1) President and equivalents;
(2) Vice president and equivalents;
(3) Assistant vice president and equivalents;
(4) Chief of Financial Dept.;
(5) Chief of Accounting Dept.;
(6) Any other persons in charge of the Company's affairs and entitled to sign instruments on behalf of the Company.

Note 4: If any director, president, or vice president has received employee bonus (including stock dividend and cash dividend), please complete table 1-2 and also this table.

(III) Separate Comparisons and Descriptions of Total Remuneration, as a Percentage of Net Income Stated in the Parent Company-only Financial Reports or Individual Financial Reports, as Paid by the Company and All Other Companies Included in the Consolidated Financial Statements During the Past Two Fiscal Years to Directors, the President, and Vice Presidents, with Analysis and Description of Remuneration Policies, Standards, and Packages, Procedure for Determining Remuneration, and Link to Business Performance and Future Risks.

1. Analysis of Total Remuneration, as a Percentage of Net Income Stated in the Parent Company-only Financial Reports or Individual Financial Reports, as Paid by the Company and All Other Companies Included in the Consolidated Financial Statements During the Past Two Fiscal Years to Directors, the President, and Vice Presidents:

Unit: NT$1,000

Category	The Company		All companies included in the consolidated financial statements	
Year	2024	2025	2024	2025
Total remuneration paid to directors, president, and vice presidents	131,904	129,723	135,784	133,534
Net income stated in the parent company-only financial statements	4,376,915	3,803,810	4,376,915	3,803,810
Total remuneration as a percentage of net income stated in the parent company-only financial statements	3.01%	3.41%	3.10%	3.51%

Description: In 2025, there was an increase in the total remuneration paid to the Company’s directors, president, and vice presidents as a percentage of net income stated in the parent company-only financial statements. This was mainly due to a decrease in net income after tax. The net income after tax in 2025 was NT$3,803,810 thousand, and that in 2024 was NT$4,376,915 thousand.

2. Description of remuneration policies, standards, and packages, procedure for determining remuneration, and link to business performance and future risks.
   (1) The Company's Remuneration Committee has formulated and regularly reviewed the performance evaluation and remuneration policy, system, standard, and structure of the Board of Directors and managers, as well as periodically evaluating and determining the remuneration of directors and managers, and submit them to the board meeting for resolution.
   (2) In accordance with Article 16 of the Company's Articles of Incorporation, regardless whether the Company makes a profit or suffers a loss, the Company may pay the Directors the remunerations for performing their duties. The Board of Directors is authorized to determine such remunerations based on the extent of their involvements in the Company's operation and the value of their contribution and the remuneration level adopted by other companies in the same industry.
   (3) In accordance with Article 23 of the Company's Articles of Incorporation, the honorarium for all Directors shall be discussed and approved by the Board meeting.
   (4) In accordance with Article 24 of the Company's Articles of Incorporation, the Company may have managers, and the appointment, dismissal, and remuneration thereof shall be handled in accordance with Article 29 of the Company Act.

(5) In accordance with Article 26 of the Company's Articles of Incorporation, if the annual profit of the Company reaches NT$500 million (or more), the Company shall set aside NT$5 million for employee compensation (of which 97% shall be allocated to grassroots employees), and NT$15 million for director remuneration. If the Company's annual profit does not reach $500 million, the employee compensation is based on 1% of the profit (of which 97% shall be allocated to grassroots employees) and the director remuneration is not more than 3% of the profit. However, if the Company still has accumulated losses, the amount for offsetting the losses shall be retained in advance, and then the employee compensation and director remuneration shall be provided in accordance with the foregoing provisions.

(6) The matters related to the duties of the Company's Independent Directors are set forth in the "Regulations Governing the Scope of Responsibilities of Independent Directors." The remunerations are a fixed amount paid out on a monthly basis based on related law and regulations, and the independent directors shall not receive the distribution of earnings. Their remuneration is not linked to the company's performance.

(7) The remuneration of manager and employee mainly consists of three parts - salary, bonus, and benefits. Salary is determined based on personal ability and position. Bonus is determined based on the managerial officer's, employee's and department's goal achievement rate, and the Company's operating performance. The profit-sharing provisions are explicitly included in the collective agreement, where 10% of the company's annual defined net profit is allocated as performance bonuses and year-end bonuses for employees. This serves to boost employee morale and share the company's operational achievements. Benefits are designed based on the laws and regulations and needs of the employees.

(8) In order to enhance the Company's operating performance and encourage its managers and employees to share the Company's operating results, the Company has formulated the "Regulations Governing Year-end Bonus" and "Regulations Governing Performance Bonus," whereby a fixed percentage of net profit before tax is appropriated.

III. Implementation of Corporate Governance

Operations of the Board of Directors:

The Company’s Board of Directors consists of seven directors with professional backgrounds and technical expertise. Each director exercises his or her duties in accordance with the Company Act, the Company’s Articles of Incorporation, and other applicable laws and regulations. The Company convenes one Annual Shareholders' Meeting and multiple Board meetings each year, with the aim of continuously strengthening corporate governance operations and safeguarding shareholders’ rights and interests. The responsibilities and authorities of the Board of Directors include:

1. Corporate operating plans.
2. Financial reports.
3. Establishment or amendment of the internal control system, and assessment of the effectiveness of the internal control system.
4. Adoption or amendment of the procedures for handling financial or business activities of a material nature, such as acquisition or disposal of assets, derivatives trading, loaning of funds to others, and endorsements or guarantees for others.
5. Offering, issuance, or private placement of any equity-based securities.
6. Election or dismissal of the Chairman of the Board.
7. Appointment or discharge of a finance manager, accounting manager, or chief internal auditor.
8. Donations to related parties or material donations to non-related parties.
9. Other matters requiring resolution by the shareholders’ meeting or the Board of Directors, or other material matters as prescribed by the competent authority.

A total of 6 (A) Board meetings were held in 2025. The attendance of the Directors was as follows:

Title	Name (Note 1)	Attendance in person (B)	Attendance by proxy	Attendance rate (%) [B/A] (Note 2)	Remarks
Chairman	Yeong-Maw Wu	5	1	83.33%	
Director	Yung-Feng Wu	5	1	83.33%	
Director	Yung-Hsiang Wu	6	0	100%	
Director	Chi-Pin Wang	6	0	100%	
Independent Director	Kan-Hsiug Lin	6	0	100%	
Independent Director	Ming-Tien Tsai	6	0	100%	
Independent Director	Yen-Ling Cheng	6	0	100%	

Other matters:

With regard to the operation of the Board of Director, if any of the following circumstances occurs, the dates, terms of the meetings, contents of motions, all independent directors' opinions, and the Company's handling of such opinions shall be specified:

As set forth in Article 14-3 of the Securities and Exchange Act: A total of 8 board meetings were held in 2025 and as of the publication date of the annual report. All matters stated in Article 14-3 of the Securities and Exchange Act proposed in the board meetings (please refer to page 71 to page 73) are approved anonymously by all independent directors.

Any recorded or written Board resolutions to which Independent Directors have objections or reservations to be noted in addition to the above: None.

Regarding recusals of directors due to conflicts of interests, the names of the directors, contents of motions, reasons for recusal, and results of voting shall be specified: None. (In 2025 and as of the publication date of the annual report, no motions in the Board of Directors' meetings require recusal of directors due to conflict of interest.)

TWSE/TPEx listed companies shall disclose the information of self-evaluation (or peer evaluation) of the Board of Directors, such as evaluation cycle, period, scope, method, and contents: Please see Note 3.

Measures taken to strengthen the functionality of the Board in the current and the latest year (e.g., establishing the Audit Committee, enhancing information transparency), and implementation status:

In order to strengthen the management mechanism and improve the supervision function, two functional committees, namely, "Audit Committee" and "Remuneration Committee", were set up under the Board of Directors. They convene meetings respectively in accordance with the organizational procedures adopted by the Board of Directors, review and discuss related issues, and submit conclusions and suggestions to the Board of Directors. Both of them have good performance.

For details on the diversity policy and independence of the Board of Directors of the Company, please refer to pages 10 to 11 of the Annual Report. The proportion of independent directors has exceeded one-third of all board seats, and none of the independent directors has served for more than three consecutive terms.

The Chairman of the Company does not concurrently serve as a manager of the Company, and there is a clear division of responsibilities to ensure a balance of power and authority.

In 2025 and up to the date of publication of the annual report, in accordance with the relevant regulations of the Company Act and the Securities and Exchange Act, the proposals that should be submitted to the Audit Committee for endorsement before submitting to the Board of Directors for resolution have been reviewed and endorsed by the Audit Committee and subsequently submitted to the Board of Directors for approval. The renewal of "Directors', Supervisors' and Managerial Officers' Liability Insurance" was approved at the board meeting on June 26, 2025. The Company's website includes sections such as "Investor Center," "Corporate Governance," and "Stakeholders," which provide relevant information in Chinese and English to enhance information transparency. In 2025, the Company was invited to participate in a total of 9 investor conferences to communicate with investors. The results of the 2025 performance evaluation were reported to the Board of Directors on March 6, 2026. The financial statements for each quarter of 2025 were submitted to the Board of Directors for approval after they had been approved by the Audit Committee. The Company's Chief Corporate Governance Officer reported to the Board of Directors on June 26, 2025, the eligibility review results for independent directors during their term of office are in compliance with relevant laws and regulations. The report on the implementation of integrity management for 2024 was submitted to the Board of Directors on June 26, 2025.

Note 1: The names of institutional shareholders and its representative shall be disclosed if the director is a juristic person.

Note 2:

(1) If a director resigns before the end of the accounting year, the resignation date shall be noted in the "Remarks" column. His or her attendance rate (%) will be calculated on the basis of the number of board meetings held during his or her tenure and the number of such meetings attended.

(2) If a director is re-elected before the end of the accounting year, the names of the current and previous director shall be listed and their appointment status and re-election date shall be noted in the "Remarks" column. His or her attendance rate (%) will be calculated on the basis of the number of board meetings held during his or her tenure and the number of such meetings attended.

Note 3: The execution of the Board's evaluation:

The Company has established the “Board Performance Evaluation Guidelines,” which were approved by the Board of Directors and expressly stipulate that the Company shall conduct a Board performance evaluation annually. The results of the Board performance evaluation shall be completed before the end of the first quarter of the following year. The results of the 2025 self-evaluation were reported to the Board of Directors on March 6, 2026. The evaluation cycle and period, scope, methods, and evaluation criteria are set forth below.

Evaluation cycles (Note 1)	Evaluation periods (Note 2)	Scope (Note 3)	Method (Note 4)	Content (Note 5)
Internal evaluation is performed once a year.	Jan. 1, 2025 - Dec. 31, 2025	(1) Evaluation of Board's overall performance	(1) Board self-evaluation	(1) Evaluation of Board's overall performance The 5 major aspects of the evaluation of the Board's overall performance include participation in the operation of the Company, improvement of the quality of the Board of Directors' decision-making, composition and structure of the Board of Directors, election and continuing education of the directors, and internal control, with a total of 11 indicators. Self-evaluation result: The overall score is above or equal to 90 points, except for the continuing education of directors that was not scored, and the final evaluation result is "Excellent".
		(2) Evaluation of individual director's performance	(2) Member self-evaluation	(2) Evaluation of individual director's performance The 6 major aspects of the evaluation of individual director's performance include alignment of the goals and missions of the Company, awareness of the duties of a director, participation in the operation of the Company, management of internal relationship and communication, the director's professionalism and continuing education, and internal control, with a total of 17 indicators. Self-evaluation result: Except for the item relating to directors' continuing education, which did not receive a score, the average achievement rate for all indicators is above or equal to 90% and the evaluation result is "Excellent."

Evaluation cycles (Note 1)	Evaluation periods (Note 2)	Scope (Note 3)	Method (Note 4)	Content (Note 5)
		(3) Evaluation of functional committee's (Remuneration Committee) performance (4) Evaluation of functional committee's (Audit Committee) performance	(3) Committee member self-evaluation (4) Committee member self-evaluation	(3) Evaluation of functional committee's (Remuneration Committee) performance: The 5 major aspects of the evaluation include participation in the operation of the Company, awareness of the duties of the functional committee, quality of the functional committee's decision making, the composition of the functional committee and appointment of members, and internal control, with a total of 12 indicators. Self-evaluation result: The average achievement rate for all indicators is above or equal to 90% and the evaluation result is "Excellent." (4) Evaluation of functional committee's (Audit Committee) performance: The 5 major aspects of the evaluation include participation in the operation of the Company, awareness of the duties of the functional committee, quality of the functional committee's decision making, the composition of the functional committee and appointment of members, and internal control, with a total of 12 indicators. Self-evaluation result: The average achievement rate for all indicators is above or equal to 90% and the evaluation result is "Excellent."

(Note 1): Specify the implementation cycle of the Board of Directors evaluation.

(Note 2): Specify the period of the Board of Directors evaluation.

(Note 3): The scope of the evaluation includes the performance of the entire Board, individual director, and the functional committee.

(Note 4): The evaluation methods include board self-evaluation, member self-evaluation, or other appropriate methods.

(Note 5): the evaluation contents shall include at least the following items according to the scope of evaluation:

(1) The evaluation of Board's overall performance shall include at least the participation in the operation of the Company, the quality of the Board of Directors' decision making, composition and structure of the Board of Directors, election and continuing education of the directors, and internal control.

(2) The evaluation of individual director's performance shall include at least the alignment of the goals and missions of the Company, awareness of the duties of a director, participation in the operation of the Company, management of internal relationship and communication, the director's professionalism and continuing education, and internal control.

(3) The evaluation of functional committee's performance shall include at least the participation in the operation of the Company, awareness of the duties of a committee member, quality of the committee's decision making, the composition of the committee and appointment of members, and internal control.

Operations of the Audit Committee:

The Company has established an Audit Committee in accordance with regulations, which is composed of all independent directors. The purpose of this committee is to assist the Board of Directors in overseeing the quality and integrity of the Company's businesses related to accounting, auditing, financial reporting processes, and financial controls.

1. The professional qualifications, experience, and independence of the members of the Audit Committee are provided on pages 8-9 of the annual report.
2. Key Work Items of the Audit Committee:
   (1) Formulation of or amendment to Internal Control Systems pursuant to Article 14-1 of the Securities and Exchange Act.
   (2) Assessment of the effectiveness of the Internal Control Systems
   (3) Adoption or amendment, pursuant to Article 36-1 of the Securities and Exchange Act, of the procedures for handling financial or business activities of a material nature, such as acquisition or disposal of assets, derivatives trading, loaning of funds to others, and endorsements or guarantees for others.
   (4) Matters bearing on the personal interest of a director.
   (5) Material assets or derivatives trading.
   (6) Material loaning of funds, and provision of endorsements/guarantees.
   (7) Offering, issuance, or private placement of any equity-based securities.
   (8) Appointment, discharge, or compensation of a certified public accountant (CPA).
   (9) Appointment or discharge of a finance manager, accounting manager, or chief internal auditor.
   (10) The annual financial statements signed or stamped by the Chairman, managers, and accounting directors.
   (11) Other Significant Matters Set Forth by the Company or the Competent Authority.

3. A total of 5 (A) audit committee meetings were held in 2025. The attendance of the committee members was as follows:

Title	Name	Attendance in person (B)	Attendance by proxy	Attendance rate (%) (B/A) (Note1 and 2)	Remarks
Independent Director	Kan-Hsiung Lin	5	0	100%	
Independent Director	Ming-Tien Tsai	5	0	100%	
Independent Director	Yen-Ling Cheng	5	0	100%	

Other matters:

I. With regard to the operation of the Audit Committee, if any of the following circumstances occurs, the dates of the meetings, terms of the meetings, contents of motions, independent directors' dissenting opinions, reservation, or major recommendations, the resolution and the Company's handling of such opinions shall be specified.
   1. Matters listed in Article 14-5 of the Securities and Exchange Act: A total of 7 Audit Committee meetings were held in 2025 and as of the publication date of the annual report. Matters listed in accordance with Article 14-5 of the Securities and Exchange Act have been passed by Audit Committee unanimously.
   2. Other matters which were not approved by the Audit Committee but were approved by two-thirds or more of all Directors: None.

Resolutions of the audit committee meetings in 2025 and as of the publication date of the annual report:
11th committee meeting of the 3rd committee (March 7, 2025):

Motions	Independent directors' dissenting opinions, reservation, or major recommendations	Resolutions	The Company's response to audit committee's opinions.
1. Internal Audit Results Report and Internal Audit Deficiency Follow-up Report for the period from November 2024 to February 2025. 2. Adoption of the 2024 Business Report and Financial Statements 3. Adoption of the 2024 Profit Distribution Proposal 4. The Company's internal control for the period from Jan. 1, 2024 - Dec. 31, 2024, and issued the Statement of Declaration of Internal Control based on self-evaluation. 5. The partial amendments to the Company's "Articles of Incorporation." 6. Partial amendment of the Company's "Internal Control System for Personnel Labor and Wage Cycle" and "Regulations on the Implementation for the Audit of Personnel Labor and Wage Cycle." 7. The Company's appointment, independence and suitability evaluation of the CPAs. 8. Formulation of the general principles of the Company's non-assurance services pre-approval policy.	None	After soliciting the opinion of all attending committee members by the Chairman, the proposal was approved unanimously.	Approved by the Company's Board of Directors through a resolution on March 7, 2025.

12th committee meeting of the 3rd committee (May 8, 2025):

Motions	Independent directors’ dissenting opinions, reservation, or major recommendations	Resolutions	The Company's response to audit committee's opinions.
1. Internal Audit Results Report and Internal Audit Deficiency Follow-up Report for the period from March 2025 to April 2025. 2. The Company’s 2025 Q1 consolidated financial statements. 3. The proposal of 2024 earnings distribution with cash dividends of NT$5.3 per share and other matters including ex-dividend date, book closure period, the record date, cash dividend distribution date, etc. 4. The Company is constructing a factory in the Qigu Technology Industrial Park through self-owned land with commissioned construction.	None	After soliciting the opinion of all attending committee members by the Chairman, the proposal was approved unanimously.	Approved by the Company's Board of Directors through a resolution on May 8, 2025.

13th committee meeting of the 3rd committee (August 7, 2025):

Motions	Independent directors’ dissenting opinions, reservation, or major recommendations	Resolutions	The Company's response to audit committee's opinions.
1. Internal Audit Results Report and Internal Audit Deficiency Follow-up Report for the period from May 2025 to July 2025. 2. The Company’s 2025 Q2 consolidated financial statements. 3. Proposal for partial amendments to the Company’s “Procedures for the Preparation and Assurance of Sustainability Reports.”	None	After soliciting the opinion of all attending committee members by the Chairman, the proposal was approved unanimously.	Approved by the Company's Board of Directors through a resolution on August 7, 2025.

14th committee meeting of the 3rd committee (November 7, 2025):

Motions	Independent directors’ dissenting opinions, reservation, or major recommendations	Resolutions	The Company's response to audit committee's opinions.
1. Internal Audit Results Report and Internal Audit Deficiency Follow-up Report for the period from August 2025 to October 2025. 2. The Company’s 2025 Q3 consolidated financial statements.	None	After soliciting the opinion of all attending committee members by the Chairman, the proposal was approved unanimously.	Approved by the Company's Board of Directors through a resolution on November 7, 2025.

15th committee meeting of the 3rd committee (December 18, 2025):

Motions	Independent directors’ dissenting opinions, reservation, or major recommendations	Resolutions	The Company's response to audit committee's opinions.
1. Partial amendment of the Company's "Internal Control System for Personnel Labor and Wage Cycle." 2. Proposal regarding the disposal by the Company’s third-area investee, TONG YANG HOLDING CORPORATION, of its 45% equity interest in Daikyo Nishikawa Kaiyang Auto Parts (Nanjing) Co., Ltd.	None	After soliciting the opinion of all attending committee members by the Chairman, the proposal was approved unanimously.	Approved by the Company's Board of Directors through a resolution on December 18, 2025.

16th committee meeting of the 3rd committee (March 6, 2026):

Motions	Independent directors’ dissenting opinions, reservation, or major recommendations	Resolutions	The Company's response to audit committee's opinions.
1. Internal Audit Results Report and Internal Audit Deficiency Follow-up Report for the period from November 2025 to February 2026. 2. Adoption of the 2025 Business Report and Financial Statements 3. Adoption of the 2025 Profit Distribution Proposal 4. The Company’s internal control for the period from Jan. 1, 2025 - Dec. 31, 2025, and issued the Statement of Declaration of Internal Control based on self-evaluation. 5. Proposal for the review and revision of the Company’s “Code of Conduct for Employees.” 6. The Company's appointment, independence and suitability evaluation of the CPAs. 7. Formulation of the general principles of the Company’s non-assurance services pre-approval policy.	None	After soliciting the opinion of all attending committee members by the Chairman, the proposal was approved unanimously.	Approved by the Company's Board of Directors through a resolution on March 6, 2026.

17th committee meeting of the 3rd committee (May 8, 2026):

Motions	Independent directors’ dissenting opinions, reservation, or major recommendations	Resolutions	The Company's response to audit committee's opinions.
1. Internal Audit Results Report and Internal Audit Deficiency Follow-up Report for the period from March 2026 to April 2026. 2. The Company’s 2026 Q1 consolidated financial statements. 3. The proposal of 2025 earnings distribution with cash dividends of NT$5 per share and other matters including ex-dividend date, book closure period, the record date, cash dividend distribution date, etc.	None	After soliciting the opinion of all attending committee members by the Chairman, the proposal was approved unanimously.	Approved by the Company's Board of Directors through a resolution on May 8, 2026.

II. Regarding recusals of independent directors due to conflicts of interests, the names of the independent directors, contents of motions, reasons for recusal, and results of voting shall be specified: None. (In 2025 and as of the publication date of the annual report, no motions in the Audit Committee's meetings require recusal of independent directors due to conflict of interest.)

III. Independent Directors' communication with internal auditors and CPAs (including communication over the Company's financial and business status and the methods and results, etc.):

1. The audit reports are submitted to the Independent Directors (Audit Committee) to review on a monthly basis.
2. Each audit report shall track the improvement progress on deficits of internal control and abnormality issues and tracking reports shall be prepared and deliver quarterly to each Independent Director (Audit Committee).
3. The chief internal auditor is required to attend and report the audit tasks to the audit committee meeting every quarter and communicate with the independent directors through the Audit Committee.
4. Independent Directors can understand the company's operating status (including financial and business status) and audit status through Board of Directors meeting, Audit Committee meeting, and the audit report periodically submitted by the audit department.
5. In 2025 and as of the publication date of the annual report, the independent directors communicate with the chief internal auditor through audit committee meetings and board meetings on a quarterly basis. Please see below for the records of the communications:

.	Communication meeting	Matters of communication	Results of communication
2025/03/07	Audit Committee and Board of Directors	Report of November 2024 - February 2025 internal audit results. 2024 Statement of Declaration of Internal Control	No opinion
2025/05/08	Audit Committee and Board of Directors	Report of March 2025 - April 2025 internal audit results.	No opinion
2025/08/07	Audit Committee and Board of Directors	Report of May 2025 - July 2025 internal audit results.	No opinion
2025/11/07	Audit Committee and Board of Directors	Report of August 2025 - October 2025 internal audit results.	No opinion
2025/12/18	Board of Directors	2026 internal control audit plan	No opinion
2026/03/06	Audit Committee and Board of Directors	Report of November 2025 - February 2026 internal audit results. 2025 Statement of Declaration of Internal Control	No opinion
2026/05/08	Audit Committee and Board of Directors	Report of March 2026 - April 2026 internal audit results.	No opinion

6. Before issuing the annual financial statements, the CPAs shall issue the "key audit matters" and communicate with all independent directors on a yearly basis. All independent directors expressed no opinion.
7. The appointment, independence and suitability evaluation of the CPAs are approved by the audit committee meeting and board meeting on March 6, 2026. All directors (incl. independent directors) approved the motion unanimously.

Note 1: If an independent director resigns before the end of the accounting year, the resignation date shall be noted in the "Remarks" column. His or her attendance rate (%) will be calculated on the basis of the number of committee meetings held during his or her tenure and the number of such meetings attended.

Note 2: If any Independent Directors were elected before the end of the year, the names of preceding and succeeding Independent Directors shall be listed, and the date of election or reelection shall also be stated in the "Remarks" column. His or her attendance rate (%) will be calculated on the basis of the number of audit committee meetings held during his or her tenure and the number of such meetings attended.

Status of Corporate Governance and Discrepancies from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons and Thereof

Item for evaluation	Status (Note)			Discrepancies from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	Summary	
I. Does the company establish and disclose its corporate governance best-practice principles based on the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies?	✓		The Company has formulated its Corporate Governance Best Practice Principles in accordance with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies, which was approved by the Board of Directors. The entire content of the Company's Corporate Governance Best Practice Principles is disclosed on the Company's website.	No significant discrepancies from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies
II. Shareholding structure & shareholders' rights				
(I) Does the company establish and implement internal operating procedures to deal with shareholders' suggestions, doubts, disputes, and litigations?	✓		(I) The Company has included in its Corporate Governance Best Practice Principles a chapter specifically dedicated to the Protection of Shareholders' Rights and Interests and has appointed a spokesperson, deputy spokesperson, IR Team, Public Affairs Team, Legal Team, stock affair personnel, and other related departments to handle shareholder inquiries, suggestions, doubts, disputes, and legal proceedings according to the procedures set forth in the chapter.	(I) No significant discrepancies from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies
(II) Does the company possess a list of its major shareholders with controlling power as well as the ultimate owners of those major shareholders?	✓		(II) The Company has established relevant departments responsible for monitoring, on an ongoing basis, the shareholding status of directors, managerial officers, and major shareholders holding more than 5% of the Company's shares, and for making the required public disclosures and regulatory filings in accordance with applicable regulations. We annually discloses the list of the top ten shareholders in its annual report and reports changes in insider shareholdings in accordance with applicable regulations.	(II) No significant discrepancies from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies

Item for evaluation	Status (Note)			Discrepancies from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	Summary	
(III) Does the company establish and execute a risk management and firewall system within its affiliates?	✓		(III) The affiliates of the Company operate independently. Each company has its own Internal Control Systems and the Company has formulated the Regulations Governing the Subsidiaries.	(III) No significant discrepancies from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies
(IV) Does the Company establish internal rules against insiders using undisclosed information to trade in securities?	✓		(IV) The Company has formulated the "Regulations on Insider Trading," "Code of Conduct," "Codes of Ethical Conduct for Directors and Managerial Officers," "Ethical Corporate Management Best Practice Principles," and other regulations. These regulations are disclosed on the Company website to prevent insiders to trade securities using undisclosed information. To establish a sound mechanism for the handling and disclosure of material inside information and to prevent improper information leakage, the Company adopted the “Procedures for Handling Material Inside Information,” which was approved by the Board of Directors on November 8, 2022, and implemented accordingly. In addition, to further enhance the understanding and awareness of insider trading regulations and preventive practices, the Company designated employees Yang Yung-Ping and Tsai Shu-Chen to attend the “2025 Insider Equity Trading Legal Compliance Seminar” organized by the Taiwan Stock Exchange on October 31, 2025.	(IV) No significant discrepancies from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies

<table>
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<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td>III. Composition and responsibilities of the Board of Directors
(I) Does the Board of Directors have a diversity policy and specific goals of management in place and ensure the actual implementation?</td><td>✓</td><td></td><td>(I) The Company has formulated the board diversity policy and specific management objectives, and the Company is closely following up on the policy. Please refer to pages 9 to 10 of the annual report for relevant details.</td><td>(I) No significant discrepancies from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies</td></tr>
<tr><td>(II) Does the company voluntarily establish other functional committees in addition to the legally required Remuneration Committee and Audit Committee?</td><td></td><td>✓</td><td>(II) The Company has established the Remuneration Committee and Audit Committee in accordance with the regulations. Apart from these two committees, the Company has not yet established other functional committees. In the future, other functional committees will be established based on the actual operation situation and business scale.</td><td>(II) Same as summary</td></tr>
<tr><td>(III) Does the Company formulate rules and procedures for the Board of Directors' performance evaluation, conduct performance evaluation on the Board of Directors on a regular basis every year, report the results of performance evaluation to the Board of Directors, and apply the results to the individual Directors' remuneration and nomination for reappointment?</td><td>✓</td><td></td><td>(III) The Company has established the “Board Performance Evaluation Guidelines.” Performance evaluations are conducted regularly on an annual basis, and the evaluation results may serve as a reference in the nomination of directors. The 2025 self-evaluation of the Board of Directors’ performance has been completed and was reported to the Board of Directors on March 6, 2026. The relevant information has also been disclosed in the Annual Report for the Shareholders’ Meeting and on the Market Observation Post System (MOPS) in accordance with applicable regulations. The evaluation results are as follows:
I. The Board's overall performance</td><td>(III) No significant discrepancies from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies</td></tr>
</table>

Item for evaluation	Status (Note)			Discrepancies from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	Summary	
			1. Evaluation items: The 5 major aspects are the participation in the operation of the Company, improvement of the quality of the Board of Directors' decision-making, composition and structure of the Board of Directors, and continuing education of the directors, and internal control, with a total of 11 indicators. 2. Self-evaluation result: The overall score is above or equal to 90 points, except for the continuing education of directors that was not scored, and the final evaluation result is "Excellent". II. Individual director's performance: 1. Evaluation items: The 6 major aspects are the evaluation of individual director's performance include alignment of the goals and missions of the Company, awareness of the duties of a director, participation in the operation of the Company, management of internal relationship and communication, the director's professionalism and continuing education, and internal control, with a total of 17 indicators. 2. Self-evaluation result: Except for the item relating to directors' continuing education, which did not receive a score, the average achievement rate for all indicators is above or equal to 90% and the evaluation result is "Excellent."	

<table>
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<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td></td><td></td><td></td><td>III. Functional committee's (Remuneration Committee) performance:
1. Evaluation items: The 5 major aspects are the participation in the operation of the Company, awareness of the duties of a functional committee member, quality of the functional committee’s decision making, the composition of the functional committee and appointment of members, and internal control, with a total of 12 indicators.
2. Self-evaluation result: The average achievement rate for all indicators is above or equal to 90% and the evaluation result is "Excellent."
IV. Functional committee's (Audit Committee) performance:
1. Evaluation items: The 5 major aspects are the participation in the operation of the Company, awareness of the duties of a functional committee member, quality of the functional committee’s decision making, the composition of the functional committee and appointment of members, and internal control, with a total of 12 indicators.
2. Self-evaluation result: The average achievement rate for all indicators is above or equal to 90% and the evaluation result is "Excellent."</td><td></td></tr>
</table>

Item for evaluation	Status (Note)			Discrepancies from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	Summary	
(IV) Does the company regularly evaluate the independence of the CPAs?	✓		(IV) The Company conducts an annual evaluation of the independence and suitability of its signing CPAs with reference to the Statements of Auditing Standards and the Code of Professional Ethics for Certified Public Accountants. Such evaluation is based on the CPA Independence Declaration and Audit Quality Indicators (AQI) information obtained from the accounting firm. The most recent evaluation results were reviewed and approved by the Audit Committee and the Board of Directors on March 6, 2026. In addition, pursuant to the International Code of Ethics for Professional Accountants, the Company requires that any non-assurance services to be provided by the financial statement auditors shall be subject to prior approval by the Audit Committee before engagement. The Company has established general principles governing the pre-approval policy for non-assurance services, which were reviewed and approved by the Audit Committee on March 6, 2026, to ensure the independence of audit results. Following evaluation, CPA Tzu-Jen Hu and CPA Kuo-Sen Hung of EY Taiwan were determined to satisfy the Company's independence and suitability assessment criteria (see Note 2). The accounting firm and its audit team possess the capability to provide high-quality audit services and are therefore deemed qualified to serve as the Company's signing CPAs. Accordingly, the Company has continued to appoint EY as its independent CPAs.	(IV) No significant discrepancies from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies

Item for evaluation	Status (Note)			Discrepancies from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	Summary	
IV. Does the TWSE/TPEx listed company appoint adequate persons and a chief governance officer to be in charge of corporate governance matters (including but not limited to providing directors and supervisors required information for business execution, assisting directors and supervisors in following laws and regulations, handling matters in relation to the Board meetings and shareholders' meetings and keeping minutes at the Board meetings and shareholders' meetings according to law)?	✓		The Company approved the establishment of one "Chief Corporate Governance Officer" on May 11, 2021, and Vice President Chin-Hsi Chen to serve as the highest-level supervisor (the Company's managerial officer) regarding corporate governance. He specializes in financial and stock affairs, and has served as chief of finance and stock affairs for more than 3 years, and has promoted corporate governance-related affairs in the Financial Management Business Division. The Chief Corporate Governance Officer's main duties include handling relevant meeting affairs of the Board of Directors and Shareholders Meetings in accordance with the law, producing meeting minutes of the Board meetings and Shareholders' Meetings, assisting Directors in assuming their positions and continuing education, providing Directors with the information required to perform their duties, assisting Directors in complying with the laws and regulations, reporting to the Board of Directors on the review results regarding whether independent directors meet the qualifications as required by relevant laws and regulations at the time of nomination, appointment, and throughout their term of office; handling matters related to changes in directors, and other matters provided in laws, regulations, the Company's Articles of Incorporation, or contracts. In accordance with the regulations, the Corporate Governance Officer is required to complete at least 12 hours of continuing education annually. In 2025, the Company's Corporate Governance Officer completed a total of 15 hours of training, as listed below:	No significant discrepancies from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies

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<tr><td></td><td></td><td></td><td><table>
<tr><th>No.</th><th>Institution</th><th>Training Course</th><th>Date</th><th>Hours</th></tr>
<tr><td>1</td><td>Taipei Exchange</td><td>Practicing Sustainable Development through the TPEx Market</td><td>2025/5/9</td><td>3</td></tr>
<tr><td>2</td><td>Taiwan Stock Exchange</td><td>2025 Cathay Sustainable Finance and Climate Change Summit</td><td>2025/7/9</td><td>6</td></tr>
<tr><td>3</td><td>Taiwan Institute of Directors</td><td>Cross-Generational Talent Management and Practical Implementation of IFRS S1/S2 Sustainability Standards</td><td>2025/7/11</td><td>6</td></tr>
</table></td><td></td></tr>
<tr><td>V. Does the company establish communication channels and a dedicated section on the company website for stakeholders (including but not limited to shareholders, employees, customers, and suppliers) to respond to material corporate social responsibility issues in a proper manner?</td><td>✓</td><td></td><td>The Company has spokesperson and acting spokesperson to communicate with stakeholders, and the Company has set up a stakeholder section on the Company’s website to provide multiple communication channels and platforms to respond to issues of concern to stakeholders.</td><td>No significant discrepancies from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies</td></tr>
<tr><td>VI. Does the company appoint a professional shareholder service agency to deal with shareholder affairs?</td><td>✓</td><td></td><td>The Company appoints Share Transfer Department of CTBC Bank to handle share-related matters.</td><td>No significant discrepancies from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies</td></tr>
<tr><td>VII. Information disclosure
(I) Does the company have a website to disclose the financial operations and corporate governance status?</td><td>✓</td><td></td><td>(I) The Company has established an official website(http://www.tyg.com.tw), in which it discloses its financial, business and corporate governance information. In addition, the investors may also inquire about such information on the Taiwan Stock Exchange Market Observation Post System (http://mops.twse.com.tw).</td><td>(I) No significant discrepancies from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies</td></tr>
</table>

Item for evaluation	Status (Note)			Discrepancies from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	Summary	
(II) Has the Company established any other information disclosure channels (e.g., maintaining a website in English, designating people to handle information collection and disclosure, appointing spokespersons, webcasting investors' conferences, etc.)?	✓		(II) The Company has set up a Chinese- and English-version website, and appointed the Public Affairs Team to gather and disclose relevant information. The Company has also established a spokesperson and deputy spokesperson to implement the spokesperson policy. In addition, the itinerary, presentation materials, and video recordings of the institutional investor conference are reported in accordance with the regulations. Investors may inquire through the company website or the MOPS.	(II) No significant discrepancies from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies
(III) Does the company publicly announce and file the annual financial reports within two months after the close of the given fiscal year and publicly announce and file the first, second, and third quarterly financial reports and the operation of each month ahead of the required deadline?		✓	(III) The Company publicly announces and files the 2025 annual financial reports within 75 days after the close of the given fiscal year and publicly announces and files the first, second, and third quarterly financial reports and the operation of each month within the required deadline.	(III) Same as summary
VIII. Is there any other important information to facilitate a better understanding of the Company's corporate governance practices (including but not limited to employee rights, employee wellness, investor relations, supplier relations, stakeholder rights, Directors' and Supervisors' training records, implementation of risk management policies and risk evaluation measures, implementation of customer policies, and participation in liability insurance by Directors and Supervisors)?	✓		1. Employee rights: The Company is people-oriented and regards employees as important assets of the Company. For employees' working environment, education, and training, the Company has established and implemented a complete system, to provide employees with safe and healthy conditions.	No significant discrepancies from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies

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<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td></td><td></td><td></td><td>2. Employee Care: The Company attaches great importance to the safety and health of employees and provides employees with health examinations. Besides, the Company has also established nurses to provide emergency care for, and regularly sends doctors to the factories to provide medical and health-related consultation to employees. The Company also organizes health seminars from time to time, and establishes an EAP employee assistance program to help employees with personal issues that affect their work productivity, so as to prevent and resolve the reasons thereof.
3. Investor Relations: The Company continues to maintain sound and constructive interactions with investors, including the disclosure of information on the Market Observation Post System (MOPS) in accordance with applicable laws and regulations to safeguard investors’ rights and interests. In addition, the Company has established an Investor Relations section on its website, where records of investor engagement meetings (including significant investor inquiries and the Company’s responses) are disclosed to provide investors with comprehensive information for reference. The Company also maintains communication channels to facilitate contact and communication between investors and the Company. In addition, the Company participates in domestic and overseas investor conferences from time to time to communicate with investors.</td><td></td></tr>
</table>

Item for evaluation	Status (Note)			Discrepancies from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	Summary	
			4. Supplier relations: The Company regards its suppliers as long-term partners with the goal of building mutual growth. Through the SCM online supply platform and other channels, the Company strengthens information exchange and communication with suppliers and enhances the knowledge of supplier operation and management. In addition to diligently promoting quality, we also urge suppliers to maintain proper housekeeping and organization of their production environments, improve production processes, implement relevant safety management measures, promote energy conservation and carbon reduction, comply with labor and human rights standards, and adhere to principles of ethical business conduct, thereby creating a win-win situation with the goal of mutual coexistence and prosperity. 5. Stakeholder rights: The Company: a spokesperson, and deputy spokesperson serving as an external communication channel, through which the stakeholders may communicate with and make suggestions to the Company, in order to protect their legitimate rights and interests. The Company has also established a dedicated section on the company website for stakeholders, offering various communication channels and a communication platform, for stakeholders to communicate with the Company.	

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<tr><td></td><td></td><td></td><td>6. 2025 Continuing education for directors and managerial officers:
<table>
<tr><th>Name</th><th>Institution</th><th>Training Course</th><th>Date</th><th>Hours</th></tr>
<tr><td>Director Chi-Pin Wang</td><td>Taipei Exchange</td><td>Practicing Sustainable Development through the TPEx Market</td><td>2025/5/9</td><td>3</td></tr>
<tr><td rowspan="4">Managerial officer Vice President Chin-Hsi Chen</td><td rowspan="4">Cheng Kung University</td><td>IFRS Updates and Practical Sharing on Sustainability Information Disclosure</td><td rowspan="4">2025/7/24~ 2025/7/25</td><td>3</td></tr>
<tr><td>Corporate Governance Strategies and Practices for Addressing Integrity Risks in Listed Companies</td><td>3</td></tr>
<tr><td>The Liabilities and Penalties Associated with “Greenwashing” and Misleading Sustainability Reports</td><td>3</td></tr>
<tr><td>ESG and Corporate Financial Performance</td><td>3</td></tr>
</table></td><td></td></tr>
</table>

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<tr><td></td><td>Taiwan Institute of Directors</td><td>Cross-Generational Talent Management and Practical Implementation of IFRS S1/S2 Sustainability Standards</td><td>2025/7/11</td><td>6</td></tr>
</table>
7. Execution of risk management policy and risk evaluation standard: The company has stipulated various internal control system and management procedures. All departments shall assign a dedicated person to implement and assess various risk management. The Audit Team shall put forward an annual audit plan based on the risk assessment, and execute the plan accordingly, in order to implement the monitoring mechanism and various risk management.
8. Implementation of customer policies: The Company has a business department that provides customer services and complaint response, maintains smooth communication channels with customers, and maintains stable and good relationships with customers, so as to create profits for the Company.
</td><td></td></tr>
</table>

Item for evaluation	Status (Note)			Discrepancies from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	Summary	
			9. Directors', supervisors' and officers' liability insurance: The renewal of "Directors', Supervisors' and Officers' Liability Insurance" for all directors was approved at the board meeting on Jun. 26, 2025. Relevant information is disclosed on the MOPS.	

IX. Improvements made in the most recent fiscal year in response to the results of corporate governance evaluation conducted by the Corporate Governance Center of the Taiwan Stock Exchange Corporation, and improvement measures and plans for items yet to be improved.
Improvements of Corporate Governance Practices:

Improved items in the 2025 corporate governance evaluation indicators.		
No.	Indicators	Method of improvement
4.2	Does the Company establish an exclusively (or concurrently) unit to promote ethical corporate management, which is responsible for formulating and supervising ethical corporate management policies and prevention programs? Furthermore, does the Company provide explanations of the unit's operations and status of implementation on its website and in its annual report, and does it report to the Board of Directors at least once a year?	The company has established a unit to promote ethical corporate management, which is responsible for formulating and supervising ethical corporate management policies and prevention programs. Furthermore, the Company has provided explanations of the unit's operations and status of implementation on its website and in its annual report, and report it to the Board of Directors at least once a year.
4.5	Has the Company's sustainability report obtained third-party assurance?	The Company's sustainability report has obtained third-party limited assurance.
4.27 (New Indicator for 2025)	Has the Company disclosed the categories and annual emissions of Scope 3 greenhouse gas emissions for the previous year?	The Company has disclosed the categories and annual emissions of Scope 3 greenhouse gas emissions for the previous year.
4.28 (New Indicator for 2025)	Has the Company established an energy management plan and disclosed its implementation status on the Company's website, annual report, or sustainability report?	The Company has established an energy management plan and disclosed its implementation status in the sustainability report.

Item for evaluation	Status (Note)			Discrepancies from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	Summary	

4.30 (New Indicator for 2025)	Has the Company established a training and development plan for employees that focuses on enhancing their career competencies, and has it disclosed the information regarding the content and implementation status of this plan?	The Company has established a training and development plan for employees that focuses on enhancing their career competencies, and disclosed the information regarding the content and implementation status of this plan.
4.32 (New Indicator for 2025)	Has the Company established a personal data protection policy and disclosed its content and implementation status?	The Company has established a personal data protection policy and disclosed its content and implementation status.
4.33 (New Indicator for 2025)	Has the Company established relevant policies and complaint procedures to protect consumer or customer rights and interests with respect to issues such as customer health and safety, marketing, and labeling of products and services?	The Company has established relevant policies and complaint procedures to protect consumer and customer rights and interests with respect to issues such as customer health and safety, marketing, and labeling of products and services.

Improvements that are yet to be made and shall be prioritized in the 2025 annual corporate governance indicator		
No.	Indicators	Method of improvement
E-7 (New Indicator for 2026)	Has the Company disclosed the total weight of waste generated over the past two years?	The Company has disclosed the total weight of waste generated over the past two years.
E-9 (New Indicator for 2026)	Has the Company disclosed its energy consumption over the past two years?	The Company has disclosed its energy consumption over the past two years.
S-6 (New Indicator for 2026)	Has the Company disclosed its investor engagement activities (such as institutional investor conferences, in-person meetings, video conferences, telephone communications, or email correspondence), as well as significant investor inquiries and the Company’s responses?	The Company has disclosed records of investor engagement meetings, including significant investor inquiries and the Company’s responses.

Note 1: Reasons for checks of "Yes" or "No" of status should be specified in "Summary Description" column.
Note 2: Evaluation Standards for the Independence and Suitability of CPAs:

Item for evaluation	Assessment results	Independence of the CPAs
1. Financial interests	No direct or indirect material financial interests were found.	Yes
2. Financing and guarantee	No matters of financing and guarantee were found.	Yes
3. Business relations	No business relations were found.	Yes
4. Family and personal relationship	No such matter.	Yes
5. Employment relationship	No such matter.	Yes
6. Presents or gifts of great value	No behavior that affects professional decisions or actions of obtaining secret information was found.	Yes
7. Rotation of CPAs	The rotation of CPAs is compliant with the regulations.	Yes
8. Non-audit services	No services that affect the CPAs' independence were found.	Yes
9. Statement of independence	The Company has obtained the statements of independence of the CPAs (see Note 3)	Yes
10. Audit Quality Indicators (AQI) information	The information on Audit Quality Indicators (AQI) has been obtained.	Yes

Note 3:

Statement of Independence

To the Board of Directors and Audit Committee of Tong Yang Group

This statement reported our annual independence communication in accordance with the requirements of auditing standards.

In accordance with the Auditing Standards, we report to you that Ernst & Young LLP has complied with relevant ethical standards regarding independence.

We are not aware of any relationships or other matters that may be considered to affect independence.

In accordance with the provisions of the Auditing Standards and the International Code of Professional Ethics for Accountants (IESBA Code), we report to you the audit and non-audit services provided by Ernst & Young and its alliance firms to the company and its controlled entities during the period covered by the financial statements. Public fees collected.

This statement is only for the reference for the Company's Board of Directors, Audit Committee, Management, and internal personnel, and shall not be used for other purposes.

Best Regards

Ernst & Young Global Limited

Tzu-Ren Hu

CPAs:

Kuo-Sen Hung

Mar. 6, 2026

Composition and Operations of the Remuneration Committee:

(1) There are three members in the Remuneration Committee of the Company. The Remuneration Committee of the Company shall exercise the care of an administrator with good faith, faithfully fulfill the following functions and power, and submit its recommendations to the Board of Directors for discussion.

1. Establishing and regularly reviewing the Board of Directors and upper management's performance evaluation in conjunction with the remuneration policies, systems, standards, and structure;
2. Regularly assessing and determining the Board of Directors and upper management's remuneration.

Information on the remuneration committee members

April 19, 2026

Qualifications Member type (Note 1)	Name	Professional qualifications and experience (Note 2)	Independence criteria (Note 3)	Number of other public companies where the individual concurrently serves as a remuneration committee member
Convener and Independent Director	Kan-Hsiung Lin	Please refer to page 8-9 of the Annual Report	Please refer to page 8-9 of the Annual Report	None
Independent Director	Ming-Tien Tsai			None
Independent Director	Yen-Ling Cheng			None

Note 1: Please specify in the table the relevant working years, professional qualifications and experience, and independence of the members of the Remuneration Committee. Please fill in independent director or others for the field of member type (if the member is the convener, please add a note)

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

Note 3: Independence criteria: Specify whether or not the members of the Remuneration Committee are deemed independent, including but not limited to whether they, their spouse, or their relatives within the second degree act as directors, supervisors or employees of the Company or its associates; the number and proportion of the Company’s shares held by them, their spouse, relatives within the second degree (or in the name of others); whether they are a director, supervisor or employee of a company that has a specific relationship (please refer to sub-paragraphs 5-8, paragraph 1, Article 6 of "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies") with the Company; the amount of remuneration received for providing business, legal, financial, accounting and other services to the Company or its associates in the last two years.

(2) Operations of the Remuneration Committee

1. There are three members in the Remuneration Committee of the Company.
2. Term of the Remuneration Committee: Jun. 29, 2023 to Jun. 18, 2026. A total of 2 (A) Remuneration Committee meetings were held in 2023. The information and attendance of the members were as follows:

Title	Name	Attendance in person (B)	Attendance by proxy	Attendance rate (%) [B/A] (Note)	Remarks
Convener and Independent Director	Kan-Hsiung Lin	2	0	100%	
Independent Director	Ming-Tien Tsai	2	0	100%	
Independent Director	Yen-Ling Cheng	2	0	100%	

Other matters:

I. If the Board of Directors does not adopt or amends a recommendation of the Remuneration Committee, the date of the meeting, session, content of the motion, resolution by the Board of Directors, and the company's response to the Remuneration Committee's opinion (e.g., if the remuneration passed by the Board of Directors is more favorable than the recommendation of the Remuneration Committee, the circumstances and cause for the difference shall be specified) shall be specified: None.

II. If there are resolutions of the Remuneration Committee to which members object or express reservations, and for which there is a record or declaration in writing, the date of the meeting, session, content of the motion, all members' opinions, and the response to members' opinion shall be specified: None.

Note:

(1) If a committee member resigns before the end of the accounting year, the resignation date shall be noted in the "Remarks" column. His or her attendance rate (%) will be calculated on the basis of the number of committee meetings held during his or her tenure and the number of such meetings attended.

(2) If a committee member is re-elected before the end of the accounting year, the names of the current and previous committee members shall be listed and their appointment status and re-election date shall be noted in the "Remarks" column. His or her attendance rate (%) will be calculated on the basis of the number of remuneration committee meetings held during his or her tenure and the number of such meetings attended.

(3) Resolutions of the remuneration committee meetings in 2025 and as of the publication date of the annual report:

5th meeting of the 5th remuneration committee

	Motions	Dissenting opinions, reservation, or major recommendations by remuneration committee members	Resolutions	The Company's response to remuneration committee's opinions.
2025.3.7	1. Review of the directors' and managerial officers' performance evaluation and relevant regulations regarding remuneration 2. Discuss the distribution of 2024 remuneration of employee and director 3. Adjustment to the 2025 salary, and bonus distribution	None	After discussion by all attending committee members, the proposal was approved unanimously.	Approved by the Company's Board of Directors through a resolution on March 7, 2025.

6th meeting of the 5th remuneration committee

	Motions	Dissenting opinions, reservation, or major recommendations by remuneration committee members	Resolutions	The Company's response to remuneration committee's opinions.
2025.12.18	1. Review of the directors' and managerial officers' performance evaluation and relevant regulations regarding remuneration 2. Review of the directors' and managerial officers' 2025 remuneration	None	After discussion by all attending committee members, the proposal was approved unanimously.	Approved by the Company's Board of Directors through a resolution on December 18, 2025.

7th meeting of the 5th remuneration committee

	Motions	Dissenting opinions, reservation, or major recommendations by remuneration committee members	Resolutions	The Company's response to remuneration committee's opinions.
2026.3.6	1. Review of the directors' and managerial officers' performance evaluation and relevant regulations regarding remuneration 2. Discuss the distribution of 2025 remuneration of employee and director 3. Adjustment to the 2026 salary, and bonus distribution	None	After discussion by all attending committee members, the proposal was approved unanimously.	Approved by the Company's Board of Directors through a resolution on March 6, 2026.

(V) Implementation of Sustainable Development Practices and Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons:

Promotion item	Implementation (Note 1)			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
I. Does the Company establish a governance framework for sustainable development and a dedicated (or ad-hoc) sustainable development unit with authorization by the Board of Directors for senior management to handle related matters, which is supervised by the Board of Directors?	✓		The Company established the Corporate Social Responsibility (CSR) Promotion Committee in early 2016, which was renamed the Environmental, Social, and Governance (ESG) Promotion Committee in 2021. Starting in 2024, to enhance the Group's management of sustainability information and integrate the Company's sustainability-related issues and projects, it was renamed the "Sustainable Development (ESG) Committee," with the governance structure incorporated into subsidiaries. The Director/President Yung-Hsiang Wu serves as the Chairperson, with the General Managers of the two business groups as Vice Chairpersons. A Sustainable Development Project Management Center was established to formulate and plan the Company's overall policies, review execution results, and oversee the implementation of various sustainability operations and systems by each promoting unit, ensuring information accuracy and compliance with relevant regulations. Vertical integration and horizontal coordination are conducted across functional departments, including Human Resources, Environmental Safety, Marketing, Manufacturing, Supply, Research and Development, Finance, Information, Public Relations, Investor Relations, and sustainability contacts at subsidiaries. Vertical integration and horizontal coordination are conducted across functional departments, including Human Resources, Environmental Safety, Marketing, Manufacturing, Supply, Research and Development, Finance, Information, Public Relations, Investor Relations, and sustainability contacts at subsidiaries.	No significant discrepancies from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies

Promotion item	Implementation (Note 1)			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
			The Sustainable Development (ESG) Committee is responsible for coordinating the formulation of the sustainable development policy throughout the Group, establishing relevant response strategies by identifying the sustainability issues that stakeholders are concerned about through meeting discussions, assisting each functional unit to carry out sustainable development related tasks, and reviewing the implementation of sustainability practices. The "Sustainable Development Management Committee" produces an annual Sustainability Report summarizing the implementation results of the Company's sustainable development, which was passed by the Board of Directors on August 7, 2025. In addition, since the Q3 of 2022, the Committee has provided quarterly updates to the Board on the progress of greenhouse gas inventory and verification. The Board of Directors reviews the Company's strategies and outcomes related to sustainability issues, monitors the effectiveness of implementation, and conducts continuous supervision as to ensure that the strategies of sustainable development are integrated into the Company's daily operations.	
II. Does the company assess ESG risks associated with its operations based on the principle of materiality, and establish related risk management policies or strategies? (Note 2)	✓		This disclosure covers the Company's sustainable development performance at its main locations during 2025. The boundary of the risk assessment focused primarily on the Company's operating sites in Taiwan; other information involving subsidiaries within the scope of the consolidated financial statements was noted in the text. The Sustainable Development Management Committee conducts an analysis based on the principle of materiality outlined in the sustainability report. The Committee communicates with both internal and external stakeholders, and collects information from each department, so as to assess material ESG issues and formulate relevant management strategies as follows:	No significant discrepancies from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies

Promotion item	Implementation (Note 1)			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
			I. Environmental issues: (I) Through process optimization and implementation of safety management systems, the Company effectively reduced pollution emissions, lowered the impact on the environment, and obtained the ISO 14001. Environmental Management Systems certification (valid from July 6, 2023 through July 5, 2026). (II) Conducted an inventory of the greenhouse gas emissions of the Company and its consolidated financial statement subsidiaries, and reviewed the impact on operations. Based on the results of the carbon footprint verification, continue to implement carbon reduction measures, including taking the replacement of old equipment and improving energy consumption of off-the-shelf machines to reduce the emission of Scope 1 and indirect greenhouse gas emissions of Scope 2 caused by electricity use. II. Social issues: (I) Established Occupational Health and Safety Management systems and obtained the ISO 45001 certification, so as to ensure compliance with laws, continuous improvement, and mitigation of risks. Regular fire drills and work safety education and training are also instituted annually to improve employees’ ability to respond to emergencies and achieve self-safety management so as to avoid the risk of accidents. (II) The Company's products comply with government regulations and have obtained ISO 9001 quality management certification (valid from November 1, 2024, to October 31, 2027). Additionally, to transfer product liability risk, mitigate financial losses, and enhance product safety, the Company has purchased product liability insurance.	

Promotion item	Implementation (Note 1)			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
			III. Corporate governance: (I) The Company ensures that all the personnel and their operations are in line with the relevant laws and regulations by establishing and implementing the mechanism of corporate governance and internal control system. (II) The Corporate Governance Best Practice Principles are adopted and implemented. (III) The Chief Corporate Governance Officer is appointed and required to participate in training courses regularly, stay up to date with the changes in laws and regulations, as well as respond to the requirements of competent authorities. (IV) The director liability insurance policy is purchased for directors to protect them from lawsuits or claims. (V) The Company website has a dedicated section for stakeholders and provides various communication channels to encourage interaction and avoid confrontation and misunderstanding, which is coordinated and managed by the spokesperson.	
III. Environmental issues (I) Does the Company have an appropriate environmental management system established in accordance with its industrial character?	✓		(I) The Company has developed an environmental safety and health management manual in accordance with environmental regulations set by the Ministry of Environment (such as the Air Pollution Control Act, Water Pollution Control Act, Waste Disposal Act, and Toxic and Concerned Chemical Substances Control Act). The Company has obtained ISO 14001 Environmental Management System certification (valid from July 6, 2023, to July 5, 2026) and OHSAS 18001 Occupational Health and Safety Management System certification, which was updated in 2018 to ISO 45001:2018 Occupational Health and Safety Management System certification (valid from July 28, 2023, to July 27, 2026).	(I) No significant discrepancies from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies

Promotion item	Implementation (Note 1)			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
(II) Is the Company committed to improving the energy efficiency and using recycled materials with low impact on the environment?	✓		(II) The Company is currently promoting measures to improve overall energy-saving efficiency mainly through replacing less efficient equipment to improve equipment performance. In addition, the lighting equipment is gradually replaced by T5 or LED lighting, and sensors are added to save energy. Newly established production line areas all purchase energy-saving lighting fixtures and equipment. Solar power generation systems are being installed on the rooftops of new factory sites in succession. Plant 14 has already installed solar power generation equipment at a cost of NT$9.5 million, and the Ke Kung Plant and Qigan Plant are expected to invest NT$47 million in the future. In 2025, approximately 2.6 million kWh of green electricity was generated (including self-generated and self-used electricity as well as leased electricity). The efficiency of renewable energy use was increased year by year, and carbon emissions were reduced in order to achieve the ongoing Energy Saving and Carbon Reduction target. In 2025, the Company had obtained a total of 146 Renewable Energy Certificates (RECs), and the number continued to increase, serving as proof of the use of self-generated and self-consumed solar green power and being incorporated into the management and disclosure of climate-related target content. The electricity consumption per unit of revenue of the Company and all subsidiaries included in the consolidated financial statements in 2025 decreased by more than 2% compared with 2024. The relevant data are as follows:	(II) No significant discrepancies from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies

<table>
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<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td></td><td></td><td></td><td>
<table>
<tr><th>Year</th><th>Power Consumption (thousand kWh)</th><th>Sales Revenue (NT$ million)</th><th>Unit Sales Revenue Power Consumption</th></tr>
<tr><td>2024</td><td>151,769</td><td>25,596</td><td>5.93</td></tr>
<tr><td>2025</td><td>139,805</td><td>25,094</td><td>5.57</td></tr>
</table>
We will continue our efforts to reduce consumption, with the target for electricity consumption per unit of revenue in 2026 set at a 2% reduction compared with 2025.

In addition, the Company ordered multiple sets of VOC control equipment in 2025 (which, as of the publication date of this annual report, are still under review by the Environmental Protection Bureau), requiring the exhaust gas thermal treatment equipment to achieve a removal efficiency of 90%, thereby effectively reducing volatile organic compounds (VOCs) and minimizing environmental impact.
On March 1, 2025, the Company signed an agreement with the Industrial Technology Research Institute for the "Low-Carbon Manufacturing Process Technology Development Project for Automotive Display Components." The project was executed from March 1, 2025, to October 31, 2025. By introducing multi-sensor and energy consumption harvesting technologies, the Company monitored process stability and forming quality in real time, effectively improved mass production yield, reduced defective scrap by 10%, and reduced product carbon emissions, thereby achieving carbon reduction benefits **and lowering impact on the environment.**
</td><td></td></tr>
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Promotion item	Implementation (Note 1)			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
			The Company reduces the amount of waste generated by reducing unnecessary packaging during product design and packaging and continues to recycle and reuse wood waste as pallets to reduce the volume of timber. Last but not least, the Company collaborates with manufacturers to study the waste recycling technology for circular economy. The copper liquid waste in the electroplating process is electrolytically recovered and transferred to the manufacturers for refining before reusing it in the process to reduce the output of sludge and at the same time improve the discharge of heavy metal in wastewater.	
(III) Does the Company assess the potential risks and possibilities of climate changes to the Company now and in the future, and implemented appropriate measures in response?	✓		(III) In response to global climate change, under the guidance of the environmental safety and health policy, the Company uses the ISO 14001 environmental management system as the basis, taking into account various environmental impacts, government regulations, internal and external environmental issues, to identify the Company’s potential risks, opportunities and measures to address them, such as the introduction of water-based paint process to reduce pollution emissions, solar power generation equipment installed on the roof of the factory to reduce carbon emissions, and the recycling of process wastewater to reduce tap water usage. In view of the increasingly extreme climate, various contingency management measures for floods, earthquakes and fires have been established to reduce environmental impacts. For details, please refer to the Company's Sustainable Development report.	(III) No significant discrepancies from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies

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<tr><td>(IV) Does the Company take inventory of its greenhouse gas emissions, water consumption, and the total weight of waste in the last two years, and formulate policies on greenhouse gas reduction, water reduction, or waste management?</td><td>✓</td><td></td><td>(IV) The Company and its subsidiaries included in the consolidated financial statements have conducted greenhouse gas inventories in accordance with the ISO 14064-1 standard. The inventory covers Scope 1 (direct greenhouse gas emissions) and Scope 2 (energy indirect GHG emissions), while other indirect emission sources under Scope 3 are being gradually identified and assessed.

The emission of revenue of the Company and its subsidiaries included in the consolidated financial statements in 2025 decreased by 1.65% compared with 2024. The relevant data are as follows:
Unit: Metric Tons of CO2 Equivalent
<table>
<tr><th>Year</th><th>Scope 1</th><th>Scope 2</th><th>Scope 3 (Note)</th><th>Emissions per unit of product Metric tons of CO2e/Revenue (NT$ millions)</th></tr>
<tr><td>2024</td><td>16,783</td><td>75,409</td><td>202,993</td><td>11.53</td></tr>
<tr><td>2025</td><td>15,303</td><td>68,720</td><td>200,569</td><td>11.34</td></tr>
</table>
Note: Scope 3 statistical content included category 3: indirect greenhouse gas emissions from transportation, and category 4: indirect greenhouse gas emissions from products used by the organization.

Upon inventory, the greenhouse gas emissions from the plant area were found to primarily originate from electricity usage. Therefore, the primary focus of energy-saving and carbon reduction measures is to reduce electricity consumption per unit of revenue.
For the greenhouse gas reduction targets, strategies, and specific action plans of the Company and its subsidiaries included in the consolidated financial statements, please refer to pages 91–92 of the Annual Report.</td><td>(IV) No significant discrepancies from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies</td></tr>
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<tr><td></td><td></td><td></td><td>
<p>Between 2024 and 2025, the Company began implementing the Tong Yang Industry and its suppliers' low-carbon sustainable transformation plan, acting as the leading firm. The Company collaborated with 11 supply chain manufacturers to transition to low-carbon operations. The main energy-saving measures included improvements and replacements of injection molding machines, installation of variable frequency drives on equipment, introduction of an EMS energy management system, and implementation of ISO 14064 organizational carbon inventory with verification. As of the publication date of this annual report, the total investment amount was approximately NT$85 million, resulting in total electricity savings of 5,243,884 kWh and carbon reduction of approximately 2,599 tons.</p>
<p>In terms of water resource conservation, the focus is on the reuse of water resources in the manufacturing process. For example, the Tainan plant uses 100% recycled water in its coating process, which not only effectively utilizes water resources but also reduces cost expenditures. The Company’s water withdrawal for the past two years is detailed in the table below:</p>
<p>Unit: Metric tons</p>
<table>
<tr><th>Year</th><th>Water Withdrawal</th><th>Operating Revenue (NT$ million)</th><th>Unit Water Consumption Intensity</th></tr>
<tr><td>2024</td><td>818460</td><td>19,822</td><td>41</td></tr>
<tr><td>2025</td><td>779840</td><td>19,756</td><td>39</td></tr>
</table>
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<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
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<p>The Company has set a water conservation target of reducing water consumption intensity per unit of revenue by 30% by 2030 compared with 2020, and in 2025, water consumption intensity per unit of revenue decreased by 4.9% compared with 2024.</p>
<p>Waste disposal during the Company's operation is handled in accordance with the relevant provisions of the Waste Disposal Act. The Company's waste is classified in order to improve the recycling of waste. In addition, the Company reduces unnecessary packaging when designing the packaging of products, so as to reduce waste and conduct waste classification for recycling.</p>
<p>The Company's waste output for the past two years is detailed in the table below:</p>
<p>Unit: Metric tons</p>
<table>
<tr><th>Year</th><th>Hazardous waste</th><th>Non-hazardous waste</th><th>Total volume of waste output</th><th>Volume of output per unit of revenue Metric tons/Revenue (NT$ millions)</th></tr>
<tr><td>2024</td><td>197</td><td>16,886</td><td>17,083</td><td>0.86</td></tr>
<tr><td>2025</td><td>370</td><td>16,548</td><td>16,918</td><td>0.86</td></tr>
</table>
<p>Note: In 2025, the generation of hazardous waste sludge increased due to a malfunction of the sludge drying equipment.</p>
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</table>

<table>
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<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td></td><td></td><td></td><td>Under the framework of ISO 14001 Environmental Management System, the Company continued to promote various waste reduction measures and resource reuse. As a result, the waste generated per unit of revenue in 2025 has decreased by 31% compared to the base year of 2017 (goal: 34%). In the future, we will continue our management and monitoring to meet the medium-term and long-term goal in the plan (reducing waste output per unit of revenue by 40% in 2030 compared with that in 2017).</td><td></td></tr>
<tr><td>IV. Social issues
(I) Does the Company formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?</td><td>✓</td><td></td><td>(I) The Company strictly adheres to relevant labor laws and recognizes internationally accepted human rights standards, such as the Universal Declaration of Human Rights. We are committed to eliminating human rights violations and continuously improving the management of human rights-related issues. This includes specific requirements such as restrictions on child labor, prohibition of forced labor, and opposition to discrimination, bullying, and harassment (e.g., issuing the "Complaint Management Measures" to provide employees with channels to report workplace violations). We ensure employees' freedom of assembly and association (e.g., employees organize a corporate union to engage in rational communication and interaction with the Company, and both parties establish a collective agreement to protect labor rights). We have also announced and implemented specific management plans, such as the "Forklift Management Measures" and the "Workplace Life Management Measures," to provide and maintain a safe, sanitary, and healthy work environment.</td><td>(I) No significant discrepancies from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies</td></tr>
</table>

Promotion item	Implementation (Note 1)			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
(II) Does the Company formulate and implement reasonable employee benefit measures (including remuneration, vacation and other benefits) and appropriately reflect operating performance or results in employee compensation?	✓		In 2025, supervisor training at all levels was strengthened to enhance managers' understanding of labor regulations and leadership skills, in order to prevent unlawful practices or human rights violations in management or system design. The Employee Assistance Programs (EAPs) were also actively promoted. In 2025, a total of 278 participants were trained under the management capability development programs for supervisors at all levels, with total training hours reaching 1,030 hours. (II) The Company strictly complies with the relevant laws and regulations regarding labor and human rights promulgated by the government and implement reasonable employee benefit measures (including remuneration, vacation and other benefits) and reflect operating performance in employee remuneration. 1. Employee remuneration policy and reflection of operating performance or results in employee remuneration: The remuneration of employees mainly consists of three parts - salary, bonus, and benefits. Salary is determined based on personal ability and position. Bonus is determined based on the employee's and department's goal achievement rate, and the Company's operating performance. In addition, a 5-day festival bonus is distributed during the Mid-Autumn Festival each year. It also includes profit-sharing provisions, where 10% of the company's annual defined net profit is allocated as performance bonuses and year-end bonuses for employees, with a guarantee of 25 days for year-end bonuses. This serves to boost employee morale and share the company's operational achievements.	(II) No significant discrepancies from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies

Promotion item	Implementation (Note 1)			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
			In accordance with the Company's Articles of Incorporation, if the annual profit of the Company is over NT$500 million (inclusive), NT$5 million will be allocated as remuneration of employees; otherwise, 1% of the profit should be appropriated as remuneration of employees. 2. Vacation system: Implement a comprehensive leave system in accordance with labor laws and regulations. In cases where employees encounter situations such as parental leave or major illness, which require an extended period of leave, they can apply for an unpaid leave of absence, allowing them to balance both their personal and family caregiving requirements. 3. Retirement protection: Tong Yang has established employee retirement regulations in accordance with applicable laws, providing stable pension contributions and payments. Since the implementation of the Labor Pension Act, the Company has been contributing 6% of each eligible employee's monthly salary to their individual pension account on a monthly basis. 4. Various welfare measures: The Company has designed the employee benefits in accordance with the laws and regulations. Our employees can enjoy a comprehensive benefit system covering employee dormitories, parking, meals at affordable prices, employee health examination. (such as marriage gifts, funeral subsidies, maternity subsidies, as well as maternity leave, parental leave, and paternity leave.)	

Promotion item	Implementation (Note 1)			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
	✓		5. Workplace diversity and equal opportunity: The Company determines compensation based on the education, experience, and expertise of the candidates, without any gender-based differences, thereby achieving equal pay for equal work. Positions are assigned based on suitability, and women also have opportunities for promotion to managerial roles. In the year 2025, the proportion of female employees was 18.41%, and the proportion of female managers was 13.55%. 6. Overall Remuneration Policies: The Company adjusts salaries based on market rates and individual performance and reflects operating results in employee compensation to maintain overall salary competitiveness. The average annual salary of a full-time non-managerial employee of the Company in 2025 was NT$767 thousand.	
(III) Does the Company provide a healthy and safe working environment and organize training on health and safety for its employees on a regular basis?	✓		(III) The company complies with the relevant provisions of the Occupational Safety and Health Act and has obtained ISO 45001 Occupational Safety and Health Management System Certification (effective from July 28, 2023 to July 27, 2026). It applies to the Company's Tainan Factory and Guanyin Factory as well as all contractors entering the factories, including the construction personnel, guards, cleaning personnel and kitchen staff. In 2025, no occupational injury cases were reported. The Company provides a healthy and safe working environment and organizes training on health and safety for its employees on a regular basis.	(III) No significant discrepancies from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies

Promotion item	Implementation (Note 1)			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
			1. The Company organizes health examinations for employees and advanced health examinations for senior-level managerial officers. 2. A policy for non-smoking working environment is in place so that employees can work in a comfortable and healthy environment. 3. The Company provides employees with clean, safe drinking water, and requests the agency recognized by the Environmental Protection Administration to conduct drinking water quality testing on a regular basis in accordance with regulations and requirements. The Company also regularly maintains and disinfects water supply equipment. 4. Various drills are held from time to time to enable employees to handle the disaster in accordance with the emergency response plan and minimize impact. 5. The Company has also established nurses to provide emergency care for, regularly sends doctors to the factories to provide medical and health-related consultation to employees, and organizes health seminars from time to time. 6. We have installed AEDs and provides CPR and AED education and training courses for employees to provide immediate and effective first aid before the ambulances arrives, so as to save valuable lives. 7. Occupational safety education and training includes training for new recruits, occupational safety and health classroom, hazardous machinery equipment operation training, safety and health SOP training, hazardous machinery equipment professional certification course, first-aid personnel training, fire drills, and safety and health education training for supervisors at all levels.	

Promotion item	Implementation (Note 1)			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
			8. Related information on fire: (1) In 2025, the Company received the Benchmark Award in the Workplace Fire Safety SDGs Disclosure Evaluation organized by the National Fire Agency of the Ministry of the Interior. (2) No fire accidents occurred in 2025. (3) Provide a fire prevention and management manual: The main purpose of "fire prevention and management" is to prevent disasters from occurring. It sets out methods to manage fires at their source as standard operating procedures. (4) Set up fire prevention facilities: Set up fire prevention facilities in high-risk places to prevent disasters or minimize losses when disasters occur. a. Automatic fire extinguishing system b. Grounding System c. Static electricity elimination facilities d. Explosion-proof electrical appliances e. Ventilation equipment (5) Fire prevention facilities inspection: Purchase professional equipment for the following monthly inspections on site. a. Inspections on the temperature of the electrical box b. Inspections on the gas pipeline leak c. Inspections on the ground resistance of combustible materials d. Inspections on the water pressure of the fire hose e. Inspections on the automatic fire extinguishing system	

Promotion item	Implementation (Note 1)			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
			(6) In terms of the function test on the automatic fire extinguishing system, engage the service provider or the Engineering Department to carry out the function test on the automatic fire extinguishing system to ensure its normal function. (7) Provide different fire extinguishers according to various types of workplaces: a. Dry chemical fire extinguisher b. 200P, 20P alcohol-resistant foam-based fire extinguisher c. Automatic foam-based fire extinguishing system d. Automatic carbon dioxide fire extinguishing system e. Environmental HALON fire extinguisher, carbon dioxide fire extinguisher f. Automatic sprinkler system for fire extinguishing g. Loaded stream-based automatic fire extinguishing system (8) Fire inspection and review mechanism: a. Fire prevention mechanism and inspection at night and on holidays: i. Security guards shall inspect key areas of flammable materials stored in the plant at night and on holidays. ii. During holidays, inflammables shall not be hold on the production line and they must be moved to an independent warehouse for inflammables.	

Promotion item	Implementation (Note 1)			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
			b. Entrust professionals to carry out electrical box inspections every year. c. The extension cable must be tested by the Engineering Department before it can be used. (9) Establishment of disaster relief organizations: a. Form a disaster relief organization with the neighboring fire brigade and strive for response time in the event of a disaster, so as to minimize disaster losses. b. Prepare emergency equipment vehicles at night and on holidays. c. Set up the enterprise’s volunteer fire brigade. (10) Education and training: a. Fire micro-learning video b. Fire technical training c. Education and training of fire commanders d. Education and training of fire extinguishers e. Fire emergency response drills of various departments f. No-warning drills for the volunteer fire brigade g. The enterprise’s volunteer fire brigade conducts professional fire training every month (11) Fire prevention management of the contractors: a. Contractors shall control the high-risk operation of open flames and temporary electricity during construction. b. Micro-learning of open flames SOP, organization of manufacturer’s fire prevention.	

Promotion item	Implementation (Note 1)			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
			(12) Safety protection of lightning rod throughout the plant: a. Comprehensively inspect the protection scope of the lightning rod in the plant. b. Entrust the service provider to use special instruments to check the lightning rod of the whole plant. c. Set the lightning stroke counter to count the number of lightning strokes in the plant. (13) Set up a fire command system: When a fire breaks out, the commander and team members can scan the QR code immediately to see the tasks, responsibilities and precautions of each team (commander, commander’s assistant, information team, fire fighting team, rescue team, security guards, work safety personnel, engineering personnel, and trapped personnel)	
(IV) Has the Company established effective career development training plans?	✓		(IV) The Company has established a comprehensive training policy, which includes pre-duty training for new recruits, professional and general knowledge development, management course for supervisors, and international talent cultivation system, so as to provide employees with proper education and training at different times and establish an effective career development training program for employees. For the number of training hours recorded in 2025, please refer to the company’s 2025 ESG Sustainability Report.	(IV) No significant discrepancies from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies

Promotion item	Implementation (Note 1)			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
(V) Regarding customer health and safety, right to privacy, marketing and labeling of its products and services and other issues, does the company comply with relevant regulations and international standards and set up relevant consumer or customer protection policies and complaint procedures?	✓		(V) The Company is committed to research and development of materials and improvement of product design and development capabilities to meet the quality standards of domestic and foreign customers. In addition, in order to respond to environmental protection, starting from source management, the Company invests in water-based paint equipment that meets European standards, reduces VOC emissions, and avoids adverse effects on the environment and health hazards. Due to the industrial characteristic of the OEM market, in addition to signing related technology and R&D confidentiality agreements with customers/suppliers, the Company has also formulated "Confidential Information Management Measures", "Intellectual Property Management Measures" and "Group Business Secret Management Measures" and "Employee Code of Conduct" to protect business information such as Company and customer patents and technology related information. In order to provide customers with multiple communication channels, in addition to direct response to the exclusive salesperson by email, the Company also considers designing an e-commerce platform in different languages such as Chinese, English and Spanish on the basis of zero time difference and no borders for customers to get timely information on new products. At the same time, the Company has set up the "Regulations Governing the Handling of Customer Complaint," and complaints and dissatisfaction of the customers will be addressed as quickly as possible to prevent reoccurrence, reduce customer dissatisfaction, and foster the Company's reputation. In addition to the labeling of product information, the Company also provides environmental and risk labels on its products or packaging.	(V) No significant discrepancies from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies

Promotion item	Implementation (Note 1)			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
(VI) Does the Company formulate supplier management policies that require suppliers to follow relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights? How is the implementation?	✓		(VI) The Company's Occupational Safety and Health System applies to the Company's Tainan Factory and Guanyin Factory as well as all contractors entering the factories, including the construction personnel, guards, cleaning personnel and kitchen staff. Before entering the factories, contractors have to sign an agreement and receive hazard notification education and training as well as the somatosensory training for industrial safety. All contractors can enter the factories after passing the test, and retraining is needed every three years. All procurement must comply with the regulations on procurement management established by the Company. A "Regulations on Supplier Evaluation" are in place for periodic assessments. The audit items for the evaluation include human rights principle management and environmental protection, among others. Require key suppliers (including new suppliers) to sign the "Supplier Commitment Letter," which includes provisions on human rights principles, environmental protection, principles of integrity, anti-corruption principles, and liability for breach of contract. In addition, the packaging woven bag provided by the suppliers must be printed with water-based paint to reduce the use of toxic substances arising from oil-based paint. In order to comply with the VOC (Volatile Organic Compounds) organic solvent emission regulations, and reduce the use of toxic substances arising from oil-based paint, the Company strives to promote the purchase of water-based paints, while decreasing heavy metals such as lead, mercury, cadmium, and hexavalent chromium to reduce the harmful effects on human body and effective wastewater treatment. The Company has officially issued letters to notify all suppliers to cooperate and abide by it.	(VI) No significant discrepancies from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies

Promotion item	Implementation (Note 1)			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
V. Does the company refer to internationally-used standards or guidelines for the preparation of reports such as sustainability reports to disclose non-financial information? Are the reports certified or assured by a third-party accreditation body?	✓		The structure of the Company’s ESG Report was prepared in accordance with the GRI (Global Reporting Initiative) Universal Standards 2021 published in 2021, the Taiwan Stock Exchange’s "Directions for the Preparation and Filing of ESG Reports by TWSE-Listed and TPEx-Listed Companies," and the Task Force on Climate-related Financial Disclosures (TCFD) framework, as the principles for disclosing the Company’s strategies, targets, and specific actions related to material topics, and was drafted using the SASB standard (Sustainability Accounting Standards Board, SASB). It is publicly available on the Market Observation Post System and the Company's website. As of the date of printing of the annual report, the 2024 ESG Report had obtained a limited assurance report from a third-party verification provider.	No significant discrepancies from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies
VI. If the Company has established its own sustainable development principles based on the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, please describe the implementation and any deviations from the Principles: The Company operates in accordance with its Sustainable Development relevant regulations, managing the Company's risks and impacts on the economy, environment, and society based on these principles. Thus far, there have been no significant discrepancies.				
VII. Other important information to facilitate a better understanding of the Company’s sustainable development practices: 1. Environmental protection: The Company introduced low-pollution water-based painting, invested in various pollution control equipment, recycled and reused wastewater, and sorted and treated the waste properly, recycling and regeneration of plastic materials and various energy-saving and carbon-reduction measures, in order to reduce the impact on the environment. 2. Community participation, social contribution, and social services: The Company has undertaken the maintenance of the community parks in which it is situated to enhance community relations and neighborhood interactions. Furthermore, the company has assumed responsibility for the cleanliness of the roads surrounding its plants, leading employees in road cleaning initiatives to ensure a clean and safe roadway for all users. In support of the Tainan City Government's Mountains to Sea Greenway Project, the Company took responsibility for the cycling path outside its plant along the greenway, watering and maintaining the trees and ecosystem, thereby providing the public with a lush, green pathway for cycling, walking, and leisure.				

<table>
<tr><th rowspan="2">Promotion item</th><th colspan="3">Implementation (Note 1)</th><th rowspan="2">Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td colspan="5">3. Social Welfare: The Company has established Tong Yang Wu Gao Cultural & Educational Foundation with the objective of "caring for the culture of transport in the society, improving the quality of transportation of the public." The foundation focuses on traffic safety education and instill correct and safe use of transportation. Operated the "GoNews" knowledge Internet platform to promote the concept of "Safe Travel," and its total online reach amounted to 977,000 person-times; it also cared for the inheritance of local historical and cultural heritage and the sustainable maintenance of biodiversity and ecological resources, recruited employees to form a volunteer team, and held the Dong Yang Volunteer Wetland Conservation Action.
4. Consumer rights: The Company has established the operation procedure for handling customer complaints, and appointed designated personnel in charge of receiving customer complaints.
5. Human rights: The Company lays emphasis on human rights. It has purchased various insurance policies including public liability insurance, employment injury insurance, and employee group insurance. It has also entered collective agreements with the union in accordance with the Collective Agreement Act, and was recognized by the Tainan City Government as an excellent and harmonious employer for many years (the most recent period being 2025/10/01 to 2026/09/30) consecutively.
6. Occupational health and safety: The Company actively promotes environmental safety certification to meet customer requirements and international standards. It has obtained the OHSAS 18001 Occupational Health and Safety Assessment Series Certification in 2005 (replaced by ISO45001 Occupational Health and Safety Management Systems in 2018, effective from June 28, 2023 to July 27, 2026). In addition, the Company hopes to internalize occupational safety into its employee. In order to allow factory workers to cultivate their habits, the Company organizes a disaster-free competition every year and has established reward, penalty, and inspection systems. The Company's occupational health and safety standards have been incorporated into educational training and are adopted as the benchmark of work safety of Tainan City. It also organizes frequent tours for vendors or external guests and was awarded the "Occupational Safety Five Star Award" by the Council of Labor Affairs twice, attracting other automobile manufacturers to come and learn for experience. In 2025, the Company received Excellence Award in the Tainan City Government Labor Affairs Bureau Occupational Safety and Health Family Performance Competition and the Benchmark Award in the Workplace Fire Safety SDGs Disclosure Evaluation organized by the National Fire Agency of the Ministry of the Interior.</td></tr>
</table>

Promotion item	Implementation (Note 1)			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
7. Biodiversity: In 2025, we invited a lecturer specializing in environmentally friendly green living from the Satoyama Education to hold biodiversity issue lectures and workshops, guiding colleagues to understand the importance of natural cycles and ecological friendliness; we established an ecological gardening exchange platform group, and 35 colleagues voluntarily formed an ecological volunteer team. They continuously observed the factory area's ecology for six months, and newly discovered organisms in the garden, including "short-winged burrowing crickets, scarab grubs, millipedes, earthworms, and whip spiders..." The originally hard soil in the garden gradually became loose and fertile, and the ecological environment improved significantly. 8. Other social responsibility activities: In 2025, the Company implemented a comprehensive salary adjustment and for many consecutive years (including 2025), it was selected as a constituent stock of the "Taiwan Employment 99 Index" (the first and ever global CSR index), and the Company will continue to fulfill its corporate social responsibility to help reduce the unemployment rate. 9. For results of the Company's CSR, please see Note 3.				

Note 1: If Implementation Status is specified "Yes," please explain the key policies, strategies and measures taken and the current progress; if Implementation Status is specified "No," please explain the differences and reasons in the column "Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons" and explain any policy, strategy and measure planned for the future. However, regarding the promotion of items 1 and 2, listed companies should outline the governance and supervisory structure for sustainable development, including but not limited to management policies, strategy and goal setting, and review measures. Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons and explain any policy, strategy and measure planned for the future. Additionally, the Company's risk management policies or strategies related to environment, social, and governance (ESG) issues pertinent to its operations, as well as their assessment status should be explained.

Note 2: Materiality principle refers to environmental, social, and corporate governance issues that are of material impact to the Company's investors and stakeholders.

Note 3: The CSR implementation results

Year	Implementation results
1996	The Tong Yang Wu Gao Cultural & Educational Foundation was awarded the "Award of Outstanding Community Education Group in Seven Counties of Southern Taiwan" and the "Outstanding Community Education Group."

1997	Awarded the 5-Star Award for Excellent Organization in Taiwan for the Implementation of Safety and Health and the National Promotion of Safety and Health
2005	Awarded the Excellent Workplace of Tobacco Hazard Prevention by the Ministry of Health and Welfare for three consecutive years.
2006	Awarded "Outstanding Company for Hiring Disabilities."
2007	Signed the "Safety Partnership Declaration" with the Labor Inspection Office of the Southern District of the Executive Yuan Labor Committee, and became a safety partner.
2010	Awarded the 3rd Safety Partner - Group Contribution Award 2010 by the Council of Labor Affairs
2019	Commended by the Ministry of Labor and Tainan City Government, and signed the collective agreements. Tong Yang Wu Gao Cultural & Educational Foundation was awarded the "2019 Gold Safety Award" - Corporate contribution award.
2020	National Occupational Safety and Health Award - Special Award for Traditional Industry Investment.
2021	The Company's Chairman of the Labor Union, Hu Shang-li, has been awarded the "Excellence in Leadership" award by the Tainan City General Industrial Association.
2022	The Company won the championship in the Safety and Health Performance Competition organized by the Occupational Safety and Health Administration, as well as the runner-up in the Safety Partner category.
2023	Obtained Special Award in Safety and Health Assessment from the Tainan City Government Labor Bureau. Rated Class A Supplier of Safety and Health Management System Assessment by Taiwan Kuozui Motors.
2024	The Tong Yang Corporate Labor Union participated in the 2024 Tainan City Labor-Management Sports Competition and received Excellence Awards in 9 events. The Tong Yang Corporate Labor Union was rated Excellent in the 2024 Tainan City Labor Union Evaluation and was publicly commended by the Mayor. Obtained Excellence Award in Tainan City Government Safety and Health Assessment.
2025	Tainan City Government Recognizes Units with Excellent Labor-Management Relations City Signs Collective Agreements Obtained Excellence Award in the Safety and Health Performance Competition from the Tainan City Government Labor Bureau. Benchmark Award in the Workplace Fire Safety SDGs Disclosure Evaluation organized by the National Fire Agency of the Ministry of the Interior. The Tong Yang Corporate Labor Union participated in the 2025 Tainan City Labor-Management Sports Competition and received Excellence Awards in 4 events. The Tong Yang Corporate Labor Union was rated Excellent in the 2025 Tainan City Labor Union Evaluation and was publicly commended by the Mayor. Obtained Excellence Award in Tainan City Government Safety and Health Assessment.

Information related to climate

Implementation of Climate-Related Information

Item	Implementation
1. Describe the board of directors’ and management’s oversight and governance of climate-related risks and opportunities.	1. The Company has established a "Greenhouse Gas Risk Management Committee," which is composed of the Director/President Yung-Hsiang Wu as the convener, the general managers of the two business groups as the deputy conveners, the relevant units of the Company, and the subsidiaries. It is responsible for the inventory of its various carbon emissions, planning energy saving and carbon reduction strategies and goals, promoting the management of energy saving and carbon reduction, researching and developing carbon reduction technologies, and introducing carbon reduction equipment, so as to promote the achievement of energy saving and carbon reduction goals. From the third quarter of 2022, the committee will report the progress of greenhouse gas inventory and verifications to the Board of Directors on a quarterly basis. Additionally, the Company has established a "ESG Implementation Committee" to compile the annual sustainability report on the implementation results of ESG and report it to the Board of Directors. The Board of Directors reviews the implementation strategy and achievements, tracks the implementation results, and provides supervision at all times, so as to ensure that operations are free of risks.
2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	2. (1) Climate risks: Short-term heavy rainfall, typhoons, earthquakes, and other extreme weather events may lead to production line shutdowns and disruptions in the supply chain, thereby affecting the company's operations. To mitigate climate change, the promulgation of relevant regulations may increase the cost of greenhouse gas emissions for the Company, increase the cost of equipment transformation, and affect customers’ preferences for the products.

Item	Implementation
	(2) Opportunities of climate risks: Through reviewing the Company’s process equipment, energy efficiency may be improved and greenhouse gas emissions may be reduced; In addition, the reuse of wastewater and the development of recycled raw materials are also opportunities for the Company to develop new markets.
3. Describe the financial impact of extreme weather events and transformative actions.	3. For the major climate risks and opportunities identified above, the potential impacts on financial and operational are assessed, and response plans are formulated. Taking carbon taxes and carbon fees as an example of climate risk, it is expected to increase indirect costs, as upstream suppliers may pass on their related expenses, potentially leading to higher procurement costs and a decrease in profitability. In terms of finance, various insurance are utilized to reduce climate risks, and the financial structure is appropriately managed in the short, medium, and long terms. Regarding climate opportunities, replacing old equipment with new ones and improving the energy efficiency of existing equipment to enhance energy efficiency. The introduction of new equipment may result in increased capital expenditures. On the other hand, this can reduce greenhouse gas emissions and thus decrease carbon tax/carbon fee expenditures.
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	4. Based on the guidelines of environmental safety and health policy of "pollution prevention, enhanced communication, hygiene reinforcement, education and training, regulatory compliance, resource conservation, and continuous improvement," and utilizing the ISO 14001 Environmental Management System as the foundation for implementation, the company employs the PDCA method. This approach considers various environmental impacts, government regulations, and internal and external environmental issues, identifies various potential risks, improves volatile organic compound (VOC) emissions, reduces carbon emissions, manages water recycling and discharge, and develop relevant response measures for waste management to reduce environmental impact. The company integrating risk management with environmental regulations and conduct regular assessment, identifying relevant laws and technologies, and combines the environmental management system to identify relevant regulations and technologies, taking into account the overall risk to the company.

Item	Implementation
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.	5. The Company used scenario analysis to assess its resilience to climate change risk, and complete information will be disclosed in the ESG Report.
6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.	6. In order to face the global climate change, the Company has not only strengthened the risk adaptation of climate change to reduce the impact of disasters on its operations, but also made continuous efforts to mitigate greenhouse gas emissions. Status of Greenhouse Gas Reduction Targets, Strategies, and Specific Action Plans was filled in sections 1-2.
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	7. The company has not used internal carbon pricing as planning tool yet.
8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.	8. The Company has long been committed to environmental protection and has sought to create a harmonious win-win outcome for the economy and the environment through a green operating model of "maximizing production efficiency and minimizing environmental impact." By reducing waste at the source and improving use efficiency, eco-efficiency was enhanced in the areas of energy conservation, water conservation, waste reduction, and greenhouse gas reduction, thereby contributing to a sustainable environment. The relevant reduction strategy, reduction target, and the status of achievement of the 2025 reduction target were as follows: Reduction Strategy Through risk identification, the Company has formulated the following measures to improve VOC gas emissions, reduce carbon emissions, recycle and discharge water, and manage waste disposal, thereby reducing environmental impact.

Item	Implementation
	(1) In 2016, the introduction of water-based paints began, reducing pollution emissions. (2) The installation of solar power generation equipment on the factory roof has reduced carbon emissions, generating approximately 2.6 million kilowatt-hours of green electricity in 2025. (3) After the treatment of process wastewater, it is reused in the manufacturing process, for street washing, and in horticulture, thereby reducing the consumption of tap water. (4) In light of increasingly extreme climate conditions, establish various emergency management measures for water disasters, earthquakes, fires, and other incidents. (5) Implement waste classification and reuse to reduce the volume of waste generated. Reduction Target (1) In line with the Company’s ongoing introduction of pollution control equipment, VOC air pollution emissions per unit of revenue (kg/NT$ million revenue) were reduced by 50% to 60% (with 2016 as the base year). The 2026 target was to reduce VOC unit revenue emission intensity by 46% compared with 2016. (2) By installing solar power generation on the factory rooftops, the Company reduced carbon emissions, with green electricity generation reaching approximately 2.6 million kWh in 2025. In 2026, in addition to continuing to generate about 2.6 million kWh of green electricity, the Company plans to install new solar power generation of approximately 499 kW and apply for green electricity certificates. This initiative is expected to produce green electricity that exceeds 11.98% of the total electricity consumption of the Company. (3) Energy saving and carbon reduction: Implement various energy conservation measures. The electricity consumption per unit of revenue has decreased by 2% in 2026 compared to 2025.

Item	Implementation
	(4) Circular economy: Recover the copper in electroplating waste liquid, transfer them to the manufacturer for refining, and use them again in the process. The goal for 2026 is to recover 300 kg of copper waste liquid, thereby improving the discharge of heavy metals in wastewater and reducing the concentration of hazardous industrial waste. (5) Conserve water resources and maximize the use of recycled water. The long-term target is for recycled water usage to account for 10% of tap water consumption by 2030, with the target for 2026 set at 9.4%. (6) Improve wastewater treatment technology continuously. It is estimated that the comprehensive indicator of water pollution in 2030 will be 45% better than the Effluent Standards, and the comprehensive indicator of water pollution in 2026 is set to be 41% better than the Effluent Standards. (7) Implement various waste classification and management to reduce the outsourcing treatment, the objective is to decrease the waste generation intensity per unit of revenue by 40% by the year 2030, compared to 2017. Furthermore, the target for 2026 is to achieve a 35% reduction in generation intensity (with 2017 as the base year). Status of Reduction Achievements for 2025 (1) In 2025, VOC emissions per unit of operating revenue (kg/NT$ million in revenue) decreased by 37.74%, falling short of the original reduction target of 45% (as the environmental protection authority’s review of the newly introduced control equipment is still in progress, the VOC air pollution reduction target was not achieved). (2) The Company had installed 2,249.12 kW of green electricity solar power (including self-generated self-use and leasing), accounting for 9.8% of the Company’s contracted power capacity.

Item	Implementation
	(3) Energy saving and carbon reduction: In 2025, electricity consumption per unit of revenue decreased by 22.71% compared with 2022. (4) Circular economy: The Company collaborated with manufacturers to research circular economy waste recycling technology, electrolytically recovering copper waste solution from the electroplating process. After refinement by manufacturers, it was reused in the process. In 2025, 130 kg of copper was recovered, improving heavy metal discharge in wastewater. (5) Water resource conservation: In 2025, the volume of water recycled was expected to account for 5.84% of the total water usage. (6) Continuously improve wastewater treatment technology: In 2025, the comprehensive water pollution index was on average 58% better than legal requirements. (7) Compared to the baseline year of 2017, the Company has reduced its waste output per unit of revenue by 31% in 2025 (targeting 34%), which aligns with the Company's short-term objectives. Moving forward, we will continue to manage emission issues.
9. Status of Greenhouse Gas Inventory and Assurance, Reduction Targets, Strategies, and Specific Action Plans (to be filled in sections 1-1 and 1-2).	9. Filled in sections 1-1 and 1-2.

1-1 Greenhouse Gas Inventory and Assurance Status for the Most Recent 2 Fiscal Years

1-1-1 Greenhouse Gas Inventory Information

Greenhouse gas emissions (metric tons CO_2e), intensity (metric tons CO_2e/NT$ million), and data coverage for the most recent two years.

In accordance with the Sustainable Development Roadmap for TWSE/TPEx Listed Companies issued by the Financial Supervisory Commission, the Company falls within the category of companies with paid-in capital of NT$5 billion to NT$10 billion. The parent company, in its individual financial statements, shall adopt the greenhouse gas inventory in Phase 2 (i.e., complete disclosure of inventory information in 2025 and complete disclosure of verification information in 2027); all subsidiaries in the consolidated financial statements shall adopt the greenhouse gas inventory in Phase 3 (i.e., complete disclosure of inventory information in 2026 and complete disclosure of verification information in 2028).

The Company and its subsidiaries included in the consolidated financial statements established a greenhouse gas inventory mechanism in accordance with the ISO 14064-1 greenhouse gas inventory standard issued by the International Organization for Standardization (ISO).

Beginning in 2024, the Company and its subsidiaries included in the consolidated financial statements conducted annual regular inventories of greenhouse gas emissions to fully understand greenhouse gas usage and emissions.

In addition, the greenhouse gas inventory data for the most recent two years were compiled in accordance with the operational control approach, including the greenhouse gas emissions of the Company and its subsidiaries included in the consolidated financial statements, as follows:

		2024		2025	
		Emissions (metric tons of CO2e)	Density (metric tons of CO2e/NT$ million in revenue)	Emissions (metric tons of CO2e)	Density (metric tons of CO2e/NT$ million in revenue)
The Company	Scope 1 (Direct GHG emissions)	11,803.8070		11,397.3815	
	Scope 2 (Indirect GHG emissions)	50,332.1821		47,260.9663	
	Scope 3 (Note 1)	192,595.5603		177,682.8207	
	Subtotal	254,731.5494		236,341.1685	
All subsidiaries in the consolidated financial statements	Scope 1 (Direct GHG emissions)	4,979.3291		3,905.4422	
	Scope 2 (Indirect GHG emissions)	25,076.6541		21,459.5386	
	Scope 3 (Note 1)	10,397.3062		22,885.7313	
	Subtotal	40,453.2894		48,250.7121	
Total		295,184.8388	11.53	284,591.8806	11.34

Note 1: Direct emissions (Scope 1 refers to emissions that are directly from sources owned or controlled by the Company), indirect emissions (Scope 2 refers to indirect greenhouse gas emissions resulting from the purchased electricity, heat, or steam), and other indirect emissions (Scope 3 refers to emissions generated by the Company's activities that are not classified as indirect emissions of energy but rather from sources owned or controlled by other companies).

The scope 3 statistics for the Company and its subsidiaries in the consolidated financial statements included category 3, indirect greenhouse gas emissions from transportation, and category 4, indirect greenhouse gas emissions from goods used by the organization.

Note 2: The data coverage scope for direct emissions and indirect energy emissions shall comply with the schedule prescribed in the order issued under Article 10, paragraph 2 of the Regulations. Other indirect emissions information may be voluntarily disclosed.

Note 3: Greenhouse gas inventory standards: Greenhouse Gas Protocol (GHG Protocol) and ISO 14064-1 issued by the International Organization for Standardization (ISO).

Note 4: The intensity of greenhouse gas emissions can be calculated per unit of product or service, or per unit of revenue, but at least the data calculated in terms of revenue (NT$ million) shall be disclosed.

1-1-2 Greenhouse Gas Assurance Information

Describe the status of assurance for the most recent 2 fiscal years as of the annual report printing date, including the scope of assurance, assurance institutions, assurance standards, and assurance opinion:

In accordance with the Sustainable Development Roadmap for TWSE/TPEx Listed Companies issued by the Financial Supervisory Commission, the Company falls within the category of companies with paid-in capital of NT$5 billion to NT$10 billion. The parent company, in its individual financial statements, shall adopt the greenhouse gas inventory in Phase 2 (i.e., complete disclosure of inventory information in 2025 and complete disclosure of verification information in 2027); all subsidiaries in the consolidated financial statements shall adopt the greenhouse gas inventory in Phase 3 (i.e., complete disclosure of inventory information in 2026 and complete disclosure of verification information in 2028).

The explanation of the assurance engagement for the greenhouse gas inventories of the Company and the subsidiaries included in the consolidated financial statements for the most recent two fiscal years is as follows:

		2024 Emissions (metric tons of CO2e)	2025 Emissions (metric tons of CO2e)
The Company	Scope 1 (Direct GHG emissions)	11,803.8070	11,397.3815
	Scope 2 (Indirect GHG emissions)	50,332.1821	47,260.9663
	Scope 3	192,595.5603	177,682.8207
	Total	254,731.5494	236,341.1685
	Percentage of the disclosed inventory data in aforementioned 1-1-1	100%	100%
Consolidated Financial Report Subsidiary	Scope 1 (Direct GHG emissions)	Subsidiaries in the consolidated financial statements Verification was not carried out in 2024 in accordance with the regulations.	3,905.4422
	Scope 2 (Indirect GHG emissions)		21,459.5386
	Scope 3		22,885.7313
	Total		48,250.7121
	Percentage of the disclosed inventory data in aforementioned 1-1-1		100%
Assurance Institution		ITRI	(Note 1)
Assurance Situation Description		ISO 14064－1:2018 Categories 1 and 2 conform to the reasonable assurance level under the verification agreement, and Categories 3 and 4 are at the limited assurance level.	(Note 1)
Assurance Opinion/Conclusion		No unqualified opinion	(Note 1)

Note 1: The Company began obtaining assurance in 2024. Its consolidated financial report subsidiaries began obtaining assurance in 2025. Because the 2025 greenhouse gas assurance opinion had not been obtained by the date of publication of the annual report, complete assurance information will be disclosed in the ESG Report.

Note 2: The assurance institutions must adhere to the relevant regulations for sustainability reports set forth by the Taiwan Stock Exchange Corporation.

Note 3: For details regarding the content disclosed, please refer to the reference examples of best practices available on the website of the Taiwan Stock Exchange in the Corporate Governance Center.

1-2 Greenhouse Gas Reduction Goals, Strategies, and Specific Action Plans (Specify the greenhouse gas reduction base year and its data, the reduction targets, strategy and concrete action plan, and the status of achievement of the reduction targets):

The Company, in line with climate change management trends and the SDG, established a greenhouse gas reduction pathway and used 2024 as the base year for reduction. It managed and improved Scope 1 and Scope 2 within the Group's boundary.

I. Reduction Target

The Company and its subsidiaries in the consolidated financial statements have established phased carbon reduction targets as follows:

Medium-term target: By 2035, greenhouse gas emissions had been reduced by 34% compared with the base year.

Long-term target: Achieve Net Zero Emissions by 2050.

In addition, to strengthen the basic management of carbon reduction, the Company continued to promote improvements in energy use efficiency and gradually reduced its energy use intensity year by year.

II. Carbon Reduction Strategy

The Company and the subsidiaries included in the consolidated financial statements formulated the following five major carbon reduction strategies in response to sources of greenhouse gas emissions:

1. Operational efficiency optimization: Through process improvements and production line adjustments, energy consumption per unit of output was reduced.
2. Equipment efficiency enhancement: Introduced high-efficiency equipment to improve energy consumption efficiency.
3. Equipment replacement and upgrade: Phase out old, high-energy-consuming equipment step by step to reduce energy waste.
4. Energy recovery and reuse: Promote heat recovery systems to improve energy reuse rates.
5. Renewable energy adoption: Established solar power generation systems to reduce dependence on conventional energy sources.

III. Specific Action Plan

To implement the carbon reduction strategy, the Company and its subsidiaries included in the consolidated financial statements promoted the following five action measures:

1. Established the Group's greenhouse gas inventory system and strengthened data collection and management capabilities.
2. Established an internal information platform to share energy saving and carbon reduction cases and implementation results from each unit.
3. Promoted an energy saving and carbon reduction incentive mechanism to enhance the participation of each business group and subsidiary.
4. Conducted energy saving and carbon reduction education and training, as well as awareness-raising courses, to deepen employee carbon reduction awareness.
5. Continuously implemented energy-saving technologies and equipment improvement projects.

IV. Achievement Status of Reduction Targets

The Company and its subsidiary in the consolidated financial statements recorded Scope 1 and Scope 2 emissions of approximately 92,192 metric tons in 2024.

The Company and the subsidiaries included in the consolidated financial statements had approximately 84,023 metric tons of Scope 1 and Scope 2 emissions in 2025.

In 2025, overall greenhouse gas emissions had decreased by approximately 8.86% compared with the base year (2024).

Note: As of the date of publication of the annual report, the aforementioned carbon emissions had completed internal verification, and external verification was being arranged subsequently.

V. Outlook

The Company and its subsidiaries included in the consolidated financial statements will continue to advance carbon reduction initiatives in a practical and measurable manner, and will gradually reduce the impact of operations on the environment through a three-stage strategy of "establishing the foundation in the short term, expanding results in the medium term, and achieving net zero in the long term."

Going forward, we will continue to monitor international climate-related regulations and the development of low-carbon technologies, and adjust our carbon reduction pathways and strategy in a timely manner to enhance corporate climate resilience and move toward the target of sustainable operation.

Note 1: The company is required to adhere to the schedule according to the regulations outlined in Article 10, Paragraph 2 of the Standards.

Note 2: The base year should be the year in which the audit for boundary of the consolidated financial report is finalized. For instance, in accordance with Article 10, Paragraph 2 of the Standards, companies with a capital exceeding NT$10 billion are required to complete the audit of the consolidated financial report for 2024 in 2025. Consequently, the base year is 2024. If a company has completed the audit of the consolidated financial report ahead of schedule, it may designate that earlier year as the base year. Furthermore, the data for the base year may be calculated as either a single year's value or an average value from multiple years.

Note 3: For details regarding the content disclosed, please refer to the reference examples of best practices available on the website of the Taiwan Stock Exchange in the Corporate Governance Center.

(VI) Corporate observance of ethical business practices and discrepancies from the Ethical Corporate Management Best-Practice Principles for the TWSE/TPEx Listed Companies and reasons thereof:

Item for evaluation	Status (Note)			Discrepancies from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof.
	Yes	No	Summary	
I. Establishment of ethical corporate management policies and programs (I) Has the Company established the ethical corporate management policies approved by the Board of Directors and specified in its rules and external documents the ethical corporate management policies and practices and the commitment of the Board of Directors and senior management to rigorous and thorough implementation of such policies?	✓		(I) The Company has formulated the "Ethical Corporate Management Best Practice Principles" which was approved by the Board. The Principles are disclosed on the MOPS and the Company's website. The Company strictly requires its directors, managerial officers, and employees to abide by the integrity policy and implement it. In addition, the business philosophy of the Company is "Enthusiasm, Honesty, and Creativity." It is displayed throughout the company, published on the Company's website and written in the employee handbooks, which serve as guidelines for the Company's sustainable development. The company ensures legal compliance in both internal management and external business activities, upholding a transparent and responsible business philosophy. It has formulated policies with integrity as basis, established sound corporate governance, and risk control mechanisms to create a sustainable operating environment.	(I) No significant discrepancies from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies

Item for evaluation	Status (Note)			Discrepancies from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof.
	Yes	No	Summary	
(II) Does the company establish a risk assessment mechanism against unethical conduct, analyze and assess on a regular basis business activities within its business scope which are at a higher risk of being involved in unethical conduct, and establish prevention programs accordingly, which shall at least include those specified in Paragraph 2, Article 7 of the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies"?	✓		(II) The Company has established the "Ethical Corporate Management Best Practice Principles" to analyze and assess on a regular basis business activities within its business scope which are at a higher risk of being involved in unethical conduct, and establish prevention programs accordingly as specified in Paragraph 2, Article 7 of the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies."	(II) No significant discrepancies from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies
(III) Has the Company provided any solutions to prevent the unethical conducts, stipulate the definite procedures, conduct guidelines, punishment for violation as well as appeals system and put into practice, and review and revise on a regular basis the aforesaid solutions?	✓		(III) The Company has established the "Ethical Corporate Management Best Practice Principles," "Codes of Ethical Conduct for Directors and Managerial Officers," "Code of Conduct" and "Complaint Management Regulations." These regulations clearly define the related handling procedures and provide internal and external personnel with channels to report violations of integrity and implement them. Any violations of relevant regulations will be subject to internal disciplinary actions.	(III) No significant discrepancies from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies

Item for evaluation	Status (Note)			Discrepancies from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof.
	Yes	No	Summary	
			The staff handbook of the Company specifies the matters that should be known to the employees, including correct working attitude, workplace ethics, and confidentiality awareness, such as "employees of the Company shall not receive or offer rebates or other improper benefits to customers, suppliers or other persons related to the Company's business" and "unless approved, employees are strictly forbidden to accept gifts, cash or any equivalent in monetary from suppliers," in order to promote integrity and self-discipline among employees and implement the concept.	
II. Fulfillment of ethical corporate management (I) Does the company evaluate business partners' ethical records and include ethics-related clauses in business contracts?	✓		(I) The Company has formulated the "Ethical Corporate Management Best Practice Principles" and conducts business activities on the basis of the principle of integrity management and in a fair and transparent manner. Before cooperation, the Company considers the legality of agents, customers, or other transaction objects and whether they involve unethical conducts, to avoid transactions with those involved in unethical conducts. When the Company signs contracts with other entities, the Company includes provisions requiring compliance to its ethical business policy and termination or cancellation of the contract at any time if the counterparty engages in dishonest or unethical conduct.	(I) No significant discrepancies from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies

Item for evaluation	Status (Note)			Discrepancies from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof.
	Yes	No	Summary	
(II) Has the Company set up a dedicated unit under the Board of Directors to promote ethical corporate management and regularly (at least once every year) report to the Board of Directors the implementation of the ethical corporate management policies and prevention programs against unethical conduct?	✓		(II) To establish a corporate culture of integrity management and ensure sound development, the Company maintains a good business operating model. The management department is responsible for formulating and supervising the implementation of ethical management policies and measures to prevent dishonest behavior, ensuring the implementation of the Ethical Corporate Management Best Practice Principles. An annual report is presented to the Board of Directors on the status of ethical management carried by the Company. The Company holds ethical management education training or promotion for the personnel of the Company, so that they can fully understand the Company's determination, policies, prevention programs, and consequences of unethical conduct. In 2025, the "Integrity and Ethics Training" was held, with a total of 3,824 participants and a total of 3,824 training hours.	(II) No significant discrepancies from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies
(III) Has the Company established policies to prevent conflicts of interest, provide appropriate communication channels, and implement them accordingly?	✓		(III) The Company has established policies to prevent conflicts of interest in the "Ethical Corporate Management Best Practice Principles," provides appropriate channels for disclosure and implement it. Moreover, as provided in the "Rules and Procedures for Board Meetings," in the event of an agenda item representing a conflict of interest for a director of for the entity he or she represents, he or she shall disclose the conflict at the current meeting and refrain from discussion or vote on the matter.	(III) No significant discrepancies from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies

Item for evaluation	Status (Note)			Discrepancies from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof.
	Yes	No	Summary	
			He or she shall be recused during discussion or vote on the matter and shall not exercise the right to vote on behalf of any other directors of the Board. A total of 8 board meetings were held in 2025 and as of the publication date of the annual report, in accordance with the "Rules and Procedures for Board Meetings."	
(IV) Has the Company established effective accounting systems and internal control systems to implement ethical corporate management and had its internal audit unit, based on the assessment results of the risk of involvement in unethical conduct, devise relevant audit plans and audit the compliance with the prevention programs accordingly or entrusted a CPA to conduct the audit?	✓		(IV) To ensure the implementation of ethical corporate management, the Company has established an effective accounting system and internal control system which are reviewed on an ongoing basis to prevent the risk of dishonest conduct in its business activities. The internal audit unit shall regularly check the compliance with the said system according to the audit plan and prepare audit reports and report them to the Board of Directors. If necessary, CPAs may be appointed to perform audit tasks.	(IV) No significant discrepancies from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies
(V) Does the company regularly hold internal and external educational trainings on operational integrity?	✓		(V) The Company has formulated the "Ethical Corporate Management Best Practice Principles" and holds ethical management education training or promotion for the personnel of the Company, so that they can fully understand the Company's determination, policies, prevention programs, and consequences of unethical conduct. In 2025, the "Integrity and Ethics Training" was held, with a total of 3,824 participants and a total of 3,824 training hours.	(V) No significant discrepancies from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies

Item for evaluation	Status (Note)			Discrepancies from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof.
	Yes	No	Summary	
III. Operation of the whistleblowing system (I) Does the company establish both a reward/punishment system and an integrity hotline? Can the accused be reached by an appropriate person for follow-ups?	✓		(I) The Company has established the "Ethical Corporate Management Best Practice Principles," "Employee Code of Conduct," and the "Complaint Management Procedures," which clearly outline specific reporting and reward systems, as well as related handling processes. These regulations provide internal and external personnel with channels to report violations of integrity and for employees to file complaints regarding workplace harassment. The Human Resources Department is designated as the responsible unit for handling reports. Whistleblowers are required to provide their names and contact details, the alleged violations of integrity or instances of workplace harassment, to facilitate the investigation and subsequent handling of the results. The Company ensures confidentiality and protection for whistleblowers and individual involved in the investigation; all documents in the process of acceptance and investigation will also be managed as special confidential documents. The whistleblowing channels are as follows: Internal channels: (1) Establish a "Feedback Platform." (2) Establish a contact email address for feedback and phone number for the head of the Human Resources Department and the labor union. (E-mail: 16845@tyg.com.tw; Tel: 06-3560511#6002; Contact Person: Yu-Chih Hsu,	(I) No significant discrepancies from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies

Item for evaluation	Status (Note)			Discrepancies from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof.
	Yes	No	Summary	
			Manager) External Reporting Channels: For external stakeholders and relevant parties to report concerns to the Company (1) Establish a complaint/mailbox for whistleblowing on the company website (access the official company website at www.tyg.com.tw and click on "Contact Us"). (2) Complaint/reporting mailboxes and contact telephone number (06-3560511#6026) are provided at the plant's security office and on the manufacturers' identification badges.	
(II) Has the Company established the standard operating procedures for investigating reported misconduct, follow-up measures to be adopted after the investigation, and related confidentiality mechanisms?	✓		(II) The Company has established the "Ethical Corporate Management Best Practice Principles" and "Complaint Management Regulations." When a complainant reports violations of integrity, they can submit their complaint through the complaint channels. Upon receiving the report, the company will initiate an investigation team within three days to begin the process, and record it in the "Complaint Investigation Form". The company ensures confidentiality and protection for both the complainant and the personnel involved in the investigation regarding the reported issue and the subsequent investigation. All documents related to the acceptance and investigation process are managed as confidential files.	(II) No significant discrepancies from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies

Item for evaluation	Status (Note)			Discrepancies from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof.
	Yes	No	Summary	
(III) Does the company provide proper whistleblower protection?	✓		(III) The Company has established the "Ethical Corporate Management Best Practice Principles" and "Complaint Management Regulations." When a complainant reports violations of integrity, they can submit their complaint through the complaint channels. Upon receiving the report, the company will initiate an investigation team within three days to begin the process, and record it in the "Complaint Investigation Form". The company ensures confidentiality and protection for both the complainant and the personnel involved in the investigation regarding the reported issue and the subsequent investigation. All documents related to the acceptance and investigation process are managed as confidential files.	(III) No significant discrepancies from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies
IV. Enhanced disclosure of ethical corporate management information Does the company disclose the ethical corporate management policies and the results of its implementation on the company website and MOPS?	✓		The Company discloses the "Ethical Corporate Management Best Practice Principles" on the Company website for inquiry at any time.	No significant discrepancies from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies
V. If the Company has established the ethical corporate management policies based on the "Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies," please describe any discrepancy between the policies and their implementation. The Company has formulated the "Ethical Corporate Management Best Practice Principles," "Codes of Ethical Conduct for Directors and Managerial Officers," and "Code of Conduct." All employees and managerial officers and the board members shall abide by the regulations. There are no significant discrepancies from the Corporate Governance Best-Practice Principles.				

Item for evaluation	Status (Note)			Discrepancies from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof.
	Yes	No	Summary	
VI. Other information relevant to understanding the Company's business integrity (e.g., reviews and amendment of its business integrity principles): Since the establishment of Tong Yang, the Company has been adhering to its central notion of "Humanistic Management" and corporate spirit of "Enthusiasm, Honesty, and Creativity." It is not only the belief of Tong Yang's sustainable operation, but also the corporate culture of Tong Yang. Over the years, the Company has adhered to its central notion of "Humanistic Management," continues to organize and reorganize, establishes a Tong Yang of sustainable development and sustainable operation, dedicates to the sustainable development of the Company and the society, creates mutual benefits for all stakeholders, increases economic value for the society, and continues to be the driving force of social improvement.				

Note: Reasons for checks of "Yes" or "No" of status should be specified in "Summary Description" column.

(VII) Other information that facilitates the understanding of the Company's corporate governance should be also disclosed: Please go to "Corporate Governance" sector in the MOPS (http://mops.twse.com.tw), or the Company's website (http://www.tyg.com.tw).

(VIII) Internal Control System Execution Status:

1. Statement on Internal Control System: Please refer to the Market Observation Post System (MOPS) > Single Company > Corporate Governance > Corporate Regulations/Internal Control > Announcement of Internal Control System Statement. For the new version of MOPS, visit the following URL: https://mops.twse.com.tw/mops/#/web/t06sg20
2. If a CPA has been hired to carry out a special audit of the internal control system, the CPA audit report shall be disclosed: None.

(IX) Major Resolutions of Shareholders' Meeting and Board Meetings during the Most Recent Fiscal Year and during the Current Fiscal Year up to the Date of Publication of the Annual Report

1. Important resolutions and implementation of the Shareholders' Meeting

	Important resolutions	Implementation
2025.6.19	1. Recognition of the Company's 2024 Business Report and Financial Statements 2. Recognition of distribution of 2024 retained earnings 3. The partial amendments to the Company's "Procedures for Endorsements and Guarantees." 4. The partial amendments to the Company's "Articles of Incorporation."	1. The relevant reports and statements have been filed with the competent authority for future reference, disclosure, and declaration pursuant to the relevant regulations. 2. In accordance with the resolution approved at the Shareholders' Meeting, a cash dividend of NT$5.3 per share will be distributed. The record date for cash dividend distribution was June 28, 2025, and the cash dividend payment date was July 17, 2025. 3. The amended regulations have been published on the Market Observation Post System (MOPS) and the Company’s website, and have been implemented in accordance with the revised provisions. 4. Approval for the amendment registration was granted by the Ministry of Economic Affairs on July 11, 2025, and the relevant information has been published on the Company’s website.

2. Important resolutions of the Board Meeting

	Important resolutions
2025.3.7	1. Internal Audit Results Report and Internal Audit Deficiency Follow-up Report for the period from November 2024 to February 2025. 2. Board Performance Evaluation 2024 3. Report on the implementation progress of the Company's greenhouse gas inventory and verification. 4. Approved the Company's 2025 business plan. 5. Approved the 2024 distribution of remuneration of employees and Directors 6. Approved the 2024 Business Report and Financial Statements

	Important resolutions
	7. Approved the 2024 earnings distribution, with cash dividend at NT$5.3 per share. 8. Approved the "Review of the directors' and managerial officers' performance evaluation and relevant regulations regarding remuneration" reviewed by the Remuneration Committee, and "Adjustment to the 2025 salary, and bonus distribution." 9. Approved the 2024 Statement of Declaration of Internal Control. 10. Approved the Scope of the Company's Grassroot Employees. 11. Approved the partial amendments to the Company's "Articles of Incorporation." 12. Approved the partial amendment of the Company's "Internal Control System for Personnel Labor and Wage Cycle" and "Regulations on the Implementation for the Audit of Personnel Labor and Wage Cycle." 13. Approved the Company's appointment, independence and suitability evaluation of the CPAs. 14. Approved the formulation of the Company's general principles for the policy on pre-approved non-assurance services. 15. Approved the 2025 shareholders' meeting commence time, venue, and reason, and electronic means may be used for voting.
2025.5.8	1. Internal Audit Results Report and Internal Audit Deficiency Follow-up Report for the period from March 2025 to April 2025. 2. Report on the implementation progress of the Company's greenhouse gas inventory and verification. 3. Approved the Company’s 2025 Q1 consolidated financial statements. 4. Approved the 2024 earnings distribution. Shareholder bonus of NT$5.3 per share would be distributed in cash. Related matters, including the ex-dividend date, the final period for stock transfers, the record date for cash dividend distribution, and the cash dividend payment date, were also determined. 5. Approved the Company's construction of a factory in the Qigu Technology Industrial Park through self-owned land with commissioned construction.
2025.6.26	1. Report on the review results of qualification requirements for independent directors during their term of office. 2. Report on the implementation of integrity management. 3. Approved the Company's renewal of "Directors', Supervisors' and managerial Officers' Liability Insurance."
2025.8.7	1. Internal Audit Results Report and Internal Audit Deficiency Follow-up Report for the period from May 2025 to July 2025. 2. Report on the implementation progress of the Company's greenhouse gas inventory and verification. 3. Approved the Company’s 2025 Q2 consolidated financial statements. 4. Approved the partial amendments to the Company’s “Procedures for the Preparation and Assurance of Sustainability Reports.” 5. Approved the 2024 Sustainability Report.
2025.11.7	1. Internal Audit Results Report and Internal Audit Deficiency Follow-up Report for the period from August 2025 to October 2025. 2. Report on the implementation progress of the Company's greenhouse gas inventory and verification. 3. Approved the Company’s 2025 Q3 consolidated financial statements.

	Important resolutions
	4. Approved the Company's "Implementation Plan for the Adoption of the International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards." 5. Approved the donation of NT$800,000 to the related party Tong Yang Wu Gao Cultural & Educational Foundation.
2025.12.18	1. Approved the "Review of the directors' and managerial officers' performance evaluation and relevant regulations regarding remuneration" reviewed by the Remuneration Committee, and "Review of 2025 salary of Directors and managerial officers." 2. Approved the 2026 internal control audit plan. 3. Approved the revision to the scope of the Company's Grassroot Employees. 4. Approved to the partial amendment of the Company's "Internal Control System for Personnel Labor and Wage Cycle." 5. Approved to the proposal regarding the disposal by the Company's third-area investee, TONG YANG HOLDING CORPORATION, of its 45% equity interest in Daikyo Nishikawa Kaiyang Auto Parts (Nanjing) Co., Ltd.
2026.3.6	1. Internal Audit Results Report and Internal Audit Deficiency Follow-up Report for the period from November 2025 to February 2026. 2. Board Performance Evaluation 2025 3. Report on the implementation progress of the Company's greenhouse gas inventory and verification. 4. Report on the implementation plan and execution status of the IFRS Sustainability Disclosure Standards. 5. Approved the Company's 2026 business plan. 6. Approved the Company's 2025 employee compensation and directors' remuneration distribution proposal, as well as the assessment of whether adjustments to the scope of grassroots employees are required. 7. Approved the 2025 Business Report and Financial Statements 8. Approved the 2025 earnings distribution, with cash dividend at NT$5 per share. 9. Approved the "Review of the directors' and managerial officers' performance evaluation and relevant regulations regarding remuneration" reviewed by the Remuneration Committee, and "Adjustment to the 2026 salary, and bonus distribution." 10. Approved the 2025 Statement of Declaration of Internal Control. 11. Approved the proposal for the review and revision of the Company's "Code of Conduct for Employees." 12. Approved the Company's appointment, independence and suitability evaluation of the CPAs. 13. Approved the formulation of the Company's general principles for the policy on pre-approved non-assurance services. 14. Approved the proposal of complete re-election of 7 directors (including 3 independent directors). 15. Approved the list of director candidates (including independent directors) nominated by the Board of Directors and reviewed the qualifications of the nominees. 16. Approved the proposal to submit to the Annual Shareholders' Meeting for the release of non-competition restrictions on the Company's newly

	Important resolutions
	appointed directors. 17. Approved the 2026 shareholders' meeting commence time, venue, and reason, and electronic means may be used for voting.
2026.5.8	1. Internal Audit Results Report and Internal Audit Deficiency Follow-up Report for the period from March 2026 to April 2026. 2. Report on the implementation progress of the Company's greenhouse gas inventory and verification. 3. Report on the implementation plan and execution status of the IFRS Sustainability Disclosure Standards. 4. Approved the Company's 2026 Q1 consolidated financial statements. 5. Approved the proposal of 2025 earnings distribution with cash dividends of NT$5 per share and other matters including ex-dividend date, book closure period, the record date, cash dividend distribution date, etc.

(X) Recorded or written statements made by any director or supervisor which specified dissent to important resolutions passed by the Board of Directors during the most recent year and up to the date of publication of this annual report: None.

IV. Information on CPA Audit Fees

Information on CPA Audit Fees (Please fill in the amount)

Unit: NT$ thousands

Name of Accounting firm	Name of CPA		Auditing period	Audit fee (Note 1)	Non-Audit fee (Note 2)	Total	Remarks
Ernst & Young Global Limited	Tzu-Ren Hu	Kuo-Sen Hung	2025.1.1~2025.12.31	9,824	1,676	11,500	No Replacement of CPAs

Note: If the Company changes the CPAs or the accounting firm this year, please list their respective audit periods separately, specify the reason for the replacement in the "Remarks" column, and disclose the audit and non-audit professional fees paid in order. Non-audit fees, with notes specifying the nature of the services provided.

Note 1: Audit fee refers to service fee paid to external auditor regarding the audit and review of financial statement and review of financial forecast.

Note 2: The Company's non-audit fees for 2025 amounted to NT$1,676 thousand, including NT$335 thousand for transfer pricing report services, NT$20 thousand for the audit of salary information for full-time employees not serving in managerial positions, NT$11 thousand for the review of the English version of the annual shareholders' meeting report, NT$100 thousand for tax certification services, NT$10 thousand for business registration services, NT$200 thousand for limited assurance of the sustainability report, and NT$1,000 thousand for the implementation of IFRS Sustainability Disclosure Standards.

(I) 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.

(II) 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) thereof shall be disclosed:None.

V. Information on Replacement of CPAs: None.

VI. The Company's Chairman, Presidents, or Accounting Officers hold any positions in the Company's accounting firm or its affiliates during the most recent fiscal year: None.

VII. Any transfer of equity interests and/or changes in pledges by a director, supervisor, managerial officer, or shareholders with a stake of more than 10 percent:

Equity Transfer: Please refer to the Market Observation Post System by navigating to Single Company > Equity Changes/Securities Issuance > Equity Transfer Data Inquiry > Insider Shareholding Change Post-Report Form. For the new version of MOPS, visit the following URL: https://mops.twse.com.tw/mops/#/web/query6_1.

Changes in Share Pledge: Please refer to the Market Observation Post System under the following path: Single Company > Share Changes/Securities Issuance > Insider Pledge Release > Insider Pledge Release Announcement

For the new version of MOPS, visit the following URL:

https://mopsov.twse.com.tw/mops/web/STAMAK03_1.

VIII. Relationship among the Top 10 Shareholders

April 19, 2026

NAME (NOTE 1)	SHARES HELD IN OWN NAME SHAREHOLDING		SPOUSE & MINOR SHAREHOLDING		SHAREHOLDING BY NOMINEES		AMONG TEN LARGEST SHAREHOLDERS, NAME AND RELATIONSHIP WITH ANYONE WHO IS A RELATED PARTY OR A RELATIVE WITHIN THE SECOND DEGREE OF KINSHIP. (NOTE 3)		REMARKS
	Number of shares	Percentage of shareholding	Number of shares	Percentage of shareholding	Number of shares	Percentage of shareholding	Shareholder (or Name)	Relationship	
Yeong-Maw Wu	38,006,787	6.43%	0	0.00%	14,328,600	2.42%	Yung-Feng Wu Yung-Hsiang Wu Hong Yang Investment Co., Ltd. Xin Yang Investment Co., Ltd.	Brother Brother Sibling of the representative Sibling of the representative	None
Yung-Feng Wu	36,677,497	6.20%	2,930,455	0.50%	14,930,900	2.52%	Yeong-Maw Wu Yung-Hsiang Wu Hong Yang Investment Co., Ltd. Xin Yang Investment Co., Ltd.	Brother Brother Same person as the representative Same person as the representative	None
Yung-Hsiang Wu	33,903,930	5.73%	2,610,188	0.44%	13,769,300	2.33%	Yeong-Maw Wu Yung-Feng Wu Hong Yang Investment Co., Ltd. Xin Yang Investment Co., Ltd.	Brother Brother Sibling of the representative Sibling of the representative	None

NAME (NOTE 1)	SHARES HELD IN OWN NAME SHAREHOLDING		SPOUSE & MINOR SHAREHOLDING		SHAREHOLDING BY NOMINEES		AMONG TEN LARGEST SHAREHOLDERS, NAME AND RELATIONSHIP WITH ANYONE WHO IS A RELATED PARTY OR A RELATIVE WITHIN THE SECOND DEGREE OF KINSHIP. (NOTE 3)		REMARKS
	Number of shares	Percentage of shareholding	Number of shares	Percentage of shareholding	Number of shares	Percentage of shareholding	Shareholder (or Name)	Relationship	
Yuan Da Taiwan High Dividend Fund Special Account	28,964,243	4.90%	0	0.00%	0	0.00%	None	None	None
Hong Yang Investment Co., Ltd. Representative: Yung-Feng Wu	28,317,430	4.79%	0	0.00%	0	0.00%	Yung-Feng Wu Yeong-Maw Wu Yung-Hsiang Wu Xin Yang Investment Co., Ltd.	Same person as the representative Sibling of the representative Sibling of the representative Same person as the representative	None
Xin Yang Investment Co., Ltd. Representative: Yung-Feng Wu	27,132,669	4.59%	0	0.00%	0	0.00%	Yung-Feng Wu Yeong-Maw Wu Yung-Hsiang Wu Hong Yang Investment Co., Ltd.	Same person as the representative Sibling of the representative Sibling of the representative Same person as the representative	None
Labor Pension Fund under the New Pension Scheme	21,221,740	3.59%	0	0.00%	0	0.00%	None	None	None

NAME (NOTE 1)	SHARES HELD IN OWN NAME SHAREHOLDING		SPOUSE & MINOR SHAREHOLDING		SHAREHOLDING BY NOMINEES		AMONG TEN LARGEST SHAREHOLDERS, NAME AND RELATIONSHIP WITH ANYONE WHO IS A RELATED PARTY OR A RELATIVE WITHIN THE SECOND DEGREE OF KINSHIP. (NOTE 3)		REMARKS
	Number of shares	Percentage of shareholding	Number of shares	Percentage of shareholding	Number of shares	Percentage of shareholding	Shareholder (or Name)	Relationship	
Public Service Pension Fund Supervisory Board	19,152,000	3.24%	0	0.00%	0	0.00%	None	None	None
Rui Cheng Investment Co., Ltd. Representative: Wu Che-Wei	15,724,258	2.66%	0	0.00%	0	0.00%	None	None	None
Hua Nan Commercial Bank is entrusted with the custody of the special account of the Yuanta Taiwan Value High Dividend ETF Securities Investment Trust Fund Account	15,474,000	2.62%	0	0.00%	0	0.00%	None	None	None

Note 1: The top ten shareholders' names shall be identified separately. In the case of corporate shareholders, the corporate shareholders' names and representatives' names shall be identified separately.

Note 2: The ratio of shareholding is calculated in terms of own shareholdings, shares held by spouse & minor children, or shareholdings under the title of a third party.

Note 3: Relationship between the aforementioned shareholders (including juristic and natural persons) shall be disclosed according to Regulations Governing the Preparation of Financial Reports by Securities Issuers.

IX. 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

March 31, 2026

Total equity stake held

Unit: share; %

Investee (Note)	The Company's investment		Investment by directors/supervisors/managers and by companies directly or indirectly controlled by the Company		Total investment	
	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage
Tong Yang Chemical Ind. Co., Ltd.	3,600,000	40.00%	0	0.00%	3,600,000	40.00%
TONG YANG HOLDING CORPORATION	59,000,000	100.00%	0	0.00%	59,000,000	100.00%
HOW BOND INVESTMENT CO., LTD.	16,000,000	100.00%	0	0.00%	16,000,000	100.00%
Ru Yang Co., Ltd.	12,946,752	58.95%	0	0.00%	12,946,752	58.95%
Ding Chang Ind. Co., Ltd.	2,000,000	100.00%	0	0.00%	2,000,000	100.00%
C&D Capital Corporation II	4,392,524	42.53%	0	0.00%	4,392,524	42.53%

Note: Investee accounted for under the equity method.

Chapter 3 Capital Overview

I. Capital and Shares

(I) Source of Capital

1. Issued Shares

As of May 8, 2026

Year/Month	Par Value	Authorized Capital		Paid-in Capital		Remarks		
		Shareholding (shares)	Amount (NT$)	Shareholding (shares)	Amount (NT$)	Source of Capital	Capital Increase by Assets Other than Cash	Others
October 1967	NT$1,000 per share	1,000	1,000,000	1,000	1,000,000	Incorporation	None	None
June 1976	NT$1,000 per share	10,000	10,000,000	10,000	10,000,000	Capital increase by cash NT$9,000,000.	None	None
December 1980	NT$1,000 per share	40,000	40,000,000	40,000	40,000,000	Capital increase by cash NT$22,100,000. Capital increase by capital surplus NT$7,900,000.	None	None
December 1981	NT$1,000 per share	70,000	70,000,000	70,000	70,000,000	Capital increase by cash NT$30,000,000.	None	1982.2.16 Shang-Zi No. 07105101
February 1983	NT$1,000 per share	100,000	100,000,000	100,000	100,000,000	Capital increase by cash NT$30,000,000.	None	1983.4.4 Shang-Zi No. 07212842
June 1984	NT$1,000 per share	130,000	130,000,000	130,000	130,000,000	Capital increase by cash NT$30,000,000.	None	1984.8.6 Shang-Zi No. 07329857
August 1985	NT$1,000 per share	140,000	140,000,000	140,000	140,000,000	Capital increase by cash NT$10,000,000.	None	1985.10.16 Shang-Zi No. 07445670
June 1988	NT$1,000 per share	170,000	170,000,000	170,000	170,000,000	Capital increase by cash NT$30,000,000.	None	1988.6.27 Shang-Zi No. 07718302
December 1989	NT$1,000 per share	380,000	380,000,000	380,000	380,000,000	Capital increase by cash NT$210,000,000.	None	1990.5.30 Gong-Shang-Zi No. 0793500
August 1992	NT$10 per share	150,000,000	1,500,000,000	75,000,000	750,000,000	Capital increase by cash NT$120,000,000. Capital increase by retained earnings NT$250,000,000.	None	1992.11.17 Shang-Zi No. 081124141
June 1993	NT$10 per share	150,000,000	1,500,000,000	93,750,000	937,500,000	Capital increase by retained earnings NT$187,500,000.	None	1993.8.26 Shang-Zi No. 082117349
September 1994	NT$10 per share	150,000,000	1,500,000,000	120,000,000	1,200,000,000	Capital increase by retained earnings NT$234,375,000. Capital increase by capital surplus NT$28,125,000.	None	1994.10.20 Shang-Zi No. 083114805

Year/Month	Par Value	Authorized Capital		Paid-in Capital		Remarks		
		Shareholding (shares)	Amount (NT$)	Shareholding (shares)	Amount (NT$)	Source of Capital	Capital Increase by Assets Other than Cash	Others
August 1995	NT$10 per share	150,000,000	1,500,000,000	144,000,000	1,440,000,000	Capital increase by retained earnings NT$204,000,000. Capital increase by capital surplus NT$36,000,000.	None	1995.9.26 Shang-Zi No. 084114390
September 1996	NT$10 per share	150,000,000	1,500,000,000	195,600,000	1,956,000,000	Capital increase by cash NT$300,000,000. Capital increase by retained earnings NT$86,400,000. Capital increase by capital surplus NT$129,600,000.	None	1996.10.22 Shang-Zi No. 085117688
August 1997	NT$10 per share	500,000,000	5,000,000,000	298,300,000	2,983,000,000	Capital increase by cash NT$538,000,000. Capital increase by retained earnings NT$146,700,000. Capital increase by capital surplus NT$342,300,000.	None	1997.9.30 Shang-Zi No. 086118007
June 1998	NT$10 per share	500,000,000	5,000,000,000	343,045,000	3,430,450,000	Capital increase by retained earnings NT$149,150,000. Capital increase by capital surplus NT$298,300,000.	None	1998.7.17 Shang-Zi No. 087119430
June 1999	NT$10 per share	500,000,000	5,000,000,000	377,349,500	3,773,495,000	Capital increase by retained earnings NT$137,218,000. Capital increase by capital surplus NT$205,827,000.	None	1999.8.17 Shang-Zi No. 088129755
July 2000	NT$10 per share	500,000,000	5,000,000,000	396,216,975	3,962,169,750	Capital increase by capital surplus NT$188,674,750.	None	2000.8.2 Shang-Zi No. 089126192
March 2001	NT$10 per share	500,000,000	5,000,000,000	388,322,975	3,883,229,750	Capital reduction by treasury stock NT$(78,940,000).	None	2001.4.4 Shang-Zi No. 09001096510
August 2002	NT$10 per share	500,000,000	5,000,000,000	397,718,550	3,977,185,500	Capital increase by capital surplus NT$93,955,750.	None	2002.9.11 Shang-Zi No. 09101372600
December 2002	NT$10 per share	500,000,000	5,000,000,000	370,734,438	3,707,344,380	Capital reduction by treasury stock NT$(269,841,120).	None	2002.12.30 Shang-Zi No. 09101512050
August 2003	NT$10 per share	500,000,000	5,000,000,000	381,700,322	3,817,003,220	Capital increase by retained earnings NT$36,552,950. Capital increase by capital surplus NT$73,105,890.	None	2003.8.27 Shang-Zi No. 09201257110
December 2003	NT$10 per share	500,000,000	5,000,000,000	387,790,809	3,877,908,090	Capital increase by ECB NT$60,904,870.	None	2003.12.23 Shang-Zi No. 09201340740
March 2004	NT$10 per share	500,000,000	5,000,000,000	392,358,678	3,923,586,780	Capital increase by ECB NT$45,678,690.	None	2004.4.21 Shang-Zi No. 09301067900
June 2004	NT$10 per share	500,000,000	5,000,000,000	393,729,040	3,937,290,400	Capital increase by ECB NT$13,703,620.	None	2004.7.29 Shang-Zi No. 09301132100
August 2004	NT$10 per share	500,000,000	5,000,000,000	405,484,955	4,054,849,550	Capital increase by retained earnings NT$117,559,150.	None	2004.9.16 Shang-Zi No. 09301170270

Year/Month	Par Value	Authorized Capital		Paid-in Capital		Remarks		
		Shareholding (shares)	Amount (NT$)	Shareholding (shares)	Amount (NT$)	Source of Capital	Capital Increase by Assets Other than Cash	Others
September 2004	NT$10 per share	500,000,000	5,000,000,000	407,073,914	4,070,739,140	Capital increase by ECB NT$15,889,590.	None	2004.10.29 Shang-Zi No. 09301198970
December 2004	NT$10 per share	500,000,000	5,000,000,000	408,994,554	4,089,945,540	Capital increase by ECB NT$19,206,400.	None	2005.1.24 Shang-Zi No. 09401009850
March 2005	NT$10 per share	500,000,000	5,000,000,000	410,585,928	4,105,859,280	Capital increase by ECB NT$15,913,740.	None	2005.5.4 Shang-Zi No. 09401077910
June 2005	NT$10 per share	500,000,000	5,000,000,000	412,757,426	4,127,574,260	Capital increase by ECB NT$21,714,980.	None	2005.8.1 Shang-Zi No. 09401148920
September 2005	NT$10 per share	500,000,000	5,000,000,000	413,541,351	4,135,413,510	Capital increase by ECB NT$7,839,250.	None	2005.10.19 Shang-Zi No. 09401207940
September 2007	NT$10 per share	500,000,000	5,000,000,000	425,947,592	4,259,475,920	Capital increase by retained earnings NT$124,062,410.	None	2007.9.29 Shang-Zi No. 09601239410
September 2008	NT$10 per share	500,000,000	5,000,000,000	451,504,448	4,515,044,480	Capital increase by retained earnings NT$127,784,280. Capital increase by capital surplus NT$127,784,280.	None	2008.9.17 Shang-Zi No. 09701239380
September 2009	NT$10 per share	800,000,000	8,000,000,000	465,049,582	4,650,495,820	Capital increase by retained earnings NT$135,451,340.	None	2009.9.24 Shang-Zi No. 09801220370
September 2010	NT$10 per share	800,000,000	8,000,000,000	518,557,510	5,185,575,100	Capital increase by merger NT$657,142,210. Capital reduction by shares cancellation due to merger NT$122,062,930	None	2010.9.29 Shang-Zi No. 09901214350
September 2011	NT$10 per share	800,000,000	8,000,000,000	554,856,536	5,548,565,360	Capital increase by retained earnings NT$362,990,260.	None	2011.9.8 Shang-Zi No. 10001206970
September 2012	NT$10 per share	800,000,000	8,000,000,000	577,050,798	5,770,507,980	Capital increase by retained earnings NT$221,942,620.	None	2012.9.5 Shang-Zi No. 10101184260
September 2013	NT$10 per share	800,000,000	8,000,000,000	591,477,068	5,914,770,680	Capital increase by retained earnings NT$144,262,700.	None	2013.9.11 Shang-Zi No. 10201186300

Note 1: Please specify the information for the current year available until the date of the publication of the annual report.

Note 2: The capital increase shall be identified by effective (approval) date and document no. additionally.

Note 3: The stock issued at the price less than the par value shall be indicated clearly.

Note 4: Please specify the offset by monetary creditor's rights and technology, if any, and note the type and amount of offset.

Note 5: Private placements, if any, should be clearly identified.

2. Share Type

As of May 8, 2026

Share Type	Authorized Capital (shares)			Remarks
	Issued Shares	Unissued Shares	Total	
Common stock	Listed company shares: 591,477,068	208,522,932	800,000,000	-

3. Information for Shelf Registration: None

(II) Major Shareholders

April 19, 2026

Shareholding Name of Major Shareholders	Shares Held	Shareholding percentage
Yeong-Maw Wu	38,006,787	6.43%
Yung-Feng Wu	36,677,497	6.20%
Yung-Hsiang Wu	33,903,930	5.73%
Yuan Da Taiwan High Dividend Fund Special Account	28,964,243	4.90%
Hong Yang Investment Co., Ltd.	28,317,430	4.79%
Xin Yang Investment Co., Ltd.	27,132,669	4.59%
Labor Pension Fund under the New Pension Scheme	21,221,740	3.59%
Public Service Pension Fund Supervisory Board	19,152,000	3.24%
Rui Cheng Investment Co., Ltd.	15,724,258	2.66%
Yuanta Taiwan Value High Dividend ETF under custody of Hua Nan Commercial Bank	15,474,000	2.62%

(III) Dividends Policy and Implementation Status:

1. Dividend policy in the Articles of Incorporation

   If the Company has any profits after its annual final accounts, besides completing tax contributions in accordance with the law and offsetting prior years' deficits, the Company shall first set aside 10% of the remaining balance as legal reserve (except when the legal reserve has reached the amount of paid-in capital), and if there are still any profits after setting aside or reversing the special reserve in accordance with the provisions of the law and regulations or the competent authority, the Company may distribute said profits together with the accumulated undistributed profits of previous years, on which the Board of Directors shall prepare a proposal for said distribution of profits. If said distribution of profits is proposed to be performed in the form of issuing new shares, said proposal shall be first submitted to the shareholders' meeting for adoption.

   With consent from the majority of attending Directors which represents more than two-thirds of all Directors, the Company may appropriate in part or in whole of dividends, bonuses, legal reserve or capital surplus to be distributed in the form of cash. In addition, the distribution proposal shall be submitted to the shareholders' meeting for adoption.

   The Company may appropriate distributable retained earnings as shareholders' dividends, which shall be no less than 40% of the retained earnings of that current year, and cash dividends shall account for no less than 10% of the total shareholders' dividends.

2. Allocation of dividends proposed at the shareholders' meeting

   Pursuant to Article 26 of the Company's Articles of Incorporation, if the distribution of profits is made solely in cash, the Board of Directors is authorized to do so after a resolution has been adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of Directors; and in addition, a report of such distribution shall be submitted to the shareholders' meeting. The appropriation of the Company’s earnings for 2025 was approved by the Board of Directors on March 6, 2026 and May 8, 2026, respectively. A cash dividend of NT$5 per share was resolved for distribution to shareholders and reported to the shareholders’ meeting.

3. There is no material change in dividend policy expected.

(IV) Effect on the Operating Performance and Earnings per Share of Distribution of Stock Dividends Proposed or Adopted in the Most Recent Shareholders' Meeting: Not applicable since the Company has not prepared and disclosed its financial forecast, and thus there is no stock dividends were distributed.

(V) Remuneration of Employees and Directors:

1. Percentage or range of the remuneration of employees and directors as set forth in the Articles of Incorporation:

   If the annual profit of the Company reaches NT$500 million (or more), the Company shall set aside NT$5 million for employee compensation (of which 97% shall be allocated to grassroots employees), and NT$15 million for director remuneration. If the Company's annual profit does not reach $500 million, the employee compensation is based on 1% of the profit (of which 97% shall be allocated to grassroots employees)and the director remuneration is not more than 3% of the profit. However, if the Company still has accumulated losses, the amount for offsetting the losses shall be retained in advance, and then the employee compensation and director remuneration shall be provided in accordance with the foregoing provisions.

2. The basis for estimating the amount of employee and director remuneration, for calculating the number of shares to be distributed as employee remuneration, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated figure, for the current period:

   (1) The estimation basis for employee and director remuneration for the current period is calculated in accordance with Article 26 of the Company's Articles of Incorporation.

   (2) Remuneration of employees as approved by the Board of Directors was fully distributed in cash and no stock was allocated.

   (3) Discrepancies between the actual amount distributed and the estimated amount are recognized as profit or loss for the current period.

3. Employee Compensation Distribution Proposals adopted in Board of Directors Meeting:

   (1) In accordance with Article 26 of the Company's Articles of Incorporation, the Company's 2025 profits reached more than NT$500 million, the Remuneration Committee and Board of Directors has resolved on March 6, 2026, to pay employees' remuneration in the amount of NT$5 million and Directors' remuneration in the amount of NT$15 million in cash. There is no discrepancy between the actual amount distributed and the estimated amount recognized as expense.

   (2) The amount of stock distributed as remuneration of employees and the percentage thereof to the net income after tax and to the total amount of remuneration of employees: Not applicable in 2025, the remuneration to employees was fully distributed in cash and no stock was distributed.

4. Actual distribution of employee and director remuneration for the previous fiscal year:

   The actual amount of 2024 remuneration of employees and directors distributed was NT$5,000,000 and NT$15,000,000 respectively. The amounts are the same as those recognized in the financial statements for the year ended December 31, 2024.

(VI) Buy-back of the Company's shares: No such matter as of the most recent fiscal year and the publication of the annual report.

II. Corporate Bonds: None

III. Status of Preferred Stocks, Global Depositary Receipts (GDRs), Employee Stock Options, and New Shares with Restricted Employee Rights: None.

IV. Status of New Shares Issuance in Connection with Mergers and Acquisitions: None

V. Financing plans and implementation: For the period as of the quarter preceding the date of publication of the Annual Report, the Company does not have uncompleted public issue or private placement of securities, or such issues and placements that were completed in the most recent 3 years but have not yet fully yielded the planned benefits.

Chapter 4 Operational Overview

I. Business Activities

(I) Scope of Business

1. Major lines of business
    - A. Motor vehicles, motorcycles, other transport equipment and parts manufacturing, wholesale, and retail sale
    - B. Manufacture and trade of various molds
    - C. Manufacture and trade of electrical appliances, machinery, hardware, etc. (except regulatory products)
    - D. Engagement in the import and export trade of the preceding products concerned
2. Proportion of Revenue

Unit: NT$1,000

Product	2025	
	Amount	Proportion of Revenue (%)
Self-manufactured - motor vehicle components - plastic	16,544,953	65.93
Self-manufactured - motor vehicle components - metal	3,578,270	14.26
Self-manufactured - motor vehicle components - others	1,046,934	4.17
Purchased products	3,234,896	12.89
Others	689,210	2.75
Total	25,094,263	100.00

3. Current Products

Self-manufactured - motor vehicle components - plastic: bumper, grille, instrument panel, etc.

Self-manufactured - motor vehicle components - metal: hood, fender, etc.

Self-manufactured - motor vehicle components - others: fans, Active Grille Shutters (AGS), etc.

4. New products to be developed:

With the trend of high technology and internationalization, the Company has established “Technology R&D Center” and acquired the international Tier 1 supplier status, integrating its global business of product design, mold, plastic injection, painting, electroplating, sheet metal stamping, cooling system (fan motor) and other core technical resources to enhance competitiveness and develop new product lines. In addition, as new car models are manufactured by the car assembly factories, the Company also develops, mass-produces new products with newer models and higher-quality materials, to ensure the best product quality. Moreover, the Company also listed products with high demand and high added-value as its marketing focus. The Company develops lightweight, new technology, new processing methods, and new products to stimulate the new-energy vehicle market.

(II) Industry Overview

1. Current Status and Development

The automotive industry is an industry with a high level of integration, is highly related to the fields including mechanics, automation, plastic, rubber, electronic, information, material, and chemical engineering, and has a higher working population than other general technology industries. Thus, the automotive industry is usually deemed as the leading industry in many developed countries and has a significant impact on industrial growth. The ㄌ industry is an upstream industry of the automotive industry, and these two industries are closely related. As automobile manufacturing factories pose a direct impact on the future development of component factories, how to become the major supplier of automobile manufacturing factories has become the main task for the component factories. Due to limited automotive market absorption, the domestic automobile component industry is devoted to expanding its export market to maintain stable growth. The Taiwanese automobile component industry is recognized by the international market for its high level of customization, stable product quality, strong development, and innovative capability.

Simultaneously, automobile manufacturers expand their production scales while gradually decreasing the self-manufacturing rate of automobile components. As the outsource rate increases, the complete vehicle manufacturers rely more on automobile component manufacturers. As for automobile component manufacturers, their business scope extended beyond the traditional OEM. It now covers design development, manufacturing, quality inspection, lead time control, and AM service. Incorporating automobile component manufacturers into the early stage of project development is also advantageous for resource integration.

Furthermore, the automobile component manufacturers will be playing a significant role in achieving high product quality and cost goals. Through participation in the early stages, automobile component manufacturers can contribute their expertise, cooperate with complete vehicle manufacturers in the development of new car models, so as to achieve standardization and generality.

However, the COVID-19 pandemic has brought significant changes to the production, sales, and supply chain of the automotive industry. Given the large number of components and the complexity of the automotive sector, the absence of even a single screw cap can halt production, thereby amplifying the risks associated with the supply chain. In addition to severely impacting international trade, the COVID-19 pandemic has once again underscored the modern business model's substantial reliance on global supply chains. The supply chain system has frequently encountered challenges, and major global automotive manufacturers have faced production stoppages due to logistics bottlenecks and high uncertainty stemming from single suppliers, resulting in shortages of spare parts. This situation has compelled automotive companies to adjust their inventory management practices and diversify their sources of supply to better navigate the increasing uncertainties in the market.

In reviewing the global automotive market sales over the past few years, it is noted that starting in 2020, the market experienced a downturn due to the impacts of the COVID-19 pandemic, supply chain disruptions, and a shortage of automotive chips. In 2023, as the chip shortage began to ease, global new car sales increased by 6.1% year-on-year. In 2024, following the peak in post-pandemic demand, global new car sales reflected only a slight growth. In 2025, due to tariff policy uncertainty, global new car sales are projected to be approximately 89.60 million units, representing a slow recovery. Notably, the sales of electric vehicles continue to rise annually, with global sales of new energy vehicles (including battery electric vehicles, plug-in hybrid electric vehicles, and hydrogen fuel cell vehicles) reaching approximately 20.53 million units in 2025, representing a year-on-year increase of 26% (according to survey results from TrendForce), which accounts for about 23% of total global new car sales.

In response to the global trend of achieving net-zero carbon emissions, all industries will encounter the impact of heightened costs, carbon tariffs, carbon reduction mandates, and the transition to green energy. Every country is now actively promoting policies aimed at achieving net-zero carbon emissions by 2050, with governments and enterprises worldwide prioritizing this vision for sustainable development, and new energy vehicles are regarded as the key strategy for achieving the targets. New energy vehicles have become an essential aspect of the future trends of the automotive industry. The four core trends in the automotive industry for new energy vehicles, referred to as “CASE” (Connected, Autonomous, Shared, and Electric), are transforming the ecosystem of the traditional automotive supply chain. The application of technologies related to “safety”, “comfort”, and “lightweight design” is becoming increasingly important. For automotive component manufacturers, the intelligentization of automobiles has become the standard specification for new vehicles. Modularization, the development of system functions, and the creation of high-value, lightweight products have become key development directions.

Generally speaking, automotive component manufacturers can be divided into OEM component manufacturers that supply directly to vehicle assembly plants for car assembly, and aftermarket (AM) component manufacturers that supply components for global automotive maintenance services. The characteristic of the automotive component industry lies in the diverse range of products, which cannot be independently produced by a single manufacturer. Moreover, the Taiwanese automotive component industry possesses the advantage of flexible manufacturing with small batch, diverse production capabilities. After continuous investment in research and development and the enhancement of production technology, it has gained international competitiveness. In recent years, although the domestic vehicle market has experienced fluctuations, the automotive parts industry has steadily expanded its export value as its competitive strength has accumulated over time. Export value increased by approximately 14.58% in 2022, reaching a historical high of NT$253.0 billion. In 2023, due to economic downturns and persistently high inventory levels, export value declined by 10.91% to NT$225.4 billion. In 2024, export value increased by 1.36% to NT$228.5 billion. In 2025, however, export value declined by 6.03% to NT$214.7 billion as a result of the imposition of high tariffs by U.S. President Donald Trump on imports worldwide.

Automobile Components Export Value Statistics Table

Unit: NT$100 million

Year	2017	2018	2019	2020	2021	2022	2023	2024	2025
Amount	2,149	2,147	2,148	1,927	2,208	2,530	2,254	2,285	2,147
Growth	1.70%	-0.11%	0.02%	-10.26%	14.58%	14.58%	-10.91%	1.36%	-6.03%

Source: Statistics Database Query of CPT, and Taiwan Transportation Vehicle Manufacturers Association

Unit: NT$1,000

Table of Taiwan's Automobile Component Import and Export Value by Country in 2025

Export		Import	
Country	Amount	Country	Amount
United States	107,878,458	Mainland China	33,866,077
Japan	12,393,255	Japan	24,017,579
Mexico	8,144,629	Thailand	11,302,407
Germany	6,965,155	Germany	6,771,272
Australia	5,438,675	Republic of Korea	6,477,665
United Kingdom	5,405,136	Indonesia	4,826,642
Mainland China	5,292,100	Sweden	4,276,938
Canada	5,136,727	United States	2,168,891
Netherlands	4,563,908	Italy	1,534,878
Italy	4,066,241	Spain	1,379,230
Others	49,412,252	Others	11,685,249
Total	214,696,536	Total	108,306,828

Source: Statistics Database Query of CPT, and Taiwan Transportation Vehicle Manufacturers Association

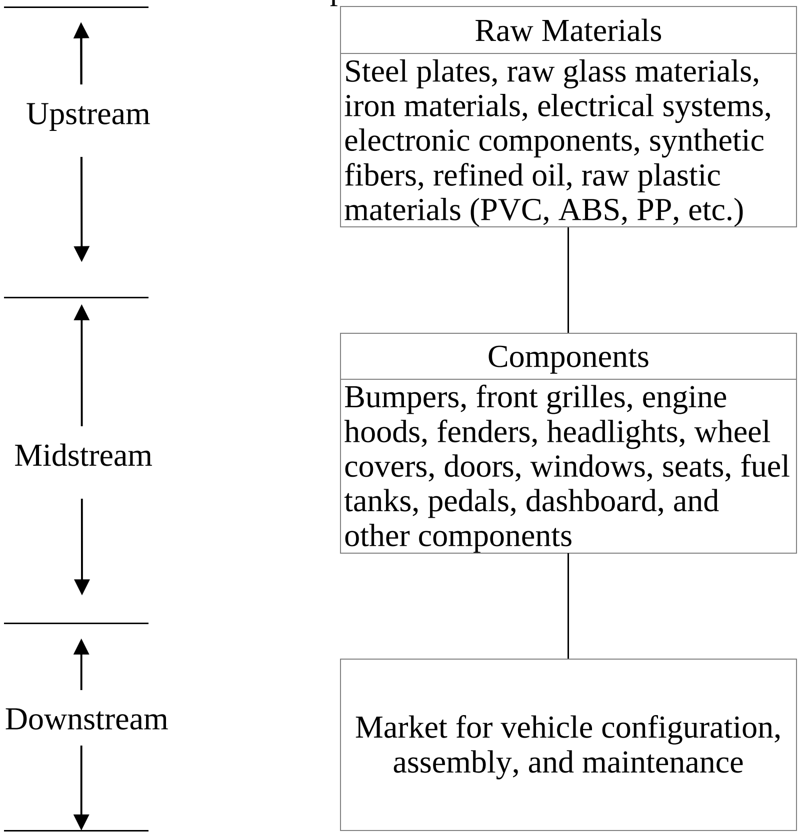
In recent years, the output value of Taiwan's automotive parts manufacturing industry has exceeded that of the automotive manufacturing industry, which is characterized by flexible manufacturing and small-batch production. This production model is characterized by its competitive advantage in expanding the aftermarket. Its primary export market regions are North America and Europe, and the United States represents the largest export market for Taiwanese aftermarket parts, accounting for over 50% of exports. Recently, due to the issues in the automotive parts industry, namely, supply chain disruptions and material shortages, in order to reduce the waiting time for vehicle owners, the insurance company has introduced a lower premium aftermarket policy for consumers. State Farm, the largest property and casualty insurance company in the United States, announced that starting from October 16, 2023, it implements the AM collision parts compensation measures in all states of the U.S. The measures must be certified by the Certified Automotive Parts Association (CAPA) to expedite claims processing, which will also encourage other insurance companies to follow suit. This indicates that Taiwanese aftermarket parts are gradually gaining recognition among American consumers, demonstrating significant opportunities for the automotive parts manufacturing industry, which has competitive advantages in technology, cost, and quality. Through this announcement, the export economy of Taiwan's automotive parts has potential to continuously grow and expand.

Regarding the automotive market in Mainland China, the projected production and sales volumes for automobiles in 2025 are 34.53 million units and 34.40 million units, respectively. These numbers represent the respective year-on-year growth of 10.4% and 9.4% (as reported by the China Association of Automobile Manufacturers). China maintains its position as the world's largest automotive producer and market. With new energy vehicles as the dominant force in the market, the sales of electric vehicles in China continue to grow and its market share continues to expand globally. In addition, given that its automotive ownership has steadily increased in recent years, the demand for automotive aftermarket services will continue to grow, playing a significant role in the global automotive market.

2. Relationship amongst upstream, midstream, and downstream of the industry

The automotive industry is a technology-intensive, and capital-intensive industry, covering a wide range of fields. For the relationship between the component industry and the complete vehicle manufacturing industry, the automobile component industry lies in the midstream of the value chain. The materials used for automobile components include plastic, steel plate, glass, electrical systems, electronic components, etc. The industries it covers include plastic, petrochemistry, steel, glass, electrical engineering, electronics, etc. Its downstream customers are complete vehicle configuration factories, assembly factories, and maintenance factories. These are all closely related to each other. As the manufacturing and assembly process is highly complicated, requiring more than tens of thousands of components, the component manufacturers and complete vehicle central plant, together, form a central-satellite plant system and maintains a long-term and stable cooperative relationship. As each factory and plant within the automotive industry are highly interrelated, each complete vehicle car factory conducts vertical integration with upstream or downstream companies to a certain extend.

Association chart of automobile component industries:



Relation Among Automotive-related Industry:

Related industries	Components
1. Plain steel	Body, axles, and care frames, etc.
2. Cast iron	Cylinder blocks, cylinder heads, engine blocks, and their components, etc.
3. Special steel	Gears, camshafts, crankshafts, pistons, springs, and other components
4. Non-ferrous metals (Al, Pb, Cu, Zn, precious metals and other nonferrous metals)	Wheels, oil pumps, water pumps, electrical parts, radiators, engine components, components for exhaust gas purifiers, decorative electroplated parts, water tanks, condensers
5. Fiber products	Seat covers, seat belts, and carpets, among other items
6. Ceramics	Spark plugs
7. Asbestos	Cylinder liners, gaskets, linings, etc.
8. Glass	Car windows, headlights, and rear-view mirrors
9. Synthetic resin	Cooling fans, steering wheels, radiator accessories, bumpers, etc.
10. Rubber and plastic	Bumpers, front grilles, oil seals, tires, filler parts, wiper blades, battery chutes, mudguards, seat assembly, etc.
11. Petrochemicals	Fuel, brake oil, lubricating oil, antifreeze, etc.
12. Electrical systems	Lighting equipment, batteries, starter motors, various types of pumps, generators
13. Electronic devices	Radios, recorders, air conditioners, etc.
14. Electronics	Components for instrument panels, warning system, etc.
15. Other industries	Other unspecified components

3. Product Development Trends

Since the advent of the world's first automobile, modern people have benefited from the convenience and numerous advantages that automobiles provide. However, issues such as energy depletion, environmental ecology, and air pollution arising from the automotive industry have gradually gained the attention of industrialized nations worldwide. Major countries have begun to formulate relevant regulations for the automotive industry, which will influence and even dictate the development of automobiles. Therefore, exploring the automotive industry necessitates a focus on the development of related policies and laws. In recent years, Environmental, Social, and Governance (ESG) has become a focal issue for the automotive industry, with "lightweighting", "environmental recycling", and "energy conservation" being the current global development trends pursued by the automotive sector. Taiwan's automotive parts industry has received international recognition for its advantages in highly customized production, stable product quality, and strong development and innovation capabilities. In recent years, vehicle electrification, automation, and intelligentization have become the three major focal points.

With the increasing awareness of environmental protection and energy conservation, the global automotive industry is undergoing a significant shift towards vehicle automation. To extend the distance of driving for electric vehicles, lightweight vehicle design has emerged as a critical theme in the development of new cars. Thanks to advancements in material technology, plastic components now demonstrate impact resistance comparable to traditional steel panels, while also providing the benefit of reduced weight. As a result, the proportion of plastic components utilized in new vehicle designs is on the rise, and the Company has the requisite production capacity and technical advantages in this domain.

4. Competition

The primary business activity of the Group is the manufacturing of automotive component. Due to its long-term commitment to the development of related products and the integration of sales channels, the Group has rapidly expanded into international markets, thereby becoming one of the most professionally scaled enterprises in Taiwan's transportation equipment sector. In recent years, driven by globalization and specialization strategies, Tong Yang Group has established production facilities and marketing offices in Taiwan, Mainland China, and the United States, thereby expanding its market competitive niche. The Group is the largest global supplier of automotive aftermarket (AM) collision replacement plastic components and a leading supplier of automotive AM collision replacement metal components.

The Group possesses advantages across various product lines, leveraging complementary and mutual support of relevant business resources to enhance operational efficiency, expand business scale, and establish a unified sales platform. The breadth and depth of the product lines are expanded to facilitate customers' convenience for one-stop shopping, thereby increasing customer service value. This approach solidifies and enhances the composition and foundation of the customer base, further elevating market share and widening the gap with competitors. It contributes to improved operational synergies and creates a more advantageous business environment for the future. In 2025, through the combination of sales portfolio and channel collaboration, the Company maintains its position as the leading player in the domestic automotive parts industry, surpassing other component manufacturers such as TYC and DEPO.

Unit: NT$100 million

Name of Company	Net consolidated sales revenue in 2025
TONG YANG INDUSTRY CO., LTD.	250.94
TYC Brother Industrial Co., Ltd.	244.19
DEPO Auto Parts Ind. Co., Ltd.	194.13

(III) Research and Development Achievements and Plans

The R&D department engages in various R&D projects with its professional technology and experience. The R&D expenses invested in the year of 2025 and the year of 2026 up to March 31, 2026 amounted to NT$875,171,000 and NT$215,190,000, respectively. The successfully developed technology and products are as follows:

1. R&D/Mass production of plastic tailgate modules:
    (1) Early-stage design evaluation and R&D (processing method evaluation, CAD structure design, CAE analysis simulation, RP sample testing, and specification verification).
    (2) Plan and implement the mass production (shape, high adhesion application, mold/checking fixture/clamp/jig, combining assembly, and automatic manufacturing equipment).
    (3) Strategies in warpage die repair and experience in mass production of large, long fiber injection parts.
    (4) Cooperate with technical cooperation manufacturers to promote the key technology of mass production plastic tailgate (long fiber deformation countermeasures and experience) to all car manufacturers.
    (5) Applying the research and development process of large-scale luminous dashboard panels, we have achieved the integration of optical decorative panels on plastic tailgates. These can be paired with taillight modules to provide more application scenarios and design freedom in terms of driving information and exterior decoration.

2. R&D of intelligent cockpit:
   (1) The 3D translucent film technology simultaneously achieves decorative appearance with tactile texture surface and information display functions. It can also accommodate different control interfaces such as touch, gesture recognition, and voice systems, thus functionalizing interior parts and reducing mechanical space.
   (2) The electrical actuation system personalizes the interior space by motorizing the secondary instrument panel through motors, sliding tracks, and movable mechanisms, enhancing the flexibility of the vehicle interior and the operability for the driver.
   (3) Patent applications for new concept products and creative ideas have been completed and have been granted invention and utility model patents in Taiwan, Japan, and mainland China.
   (4) Some products have already commenced whole vehicle redesign research, evaluation, and prototype engineering with customers. Additionally, independent research and development continues to collaborate with different industries, conducting design verification of development concepts and prototype trials. Moreover, the participation in the Automotive World exhibition in Japan facilitated exchange on new products and technologies.
3. R&D of front-end luminous large dashboard:
   (1) Development of Stereoscopic Light and Shadow Optical Front Grille (Electric Vehicle Front Grille): Our goal is to create products with hidden illuminated patterns or 3D stereoscopic optical effects by utilizing LED, translucent panels, optical films, screen printing, surface mount technology (SMT), and dual-material injection molding.
   (2) Luminous Bumper: The luminous bumper is made of translucent PP as the base material. Techniques such as spraying, etching, and masking are used to achieve a body-colored appearance. When illuminated, it reveals a hidden luminous pattern. This improvement addresses the issues of low light transmittance, color contamination, and high working hours that were present in the initial development products. The light transmittance has been significantly increased by three times through the self-developed “penetrating dot coating process,” and the issue of painting color contamination has been overcome. The emission of various colors can now be done to meet customer demands.
   (3) By utilizing LED lights with RGB elements and electronic system control, it is possible to achieve programmable graphic and information display effects. These effects can include day and night transformation, as well as interactive/warning functions between the driver and the vehicle when combined with the vehicle computer system.

4. R&D/Production of Vacuum Plating and Decoration Technology:
   (1) In comparison to the metallic texture achieved by electroplating, vacuum plating can achieve multi-color, gradient, and iridescent effects through variations in materials.
   (2) The process of vacuum plating poses no water pollution issues, making it a relatively environmentally friendly process.
   (3) By controlling the thickness of the metal coating, it is possible to achieve a semi-transparent effect. When combined with LED, this effect creates a one-way mirror effect. The intensity of the light can be adjusted to determine whether it displays a metallic reflective pattern or a hidden pattern.

(IV) Long and Short-Term Business Development Plan

1. Repair/Maintenance Business

   Short-Term Business Development Plan:
   (1) Optimize business procedures to increase customer satisfaction.
   (2) Improve product quality and supply rate, increase the selling price and profit margin, and optimize overall sales quality.

   Long-Term Business Development Plan:
   (1) Expand product variety in order to expand the market.
   (2) Continuously expand the range of product certifications, with a particular focus on the insurance company market.
   (3) Fully develop the North American product line and establish a strong presence in the North American market.
2. Vehicle assembly business

   Short-Term Business Development Plan:
   (1) Actively visit existing and potential customers to gather information on development quotes for new car models and minor modifications.
   (2) Utilizing the advantages of product design, we offer design development services and flexible manufacturing supply integration to shorten the timeline for new product.
   (3) Promote various internal improvement activities such as quality, cost, and delivery to enhance management and profitability.
   (4) Targeting potential new customers such as automotive manufacturers in Europe and America like Magna, VW, BMW, TESLA, etc., we have identified strategic products and are continually strengthening communication to seek RFQ opportunities.

Long-Term Business Development Plan:

(1) Actively reaching out to potential overseas clients, leveraging our product design advantages, and integrating our production and supply systems, we are targeting strategic export products. Proactively promoting these products, we aim to secure new manufacturing opportunities.

(2) Expanding the development of new product lines, we continue to introduce new methods, technologies, and materials to drive performance.

(3) Through introductions from car manufacturers, peers, traders, and foreign trade associations, we aim to expand business with Original Equipment Suppliers (OES) within the international automotive industry ecosystem.

(4) Through collaboration channels with various mainland Chinese factories and leveraging resources in the OEM business group, we aim to cooperate with customers in product design. Following a strategy of "cross-strait complementarity and division of labor," we seek opportunities to secure new manufacturing contracts with mainland Chinese automotive manufacturers.

(5) Accelerating the adoption of various lightweight products, we actively promote their integration and use by customers.

(6) Utilizing strong and stable customer relationships, we seek opportunities to participate in product design from the early stages of vehicle development to expand our business.

(7) We are actively pursuing collaborations with automotive electronic manufacturers to secure opportunities for manufacturing automotive electronic-related products.

II. Market and Production Overview

(I) Market Analysis

1. Primary Regions for Product Sales

The main products of the Group are automotive components such as bumpers, front grilles, engine hoods, and fenders. Sales are distributed worldwide, with the primary regions being the United States, China, and Taiwan, accounting for over 70% of the group's total revenue.

Unit: NT$1,000

Year / Sales Region	2025	
	Amount	%
United States	11,221,943	44.72
China	4,361,262	17.38
Taiwan	3,944,958	15.72
Others	5,566,100	22.18
Total	25,094,263	100.00

2. Market Share

The Group's products are mainly divided into the automotive aftermarket and OEM market. For automotive aftermarket collision components, about 85% to 90% of the global supply comes from Taiwan. Among aftermarket component manufacturers, Tong Yang is the largest automotive aftermarket plastic and sheet metal component manufacturer in Taiwan. In the original equipment manufacturer (OEM) parts market, Tong Yang is also the largest OEM supplier of plastic components for Taiwanese automobiles. For domestically produced vehicles, most exterior plastic parts are manufactured by Tong Yang. Moreover, eight out of the top ten automotive groups in mainland China (with a market share of over 80%) are customers of Tong Yang. The Company will continue to provide high-quality, cost-effective products, while focusing on customer service and strengthening partnership relationships to expand its business.

3. Future Market Supply, Demand, and Growth Potential

The automotive parts industry in Taiwan has been recognized by the international market for its advantages such as highly customized production, stable product quality, and strong development and innovation capabilities. In recent years, vehicle electrification, automation, and intelligence have become the three primary focal points. The Company envisions the integration of smart touch optoelectronic embellishment technology, utilizing ambient lighting and shadow enhancement techniques to meet the diverse, unique, and customized demands of our customers. In the area of smart touch embellishments, the goal is to integrate texture, lighting, color, sound, vibration, feedback, and awakening in order to enable human-machine interaction. Furthermore, there is a growing awareness of environmental protection and energy conservation, and the global automotive industry is witnessing a wave of electrification to comply with increasingly stringent emissions and environmental regulations. Lightweighting technology has become imperative to reduce vehicle weight, leading to the continuous research and adoption of new materials. Thanks to the improvement of materials technology, the impact resistance of plastic components is now comparable to that of traditional steel plates, while also providing the advantage of reduced weight. The design of new vehicles increasingly emphasizes the use of plastic materials, as the proportion of plastic components utilized is increasing, and the Company has the capacity and technical advantages to meet this demand.

To solidify our position in the market, the Company will strengthen efforts in lightweighting, new technologies, and new methods. We will develop more competitive products, invest in the research and development of new products to meet the trends in new energy vehicles, and continuously enhance the competitiveness of the Group. We aim to develop both OEM and AM markets and strengthen the AM and OEM markets, the two primary markets for automotive parts.

4. Competitive Advantages

(1) Taiwanese automobile body exterior parts are globally competitive.
(2) With strategic planning and global deployment, the group seizes opportunities and gains the upper hand.
(3) The Company possesses the most robust global logistics management capabilities and marketing channels compared to its competitors.
(4) There is a wide range of products available to meet the needs of customers.

(5) The aftermarket collision parts manufacturing plant is the largest in the world, surpassing all other competitors in scale.
(6) Over the years, we have accumulated a number of molds, creating effective barriers to entry and enabling us to avoid competition.
(7) The automotive component industry has benefited from the expertise of a highly experienced management team with extensive knowledge and technical development capabilities.
(8) Possessing product design and development capabilities provides us with a competitive edge over our competitors in the industry.

5. Development Prospects: Favorable and Unfavorable Factors and Response Strategies

5.1 Favorable Factors:

(1) The Group's comprehensive range of products, extensive marketing channels, and renowned quality and brand image contribute to the growth of its performance.
(2) The Company is continuously enhancing its investment in CAD/CAM/CAE computer mold development technology, which significantly improves product quality, reduces production time, and lowers costs.
(3) The Group's unparalleled dominance in the automotive components market, in terms of reputation, technology, and marketing, sets it apart from its competitors. The Group's extensive production and sales capabilities, along with its deep market familiarity, will play a crucial role in the company's future growth and success.
(4) The products in this group are available for use in the automotive and maintenance markets, catering to both domestic and international customers.
This balanced strategy in production and sales is advantageous for the future operational development of the company.

5.2 Adverse Factors and Countermeasures:

(1) There are multiple types of products, which can result in inadequate allocation of machine capacity.
Response Strategy:
A. Exporting through inventory production methods, in line with the characteristic of small, diverse orders, allows us to control safety stock levels effectively. This facilitates the efficient integration and allocation of production capacity, reducing production costs, and ensuring timely delivery to meet customer needs.
B. Utilize the adjustment of supply and demand functions at overseas bases to achieve global logistics management capabilities.
C. Strengthen the outsourcing of interior parts and the production of products that are not cost-effective to produce in-house in order to reduce costs.

(2) If component manufacturers fail to effectively control costs or expand markets as per the requirements of assembly plants, it may impact the profit of the Company.

Response Strategy:

A. Measures such as accelerating the development of new products, rationalizing production costs, and expanding sales in global markets will be implemented in order to increase both the volume and value of products. This approach will improve economies of scale in production and reduce the proportion of fixed production costs.

B. Implementing a production method that is based on orders, in collaboration with the assembly plant's long-term and stable orders, in order to alleviate inventory pressure.

(3) A multitude of competing manufacturers: Currently, there are numerous domestic manufacturers of automotive parts, leading to fierce competition and downward pressure on market prices.

Response Strategy:

A. Strengthening production equipment to enhance capacity and supply rates will improve the ability to receive orders and increase profitability.

B. Improving product quality, expediting product certification processes, and offering more high-value-added products.

(II) Key Functions and Production Processes of Main Products

The main product items of the Company are as follows:

Self-manufactured - motor vehicle components - plastic: bumper, grille, instrument panel, etc.

Self-manufactured - motor vehicle components - metal: hood, fender, etc.

Self-manufactured - motor vehicle components - others: fans, Active Grille Shutters (AGS), etc.

The important uses and production processes of the aforementioned products are explained as follows:

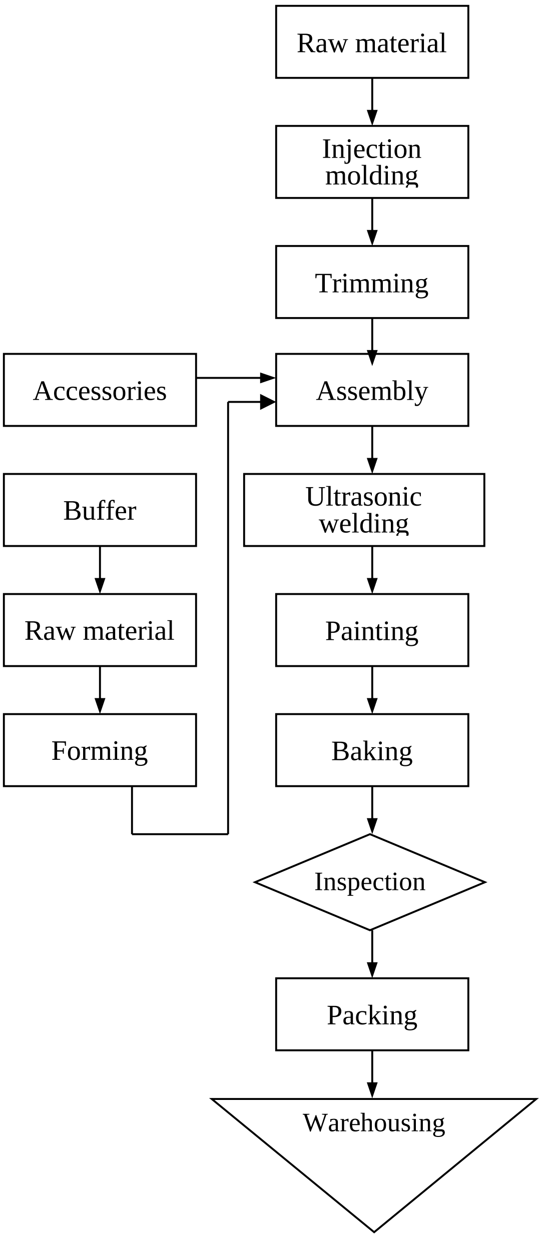
1. Key Function:
   (1) Bumper: Protects vehicles from damage due to collision, and improves driving safety.
   (2) Grille: For decorative and aesthetic purposes.
   (3) Instrument panel: For decorative purposes, and fixates the display panel.
   (4) Hood: Protects all components in the engine bay, and absorbs energy from impact.
   (5) Fender: Prevents mud and sand from being scattered by the tires, maintaining driving safety.

(6) Cooling fan: Increases speed of airflow to improve the efficiency of the condenser and the water tank.

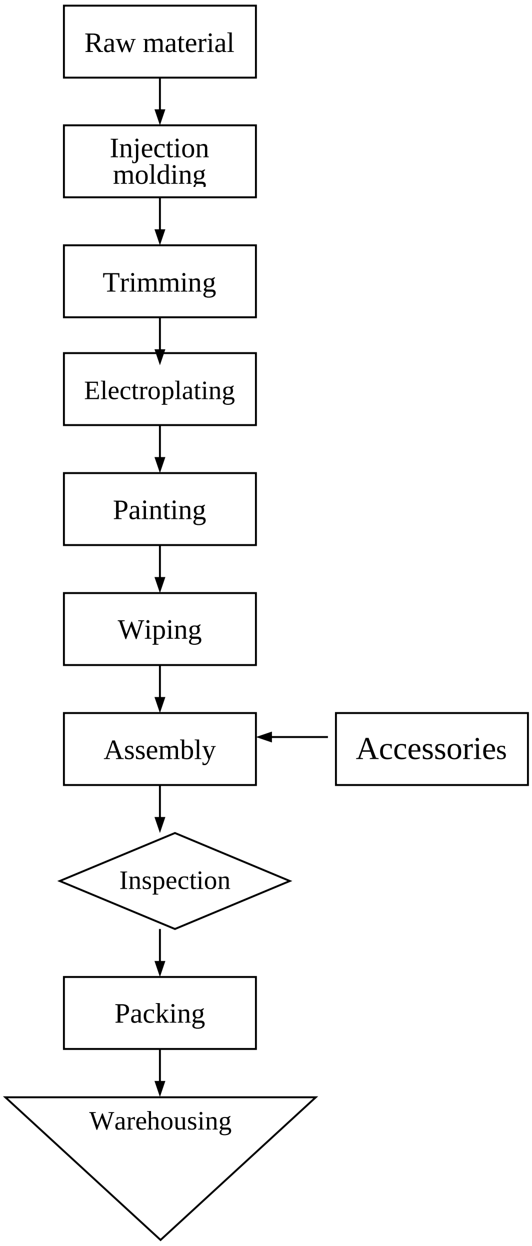
(7) Active Grille Shutter (AGS): Controls the airflow and aerodynamic resistance to improve fuel economy and quickly reach the engine's optimal operating temperature.

2. Production Process

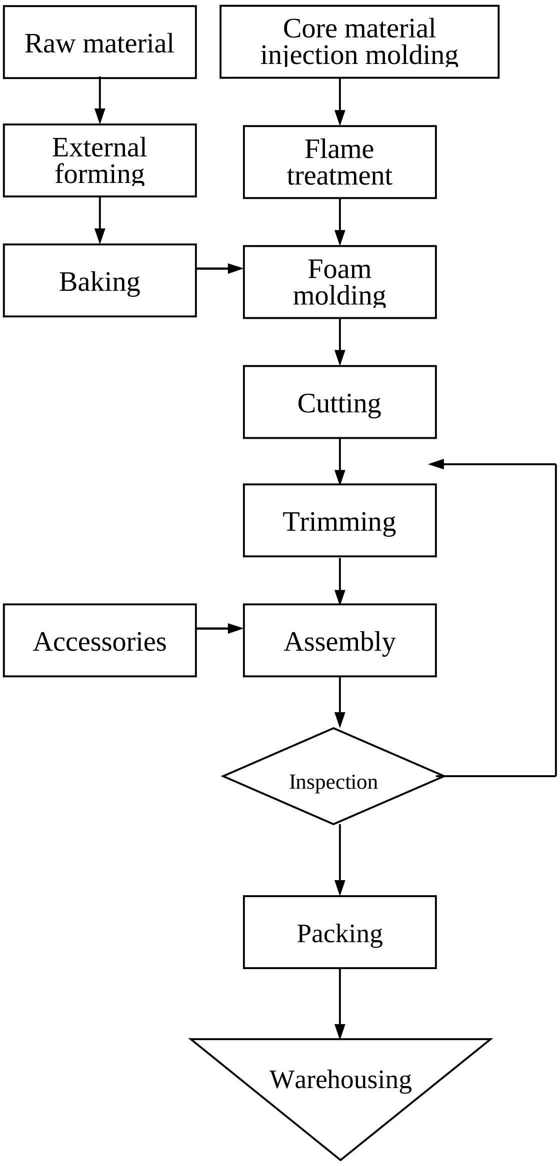
(1) Main production process of front bumper



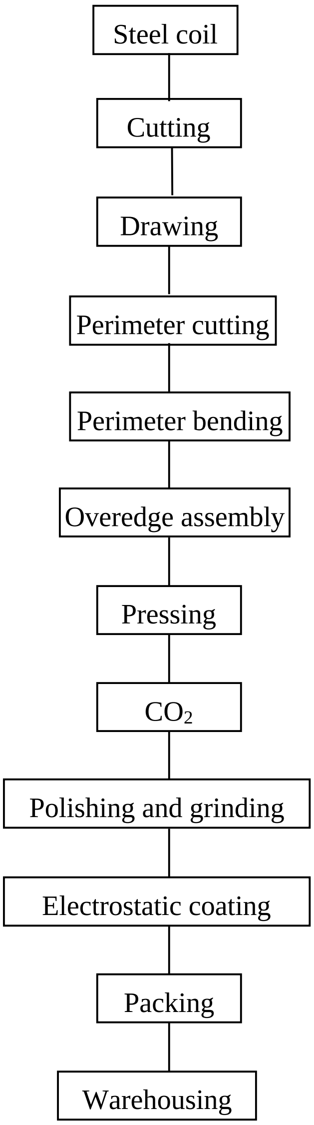
(2) Main production process of front grille



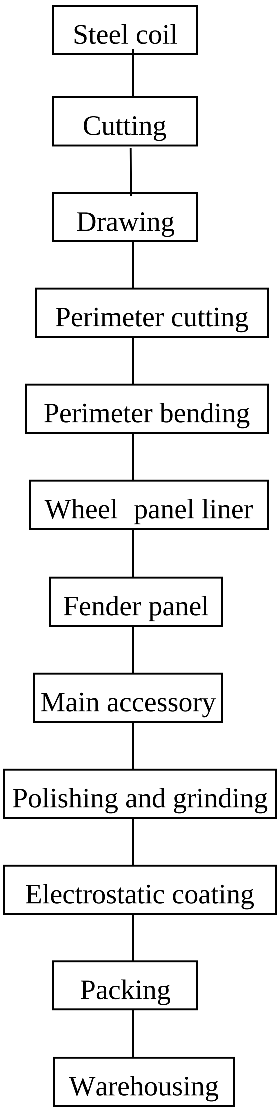
(3) Main production process of instrument panel



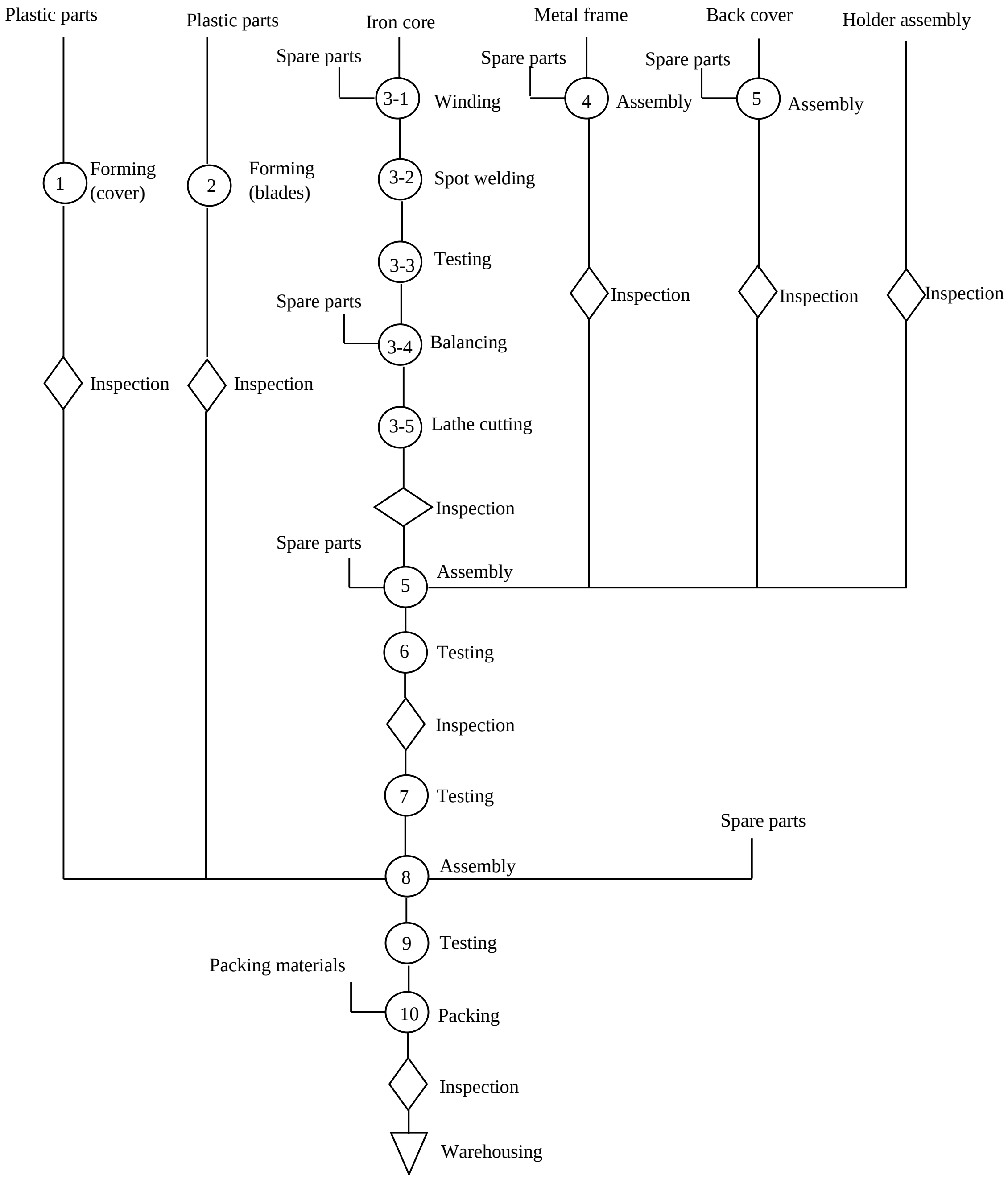
(4) Main production process of hood



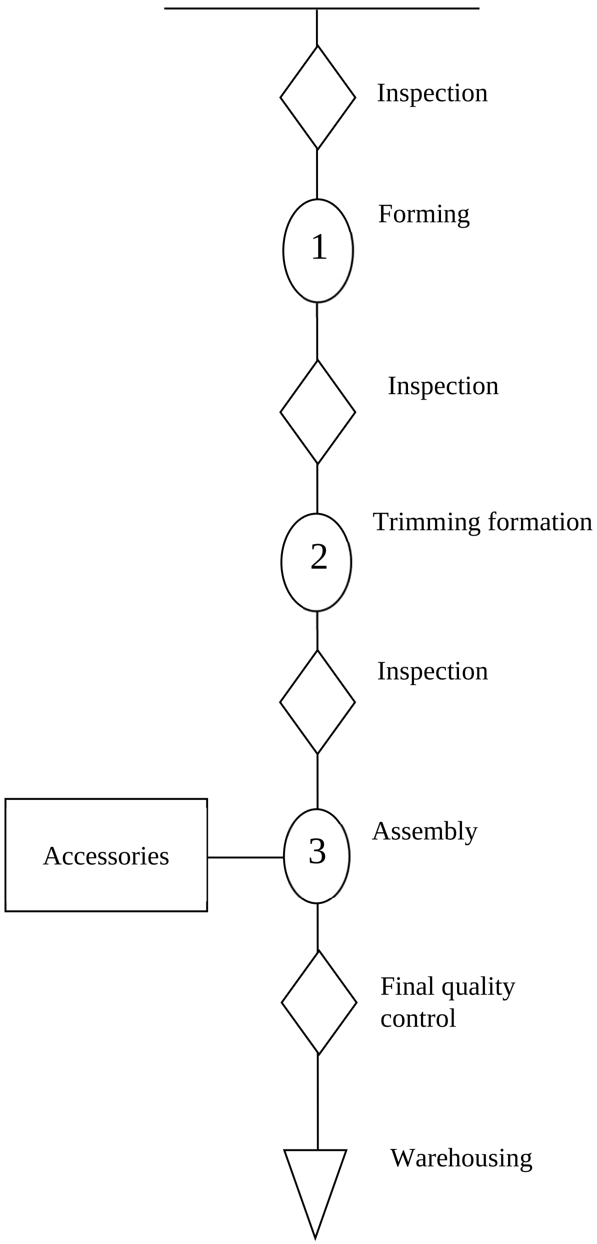
(5) Main production process of fender



(6) Main production process of cooling fan



(6) Main production process of AGS



(III) Supply of Key Materials

The materials used for the Company's manufacturing of components consist of mainly metal and non-metal materials. The main metal materials are steel coils and aluminum sheets and are mainly purchased from China Steel Corp. and CSAC Co. Non-metal materials include Polypropylene (PP), and Acrylonitrile Butadiene Styrene (ABS). PP is mainly supplied by Formosa Chemicals and Fibre Corp. and Sumitomo Corporation Asia & Oceania Pte. Ltd., Formosa Chemicals and Fibre Corp., etc. ABS is mainly supplied by Taita Chemical Co., Ltd. and Formosa Chemicals and Fibre Corp. Materials for painting are supplied by Tung Yang Chemical Co., Ltd., Tai Ying Paint Industrial Co., Ltd., etc. The Company has a long-term relationship with the above suppliers. They provide good quality, stable delivery, reasonable price, and stable supply. The Company and the suppliers have established a good and stable supplier relationship.

(IV) Major suppliers and customers in the past two years

(1) Primary supplier data for the past two years: None (individual supplier purchase amounts have not accounted for over 10% of the Group's total purchases).

(2) Major customers in the past two years

Unit: NT$1,000

	2024				2025				2026, as of the previous quarter (Note 2)			
Item	Name of Company	Amount	Percentage of total net supply (%)	Relationship with the issuer	Name of Company	Amount	Percentage of total net supply (%)	Relationship with the issuer	Name of Company	Amount	Percentage in total net supply (as of the previous quarter) (%)	Relationship with the issuer
1	A	5,380,888	21.02%	Non-related party	A	5,173,269	20.62%	Non-related party	A	963,205	17.11%	Non-related party
	Others	20,215,175	78.98%		Others	19,920,994	79.38%		Others	4,667,539	82.89%	
	Net sales	25,596,063	100.00%		Net sales	25,094,263	100.00%		Net sales	5,630,744	100.00%	

Note 1: Name of the customer with more than 10% of the total sales amount in the last two years and the amount and proportion of the sales. Due to the contractual agreement, the name of the sales or the object of the transaction may not be disclosed, and individuals and non-related parties may be disclosed in code names.

Note 2: For a public company whose stocks are listed on a stock exchange (a “listed” company) or by an OTC company, if, before the date of publication of the annual report, there is any financial data for the most recent period audited and attested or reviewed by a CPA, it shall also be disclosed therewith.

Reason for changes: Based upon sales requirements.

III. Employees

The employee data for the past two years and up to the printing date of the annual report:

Year		2024	2025	As of March 31, 2026
Number of Employees	Direct	2,765	2,894	2,880
	Indirect	2,075	1,939	1,915
	Total	4,840	4,833	4,795
Average Age		38.70	39.10	39.00
Average Service Year		8.9	9.4	9.4
Academic Distribution Ratio	PhD	0.02%	0.02%	0.02%
	Master's	3.08%	3.17%	3.17%
	Bachelor's	44.61%	45.19%	46.11%
	High School	37.19%	37.20%	37.33%
	Below High School	15.10%	14.42%	13.37%

IV. Environmental Protection Expenditure

(I) The losses incurred due to environmental pollution for the most recent fiscal year and up to the printing date of the annual report:

Date of penalty	Penalty number	Legislation and contents of violation	Contents of penalty	Penalty Fine Amount	Improvement measure
2025/6/4	Environmental Inspection Letter No. 1140204587	Article 24, Paragraph 2 of the Air Pollution Control Act	On June 4, 2025, the Environmental Protection Bureau dispatched personnel to conduct an inspection at the Guanyin Plant. The inspection revealed that the pressure drop of the air pollution control equipment, specifically the biological treatment unit (A105), approached 25mmH2O. resulting in unsealed pipelines. On-site measurement conducted by company personnel using an alternative pressure gauge displayed a reading of 30mmH2O (permitted range: 5-15mmH2O), indicating that operations were not conducted in accordance with the permit specifications.	A fine of NT$160,000. 4 hours of environmental seminar.	1. Replace with a higher sensitivity differential pressure gauge. 2. Revise the operating parameters in the air pollution permit to align with current conditions (adjust range to 1~40mmAq). 3. Implement an inspection mechanism to ensure there are no abnormalities.

(II) Response measures and possible expenditures for environmental protection problems in the future:

1. Information on environmental protection

   The company always prioritizes environmental protection work, promptly addresses issues as they arise, and reviews existing prevention and control equipment. In addition to providing employees and nearby residents with a good working and living environment, stricter adherence to emission standards is enforced. The environmental protection measures taken by the company for pollution and waste generated during the production process are as follows:

   (1) Regarding water pollution prevention and control: a wastewater treatment plant is installed to treat the wastewater generated within the factory. Applications for water pollution prevention and control permits are submitted to the competent authorities, and dedicated personnel are assigned to handle wastewater treatment. Qualified testing companies are commissioned to conduct regular water quality sampling and analysis, and internal water quality checks are conducted periodically. Drinking water dispenser water quality testing is performed quarterly. In the year of 2025, the amount of reclaimed water reached 48,343 metric tons, which was used for production and related purposes. Permit numbers are as follows: Tainan City Environmental Protection Bureau Water Discharge Permit No. 05948-02 (Plant 1), Tainan City Environmental Protection Bureau Water Discharge Permit No. 06315-02 (Plant 3), Tainan City Environmental Protection Bureau Water Discharge Permit No. 5410-05 (Plant 4), Tainan City Environmental Protection Bureau Water Discharge Permit No. 05483-05 (Plant 9), Tainan City Environmental Protection Bureau Water Discharge Permit No. 06103-02 (Plant 8), Tainan City Environmental Protection Bureau Water Discharge Permit No. 06316-02 (Plant 12).

   (2) Controlling fixed pollution sources: the waste gas generated during the process is treated by control equipment before being discharged. To ensure compliance with emission standards, qualified testing companies are commissioned to conduct inspections. Before operations, the functioning of the control equipment is checked for normal operation, and maintenance schedules are established. Emission amounts are reported in January, April, July, and October. Permit numbers are as follows: Tainan City Government Environmental Protection Bureau Operation Certificate No. D1094-02 (Plant 1 M01), Tainan City Government Environmental Protection Bureau Operation Certificate No. D0257-02 (Plant 1 M02), Tainan City Government Environmental Protection Bureau Operation Certificate No. D0594-02 (Plant 1 M03), Tainan City Government Environmental Protection Bureau Operation Certificate No. D0763-01 (Plant 1 M04), Tainan City Government Environmental Protection Bureau Operation Certificate No. D0435-01, Tainan City Government Environmental Protection Bureau Operation Certificate No. D0018-03 (Plant 1 M06), Tainan City Government Environmental Protection Bureau

Operation Certificate No. D1107-02 (Plant 1 M10), Tainan City Government Environmental Protection Bureau Operation Certificate No. D0392-02 (Plant 3 M01), Tainan City Government Environmental Protection Bureau Operation Certificate No. D0983-01 (Plant 4 M01), Tainan City Government Environmental Protection Bureau Operation Certificate No. D0554-01 (Plant 4 M02), Tainan City Government Environmental Protection Bureau Operation Certificate No. D0512-01 (Plant 4 M03), Tainan City Government Environmental Protection Bureau Operation Certificate No. D0874-02 (Plant 8 M01), Tainan City Government Environmental Protection Bureau Operation Certificate No. D0908-02 (Plant 8 M02), Tainan City Government Environmental Protection Bureau Operation Certificate No. D0885-02 (Plant 9 M03), Tainan City Government Environmental Protection Bureau Operation Certificate No. D1037-02 (Plant 9 M04), Tainan City Government Environmental Protection Bureau Operation Certificate No. D1038-01 (Plant 12 M01).

(3) Waste management: educating colleagues to cultivate habits of waste sorting, controlling waste generation from the source, obtaining approval for waste management plans, reporting temporary waste storage conditions monthly, and declaring waste transport manifests during waste removal to control the direction of waste disposal, ensuring proper handling to avoid secondary pollution. Approval reference numbers are:1130075539 (Plant 1), 1140150432 (Plant 3), 1130025682 (Plant 4), 1130023733 (Plant 5), 1140045041 (Plant 8), 1130166642 (Plant 9), 1130023734 (Plant 12), 113002385 (Plant 13).

(4) Toxic substance management: reporting operational records, clearly labeling and controlling access to storage locations, implementing leak prevention measures, and conducting toxic disaster drills with the Environmental Protection Bureau. The Company is affiliated with the first group of the Tainan City Joint Disaster Prevention and Rescue Team for Toxic Chemical Substances.

2. Our company complies with domestic regulations regarding environmental protection, safety, and health activities. Our environmental, safety, and health policies include pollution prevention, enhanced communication, safety awareness, hygiene reinforcement, education and training, regulatory compliance, resource conservation, and continuous improvement. We have obtained ISO 14001 Environmental Management System certification (valid until July 5, 2026) and ISO 45001:2018 Occupational Health and Safety Management System certification (valid until July 27, 2026). Some of our subsidiaries in China have also obtained ISO 14001 Environmental Management System certification and comply with relevant national regulations. Upholding the spirit of continuous improvement, we actively propose and implement feasible improvement plans in pollution control, energy and resource conservation, waste reduction, safety and health management, aiming to reduce potential environmental, safety, and health risks.

3. 2026 environmental expenditure forecast of the Group:

Unit: NT$1,000

	Water pollution control	Stationary pollution source control	Waste disposal	Toxic chemical substance control	Others
Items	Water quality testing fees, wastewater treatment plant operating costs, permit application fees, improvement of control equipment	Testing fees, permit application fees, VOC control equipment installation cost, maintenance and improvement costs for control equipment	Waste disposal and handling fees, waste testing fees, improvement of waste reduction equipment	Leak prevention equipment, protective gear	
Amount	28,959	213,343	38,361	2,531	1,742
Total	284,936				

V. Labor Relations

(I) The following lists the various employee benefit measures, training and development programs, retirement system, and their implementation within the company, as well as the agreements between employer and employees and all employee rights protection measures:

1. Employee Benefits

The Company prioritizes the needs of every employee, offers favorable working conditions, and is dedicated to promoting employee welfare. It is essential to enhance the hardware and software facilities, as well as the activities related to food, clothing, housing, transportation, education, and recreation for employees, thereby enabling employees to enjoy a comprehensive welfare system.

(1) Comprehensive Remuneration System

Tong Yang strictly adheres to the Labor Standards Act. The Company recruits employees based on professional expertise and experience, regularly conducts local salary market research, and reviews its current remuneration and bonus system to ensure that its remuneration levels remain market-competitive. In 2025, salary increase for all employees is approximately 4.3%. In accordance with the requirements of the competent authorities, the Company discloses the average remuneration of full-time employees who do not hold managerial positions is NT$767 thousand for the year 2025.

(2) Since the establishment of the Employee Welfare Committee in 1976, representatives have been selected from each department and meetings shall be convened at least once every three months to oversee, plan, and implement various employee welfare measures of the Company. In addition to the various welfare measures mandated by the government, the benefits provided to employees are comprehensive and diverse. The Company has entered into special agreements with designated brick-and-mortar stores, enabling employees to enjoy exclusive benefits. Furthermore, the Company encourages employees to establish and participate in club activities to enhance the physical and mental health of employees, thereby improving work morale and performance. The welfare measures being promoted include the following:

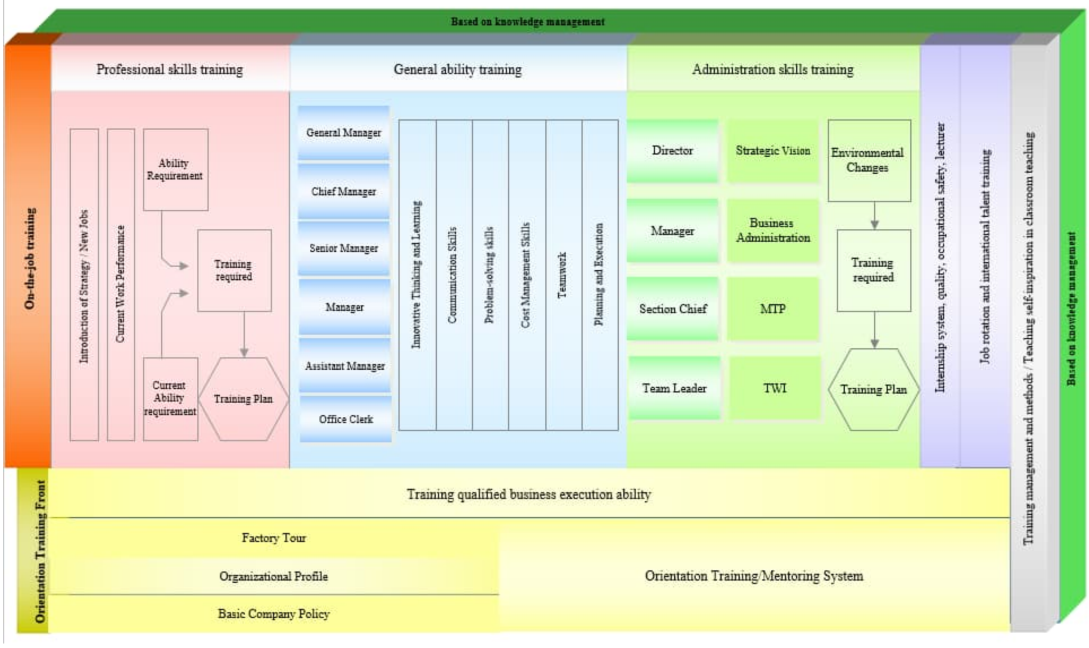
  A. All employees are entitled to regular health check-ups, life insurance, and accident insurance.
  B. Employees are entitled to year-end and holiday bonuses, gift vouchers, birthday gifts, allowances for weddings and funerals, and subsidies for overseas travel.
  C. Diverse selection of meals and dietary health management services are offered.
  D. Access to over a thousand books and magazines for borrowing are provided, with regular updates.
  E. Female colleagues are provided with a warm and comfortable private space for breastfeeding.
  F. Employees from other regions of the country may apply for employee dormitories in accordance with company regulations, which offer both double and single rooms.
  G. Contracts are entered into with numerous specialized discount retailers, and information regarding various leisure channels and activities is disseminated.
  H. By assessing the needs of our colleagues, the Group consolidates its resources to create a platform for group purchasing and discount coupons.

(3) All employees of the Company and its domestic subsidiaries are enrolled in the National Health Insurance and Labor Insurance, in accordance with the regulations of the National Health Insurance Act and the Labor Insurance Act. Overseas subsidiaries are subject to local laws and regulations.

2. Continuing Education/Training

For many years, the Company has followed the corporate culture of “enthusiasm, honesty, and creativity” as its three main objectives in talent development. We provide opportunities and environments for employee learning and development. Thus, regardless of the unit, whether it's production, supply, development/design, or various levels within the organization, we have a complete mechanism for experience transmission and integration and operation training among teams. This encourages continuous growth and the application of acquired knowledge in their work. Looking ahead, the Company will continue to deepen training towards sustainable operation, aiming to optimize competitiveness through generational transitions and cultivate models for the transmission of knowledge and experience. The training expenses for the year of 2025 amounted to NT$2,678,000, with a total of 1,271 courses held and a total of 12,078 participants attended the training courses. The main training content is outlined as follows:

Talent Training Chart



3. Retirement System and Its Implementation
   1. (1) The Company and its domestic subsidiaries established the employee retirement fund regulations in accordance with the Labor Standards Act, constitute a defined benefit plan. The payment of employee retirement funds is calculated based on the years of service and the average monthly salary approved at the time of retirement. For employees with fifteen years of service or less (inclusive), each completed year of service is granted two bases; for those with service years exceeding fifteen, each completed year of service is granted one base. However, the maximum accumulation of bases is limited to 45. The Company and its domestic subsidiaries contribute between 2% and 2.73% of the total salary to the retirement fund on a monthly basis, which is deposited in a designated account at the Bank of Taiwan under the name of the Labor Retirement Reserve Supervisory Committee. Additionally, before the end of each fiscal year, the Company and its domestic subsidiaries estimate the balance of the aforementioned labor retirement reserve account. If this balance is insufficient to cover the estimated retirement payments for the following year for employees who meet the retirement criteria, the difference will be contributed in a lump sum before the end of March of the following year.
   2. (2) Since July 1, 2005, the Company and its domestic subsidiaries have implemented the employee retirement plan in compliance with the Labor Pension Act, contributing six percent of the employee's salary to the individual retirement accounts at the Labor Insurance Bureau on a monthly basis.
   3. (3) Regulations governing retirement of employees of overseas subsidiaries are subject to local laws and regulations.

4. The Status of Labor-Management Agreements and Measures for Preserving Employees' Rights and Interests:
   1. (1) The Company complies with various labor-related regulations by managing labor insurance and National Health Insurance for employees, legally allocating retirement funds, and securing public liability insurance, occupational accident insurance, and group insurance for employees to ensure the protection of labor rights.
   2. (2) The Company has established channels for employee complaints and consultations, actively seeking to understand and address employee demands in a reasonable manner. Please refer to page 68-69 of the Annual Report.
   3. (3) The Company attaches great importance to the safety and health of employees and provides employees with annual health examinations. The Company has also established nurses to provide emergency care for, regularly sends doctors to the factories to provide medical and health-related consultation to employees, and organizes health seminars from time to time.

(4) The Company is committed to safeguarding the fundamental human rights of all employees and stakeholders. We adhere strictly to the Labor Standards Act, Employment Service Act, Gender Equality in Employment Act, Act on Gender Harassment Prevention, and the Occupational Safety and Health Act of the Republic of China. We provide a work environment in which employees are respected, treated with dignity, and ensured safety, thereby fulfilling our corporate social responsibility to care for our employees.

(5) The Company values employee feedback and has established the Tainan City Tung Yang Industry Co., Ltd. Labor Union in accordance with the Labor Union Act. The primary objectives of the union are to protect the rights and interests of its members, enhance their skills, improve their living conditions, and promote labor-management cooperation. Union representatives meet regularly with management representatives to facilitate communication and coordination between labor and management, thereby maintaining a positive labor-management relationship. Methods of labor-management negotiation include signing labor-management collective agreements, participating in union board meetings, etc., as detailed below:

A. To protect the rights and interests of both parties, enhance the working environment and labor conditions for employees, and in collaboration with the corporate labor union, a collective agreement has been signed annually since 2015, with the most recent effective period extending until September 30, 2026. This collective agreement encompasses 97% of the officially employed Taiwanese staff who are members of the union.

B. The content of the collective agreement encompasses not only the relevant systems implemented in accordance with labor laws but also stipulates the distribution of a five-day festival bonus during the Mid-Autumn Festival each year. Additionally, it includes a profit-sharing clause that allocates 10% of the Company's annual net profit for employee performance bonuses and year-end bonuses, with a guarantee of 25 days for the year-end bonus. This provision aims to enhance employee morale and share the success of the Company's operations.

C. Quarterly labor-management meetings are conducted, and participation in the annual union representative assembly takes place once a year. These meetings address labor-management issues and corporate governance, facilitating effective communication and fostering harmonious labor relations.

(6) The Company strictly adheres to the labor and human rights regulations established by the government. This commitment encompasses all aspects of personnel recruitment, determination of remuneration, performance evaluation, education and training, and promotion opportunities, without discrimination based on race, class, language, ideology, religion, political affiliation, place of origin, birthplace, gender, sexual orientation, age, marital status, appearance, physical features, or any physical or mental disabilities. Furthermore, we do not employ child labor or engage in human trafficking, and we provide education and training to all employees to promote awareness and prohibit discrimination and harassment in the workplace. Additionally, in accordance with customer requirements, we conduct regular assessments of labor conditions, labor protections, equality and discrimination, protection of vulnerable groups, union organization and labor relations, and labor inspections, ensuring compliance with international regulations as a fundamental requirement.

(7) The Company adheres to the provisions of the International Labour Organization conventions, refraining from the use of any form of forced or compulsory labor. We strictly comply with labor standards and regulations such as the Labor Standards Act and the Employment Service Act, ensuring that no individual is coerced or compelled into labor against their will, thereby guaranteeing that our employment practices are in accordance with labor laws.

(8) The Company follows the provisions of the International Labour Organization conventions and domestic trade union laws, allowing all employees the freedom to organize and participate in unions. They are also entitled to engage in collective bargaining in accordance with relevant legal provisions, without violating the freedom of association and collective bargaining.

(9) The Company has dedicated units responsible for handling occupational safety, environmental protection, and related matters to ensure the safety and health of employees and the environment. In November 2020, we were honored with the National Occupational Safety and Health Award - Special Award for Traditional Industry Investment. In 2022, we won the championship in the Safety and Health Performance Competition organized by the Occupational Safety and Health Administration, as well as the runner-up in the Safety Partner category. In 2025, we received the Excellence Award in the Safety and Health Performance Competition from the Labor Affairs Bureau of Tainan City Government.

(10) The Company has obtained ISO 14001 Environmental Management System certification (valid until July 5, 2026) and ISO 45001:2018 Occupational Health and Safety Management System certification (valid until July 27, 2026), and we operate in accordance with the aforementioned management systems.

(II) Please list the losses incurred due to labor disputes for the most recent fiscal year and up to the date of the annual report's publication (including violations of the Labor Standards Act as determined by labor inspections, and the date of the sanction, sanction serial number, violated regulatory provisions, details of the violations, and the nature of the sanctions imposed shall be specified). Additionally, please disclose the estimated amounts that may be incurred currently and in the future, along with the corresponding measures to address these issues. If a reasonable estimate cannot be provided, please describe the circumstances that prevent such an estimation:

The Company has not experienced any labor disputes in the recent fiscal year and up to the date of the annual report's publication. Consequently, there have been no losses incurred due to labor disputes, and the Company has been recognized for several consecutive years (including the most recent period from October 1, 2025, to September 30, 2026) as a model institution for harmonious labor relations in Tainan City. Given this harmonious labor environment, the likelihood of potential labor disputes and associated losses in the future is extremely low.

VI. Cyber Security Management

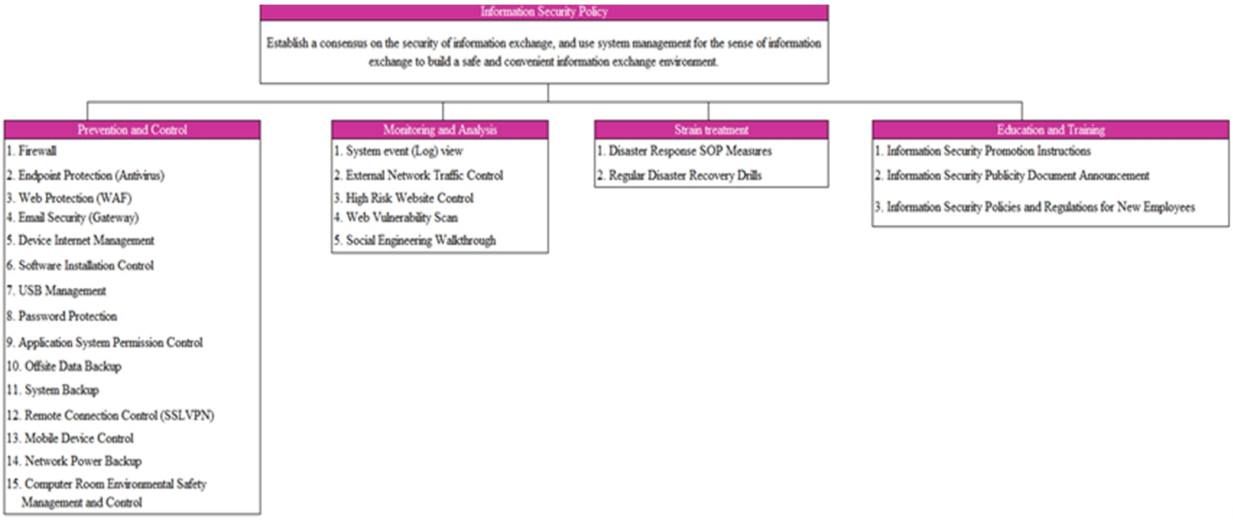
(I) Description of the cyber security risk management framework, cyber security policy, specific management plan and resources invested in cyber security management is as follows:

1. Cyber security risk management framework

   The Company has been engaged in information security management since the year 2007, with the CEO serving as the highest authority in information security. The Information Department functions as the coordinating unit for the Company's information security management. It is required to appoint a Chief Information Security Officer and information security personnel in accordance with regulations to be in charge of formulating information security-related policies and conducting an annual review of their applicability. The Hardware Department, under the jurisdiction of the Information Department, is tasked with promoting and auditing information security operations. Within the department, senior management routinely reviews the relevant protection measures to ensure the continuous and effective operation of management procedures and to report management performance to the President.

2. Cyber security policies

   According to the information security policy, the Company has formulated the Information Security Management Measures, the Computer Data Security Control Measures, the Cyber Security and Emergency Response Measures, the Post-disaster System Recovery Plan and the Data Backup Management Measures, specifying the Company's information security control procedures and norms.



3. Specific management plan

Specific management plan he Company periodically conducts information security awareness campaigns and training for all employees to enhance their understanding of information security and improve their protective capabilities. It employs various systematic tools for monitoring and analysis, establishing proactive defense and alert capabilities. Data is backed up offsite and undergoes annual rehearsal and verification to ensure the system's ability to recover from major accidents. In the event of employees violating relevant information security control regulations, disciplinary actions are taken in accordance with the reward and punishment management regulations. The relevant management plan is as follows:

(1) Access Control: All systems are equipped with password protection and access control mechanisms. Access requests and modifications must be submitted through a system change request form, which is based on individual job responsibilities and authority. In the event of an employee's resignation or transfer, access rights are promptly revoked and adjusted to maintain information security.

(2) USB Management: Comprehensive control over the use of USB flash drives is implemented. If usage of USB flash drives is necessary for business purposes, an application must be submitted and approved by a supervisor prior to use. This process ensures that company data is not leaked and protects the interests of the Company.

(3) Internet Access Control: Manage individual internet access permissions and restrict access to high-risk cybersecurity websites to prevent virus intrusions and data breaches. If internet access is necessary for business purposes, an application must be submitted and approved by a supervisor prior to use. The IT unit will monitor and analyze internet traffic, reviewing any anomalies on a weekly basis.

(4) Mobile Device Management: Personal mobile devices (laptops, smartphones) cannot be freely connected to the Company's internal network.

(5) Data Center Security: The data center is equipped with a power generator and an uninterruptible power supply (UPS) system to ensure it remains unaffected by external power supply disruptions. Additionally, redundant mechanisms are established for key information equipment and networks to achieve high availability of the information system.

(6) Vulnerability Analysis: External cybersecurity firms are commissioned to conduct web vulnerability scans for outward-facing web services, and a Web Application Firewall (WAF) was implemented to enhance cyber security.

(7) Emergency Response and Disaster Drills: The company formulates the “Information Security and Emergency Response Measures” and conducts annual backup and restoration drills for critical systems and equipment to ensure system availability.

(8) Audit and Compliance: External auditors conduct annual reviews of the information systems to ensure the confidentiality, integrity, and availability.

(9) Endpoint Security: In addition to installing antivirus software, we have implemented Managed Detection and Response (MDR) services for endpoint threat detection and response. Engaging professional cybersecurity consultants can further safeguard endpoint security.

(10) Education, Training, and Awareness Campaign: The Company conducts information security awareness campaigns every year and ad hoc social engineering phishing e-mail drills to enhance employee awareness of information security. Additionally, disseminating the latest information security updates and precautions through the Company's announcement system is implemented.

(11) Cybersecurity Collaboration: We are a member of the Taiwan Computer Emergency Response Team Coordination Center (TWCERT), where we receive the latest threat intelligence and implement internal cybersecurity defenses in real-time.

4. Resources invested into cyber security management

(1) The Company appoints a cybersecurity manager and personnel in accordance with regulations to oversee information security planning, technology and conducting related audits to maintain and continuously enhance information security.

(2) The Company continues to strengthen its information security protection mechanisms to ensure resistance against hacking, theft, viruses, and disasters. In 2025, we invested approximately NT$9.88 million in software and hardware related to information security.

(3) In 2025, the Company conducted a web vulnerability scan and found no significant security flaws. We successfully passed various internal and external information security audits without any significant deficiencies or incidents of information leakage due to major cybersecurity events.

(4) In 2025, the Company disseminated information security policies, along with the latest cybersecurity updates and notices, through the announcement system. Furthermore, cybersecurity awareness campaigns were conducted across various units, reaching a total of 1,416 individuals.

(5) In 2025, a total of 1 social engineering phishing e-mail drill was conducted.

(6) The Company plans to introduce ISMS ISO27001:2022. In 2025, we appointed cybersecurity personnel to participate in the ISO27001:2022 Lead Auditor training course and successfully obtained certification.

(II) Losses incurred due to significant information security events in the latest fiscal year and up to the date of printing of the annual report, including potential impacts, and response measures.

The Company has established a comprehensive network and computer information security management system to maintain the security of the company's information and computer systems. On October 15, 2025, a hacker claimed that they had infiltrated the Company's information system and stolen related data. Following an investigation conducted by the Company's internal and external cybersecurity consultants, it was confirmed that the information system was operating normally and that no data loss had occurred. However, in order to protect the Company's operational data from potential breaches, we are continuously enhancing relevant information security measures. For instance, we plan to implement advanced endpoint protection detection software to identify and prevent malicious activities at an early stage. We are also conducting ongoing phishing e-mail drills to raise employees' awareness of email security. Additionally, we plan to strengthen local area network (LAN) controls by segregating office and plant networks to prevent the spread of computer viruses across different facilities. In 2026, we plan to introduce international standard cybersecurity governance framework, ISMS ISO27001:2022, to strengthen our cybersecurity management measures and ensure their effectiveness.

VII. Major Contracts

Type of Contract	Party	Contract Start and End Date	Contract Content	Restrictions
Material purchase contract	China Steel Corp.	Contracted renewed on a quarterly basis	Cold-rolled steel coils and hot-dip galvanized alloy steel coils.	None
Technical cooperation contract	Hitachi Chemical Co., Ltd. of Japan (now known as Resonac Corporation)	Signed on July 17, 2018	Providing services including technical information and assistance regarding car-use plastic tailgates.	None
Technical cooperation contract	FALTEC Co., Ltd. of Japan	Signed on November 15, 2021	Providing services including technical information and assistance regarding components installed on P33A model.	None
Long-term borrowings	Chang Hwa Bank	2025.05.22～2027.05.31	The loan amount is NT$300,000,000.	None
Long-term borrowings	Chang Hwa Bank	2019.07.05～2030.12.15	The loan amount is NT$600,000,000.	None
Long-term borrowings	Chang Hwa Bank	2024.11.13～2031.11.15	The loan amount is NT$700,000,000.	None
Long-term borrowings	KGI Bank	2025.03.31～2028.03.31	The loan amount is NT$500,000,000.	None
Long-term borrowings	First Bank	2024.11.25～2026.11.25	The loan amount is NT$300,000,000.	None
Long-term borrowings	Yuanta Bank	2025.01.21～2027.01.21	The loan amount is NT$600,000,000.	None
Long-term borrowings	E. Sun Bank	2025.09.02～2028.09.02	The loan amount is NT$300,000,000.	None
Long-term borrowings	E. Sun Bank	2019.07.04～2032.04.15	The loan amount is NT$700,000,000.	None
Long-term borrowings	E. Sun Bank	2024.11.12～2031.11.15	The loan amount is NT$600,000,000.	None
Long-term borrowings	CTBC Bank	2025.10.31～2027.10.31	The loan amount is NT$300,000,000.	None
Long-term borrowings	CTBC Bank	2019.07.05～2031.12.15	The loan amount is NT$600,000,000.	None
Long-term borrowings	CTBC Bank	2024.11.12～2031.11.15	The loan amount is NT$700,000,000.	None
Long-term borrowings	O-Bank	2019.07.04～2032.05.15	The loan amount is NT$487,400,000.	None
Long-term borrowings	Mizuho Bank Taiwan	2025.07.30～2027.07.30	The loan amount is US$20,000,000.	None

Chapter 5 Review Analysis of Financial Status and Financial Performance and Risks

I. Financial Status

Comparative Financial Analysis

Unit: NT$1,000

Year / Item	2025	2024	Difference	
			Amount	%
Current Assets	13,192,140	13,256,842	(64,702)	(0.49)
Investment Using the Equity Method	2,513,283	2,434,502	78,781	3.24
Property, Plant and Equipment	18,228,256	17,346,469	881,787	5.08
Intangible Assets	597,799	424,418	173,381	40.85
Other Assets	4,060,638	4,829,350	(768,712)	(15.92)
Total Assets	38,592,116	38,291,581	300,535	0.78
Current Liabilities	6,957,545	7,035,535	(77,990)	(1.11)
Non-current Liabilities	2,949,745	3,100,045	(150,300)	(4.85)
Total Liabilities	9,907,290	10,135,580	(228,290)	(2.25)
Equity Attributable to Owners of the Parent	28,065,768	27,610,499	455,269	1.65
Share Capital	5,914,771	5,914,771	0	0
Capital Surplus	4,151,718	4,151,122	596	0.01
Retained Earnings	17,911,844	17,236,132	675,712	3.92
Other Equity	87,435	308,474	(221,039)	(71.66)
Non-controlling Interests	619,058	545,502	73,556	13.48
Total Equity	28,684,826	28,156,001	528,825	1.88

1. Main reasons for major changes (changes between two periods exceeding 20 percent, and the amount of change reaching NT$10 million):
   (1) Intangible assets decreased by NT$173,381 thousand in 2025 compared to 2024, mainly due to the acquisition of intangible assets such as computer software and OEM molds of NT$199,795 thousand in the current period.
   (2) Other Equity
   In 2025, there was a decrease of NT$221,039 thousand compared to 2024. The decrease was due to the recognition of valuation loss on financial assets measured at fair value through other comprehensive income of NT$213,341 thousand and loss on exchange differences arising from the translation of the financial statements of foreign operations of NT$7,698 thousand.
2. Impact: No significant impact.
3. Future Plans: None.

II. Financial Performance

Comparative Financial Performance Analysis

Unit: NT$1,000

Item \ Year	2025	2024	Change by Amount	Change by Percentage %
Operating Revenue	25,094,263	25,596,063	(501,800)	(1.96)
Gross Profit	8,427,374	8,530,672	(103,298)	(1.21)
Operating Income	4,602,192	4,813,360	(211,168)	(4.39)
Non-operating Income and Expenses	189,184	716,325	(527,141)	(73.59)
Net Income Before Tax	4,791,376	5,529,685	(738,309)	(13.35)
Current Net Income	3,902,579	4,455,271	(552,692)	(12.41)

1. Main reasons for major changes (changes between two periods exceeding 20 percent, and the amount of change reaching NT$10 million):
   Non-operating income and expenses for the current period saw a decrease of NT$527,141 thousand compared to the previous year. This is primarily due to the appreciation of the New Taiwan Dollar, resulting in net foreign exchange losses of NT$290,444 thousand, a decrease of NT$653,625 thousand compared to the exchange gains of NT$363,181 thousand in 2024.
2. Expected Sales Quantity and Its Basis
   See the Outline of the 2026 Business Plan in Chapter 1. Letter to Shareholders in this annual report for details.
3. Possible impact on the Company's future financial business: No significant impact.
4. Response Plan: None.

III. Cash Flow

Cash Flow Analysis Statement

Unit: NT$1,000

Opening Cash Balance	Net Cash Flow from Operating Activities for the Entire Year	Total Annual Investment and Fundraising Activities Net Cash Flow	Exchange Rate Fluctuations Effect	Cash Surplus (Insufficiency) Amount	Remedial Measures for Insufficient Funds	
					Investment Plan	Financial Management Plan
4,736,971	4,417,206	(6,504,961)	12,491	2,661,707	None	None

1. Analysis of Cash Flow Changes for this Year:
   Net cash inflow from operating activities was NT$4,417,206 thousand, primarily driven by profit before tax of NT$4,791,376 thousand.
   Net cash outflow from investing activities was NT$3,163,197 thousand, mainly due to the acquisition of property, plant, and equipment amounting to NT$2,948,919 thousand. Net cash outflow from financing activities was NT$3,341,764 thousand, primarily from cash dividends paid of NT$3,134,828 thousand.
2. Improvement Plan for Insufficient Liquidity: The Company has not experienced any instances of insufficient liquidity.
3. Cash Flow Liquidity Analysis for the Next Year:
   The estimated cash inflow from operating activities for the next fiscal year is approximately NT$8 billion. It is anticipated that there will be a net cash outflow of around NT$3.9 billion for investing activities, including the acquisition of property, plant, and equipment, as well as payout of cash dividends of NT$3 billion. Additionally, the opening cash balance is NT$2.7 billion, resulting in the balance of cash of approximately NT$3.8 billion. This amount will be used to repay loans and for working capital.

IV. Effect on Financial Operations of Any Major Capital Expenditures during the Most Recent Fiscal Year

1. Use and Source of Major Capital Expenditure

Unit: NT$1,000

Plan	Actual or Expected Source of Funds	Actual or Expected Completion Date	Total Amount of Funding Needed	Actual or Planned Use of Funds		
				2024	2025	2026
Land	Borrowings and Equity Fund	2025.05	1,000,831	972,142	28,689	
Machine and Equipment	Borrowings and Equity Fund	2025.12	333,812	203,818	127,994	
Molding Equipment	Borrowings and Equity Fund	2025.12	1,633,812	778,652	855,160	
Buildings	Borrowings and Equity Fund	2026.06	200,000		145,000	55,000
Machine and Equipment	Borrowings and Equity Fund	2026.12	450,000		200,000	250,000
Molding Equipment	Borrowings and Equity Fund	2026.12	1,700,000		1,100,000	600,000

2. Impact on Financial Operations:

(1) Projected Increases in Production Volume, Value, and Gross Profit from Significant Capital Expenditures

Unit: NT$1,000

Year	Item	Production Quantity (PCS)	Sales Volume (PCS)	Sales Value	Gross Profit	Gross Margin
2026	Automobile Parts	264,192	264,192	280,858	127,771	45.49%
2027	Automobile Parts	681,679	681,679	717,656	332,327	46.31%
2028	Automobile Parts	971,449	971,449	1,023,378	475,998	46.51%
2029	Automobile Parts	1,173,100	1,173,100	1,230,883	573,457	46.59%
2030	Automobile Parts	1,219,105	1,219,105	1,274,314	597,768	46.91%

(2) Explanation of other benefits**:**

1. Expanding new factories can fulfill the growth demand for the next three to five years.
2. Acquiring molding equipment can expand the range of products, fulfill customers' one-stop shopping requirements, and create synergies, thereby expanding operation scale and increasing market share.

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

1. The Company's investment policy: The Company has developed an investment strategy that aligns with operational needs and aims to enhance corporate competitiveness.
2. Major reasons for 2025 profit or loss and improvement plan
   In the Company's 2025 consolidated financial statements, the share of losses from equity method accounted associates and joint ventures amounted to NT$139,666 thousand, detailed as follows:

Unit: NT$1,000

Investee Name	Main Business Activities	Investment loss and income recognized for 2025	Main Sources	Improvement Plan
Chanchun Faway Tong Yang Automobile Component Co., Ltd.	Automobile parts production and sales	NTD 158,749	Operating status is stable.	None
Changsha GAC Tongyang Automobile Parts Co., Ltd.				
Daikyo Nishikawa Tongyang Auto Parts (Nanjing) Co., Ltd.				
Tung Yang Chemical Ind. Co., Ltd.	Processing and sales of paints, varnish, paint materials, and other fine chemical raw materials			
C & D CAPITAL II CORPORATION	General investment industry	NTD (19,083))	Valuation loss on investees measured at fair value in accordance with regulations	None

The Company will continue to carefully evaluate investment projects in the future.

3. Investment plan for the coming year
   According to the Company's global strategy, we will timely adjust the scale of investees in various regions around the world based on operational needs and business development and appropriately adjust the investment portfolio based on supply chain synergies and investment returns.

VI. Risks Factors

1. Impact of interest rate, exchange rate fluctuations, and inflation on the Company's profit and loss, and future countermeasures:

Unit: NT$1,000

Item/Year	2025
Net Operating Revenue	25,094,263
Pre-tax Profit	4,791,376
Net Foreign Exchange Loss/Gain	(290,444)
Financial Cost	24,462
Exchange (Loss) Gain as a Percentage of Operating Revenue	(1.16)%
Exchange (Loss) Gain as a Percentage of Pre-tax Net Income	(6.06)%
Financial Cost as a Percentage of Operating Revenue	0.10%
Financial Cost as a Percentage of Pre-tax Net Income	0.51%
Inflation Rate	1.66%

(1) Impact of interest rate, exchange rate fluctuations, and inflation on the Company's profit and loss:

The impact of interest rate, exchange rate fluctuations, and inflation on the Company's profit and loss is as shown in the table above. The financial cost amounted to NT$24,462 thousand, accounting for 0.10% of the annual revenue. This proportion is not significant; therefore, interest rate fluctuations did not have a major impact on the Company. As for exchange rate fluctuations, as the Company primarily engages in exports, exchange rate fluctuations do have a certain degree of influence. It is necessary to strengthen the management of exchange rate volatility, including considering exchange rate fluctuations in quotations to customers and timely foreign currency conversion, to minimize exchange rate risks. The foreign exchange loss for 2025 amounted to NT$290,444 thousand. The inflation rate for 2025 was 1.66%. As the Company's quotations to customers and suppliers are mostly adjusted based on market trends, there is no significant impact.

(2) The Company's countermeasures against interest rate or exchange rate fluctuations and inflation:

(A) Regularly evaluate bank loan interest rates and maintain close communication with banks in order to secure more favorable loan interest rates.

(B) Regularly analyze exchange rate trends and maintain communication with banks to stay updated on the latest exchange rate information.

(C) Analyze exchange rate risks in real time and accurately incorporate them into export quotations.

(D) Mitigate the exchange rate risk associated with export income by pricing raw materials or equipment imported in foreign currencies.

    (E) Promptly adjust foreign currency deposits in accordance with the funding situation and fluctuations in exchange rates.
    (F) The Company will continue to implement various internal structural improvement projects and actively organize and streamline the factories. This is a steadfast policy that will not be influenced by external factors, such as inflation or deflation.

2. Policy on engaging in high-risk, highly leveraged investments, loans to others, endorsements/guarantees for others, and derivatives trading, main reasons for profits, or losses, and future countermeasures:
    (1) In the most recent year and up to the publication date of the annual report, the Company did not engage in investments that were considered high-risk or highly leveraged.
    (2) Loans required by the Group's subsidiaries are provided in accordance with the Operating Procedures for Loaning of Funds to Others.
    (3) Endorsements/guarantees required by the Group's subsidiaries for working capital are handled in accordance with the Operating Procedures for the Provision of Endorsements and Guarantees.
    (4) In the most recent year and up to the publication date of the annual report, the Company did not engage in derivatives trading.

3. Future R&D Plans and Expected R&D Expenses:
    In order to become a Tier 1 supplier, the Company has established a R&D center to R&D and integrate resources for product design, material development, production technologies, and other areas. In the future, efforts will be intensified in the development of instrument panels, electroplating products, and molds. R&D expenses for 2026 are estimated at NT$825,745 thousand for projects involving an innovative development of a high-robustness modular intelligent multi-node automotive microcontroller with dual CAN/LIN communication; development of high-transparency, energy-efficient exterior components using layered etching technology with multi-layer light-and-shadow laser engraving decoration; innovative development of micron-Scale, high-resolution precision leather perforation technology utilizing diffused uniform-light effects for greater design freedom; innovative R&D for performance improvement of automated rotor spot welding equipment for automotive fan motors; and development of a high-precision automotive plastic component inspection system.

4. The impact of significant domestic and international policy and legal changes on the Company's financial operations and countermeasures: The Company has consistently monitored policies and regulations that may affect its financial operations. In addition to complying with domestic regulatory requirements, we also keep abreast of legal changes and local government policies in key sales regions to promptly adjust our business strategies in response to major developments.

5. The impact of technological changes (including cyber security risks) and industrial changes on the Company's financial business and countermeasures:
   (1) The impact of technological changes (including cyber security risks) on the Company's financial business and countermeasures:

       The Company closely monitors the development of new technologies, strengthens research and development capabilities, pays attention to domestic and international technological and market development trends, in order to respond to changes in technology and industry, and evaluates their potential impact on the Company. Besides the continuous research and development of new products, technology, and techniques, we have taken the following measures in response:

       1. Enterprise resource planning (ERP): We have implemented the world-class Oracle ERP system to integrate various departments' data and processes to improve business process efficiency and transparency and enable better financial management and control.
       2. Product lifecycle management (PLM) system: We have implemented a PLM system for the development, design, manufacturing, and maintenance processes. This helps optimize the product development process, improve team collaboration and communication efficiency, accelerate product launch, and enhance the Company's competitiveness.
       3. Supply chain management system (SCM): We have developed our own SCM system for managing supplier delivery, quality, and risks. This helps to improve supply chain transparency and delivery efficiency, reduce costs, and mitigate risks.
       4. Internet of Things (IoT) of equipment and machinery: We employ IoT technology on the manufacturing side to collect data, allowing on-site supervisors to understand the state of production machinery and products. This helps achieve AI production and production digitization, which will ultimately enhance production efficiency, quality, and reliability.
       5. Warehousing and shipping improvement: We have adopted PDA and 2D barcode technology to improve real-time warehousing management and minimize customer complaints. Additionally, we have digitized container loading information to enable our sales team to provide real-time updates to customers, thereby enhancing customer satisfaction, as well as the reputation and image of the Company.
       6. We have established a comprehensive network and computer information security management system to safeguard the Company's internal information and computer systems.

          Although we have not experienced any major cyber attacks recently, we continue to strengthen relevant information security measures, such as implementing advanced endpoint managed detection and response (MDR), conducting social engineering/phishing email drills, and enhancing local network controls to prevent computer virus spread across facilities. We will continue to monitor, assess network and system architecture, enhance security management measures to ensure the effectiveness of information security management.

   (2) The impact of industrial changes on the Company's financial business and countermeasures:

       The Company has been actively involved in ongoing R&D of new products and enhancing customer satisfaction to maintain a competitive edge in the market, while keeping up with the latest industry trends and information on the market players and assessing their impact on the Company's operations and make necessary adjustments to stay competitive in the market.

6. The impact of corporate image change on crisis management and countermeasures: The Company has always adhered to the core concept of "people-oriented management" and continues to restructure the organization and make improvements based on the principles of enthusiasm, honesty, and creativity. Our goal is to establish a sustainably growing business while promoting the sustainable development of both the Company and society. We aim to create win-win situations for all stakeholders and contribute to increasing the economic value of society as a driving force for social advancement. During the most recent fiscal year and up to the publication date of the annual report, the Company did not face any significant risks that could impact normal operations nor corporate image.

7. Expected benefits and potential risks of mergers and acquisitions and countermeasures: None.

8. Expected benefits, potential risks, and mitigation measures plant expansion: The expansion of the plant to include new product lines and items is expected to generate synergies, aiding in scaling up operations and increasing market share.

9. Risks and measures for concentration of purchases or sales: The Company's procurement sources and sales channels are stable. The largest supplier accounts for less than 10% of total purchases, mitigating concentration risk. The largest customer represents approximately 20.62% of total sales, necessitating efforts to diversify sales channels. The Company maintains close communication with existing customers to understand their needs, invests in research and development, and continuously introduces new products to expand customer base and reduce concentration risk from sales customers.

10. The impact and risks of massive transfer or replacement of shares by directors, supervisors, or major shareholders, each holding more than 10% of all shares in the Company and countermeasures: None.

11. The impact and risks of the change of management rights on the Company and countermeasures: None.

12. Litigation or non-litigation events involving the Company, the Company's directors, supervisors, general manager, substantial responsible person, major shareholders holding more than 10% of shares, and subsidiary companies that have been finally adjudicated or are still pending, and may have a significant impact on shareholder rights or securities prices, should disclose the disputed facts, amount in dispute, litigation commencement date, main litigants, and handling status as of the date of the annual report publication: In March 2026, the US International Trade Commission announced the launch of a Section 337 investigation targeting automotive importers, suppliers, manufacturers (including Tong Yang), following a lawsuit filed by General Motors (GM). The Company will engage US attorney for the matter to protect its rights. Up to the publication date of the annual report, the Company did not face any significant events that could impact its financial or business operations.

13. Other important risks and countermeasures: None.

VII. Other Important Matters: None.

Chapter 6 Special Disclosure

I. Information on the Company Affiliates:

1. Affiliate Mergers Business Report: Please refer to the Market Observation Post System > Individual Company > Electronic Document Download > Affiliate Statements Specialized Section, Website (New Version of MOPS):
   https://mopsov.twse.com.tw/mops/web/t57sb01_q10
2. Consolidated Financial Statements of Affiliates:
   For fiscal year 2025 (from January 1, 2025 to December 31, 2025), the Company is not required to prepare separate consolidated financial statements for affiliates, as the disclosure requirements for affiliate consolidated financial statements are already included in the consolidated financial statements of the parent company and subsidiary companies prepared in accordance with the "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises" and IFRS No. 10.
3. Affiliation Report:
   The subsidiaries prepare their affiliation reports, and the Company is not obligated to prepare one as per regulations.

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

III. Other necessary supplementary information: None.

IV. Any event with a material impact on shareholders’ equity or securities prices during the most recent year and up to the publication date of this annual report: None.

東陽實業廠股份有限公司
Tong Yang Industry Co., Ltd.

Chairman: Yeong-Maw Wu