

# Walsin Lihwa Corporation

## 2024 Annual Report

Printed on March 19, 2025

For related information, please visit:

<https://www.walsin.com>

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

## 1. Spokesperson

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Tel: +886-2-8726-2211  
Email: walsinspk@walsin.com

## 2. Deputy Spokesperson

Name: Sophi Pan  
Title: Senior Vice President  
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## 3. Address and Phone Number of Head Office, Branches and Plants

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## 4. Stock Transfer Agent

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Add: 8F., No.398, Xingshan Rd., Neihu Dist., Taipei City  
Tel: +886-2-2790-5885  
Website: <https://stock.walsin.com/>

## 5. Independent Auditors

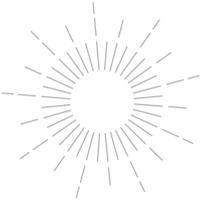
Company: Deloitte Touche Tohmatsu Limited  
Auditors: Wen-Yea, Shyu and Ker-Chang Wu  
Add: 20F, No. 100, Songren Rd., Xinyi Dist., Taipei  
Tel: +886-2-2725-9988  
Website: <https://www.deloitte.com.tw>

## 6. Overseas Securities Exchange

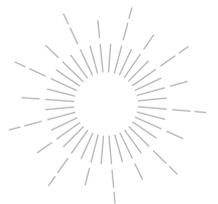
Issued globally and traded on the Luxembourg Stock Exchange  
The information is available at <https://mops.twse.com.tw>

## 7. Email Address of Investor Relations Contact: [opinion@walsin.com](mailto:opinion@walsin.com)

## 8. Corporate Website: <https://www.walsin.com>



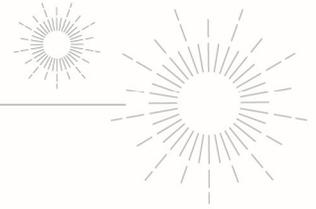
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# I Letter to Shareholders

Dear Shareholders,

In recent years, the global economic environment has continued to face turbulence, with persistent high inflation and interest rates, intensified geopolitical conflicts, deepening supply chain restructuring, and rapid advancement of artificial intelligence and green transformation, presenting unprecedented challenges to business operations. Walsin Lihwa continues to strengthen its product and market structure, increase the proportion of high-end applications and high value-added products, deepen synergies in new fields and new markets, while implementing sustainable development goals for the environment, society, and governance to ensure stable growth amid challenges and develop a key position in the industry chain.

In 2024, Walsin Lihwa's Italian subsidiary, Cogne Acciai Speciali S.p.A., completed the acquisition of Com.Steel Inox S.p.A., which specializes in stainless steel and nickel-based alloy recycling and processing, as well as equity in Mannesmann Stainless Tubes GmbH (renamed DMV), a German stainless steel seamless pipe manufacturer, to secure key material sources in the stainless steel industry and deepen development of high-end product applications. The joint venture with Denmark-based NKT Group, Walsin Energy Cable System Co., Ltd., has begun construction of a submarine cable plant in Kaohsiung Port, actively entering the wind power energy industry chain. The Company pursues excellence in quality standards and green transformation goals to strengthen international competitive advantages.

## Accomplishments in 2024

Walsin Lihwa continues to deepen high-end product application areas and markets, actively integrating industry and internal resources to enhance international competitiveness. Upon reviewing the operational results for 2024, after four consecutive years of growth, consolidated revenue declined by approximately 5.5% due to weak global market demand. Profits from upstream raw materials and end products in the stainless steel sector were also affected, leading to a decline in gross profit and net income after taxes. The Company's consolidated revenue for 2024 was NT\$179.3 billion, consolidated gross profit was NT\$11.7 billion, and net income after taxes was NT\$2.8 billion, with earnings per share of NT\$0.69.

### Wire and Cable Business:

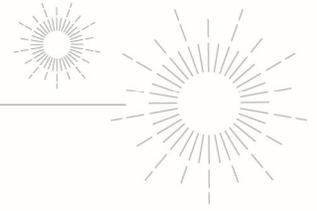
The overall profitability of the Wire & Cable Business has grown compared to the previous year, primarily due to capturing domestic construction, industrial factory wiring demand, and resilient power grid opportunities, maintaining stable gross profit margins and profitability.

### Stainless Steel Business:

The overall profitability of the Stainless Steel Business has declined compared to the previous year, due to unclear international trade tariffs and geopolitical risks, and weak global market demand causing end product prices to fall.

### Resources Business:

The overall profitability of the Resources Business has declined compared to the previous year, due to global economic conditions affecting stainless steel raw material demand, thereby causing weak nickel prices, and delayed issuance of Indonesian mining quotas increasing costs, thereby affecting profitability.



## Summary of 2025 Business Plan

### Wire and Cable Business:

The Yangmei high-efficiency plant has entered full-capacity operation, with productivity improvement benefits and new business models for customer service, creating value and satisfaction for customers in the building wire market. We will develop ultra-high voltage cables, establishing four core engineering capabilities: production and manufacturing, integration of accessory equipment, cable jointing construction, and high-voltage power design to capture domestic resilient power grid opportunities. We will actively complete the construction of Taiwan's first submarine cable plant and initiate the pre-qualification procedure for submarine cable products.

### Stainless Steel Business:

We will establish brand value with sustainable competitiveness and continue to increase the proportion of high-value products. We will also leverage the characteristics of steelmaking and rolling equipment to operate in differentiated product markets and provide high-value steel grades and certified market products. Through our Italian subsidiary Cogne's operations in Europe and its key position in the supply chain, we will implement global production and sales deployment and integrate synergies to become a leading enterprise in the global markets for stainless steel long products.

### Resources Business:

Despite facing challenges from the global economic downturn and weak demand, resulting in weak nickel prices, thereby affecting profitability, we remain focused on maximizing production efficiency and optimizing operational costs. We will stabilize the production capacity of nickel pig iron and nickel matte, flexibly adjust the ratio between these products, and establish high-value nickel production processes. We will actively promote green manufacturing processes and low-carbon production to meet environmental trends and reduce production costs, continuing to demonstrate strategic significance in the stainless steel industry chain.

## **Future corporate development strategy under the influence of external competition, regulations and overall business operation**

Looking ahead to 2025, U.S. tariff policies and protectionism continue to add uncertainty to the global economy. Against this backdrop, the Company's recent industrial development and regional deployment have strengthened its resilience in responding to perplexing situations. In the future, we will continue to promote core strategic initiatives, transform and upgrade our industrial structure, develop industrial ecosystem partnerships, implement digital and intelligent operational process management, launch circular economy initiatives and promote low-carbon transformation, cultivate our corporate brand, and deepen global market competitiveness. Through differentiated high-end applications and high value-added products, we will create sustainable value for Walsin Lihwa.

Chairman Yu-Lon Chiao

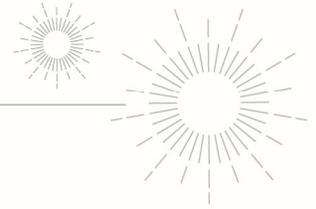


## II Corporate Governance Report

### 1. Profiles of Board Directors, President, Vice Presidents and Department Heads

#### (1) Information on Directors

Title	Nationality or Registration Country	Name	Gender & Age	Term Began	Term	Date First Elected	Shares Held When Elected		Shares Currently Held		Shares Currently Held by Spouse and Underage Children	
							Number of shares	Percentage	Number of shares	Percentage	Number of shares	Percentage
Chairman	R.O.C.	Yu-Lon Chiao	Male 61-70 years old	May 19, 2023	3 years	April 10, 1981	50,460,440	1.35%	50,460,440	1.25%	21,011,889	0.52%
Vice Chairman	R.O.C.	Chin-Xin Investment Co., Ltd. Representative: Shyi-Chin Wang	Male 61-70 years old	May 19, 2023	3 years	Legal Person: May 31, 2005 (Note 1) Representative: October 21, 2024 (Note 2)	247,399,375	6.63%	248,002,375	6.15%	-	-
Director	R.O.C.	Yu-Cheng Chiao	Male 61-70 years old	May 19, 2023	3 years	April 10, 1981	41,001,551	1.10%	41,001,551	1.02%	19,502,428	0.48%
Director	R.O.C.	Yu-Heng Chiao	Male 61-70 years old	May 19, 2023	3 years	April 18, 1990	65,343,810	1.75%	65,343,810	1.62%	4,324,192	0.11%

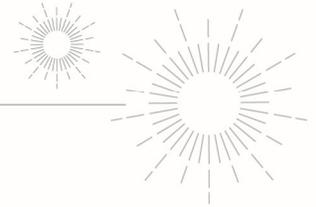


December 31, 2024

	Shares Held in Name of Others		Key Education/Work Experience	Other Current Positions Within the Company	Other Officer, Director or Supervisor who are Spouse or Relative within Second Degree			Note
	Number of shares	Percentage			Position	Name	Relationship	
	0	0.00%	Business Administration Department, University of Washington; The Company's former President and Vice Chairman.	Chairman of Concord Venture Capital Group and Walsin Energy Cable System Co., Ltd., Director of Walton Advanced Engineering, Inc., Ltd., and Vice President Commissioner of subsidiaries of Walsin Lihwa Corporation.	Director Director Director	Yu-Cheng Chiao Yu-Heng Chiao Yu-Chi Chiao	Older brother Younger brother Younger brother	None
	0	0.00%	Ph.D. in Materials Science from National Sun Yat-sen University; President and Acting Chairman of China Steel Corporation.	Chairman of Yantai Walsin Stainless Steel Co., Ltd.	None	None	None	None
	0	0.00%	University of Washington Masters of Electrical Engineering and Business Administration The Company's former chairman.	Chairman & CEO of Winbond Electronics Corporation, Chin-Xin Investment Co., Ltd and Chenghe Investment Co., Ltd.; Director of Walsin Technology Corporation, Nuvoton Technology Corp, Jincheng Construction Co., Ltd., United Industrial Gases Co., Ltd., MiTAC Holdings Corporation, Landmark Group Holdings Ltd., Winbond International Corporation, Winbond Electronics Corporation America, Marketplace Management Limited, Nuvoton Investment Holding Ltd., and Songyong Investment Co., Ltd.; Officer of Goldbond LLC; Representative (where the company is acting as a corporate director), member of the Audit Committee, Nomination Committee and convener of the Compensation Committee at Taiwan Cement Corp.	Chairman Director Director	Yu-Lon Chiao Yu-Heng Chiao Yu-Chi Chiao	Younger brother Younger brother Younger brother	None
	0	0.00%	Golden Gate University, Master of Business Administration The Company's former vice president and vice chairman.	Chairman of Walsin Technology Corporation, Walton Advanced Engineering, Inc., HannStar Board Corp., Global Brands Manufacture, Prosperity Dielectrics Co., Ltd., Info-Tek Corp., and Silitech Technology Corporation; Vice Chairman of Career Technology Mfg. Co., Ltd.; Director of Inpaq Technology Co., Ltd.	Chairman Director Director	Yu-Lon Chiao Yu-Cheng Chiao Yu-Chi Chiao	Older brother Older brother Younger brother	None



Title	Nationality or Registration Country	Name	Gender & Age	Term Began	Term	Date First Elected	Shares Held When Elected		Shares Currently Held		Shares Currently Held by Spouse and Underage Children	
							Number of shares	Percentage	Number of shares	Percentage	Number of shares	Percentage
Director	R.O.C.	Yu-Chi Chiao	Male 61-70 years old	May 19, 2023	3 years	April 18, 1990 (Note 3)	51,635,470	1.38%	52,285,470	1.30%	244,033	0.01%
Director	R.O.C.	Andrew Hsia	Male 71-80 years old	May 19, 2023	3 years	May 29, 2020	0	0.00%	0	0.00%	0	0.00%
Director	R.O.C.	Wen-Chien Hsieh	Female 61-70 years old	May 17, 2024	The same as that of the directors of this term	May 17, 2024	0	0.00%	0	0.00%	0	0.00%
Independent Director	R.O.C.	Ming-Ling Hsueh	Male 61-70 years old	May 19, 2023	3 years	June 11, 2014	0	0.00%	0	0.00%	0	0.00%



December 31, 2024

	Shares Held in Name of Others		Key Education/Work Experience	Other Current Positions Within the Company	Other Officer, Director or Supervisor who are Spouse or Relative within Second Degree			Note (Note 1)
	Number of shares	Percentage			Position	Name	Relationship	
	0	0.00%	Ph.D. in Management from City University of Hong Kong, completed doctoral studies in Management at Fudan University in Shanghai; President of Walsin Lihwa Corporation, Supervisor of Windbond Corporation, Director of HannStar Board Corporation, and Chairman of HannsTouch Holdings Company.	Chairman and President of HannStar Display Corporation; Chairman of Huali Investment Corp., Hannshine Investment Corp., Hanns Prosper Investment Corp., and Yue-Ma NO.1 Investment Corp.; Director as Representative of HannsTouch Holdings Company, Coretronic Corporation, Bradford, HannSpirit (BVI) Holding, Brightpro Resources Limited, and Hannspree International Holdings; Supervisor of Torch Investment Co., Ltd.	Chairman Director Director	Yu-Lon Chiao Yu-Cheng Chiao Yu-Heng Chiao	Older brother Older brother Older brother	None
	0	0.00%	He received his bachelor's degree in law from Fu Jen Catholic University and his master's degree in diplomacy from the National Chengchi University; he graduated from Graduate Institute of Legal Studies, University of Oxford, UK (M. Litt); he was Head of the Political Section of the R.O.C. Representative Office in the United States, Deputy Representative of the R.O.C. Representative Office in Canada, Head of the R.O.C. Representative Office in New York, R.O.C. Representative Office in India, Political Deputy Minister of Ministry of Foreign Affairs, Deputy Minister of Ministry of National Defense, and Chairman of the Mainland Affairs Council, Executive Yuan.	Vice President & Spokesman of Phu My Hung Holding Group; Chief Representative of Central Trading & Development Corporation.	None	None	None	None
	0	0.00%	Bachelor of Law, National Chung Hsing University; Master of Finance, National Taiwan University; Fine Arts, National Taiwan Normal University; CEO at Liang & Partners Law Offices; Arbitrator at the Chinese Arbitration Association, Taipei; Honorary Attorney appointed by the Small and Medium Enterprise Administration, Ministry of Economic Affairs; Director at Kerry TJ Logistics Company Limited; Director at Taiwan TAICON CORPORATION.	Managing Partner at Li-Ren Law Firm; Director & Legal Advisor at Taifu Startup Association; Director at Yanxing Association.	None	None	None	None
	0	0.00%	Soochow University, Master in Accountancy; Bloomsburg University of Pennsylvania, Master of Business Administration; PwC Taiwan Director; Executive Director, Taiwan Corporate Governance Association; Adjunct Professor, School of Science and Technology Management, National Tsing Hua University; Adjunct Professor, School of Management, National Taiwan University of Science and Technology.	Independent Director of Yuanta Financial Holdings & Yuanta Commercial Bank, TTY Biopharm and Lite-On Technology Corporation; Director of Tung Hua Book Co., Ltd.	None	None	None	None



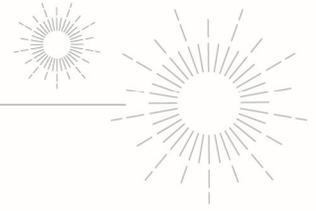
Title	Nationality or Registration Country	Name	Gender & Age	Term Began	Term	Date First Elected	Shares Held When Elected		Shares Currently Held		Shares Currently Held by Spouse and Underage Children	
							Number of shares	Percentage	Number of shares	Percentage	Number of shares	Percentage
Independent Director	R.O.C.	Fu-Hsiung Hu	Male 61-70 years old	May 19, 2023	3 years	May 29, 2020	0	0.00%	0	0.00%	0	0.00%
Independent Director	R.O.C.	Tyzz-Jiun Duh	Male 61-70 years old	May 19, 2023	3 years	May 19, 2023	0	0.00%	0	0.00%	0	0.00%
Independent Director	R.O.C.	Wei-Chuan Gau	Male 61-70 years old	May 19, 2023	3 years	May 19, 2023	0	0.00%	0	0.00%	0	0.00%

Note 1: Chin-Xin Investment Co., Ltd served on the Company's Board between May 31, 2005 and June 10, 2014 and from May 26, 2015 to the present, and has been serving as the Vice Chairman of the Company since November 8, 2024.

Note 2: Chin-Xin Investment Co., Ltd. appointed Mr. Wang, Shyi-Chin as the director's representative on October 21, 2024, and it was elected as the Vice Chairman of the Company on November 8, 2024.

Note 3: Mr. Chiao, Yu-Chi served as a director of the Company from April 18, 1990 to June 10, 2014 and from May 19, 2023 to the present.

Note 4: The shareholding ratios are rounded to the nearest hundredth percent.



December 31, 2024

	Shares Held in Name of Others		Key Education/Work Experience	Other Current Positions Within the Company	Other Officer, Director or Supervisor who are Spouse or Relative within Second Degree			Note (Note 1)
	Number of shares	Percentage			Position	Name	Relationship	
	0	0.00%	M.A., Graduate School of Business, National Taiwan University; Managing Director, Central Trust Bureau; Director of Mega Bank; Director of Department of Economic Energy and Agriculture, Executive Yuan; Vice Chairman of Council of Agriculture; Chairman of National Animal Industry Foundation, Institute of Animal Science and Technology, and Joint Credit Information Center and Taiwan Cooperative Securities	Independent Managing Director of O-Bank Co., Ltd.	None	None	None	None
	0	0.00%	Ph.D., Institute of Forestry, National Taiwan University; Director General of the Department of Commerce of the Ministry of Economic Affairs; Director General of the Department of Information Technology of the Ministry of Economic Affairs; Director General of the Industrial Development Bureau of the Ministry of Economic Affairs; Minister of the Ministry of Economic Affairs; Chairman of the National Development Council; Vice Premier of the Executive Yuan; CEO of Taoyuan Industrial Commercial Development & Investment Promotion Committee.	Policy Advisor of Taiwan Electrical and Electronics Manufacturers' Association; Senior Advisor of Taiwan Transportation Vehicle Manufacturers Association and the Chinese National Federation of Industries; Member of Taoyuan Industrial Commercial Development & Investment Promotion Committee; Vice Chairman of ShaCode Foundation; Director of Fair Winds Foundation; Independent Director of USI Corporation, KGI Financial Holding Co., Ltd. & CDIB Capital Group, and Macronix International Co., Ltd.	None	None	None	None
	0	0.00%	Ph.D. in Accounting, Business School, Renmin University of China, Master of Business Administration, Baruch College, City University of New York, Computer Auditing Joint Course Diploma, NYU/Coopers & Lybrand, Bachelor of Accounting, Department of Business, National Taiwan University; Vice Chairman of KPMG Taiwan Inc.; Executive Director of KMPG Taiwan; Head of Insurance Business of KMPG Taiwan; CPA & Counselor of Audit Department of KMPG Taiwan; Director & CFO of Maxpro Capital Acquisition Corp.	CPA of Chuanzhi Shared-Office Accounting Firm; Chairman of KS&A Investment Co. Ltd.; Independent Director of Mercuries F&B	None	None	None	None



1. Major shareholders of institutional shareholder

December 31, 2024

Name of Institutional Shareholder	Major Shareholders of Institutional Shareholders (Note)	Shareholding
Chin-Xin Investment Co., Ltd	Winbond Electronics Corp.	37.69%
	Walsin Lihwa Corporation	36.99%
	Huali Investment Corp.	4.43%
	Yu-Cheng Chiao	3.14%
	Yu-Lon Chiao	3.14%
	Yu-Heng Chiao	3.14%
	Yu-Chi Chiao	3.14%
	Walsin Technology Corporation.	1.86%
	HannStar Board Corporation	1.34%
	Prosperity Dielectrics Co., Ltd.	0.72%

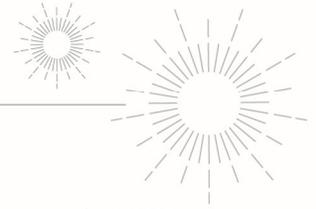
Note 1: Top ten shareholders of the institutional shareholder.

Note 2: The shareholding ratios are rounded to the nearest hundredth percent.

2. Major Shareholders in Previous Table who are Institutional Investors and their Major Shareholders

December 31, 2024

Name of Institutional Shareholder	Major Shareholders of Institutional Shareholders (Note)	Shareholding	
Winbond Electronics Corporation	Walsin Lihwa Corporation	22.11%	
	Chin-Xin Investment Co., Ltd.	6.31%	
	Investment account of LGT Bank (Singapore) under the custody of Business Department of Standard Chartered Bank	1.72%	
	Yu-Cheng Chiao	1.53%	
	Labor Pension Fund (New System)	1.44%	
	Cathay Life Insurance Co., Ltd.	1.37%	
	Investment account of PGIA Fund – PGIA General International Stock Index Fund under the custody of JP Morgan Chase Bank N.A., Taipei Branch	1.00%	
	Pai-Yung Hong	0.97%	
	Investment account of Vanguard Emerging Markets Stock Index Fund managed by Vanguard Group under the custody of JP Morgan Chase Bank N.A., Taipei Branch	0.96%	
	Yu-Heng Chiao	0.58%	
	Huali Investment Corp.	HannStar Color Co. Ltd.	100%



March 18, 2025

Name of Institutional Shareholder	Major Shareholders of Institutional Shareholders (Note)	Shareholding
Walsin Lihwa Corporation	Chin-Xin Investment Co., Ltd.	6.15%
	Winbond Electronics Corporation	6.14%
	TECO Electric and Machinery Co., Ltd.	5.22%
	Rong Jiang Co., Ltd.	4.95%
	Investment account of LGT Bank (Singapore) under the custody of Business	4.54%
	Department of Standard Chartered Bank	
	Huali Investment Corp.	2.65%
	Patricia Chiao	1.74%
	Investment account of Norges Bank under the custody of Citibank Taiwan Ltd.	1.67%
	Yu-Heng Chiao	1.62%
	Chunghwa Post Co., Ltd.	1.49%

December 31, 2024

Name of Institutional Shareholder	Major Shareholders of Institutional Shareholders (Note)	Shareholding
Walsin Technology Corporation	Walsin Lihwa Corporation	18.30%
	HannStar Board Corporation	8.45%
	Global Brands Manufacture Ltd.	4.10%
	Walton Advanced Engineering, Inc.	2.74%
	Yu-Heng Chiao	2.65%
	Investment account of Malayan Banking Berhad Securities Sdn Bhd - Internal	2.33%
	Trades Platform - Client Account under the custody of Citibank Taiwan Ltd.	
	Giga Investment Co.	1.37%
	Chin-Xin Investment Co., Ltd.	1.27%
	Tsai Yi Corporation	1.10%
	Winbond Electronics Corporation	1.09%
HannStar Board Corporation	Walsin Technology Corporation	20.32%
	Walsin Lihwa Corporation	12.06%
	Career Technology (Mfg.) Co., Ltd.	5.44%
	Chin-Xin Investment Co., Ltd.	3.55%
	Yu-Heng Chiao	2.19%
	Pai-Yung Hong	1.91%
	Xing Xing Investment Co., Ltd.	1.64%
	Prosperity Dielectrics Co., Ltd.	1.07%
	Tsai Yi Corporation	0.96%
	Investment account of UBS Europe SE under the custody of Citibank Taiwan Ltd.	0.90%
Prosperity Dielectrics Co., Ltd.	Walsin Technology Corporation	43.13%
	Walton Advanced Engineering, Inc.	0.75%
	Yu-Heng Chiao	0.62%
	Ta-Ho Maritime Corporation	0.55%
	ABC Taiwan Electronics Corp	0.47%
	Investment account of UBS Europe SE under the custody of Citibank Taiwan Ltd.	0.44%
	Wen-Che Shen	0.44%
	Chun-Chi Huang	0.36%
	Sheng-Chi Liao	0.34%
	Tsung-Yuan Huang	0.30%

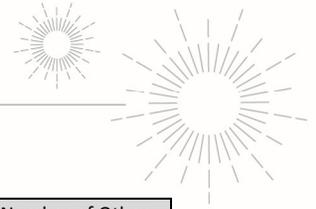
Note 1: Top ten shareholders of the institutional shareholder.

Note 2: The shareholding ratios are rounded to the nearest hundredth percent.



3. Disclosure of Professional Qualifications of Directors and Independence of Independent Directors

Qualification Name	Professional Qualifications and Experience	Independence (Note)	Number of Other Public Companies Where He/She Acts as Independent Directors Concurrently
Yu-Lon Chiao	Mr. Yu-Lon Chiao joined Walsin Lihwa in 1983 and has served as Vice President, President, Vice Chairman, and CEO, and took over as Chairman in 1996. Mr. Chiao, highly experienced in the wire and cable, stainless steel, electronic technology, commercial and real estate industries, has focused on the management of the Company and led the Company's continuous growth with good results. He has not been involved in any of the circumstances described in the subparagraphs of Article 30 of the Company Act.	-	0
Shyi-Chin Wang	Shyi-Chin Wang, Vice Chairman, currently serves as the Chairman of Yantai Walsin Stainless Steel Co., Ltd. He previously served as President and Acting Chairman of China Steel Corporation. His career has focused on the stainless steel industry, and he possesses substantial operational management experience and expertise in advancing and transforming Taiwan's stainless steel industry. He has not been involved in any of the circumstances described in the subparagraphs of Article 30 of the Company Act.	-	0
Yu-Cheng Chiao	Yu-Cheng Chiao, Director, served as Chairman of the Company from 1986 to 1994. Currently, he serves as Chairman of Winbond Electronics Corporation, Representative (where the company is acting as a corporate director) of Taiwan Cement Corporation, Director of Walsin Technology Corporation. He served as, among others, Chairman of Nuvoton Technology Corporation and Director of Taiwan Electrical and Electronic Manufacturers' Association, received the ERSO Award and was elected as the eighth member of ITRI. Therefore, he has the necessary expertise and experience in management and business development of the Company. In addition, he has not been involved in any of the circumstances described in the subparagraphs of Article 30 of the Company Act.	-	0
Yu-Heng Chiao	Yu-Heng Chiao, Director, the Vice President and Vice Chairman of the Company from 1990 to 1996. Currently, he acts as Chairman of Walsin Technology Corporation, HannStar Board Corp., Global Brands Manufacture Ltd., Walton Advanced Engineering, Inc., Prosperity Dielectrics Co., Ltd., Info-Tek Corp., and Silitech Technology Corporation. Therefore, he has the necessary expertise and experience in management and business development of the Company. In addition, he has not been involved in any of the circumstances described in the subparagraphs of Article 30 of the Company Act.	-	0
Yu-Chi Chiao	Yu-Chi Chiao has previously served as a Director and President of the Company and is currently the Chairman and President of HannStar Display Corporation; he also holds the position of Chairman at Huali Investment Corp., Hannshine Investment Corp., Hanns Prosper Investment Corp, and Yue-Ma NO.1 Investment Corp. Therefore, he has the necessary expertise and experience in management, commerce, and business development of the Company. In addition, he has not been involved in any of the circumstances described in the subparagraphs of Article 30 of the Company Act.	-	0



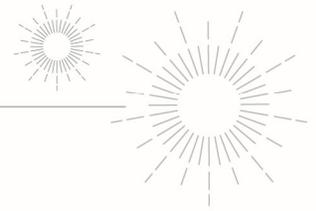
Qualification Name	Professional Qualifications and Experience	Independence (Note)	Number of Other Public Companies Where He/She Acts as Independent Directors Concurrently
Andrew Hsia	Andrew Hsia, Director, serves as Vice President and Spokesman of Phu My Hung International Corporation and Chief Representative of Central Trading & Development Corporation (Samoa). He served as, among others, a diplomat of the Republic of China, Chairman of the Mainland Affairs Council, Deputy Minister of the Ministry of National Defense, Representative of the Ministry of Foreign Affairs in Indonesia, and Head of Political Section, Ministry of Foreign Affairs. He has a background of legal and diplomatic expertise and an international perspective, and is familiar with the economies and markets of the Southeast Asian region. In addition, he has not been involved in any of the circumstances described in the subparagraphs of Article 30 of the Company Act.	-	0
Wen-Chien Hsieh	Wen-Chien Hsieh, Director, currently serves as the Managing Partner at Li-Ren Law Firm. She also serves as a Director and Legal Advisor at the Taiwan Taifu Startup Association and as a Director at the Yanxing Association. She previously held positions as the CEO of Liang & Partners Law Offices and as an Arbitrator at the Chinese Arbitration Association, Taipei. She possesses an academic background in both law and finance, extensive practical experience, and expertise in business management. In addition, she has not been involved in any of the circumstances described in the subparagraphs of Article 30 of the Company Act.	-	0
Ming-Ling Hsueh	Ming-Ling Hsueh, Independent Director, used to act as PwC Taiwan Director, and is Independent Director of Yuanta Financial Holdings & Yuanta Commercial Bank, Lite-On Technology Corporation, and TTY Biopharm, and Director of Tung Hua Book Co., Ltd. He is also Adjunct Professor, School of Science and Technology Management, National Tsing Hua University, Adjunct Professor, School of Management, National Taiwan University of Science and Technology, and Executive Director, Taiwan Corporate Governance Association. Therefore, he has professional knowledge and background in finance, accounting and corporate governance. In addition, he has not been involved in any of the circumstances described in the subparagraphs of Article 30 of the Company Act.	Ming-Ling Hsueh, Independent Director, has not been involved in any of the circumstances described in Paragraph 1, Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. Besides, neither he nor his spouse nor any of his relatives within second degree of kinship is a director of the Company or its affiliates holding any number and proportion of shares of the Company (which are not held in the name of others).	3
Fu-Hsiung Hu	Fu-Hsiung Hu, Independent Director, was Vice Chairman, Council of Agriculture, Executive Yuan; Director of Department of Economic Energy and Agriculture, Executive Yuan; Director of the Office of the President of the Executive Yuan; Chairman of Joint Credit Information Center, Taiwan Cooperative Securities, and National Animal Industry Foundation; Director, Mega International Commercial Bank and Taiwan Cooperative Bank; Managing Director, Central Trust of China; Director, Straits Exchange Foundation. He is currently acting as Managing Director of O-Bank, with professional knowledge and background in business administration, finance and securities, and credit information. In addition, he has not been involved in any of the circumstances described in the subparagraphs of Article 30 of the Company Act.	Fu-Hsiung Hu, Independent Director, has not been involved in any of the circumstances described in Paragraph 1, Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. Besides, neither he nor his spouse nor any of his relatives within second degree of kinship is a director of the Company or its affiliates holding any number and proportion of shares of the Company (which are not held in the name of others).	1



## Corporate Governance Report

Qualification Name	Professional Qualifications and Experience	Independence (Note)	Number of Other Public Companies Where He/She Acts as Independent Directors Concurrently
Tyzz-Jiun Duh	Tyzz-Jiun Duh, Independent Director, has previously held positions such as Director General of the Department of Commerce of the Ministry of Economic Affairs; Director General of the Department of Information Technology of the Ministry of Economic Affairs; Director General of the Industrial Development Bureau of the Ministry of Economic Affairs; Minister of the Ministry of Economic Affairs; Chairman of the National Development Council; and Vice Premier of the Executive Yuan, boasting over 15 years of administrative management experience. He currently serves as Policy Advisor of Taiwan Electrical and Electronics Manufacturers' Association and Independent Director of KGI Financial Holding Co., Ltd. & CDIB Capital Group, among others. He is well-versed in the industrial and commercial industry landscape and economic development trends, possessing expertise and experience in financial holding, government and public sectors, information technology and cybersecurity, and international affairs. In addition, he has not been involved in any of the circumstances described in the subparagraphs of Article 30 of the Company Act.	Tyzz-Jiun Duh, Independent Director, has not been involved in any of the circumstances described in Paragraph 1, Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. Besides, neither he nor his spouse nor any of his relatives within second degree of kinship is a director of the Company or its affiliates holding any number and proportion of shares of the Company (which are not held in the name of others).	3
Wei-Chuan Gau	Wei-Chuan Gau, Independent Director, has previously served as Vice Chairman of KPMG Taiwan Inc. and Executive Director of KMPG Taiwan. He is currently CPA of Chuanzhi Shared-Office Accounting Firm, Chairman of KS&A Investment Co. Ltd., and Independent Director of Mercuries F&B. He possesses experience, professional capabilities, and practical experience in accounting and audit, risk management, and information technology. In addition, he has not been involved in any of the circumstances described in the subparagraphs of Article 30 of the Company Act.	Wei-Chuan Gau, Independent Director, has not been involved in any of the circumstances described in Paragraph 1, Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. Besides, neither he nor his spouse nor any of his relatives within second degree of kinship is a director of the Company or its affiliates holding any number and proportion of shares of the Company (which are not held in the name of others).	1

Note: None of the Independent Directors of the Company are directors, supervisors or employees of companies with specific relationships with the Company and have not received compensation for providing business, legal, financial or accounting services to the Company or its affiliates in the last two years.



#### 4. Diversity and Independence of the Board

##### (1) Diversity of the Board

In accordance with Article 20 of the Company's Corporate Governance Best Practice Principles and the "Principles of Election of Board Members and Managers and Guidelines for Continuing Education and Succession Planning" established by the Company, the Board of Directors will implement the objectives of diversity and independence in terms of expertise, experience and gender required for Board members, and will continue to invite appropriate candidates to join the Board of Directors in accordance with the above objectives in order to strengthen the balance of the Board of Directors in response to the Company's development strategies and changes in the internal and external environment. In order to achieve the desired objectives of corporate governance, the Board of Directors of the Company is composed of members from the management team, managers of relevant industries and professionals with financial, business and accounting backgrounds, who effectively perform the duties of Board members with different fields and work backgrounds. These duties include establishing and maintaining the Company's vision and values, assisting in promoting corporate governance and strengthening management, overseeing and evaluating the implementation of management policies and operational plans, and being responsible for the Company's overall economic, social, and environmental operations to enhance corporate governance and corporate value from the perspective of stakeholders.

The Company has built its strength by being focused on the wire and cable, stainless steel, resources, and commercial real estate fields and become a model of business excellence moving towards the manufacturing service industry. There are eleven directors on the Company's Board of Directors of 20<sup>th</sup> term: Yu-Lon Chiao, Chairman, has been working in the business field of the Company for a long time and has a good understanding of the operation and development of the industry, with an open-minded leadership style that encourages adoption of suggestions; Shyi-Chin Wang, Vice Chairman, previously serving as President and Acting Chairman of China Steel Corporation, has dedicated many years to the stainless steel industry and possesses substantial operational management experience and expertise in advancing and transforming Taiwan's domestic stainless steel industry; Directors Yu-Cheng Chiao, Yu-Heng Chiao, and Yu-Chi Chiao have joined the management team of the Company and therefore are familiar with the organization and business operation of the Company and are good at operation management and investment judgment; Andrew Hsia, Director, comes from a diplomatic background with an international perspective and therefore has a good grasp of the conditions of the Southeast Asian market and can fully assist the Company in making relevant investment decisions; and the female Director, Director Wen-Chien Hsieh, as the Managing Partner of a law firm, possesses extensive practical legal experience and expertise in business management. The Company's Independent Directors have industry knowledge and an international market perspective: Independent Director Ming-Ling Hsueh, previously serving as the Managing Partner at PricewaterhouseCoopers (PwC) Taiwan, specializes in finance, accounting and corporate governance; Independent Director Fu-Hsiung Hu, having served at the Council of Agriculture, Executive Yuan, with a background deeply rooted in the financial industry, has expertise and experience in business administration, finance and securities, and credit information; Independent Director Tzyz-Jiun Duh, formerly serving as the Minister of Economic Affairs, is familiar with the general situation of the industry and commerce sector and the trends of economic development; and Independent Director Wei-Chuan Gau, currently practicing as a certified public accountant at an accounting firm, possesses professional capabilities in accounting, auditing, risk management, and information technology.

##### (2) Independence of the Board:

The Company should have 3 Independent Directors in accordance with the law, but it has 4 Independent Directors among its 11 Directors. Four Directors have spousal or second-degree kinship relationships with other Directors, representing 36% of the total board members. This complies with Paragraph 3, Article 26-3 of the Securities and Exchange Act, which stipulates that more than half of the director seats shall not be held by persons having spousal or second-degree kinship relationships. In order to improve the Company's operation and development and

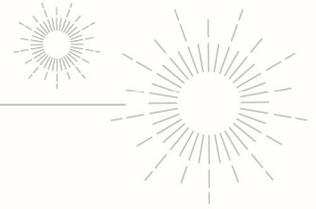


operation of corporate governance practices, none of Independent Directors are subject to Paragraphs 3 and 4 of Article 26-3 of the Securities and Exchange Act.

### (3) Diversity Management Objectives

The Company implements a board diversity policy with specific management objectives that include: Independent Directors representing more than one-third of the board; a majority of Independent Directors not serving more than three consecutive terms; and female Directors occupying at least one-third of all board seats.

Independent Directors currently represent 36% of the board, with a majority serving fewer than three consecutive terms. The board currently consists of 10 male directors (91%) and 1 female director (9%). Since the election of the Board of Directors of the 20th term was completed in 2023, the Company will prioritize seeking female director candidates in the future to achieve the goal of having female directors occupy at least one-third of all board seats.



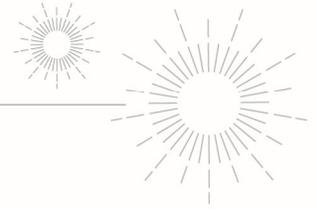
Implementation of Board Diversity:

Title	Name	Nationality	Gender	Age	Term of Independent Director	Industry Experience					Professional Capabilities							
						Energy & Environmental Protection	Merger, Acquisition & Investment	Finance & Legal	Information Technology	Stainless Steel	Business Management	Leadership & Decision-making	Market Marketing	International Trade	Risk Management	ESG	Finance, Accounting & Legal	Professional Certification
Chairman	Yu-Lon Chiao	R.O.C.	Male	61-70		V	V			V	V	V	V			V	V	
Vice Chairman	Shyi-Chin Wang	R.O.C.	Male	61-70		V	V		V	V	V	V	V			V		
Director	Yu-Cheng Chiao	R.O.C.	Male	61-70		V	V		V	V	V	V				V	V	
Director	Yu-Heng Chiao	R.O.C.	Male	61-70					V	V	V	V				V	V	
Director	Yu-Chi Chiao	R.O.C.	Male	61-70			V		V		V	V	V	V		V		
Director	Hsia, Andrew	R.O.C.	Male	71-80			V				V	V		V		V	V	
Director	Wen-Chien Hsieh	R.O.C.	Female	61-70				V			V	V		V		V	V	V
Independent Director	Ming-Ling Hsueh	R.O.C.	Male	61-70	>6 years		V	V	V		V	V		V	V	V	V	V
Independent Director	Hu, Fu-Hsiung	R.O.C.	Male	61-70	<6 years		V	V	V		V	V		V	V	V		
Independent Director	Tyzz-Jiun Duh	R.O.C.	Male	61-70	<6 years	V	V	V	V		V	V		V	V	V		
Independent Director	Wei-Chuan Gau	R.O.C.	Male	61-70	<6 years		V		V		V	V		V	V	V	V	V



(2) Profile of President, Vice Presidents and Department Heads

Title	Nationality	Name	Gender	Date appointed	Shares Held		Shares Held by Spouse and Underage Children		Shares Held in Name of Others	
					Number of shares	Percentage	Number of shares	Percentage	Number of shares	Percentage
President & President of Commerce & Real Estate BG	R.O.C.	Fred Pan	Male	July 16, 2007	500,000	0.01%	0	0.00%	0	0.00%
Executive Vice President & Head of Finance Dept.	R.O.C.	C.C. Chen	Male	May 1, 2010	356,209	0.01%	0	0.00%	0	0.00%
President of Insulated Wire & Cable BG	R.O.C.	Jin-Renn Leu	Male	August 13, 2014	180,900	0.00%	1,000	0.00%	0	0.00%
President of Resources BG	R.O.C.	Josh Chia	Male	June 13, 2019	49,000	0.00%	1,559	0.00%	0	0.00%
President of Stainless Steel BG	R.O.C.	Chung-Shin Chen	Male	August 2, 2024	10,000	0.00%	4,000	0.00%	0	0.00%



December 31, 2024

	Education/Work Experience	Other Current Positions at Other Companies	Manager who is Spouse or Relative within the Second Degree			Shares Acquired by Managers under Employee Stock Options	Note (Note 2)
			Title	Name	Relationship		
	MBA of US Tulane University; Finance Chief of Marketing of Philips Taiwan Semiconductor, Finance Chief of Sales of Philips Asia Pacific Semiconductor; the Company's Accounting Division head, Chief of Staff and Vice President.	Vice Chairman of Nanjing Walsin Property Management Co., Ltd.; Director of Walsin (Nanjing) Development Co., Ltd., Walsin International Investment, Joint Success Enterprises Limited; Director and President of Jincheng Construction Co., Ltd., Walsin China Investment Co., Ltd.	None	None	None	None	None
	Master of Accounting Graduate School, National Taiwan University; Audit Team Leader of Deloitte Touche Tohmatsu Limited; Partner of Tianyao United Accountants; the Company's Manager of Performance Analysis Department of Financial Service Center, Head of Financial Management Center, Head of Accounting Division, Head of China Management Division, Vice President of Specialty Steel BG, Head of Yantai BU, Head and Vice President of Specialty Steel BU, and President of Resources BG.	Chairman of Walsin Singapore Pte. Ltd. and Changshu Walsin Specialty Steel Co., Ltd.; Director of Walsin Info-Electric Corp., PT. Walsin Nickel Industrial Indonesia, PT. Sunny Metal Industry, PT. Walhsu Metal Industry, Innovation West Mantewe, Berg Holdings Limited, PT. Walsin Everising Specialty Steel Indonesia, Walsin International Investments Limited, Walsin (China) Investment Co., Ltd., Hangzhou Walsin Power Cable & Wire Co., Ltd., Walsin Lihwa Europe S.à r.l., and MEG S.A.; Supervisor of PT. Sultra Sarana Bumi.	None	None	None	None	None
	M.S. in Electrical Engineering, Yuan Ze University; Assistant Manager of Optical Communication Division/Communication Technology Division, Manager of Communication Technology/Quality Assurance Technology Division, Electrical Production/Communication Operation Division, Director of Hsinchuang BU, Vice President of Cable & Wire BG; Head of Wire BU of the Company.	Director of Walsin Energy Cable System Co., Ltd., Shanghai Walsin Lihwa Power Wire & Cable Co., Ltd., Hangzhou Walsin Power Wire & Cable Co., Ltd., and Taiwan Electric Research & Testing Center	None	None	None	None	None
	MPA in Finance, New York University; MBA in Accounting, National Taiwan University; Bachelor of Accounting, National Taiwan University; Head of Asset and Liability Management Department/Performance Management Department/ Corporate Finance Department of Standard Chartered Bank, Executive Vice President & Accounting Officer of Finance Division of Standard Chartered Bank, Vice President of Accounting Department of Fubon Bank (China) Co., Ltd.; the Company's Project Director of the President Office, Head of Finance Division and Vice President of Financial Management Center.	Chairman of PT. Walsin Nickel Industrial Indonesia, Berg Holdings Limited, PT. Sunny Metal Industry, and PT. Walhsu Metal Industry; Director of Walsin Singapore Pte. Ltd., PT. Anugerah Barokah Cakrawala, PT. Sultra Sarana Bumi, Innovation West Mantewe, and PT. Transcoal Minergy; Chairman of Supervisory Board of PT. Walsin Everising Specialty Steel Indonesia.	None	None	None	None	None
	Master's in Business Administration from Tunghai University; former university lecturer; Assistant Vice President of Planning Division at China Steel Corporation; Chairman of China Steel And Nippon Steel Vietnam Joint Stock Company; Chairman of China Steel HIMAG Magnetic Corporation; Chairman of C.S. Aluminium Corporation.	No concurrent positions.	None	None	None	None	None

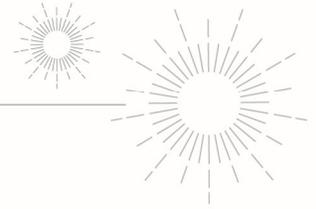


Title	Nationality	Name	Gender	Date appointed	Shares Held		Shares Held by Spouse and Underage Children		Shares Held in Name of Others	
					Number of shares	Percentage	Number of shares	Percentage	Number of shares	Percentage
President of Corporate Strategy and Supply Chain Management Organization	R.O.C.	Sherry Ho	Female	August 2, 2024	30,000	0.00%	0	0.00%	0	0.00%
President of Digital Intelligence Development Organization	R.O.C.	Ming-Ji Wu	Male	September 16, 2024	0	0.00%	0	0.00%	0	0.00%
Head of Corporate Governance	R.O.C.	Hueiping Lo	Female	January 22, 2021	90,000	0.00%	0	0.00%	0	0.00%
Director of Accounting	R.O.C.	Kelly Liu	Female	November 11, 2023	5,699	0.00%	0	0.00%	0	0.00%

Note 1: Date appointed is the first time appointed department heads.

Note 2: Where the chairman and the general manager or person of an equivalent post (the highest level manager) of a company are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness of, necessity of, and the measures adopted in response to, the above situation.

Note 3: The shareholding ratios are rounded to the nearest hundredth percent.



	Education/Work Experience	Other Current Positions at Other Companies	Manager who is Spouse or Relative within the Second Degree			Shares Acquired by Managers under Employee Stock Options	Note (Note 2)
			Title	Name	Relationship		
	Master of Laws from Case Western Reserve University (CWRU); Legal Manager of Lite-On IT Corporation; former Legal Director and Head of Corporate Governance of the Company; Senior Vice President of Procurement Center and Director of International Affairs Division and Corporate Planning Division of the Company.	Chairman of PT. Walsin Research Innovation Indonesia; Director of Walsin Info-Electric Corp., Walsin Energy Cable System Co., Ltd., PT. Sunny Metal Industry, PT. Walhsu Metal Industry, Walsin Lihwa Europe S.à r.l., MEG S.A., Cogne Acciai Speciali S.p.A., and Degerfors Long Products AB; Supervisor of PT. Anugerah Barokah Cakrawala; Chairman of Supervisory Board of PT. Walsin Nickel Industrial Indonesia.	None	None	None	None	None
	Ph.D. in Technology Management from National Chengchi University; Director-General of Small and Medium Enterprise Administration; Director-General of Industrial Development Bureau, Ministry of Economic Affairs; Deputy Minister of Council for Economic Planning and Development and Executive Secretary of National Development Fund; Deputy Mayor of New Taipei City; Chairman of New Taipei Metro Corporation.	Director of Golden Smart Technology Corp.; Independent Director of United Alloy-Tech Company; Chairman of Association for Taiwan-Japan Cooperation on Industrial Technology.	None	None	None	None	None
	M.B.A., National Taiwan University; former Vice President of Taiwan Cooperative Securities, Associate Manager of KGI Commercial Bank, and Associate Manager of China Development Financial Holding Corporation.	Director of Hannstar Display Corporation, Global Investment Holdings, PT. Walsin Nickel Industrial Indonesia, Walsin Lihwa Europe S.a.r.l., Walsin America, LLC, and Borrego Energy Holdings, LLC; Supervisor of Theaceae Conservation Corporation and PT. Sunny Metal Industry.	None	None	None	None	None
	MBA in California State Polytechnic University Pomona; Audit Team Leader, PwC Taiwan; Accounting staff and Accounting Manager of the Accounting Division of the Company	Accounting Manager of Min Maw Precision Industry Corp. and Waltuo Green Resources Corporation; Supervisor of Walsin (Nanjing) Development Co., Ltd., Nanjing Walsin Property Management Co., Ltd., Nanjing Taiwan Trade Mart Management Co., Ltd., Walsin (China) Investment Co., Ltd., Shanghai Walsin Lihwa Power Wire & Cable Co., Ltd., Dongguan Walsin Wire & Cable Ltd., Jiangyin Walsin Steel Cable Co., Ltd., Changshu Walsin Specialty Steel Co., Ltd., Jiangyin Walsin Specialty Alloy Materials Co., Ltd., Yantai Walsin Stainless Steel Co., Ltd., and Yantai Huaxin Renewable Resources Co., Ltd.; Chairman of the Supervisory Board of Hangzhou Walsin Power Wire & Cable Co., Ltd.	None	None	None	None	None



## 2. Remunerations to Directors, President and Vice Presidents in the Most Recent Year

### (1) Remuneration to Directors (including Independent Directors)

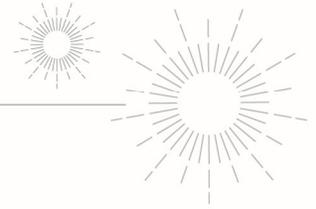
Title	Name	Directors Remuneration								
		Remuneration (A) (Note 1)		Pension (B)		Remuneration to Directors (C)(Note 2)		Business Expense (D) (Note 3)		
		Company	All Companies In Financial Statements (Note 4)	Company	All Companies In Financial Statements (Note 4)	Company	All Companies In Financial Statements (Note 4)	Company	All Companies In Financial Statements (Note 4)	
Director	Chairman	Yu-Lon Chiao								
	Vice Chairman	Patricia Chiao (Note 7)								
	Vice Chairman	Chin-Xin Investment Co., Ltd								
		Representative: Shyi-Chin Wang (Note 8)								
	Legal Person Director and Representative	Chin-Xin Investment Co., Ltd Representative: Li-Chin Ku (Note 8)	23,753,902	26,358,652	0	0	10,370,000	10,370,000	3,854,749	3,878,749
	Director	Yu-Cheng Chiao								
	Director	Yu-Heng Chiao								
	Director	Andrew Hsia								
Director	Yu-Chi Chiao									
Director	Wen-Chien Hsieh (Note 9)									
Independent Director	Independent Director	Ming-Ling Hsueh								
	Independent Director	Fu-Hsiung Hu	2,940,000	2,940,000	0	0	4,080,000	4,080,000	6,828,000	6,828,000
	Independent Director	Tyzz-Jiun Duh								
	Independent Director	Wei-Chuan Gau								

1. In order to facilitate the management of the remuneration of directors and functional committee members of the Company, the Company has established the "Rules for the Remuneration of Directors and Functional Committee Members", which clearly define the criteria for the remuneration payable to independent directors according to their individual professional input and performance, while taking into account the reasonableness of individual performance, the Company's operating performance and future risks.

2. Except as disclosed in the above chart, remuneration to directors received due to the services provided to all companies listed in the financial statements (such as acting as advisors of parent companies/all companies /investees listed in the financial statements who are not an employee thereof) in the most recent year: 0

Table of Remuneration Ranges

Range of Remuneration Paid to Directors	Names of Directors			
	Aggregate of First Four Remunerations (A+B+C+D)		Aggregate of First Seven Remunerations (A+B+C+D+E+F+G)	
	The Company	All Companies Listed in the Financial Statements	The Company	The Company and All of Its Investee Companies
<NT\$1,000,000	Li-Chin Ku, Wen-Chien Hsieh	Li-Chin Ku, Wen-Chien Hsieh	Li-Chin Ku, Wen-Chien Hsieh	Wen-Chien Hsieh
NT\$1,000,000 (inclusive) ~ NT\$2,000,000 (exclusive)	Chin-Xin Investment Co., Ltd., Yu-Cheng Chiao, Yu-Heng Chiao, Hsia, Andrew, Yu-Chi Chiao	Chin-Xin Investment Co., Ltd., Yu-Cheng Chiao, Yu-Heng Chiao, Hsia, Andrew, Yu-Chi Chiao	Chin-Xin Investment Co., Ltd., Yu-Cheng Chiao, Yu-Heng Chiao, Hsia, Andrew, Yu-Chi Chiao	Chin-Xin Investment Co., Ltd., Hsia, Andrew
NT\$2,000,000 (inclusive) ~ NT\$3,500,000 (exclusive)	Patricia Chiao, Shyi-Chin Wang, Ming-Ling Hsueh, Tyzz-Jiun Duh, Wei-Chuan Gau	Patricia Chiao, Shyi-Chin Wang, Ming-Ling Hsueh, Tyzz-Jiun Duh, Wei-Chuan Gau	Patricia Chiao, Shyi-Chin Wang, Ming-Ling Hsueh, Tyzz-Jiun Duh, Wei-Chuan Gau	Shyi-Chin Wang, Li-Chin Ku, Ming-Ling Hsueh, Tyzz-Jiun Duh, Wei-Chuan Gau
NT\$3,500,000 (inclusive) ~ NT\$5,000,000 (exclusive)	Hu, Fu-Hsiung	Hu, Fu-Hsiung	Hu, Fu-Hsiung	Patricia Chiao, Hu, Fu-Hsiung
NT\$5,000,000 (inclusive) ~ ~NT\$10,000,000 (exclusive)				
NT\$10,000,000 (inclusive) ~ NT\$15,000,000 (exclusive)				
NT\$15,000,000 (inclusive) ~ NT\$30,000,000 (exclusive)	Yu-Lon Chiao	Yu-Lon Chiao	Yu-Lon Chiao	Yu-Lon Chiao, Yu-Cheng Chiao, Yu-Chi Chiao
NT\$30,000,000 (inclusive) ~ NT\$50,000,000 (exclusive)				
NT\$50,000,000 (inclusive) ~NT\$100,000,000 (exclusive)				Yu-Heng Chiao
> NT\$100,000,000				
Total	14	14	14	14



Unit: NT\$

Ratio of total (A), (B), (C) and (D) to after-tax loss (Note 5) (%)		Remuneration Received as Employee								Total of (A), (B), (C), (D), (E), (F) and (G) and its Ratio to After-tax Income (Note 5) (%)		Remuneration from Re-investments other than Subsidiaries (Note 6)
		Salary, Bonus and Special Allowance (E)		Pension (F)		Employee Bonus (G)						
		Company	All Companies In Financial Statements (Note 4)	Company	All Companies In Financial Statements (Note 4)	Company	All Companies In Financial Statements (Note 4)	Company				
						Cash Bonus	Stock Bonus	Cash Bonus	Stock Bonus			
37,978,651 1.3612	40,607,401 1.4554	0	0	0	0	0	0	0	0	37,978,651 1.3612	40,607,401 1.4554	100,609,445
13,848,000 0.4963	13,848,000 0.4963	0	0	0	0	0	0	0	0	13,848,000 0.4963	13,848,000 0.4963	0

Note 1: The Company's Independent Directors and Directors who are authorized by the Board of Directors to regularly involve in the Company's operation may receive remuneration; the amount of remuneration shall be reviewed in accordance with Director's participation and value contributed in the Company's operation, together with reference of international and domestic industrial practice, by the Remuneration Committee and submitted to the Board of Directors for approval.

Note 2: Remunerations to Directors in 2024 approved by the Board of Directors have been listed.

Note 3: Refers to the expenses incurred by Directors in 2024 to perform relevant duties (including transportation, attendance fees, special disbursements, various allowances, accommodation, transportation arrangements, and other practical provisions). In addition, the Company's remuneration to chauffeurs totaled NT\$1,561,865/year.

Note 4: Refers to the total pay to the Company's Directors from all companies in the consolidated statements (including the Company).

Note 5: After-tax net income refers to the after-tax net income of the stand-alone financial statements in 2024, which amounts to NT\$2,790,054,000.

Note 6: a. This field shows the amount of related remunerations a Director of the Company receives from investees other than subsidiaries of the Company.

b. The remuneration refers to remuneration, bonus (including bonuses to employees, Directors and Supervisors) and related remunerations for the performance of duties received by a Director of the Company serving as a Director, Supervisor or manager of an investee of the Company other than subsidiaries.

Note 7: Ms. Patricia Chiao resigned from the position of Vice Chairman on March 11, 2024.

Note 8: Chin-Xin Investment Co., Ltd. changed its representative from Mr. Li-Chin Ku to Mr. Shyi-Chin Wang on October 21, 2024, who was elected as Vice Chairman on November 8, 2024.

Note 9: Ms. Wen-Chien Hsieh was newly appointed on May 17, 2024.

\* The remuneration content disclosed in this Table differs from the income concept of the Income Tax Act; therefore, this Table acts as a form of information disclosure and does not serve for the purpose of taxation



(2) Remunerations to President and Vice Presidents

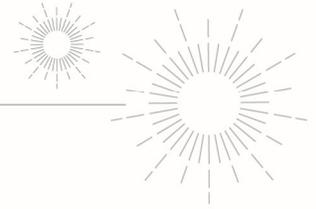
Title	Name	Remuneration (A) (Note 1)		Pension (B)		Bonus and Special Allowances (C) (Note 2)	
		Company	All Companies In Financial Statements (Note 4)	Company	All Companies In Financial Statements (Note 4)	Company	All Companies In Financial Statements (Note 4)
President & President of Commerce & Real Estate BG	Fred Pan	34,757,117	36,150,113	1,267,024	1,267,024	33,138,483	33,162,483
Executive Vice President & Chief Finance Officer	C.C. Chen						
President of Insulated Wire & Cable BG	Jin-Renn Leu						
President of Stainless Steel BG	Chung-Shin Chen (Note 7)						
President of Stainless Steel BG	Kevin Niu (Note 8)						
President of Resources BG	Josh Chia						
President of Corporate Strategy and Supply Chain Management Organization	Sherry Ho (Note 9)						
President of Digital Intelligence Development Organization	Ming-Ji Wu (Note 10)						

Table of Remuneration Ranges

Range of Remuneration Paid to President and Vice Presidents	Names of President and Vice Presidents	
	The Company	All Companies Listed in the Financial Statements
<NT\$1,000,000		
NT\$1,000,000 (inclusive) ~ NT\$2,000,000 (exclusive)		
NT\$2,000,000 (inclusive) ~ NT\$3,500,000 (exclusive)	Ming-Ji Wu	Ming-Ji Wu
NT\$3,500,000 (inclusive) ~ NT\$5,000,000 (exclusive)	Kevin Niu, Chung-Shin Chen	Kevin Niu, Chung-Shin Chen
NT\$5,000,000 (inclusive) ~ NT\$10,000,000 (exclusive)	Jin-Renn Leu, Sherry Ho	Jin-Renn Leu, Sherry Ho
NT\$10,000,000 (inclusive) ~ NT\$15,000,000 (exclusive)	C. C. Chen, Josh Chia	C. C. Chen, Josh Chia
NT\$15,000,000 (inclusive) ~ NT\$30,000,000 (exclusive)	Fred Pan	Fred Pan
NT\$30,000,000 (inclusive) ~ NT\$50,000,000 (exclusive)		
NT\$50,000,000 (inclusive) ~ NT\$100,000,000 (exclusive)		
> NT\$100,000,000		
Total	8	8

Note 1: The most recent annual salary, managerial bonus, and severance pay of the presidents and vice presidents are presented above.  
 Note 2: Refers to various bonuses, incentives, company car rental fees, vehicle subsidies, special allowance and salary expenses listed in accordance with IFRS 2 "share-based payment", including shares acquired under employee stock options, restricted new shares to employees and shares acquired from participation in cash capital increase options and so forth, received by managers ranked vice president or above in 2024. In addition, the Company's remuneration to chauffeurs totaled NT\$1,095,138/year.  
 Note 3: Refers to employee bonuses (including stock and cash bonuses) approved by the Board of Directors for distribution to managers ranked vice president or above in 2024.  
 Note 4: Discloses the total payment to manager's ranked vice president or above from all companies in the consolidated statements (including the Company).  
 Note 5: After-tax net income refers to the after-tax net income of the standalone financial statement in 2024, which amounts to NT\$2,790,054,000.  
 Note 6: a. This field shows the amount of related remuneration managers ranked vice president or above received from investees other than subsidiaries of the Company.  
 b. The remuneration refers to pay, bonus (including bonuses to employees, Directors and Supervisors) and related remunerations for the performance of duties received by the Company's managers ranked vice president or above while serving as a Director, Supervisor or manager of an investee of the Company other than subsidiaries.  
 Note 7: Mr. Chung-Shin Chen was newly appointed on August 2, 2024.  
 Note 8: Mr. Kevin Niu was discharged from his position on August 2, 2024.  
 Note 9: Ms. Sherry Ho was newly appointed on August 2, 2024.  
 Note 10: Mr. Ming-Ji Wu was newly appointed on September 16, 2024.

\* The remuneration content disclosed in this Table differs from the income concept of the Income Tax Act; therefore, this Table acts as a form of information disclosure and does not serve for the purpose of taxation.



Unit: NT\$

	Employee Bonus (D) (Note 3)				Total of (A), (B), (C) and (D) and Its Ratio to After-tax Income (%) (Note 5)		Remuneration from Re-investments or Parent Company other than Subsidiaries (Note 6)
	Company		All Companies In Financial Statements (Note 4)		Company	All Companies In Financial Statements (Note 4)	
	Cash Bonus	Stock Bonus	Cash Bonus	Stock Bonus			
	1,922,874	0	1,922,874	0	71,085,498 2.5478	72,502,494 2.5986	909,403

(3) Distribution of Employee Bonus to Managers

March 19, 2025

	Title	Name	Stock bonus	Cash Bonus	Total	Percentage of the Total to After-tax Net Income (%)
Managers	President & President of Commerce & Real Estate BG	Fred Pan	0	NT\$2,678,000	NT\$2,678,000	0.0960
	Executive Vice President & Chief Finance Officer	C.C. Chen				
	President of Insulated Wire & Cable BG	Jin-Renn Leu				
	President of Stainless Steel BG	Chung-Shin Chen				
	President of Resources BG	Josh Chia				
	President of Corporate Strategy and Supply Chain Management Organization	Sherry Ho				
	President of Digital Intelligence Development Organization	Ming-Ji Wu				
	Vice President & Head of Corporate Governance	Hueiping Lo				
	Head of Accounting Dept.	Kelly Liu				

※ This Table lists managers in active duty as of the end of 2024 and their summarized 2024 employee bonus for managers approved by the Board of Directors.

※ After-tax net income refers to the after-tax net income of the stand-alone financial statements in 2024.



(4) Analysis of total remunerations to Directors, President, vice presidents etc. as a percentage of the stand-alone after-tax net income in the last two years and description of the policy, standards and packages of remunerations, procedure for making such decision and relation to business performance:

1. Analysis of total remunerations to Directors, President, vice presidents etc. as a percentage of the stand-alone after-tax net income in the last two years:

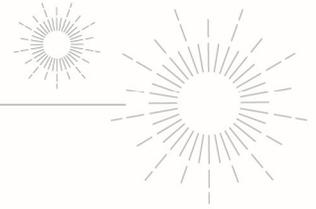
Title	Total Remunerations as Percentage (%) of After-tax Net Income (Losses)			
	2024		2023	
	Company	Companies in Consolidated Financial Statements	Company	Companies in Consolidated Financial Statements
Director	1.86	1.95	1.54	1.59
President and Vice President	2.55	2.60	1.16	1.19

2. Description of the policy, standards and packages of remunerations, procedure for making such decision and relation to business performance:

(1) The Company's policy for remunerating its directors is formulated based on the Company Act and the Company's Articles of Incorporation. The remuneration of directors for the current year shall be limited to an amount not exceeding 1% of the current year's earnings and shall be paid in accordance with the Rules Governing the Compensation of Directors and Functional Members of the Company. The Company's operating strategy, profitability, future development and industry condition, as well as each director's participation in and contribution to the Company's operation (such as serving on functional committees or being invited to important business meetings), have also been taken into account in order to give them reasonable remuneration. The Compensation Committee then submits a proposal, which is passed at a board meeting before the policy takes effect.

(2) In order to ensure that the performance of managers is closely linked to the Company's strategy and that their overall compensation is competitive in the market, the Company has established the Regulations for the Evaluation of Managerial Performance and Compensation as the basis for performance evaluation and compensation of managers. The aforementioned regulations include policies, systems, standards and structures for performance evaluation and compensation of managers, which shall be reviewed by the Compensation Committee and submitted to the Board of Directors for approval. Manager's remuneration includes salary and bonus: their salary is based on the Company's business strategy and profitability by taking into account the manager's professional ability, scope of responsibility and market competitiveness; for the bonus, the Company will take into account the results of individual performance evaluation, the reasonableness of the link between its operating performance and future risks. The Compensation Committee then submits a proposal, which is passed at a board meeting before the policy takes effect. However, if there is a significant risk event that affects the Company's reputation, internal mismanagement, personnel malpractice and other risk events attributable to any manager, the bonus payable to him/her will be reduced or cancelled. The manager's performance evaluation structure consists of "results evaluation" and "function evaluation". After setting targets at the beginning of the year, the management performance review is conducted quarterly and the performance evaluation is conducted semi-annually. The key focus areas for performance evaluation include the execution results of strategic plans, business planning capabilities, profitability, decision-making abilities, leadership and management skills, and the ability to develop leaders. To fulfill the responsibility of sustainable development, a new "Corporate Sustainability Development Indicator" has been added in 2024, accounting for 10% of the evaluation. This indicator aims to achieve the Company's strategic objectives in the environmental, social, and governance (ESG) dimensions and to link corporate sustainable development with the compensation policy for senior management.

The said principles may be adjusted based on economic conditions, the Company's future development, and profitability and operating risks.



### 3. Corporate Governance Status

#### (1) Overview of Board of Directors Operation

The Board of Directors totally held 9 meetings in 2024.

##### 1. The attendance records for Directors are as follows:

Title	Name	Attended in Person	Attended by Proxy	Attendance Percentage (%)	Remarks
Chairman	Yu-Lon Chiao	9	0	100%	None
Vice Chairman	Representative of Chin-Xin Investment Co., Ltd.: Shyi-Chin Wang	9	0	100%	Note 1
Director	Yu-Cheng Chiao	9	0	100%	None
Director	Yu-Heng Chiao	8	1	88.9%	None
Director	Yu-Chi Chiao	8	1	88.9%	None
Director	Patricia Chiao	2	1	66.7%	Note 2
Director	Andrew Hsia	8	1	88.9%	None
Director	Wen-Chien Hsieh	2	1	66.7%	Note 3
Independent Director	Ming-Ling Hsueh	9	0	100%	None
Independent Director	Fu-Hsiung Hu	9	0	100%	None
Independent Director	Tyzz-Jiun Duh	9	0	100%	None
Independent Director	Wei-Chuan Gau	9	0	100%	None

Note 1: Chin-Xin Investment Co., Ltd., Corporate Director, appointed a new representative on October 21, 2024, replacing Li-Chin Ku with Shyi-Chin Wang.

Note 2: Ms. Patricia Chiao resigned from her position as Director on March 11, 2024.

Note 3: Ms. Wen-Chien Hsieh was appointed as a Director of the Company on May 17, 2024.

##### 2. The attendance records for Independent Directors are as follows:

✓: Attended in Person; ⊙: Attended by Proxy; x: Applied for leave of absence

20 <sup>th</sup> Term	6th Meeting January 26, 2024	7th Meeting February 19, 2024	8th Meeting February 23, 2024	9th Meeting March 11, 2024	10th Meeting March 29, 2024
Ming-Ling Hsueh	✓	✓	✓	✓	✓
Fu-Hsiung Hu	✓	✓	✓	✓	✓
Tyzz-Jiun Duh	✓	✓	✓	✓	✓
Wei-Chuan Gau	✓	✓	✓	✓	✓

20 <sup>th</sup> Term	11th Meeting May 3, 2024	12th Meeting August 2, 2024	13th Meeting October 14, 2024	14th Meeting November 8, 2024
Ming-Ling Hsueh	✓	✓	✓	✓
Fu-Hsiung Hu	✓	✓	✓	✓
Tyzz-Jiun Duh	✓	✓	✓	✓
Wei-Chuan Gau	✓	✓	✓	✓



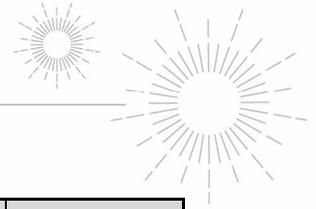
Other details that need to be recorded in meeting minutes:

1. In the event of the occurrence of any of the following scenarios with the operation of the Board of Directors, the dates of meetings, session number, resolution, opinions of all Independent Directors and the Company's subsequent action in response to these opinions shall be clearly stated:

(1) Matters and items stipulated in Article 14-3 of the Securities and Exchange Act.

December 31, 2024

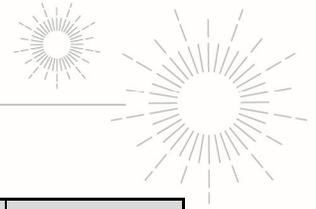
Board of Directors Meeting	Content of Proposal and Resolution		Independent Directors' Opinion(s)	Company's Handling of Independent Directors' Opinion(s)	Independent Directors with Recorded or Written Opposing or Reserved Opinion(s)
20th Term 6th Meeting 2024/01/26	Proposal:	Proposal to approve the Company's 2024 annual business plan.	None	None	None
	Resolution:	Proposal passed.			
	Proposal:	Evaluation of the independence and qualification of the Company's CPAs and the quality of the CPA firm's audit for each case, as well as the annual compensation payable to the CPA firm.	None	None	None
	Resolution:	Proposal passed.			
	Proposal:	In order to expand the production capacity of high-voltage cables in Hsinchuang Plant, improve the voltage level of testing equipment, and expand business, the Company's Wire and Cable Business Group plans to add testing and production equipment.	None	None	None
	Resolution:	Proposal passed.			
	Proposal:	Proposal to update the investment plan and investment amount of submarine cable production plant and equipment set up by Walsin Energy Cable System Co., Ltd., a subsidiary of the Company.	None	None	None
	Resolution:	Proposal passed.			
Proposal:	Cogne Acciai Speciali S.p.A., the Company's Italian subsidiary, intends to acquire 65% of the shares of Com. Steel Inox S.p.A. (Italy).	None	None	None	
Resolution:	Proposal passed.				
Proposal:	PT. Walsin Nickel Industrial Indonesia intends to lend the funds to the Company and its Singapore subsidiary, Walsin Singapore Pte. Ltd., in the total amount of US\$100 million.	None	None	None	
Resolution:	Proposal passed.				



Board of Directors Meeting	Content of Proposal and Resolution		Independent Directors' Opinion(s)	Company's Handling of Independent Directors' Opinion(s)	Independent Directors with Recorded or Written Opposing or Reserved Opinion(s)
	Proposal:	Walsin International Investments Limited, a subsidiary of the Company in Hong Kong, intends to lend the Company US\$200 million, and lend Walsin (China) Investment Co., Ltd., the Company's subsidiary in China, US\$320 million (or the equivalent of RMB2.22 billion) and RMB1.78 billion.	None	None	None
	Resolution:	Proposal passed.			
	Proposal:	Amendments to the Company's Risk Management Policy and Procedures.	None	None	None
	Resolution:	Proposal passed.			
	Proposal:	Amendments to the Company's Board of Directors Meeting Regulations.	None	None	None
	Resolution:	Proposal passed.			
	Proposal:	Proposal to review managers' performance evaluation as well as bonuses and compensation for 2023.	None	None	None
	Resolution:	Proposal passed.			
	Proposal:	Proposal to set the goals for the Company's managers for 2024.	None	None	None
	Resolution:	Proposal passed.			
	Proposal:	Proposal for the distribution of the performance bonus for Chairman and Vice Chairman for 2023.	None	None	None
	Resolution:	Proposal passed.			
	Recusal:	Yu-Lon Chiao and Patricia Chiao			
20th Term 7th Meeting 2024/02/19	Proposal:	Cogne Acciai Speciali S.p.A., the Company's Italian subsidiary, intends to acquire 100% equity interest in Mannesmann Stainless Tubes GmbH (based in Germany).	None	None	None
	Resolution:	Proposal passed.			
20th Term 8th Meeting 2024/02/23	Proposal:	Distribution of remuneration to directors and employees (including managers) for 2023.	None	None	None
	Resolution:	Proposal passed.			
	Proposal:	Proposal to approve the 2023 Internal Control System Statement.	None	None	None
	Resolution:	Proposal passed.			
	Proposal:	Amendments to certain provisions of the Company's internal control system.	None	None	None
	Resolution:	Proposal passed.			



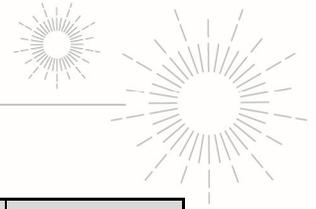
Board of Directors Meeting	Content of Proposal and Resolution		Independent Directors' Opinion(s)	Company's Handling of Independent Directors' Opinion(s)	Independent Directors with Recorded or Written Opposing or Reserved Opinion(s)
	Proposal:	PT. Sunny Metal Industry and PT. Walsin Nickel Industrial Indonesia, the Indonesian subsidiaries of the Company, intend to inject capital into their Indonesian subsidiaries, PT. Walhsu Metal Industry, to support the construction of their high-grade nickel matte production line.	None	None	None
	Resolution:	Proposal passed.			
	Proposal:	Amendments to the Company's Article of Incorporation.	None	None	None
	Resolution:	Proposal passed.			
	Proposal:	Proposal to issue domestic straight corporate bonds.	None	None	None
	Resolution:	Proposal passed.			
	Proposal:	Walsin Energy Cable System Co., Ltd., a subsidiary of the Company, intends to request the Company to provide endorsement and guarantee to the financial institutions for loans in response to the capital needs for the construction of the plant.	None	None	None
	Resolution:	Proposal passed.			
	Proposal:	Walsin Singapore Pte. Ltd. ("WLS") intends to lend funds to PT. Sunny Metal Industry (based in Indonesia) ("Sunny") with a non-revolving facility of US\$175.75 million.	None	None	None
	Resolution:	Proposal passed.			
	Proposal:	Proposal to lift the non-compete ban on directors imposed by Article 209 of the Company Act.	None	None	None
	Resolution:	Proposal passed.			
	Recusal:	Wei-Chuan Gau.			
20th Term 9th Meeting 2024/03/11	Proposal:	Proposal to elect one director of the Company and to add items to the agenda of the Company's 2024 Annual General Meeting of Shareholders. Proposal passed.	None	None	None
	Resolution:	Proposal passed.			
20th Term 10th Meeting 2024/03/29	Proposal:	Proposal to dispose of 20 percent of the shares in Innovation West Mantewe Pte. Ltd. (based in Singapore).	None	None	None
	Resolution:	Proposal passed.			
	Proposal:	Proposal to carry out a capital injection into Yantai Walsin Stainless Steel Co., Ltd. through Concord Industries Limited.	None	None	None
	Resolution:	Proposal passed.			



Board of Directors Meeting	Content of Proposal and Resolution		Independent Directors' Opinion(s)	Company's Handling of Independent Directors' Opinion(s)	Independent Directors with Recorded or Written Opposing or Reserved Opinion(s)
	Proposal:	Amendments to the Company's Procedures for Governing Financial and Business Matters Between this Corporation and its Related Parties.	None	None	None
	Resolution:	Proposal passed.			
	Proposal:	Proposal to nominate the candidates for the Directors of the Company of the 20th term.	None	None	None
	Resolution:	Proposal passed.			
20th Term 11th Meeting 2024/05/03	Proposal:	Proposal to amend the Company's internal control system.	None	None	None
	Resolution:	Proposal passed.			
	Proposal:	Walsin Singapore Pte. Ltd. intends to lend funds to PT. Transcoal Minergy (based in Indonesia) with a non-revolving facility of US\$18 million.	None	None	None
	Resolution:	Proposal passed.			
	Proposal:	PT Sunny Metal Industry, the Company's Indonesian subsidiary, intends to lend US\$60 million to its Indonesian subsidiary, PT Walhsu Metal Industry, with a non-revolving facility of US\$60 million.	None	None	None
	Resolution:	Proposal passed.			
	Proposal:	Proposal to carry out a capital injection into a wholly-owned subsidiary of the Company, Walsin Singapore Pte. Ltd., for an amount of US\$160 million.	None	None	None
Resolution:	Proposal passed.				
Proposal:	The Company's Singapore subsidiary, Walsin Singapore Pte. Ltd., intends to lend funds to Walsin Lihwa Europe S.à r.l., a Luxembourg subsidiary of the Company, with a non-revolving facility of EUR 30 million, and then WLE will lend funds to its Italian subsidiary, Cogne Acciai Speciali S.p.A., with a non-revolving facility of EUR 30 million.	None	None	None	
Resolution:	Proposal passed.				
Proposal:	Proposal to change the operations of lending from Walsin (China) Investment Co., Ltd. to Walsin (Nanjing) Development Co., Ltd.	None	None	None	
Resolution:	Proposal passed.				



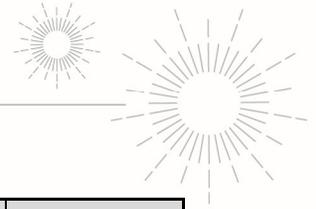
Board of Directors Meeting	Content of Proposal and Resolution		Independent Directors' Opinion(s)	Company's Handling of Independent Directors' Opinion(s)	Independent Directors with Recorded or Written Opposing or Reserved Opinion(s)
20th Term 12th Meeting 2024/08/02	Proposal:	The Company intends to restructure the investment structure of its European subsidiaries through its subsidiaries Walsin Lihwa Europe S.à r.l. and MEG S.A. (both based in Luxembourg) and Cogne Acciai Speciali S.p.A. (based in Italy).	None	None	None
	Resolution:	Proposal passed.			
	Proposal:	The Company's Luxembourg subsidiary, Walsin Lihwa Europe S.à r.l., intends to lend funds to MEG S.A. (based in Luxembourg), with a non-revolving facility of EUR 30.5 million, and then MEG will lend funds to Cogne Acciai Speciali S.p.A. (based in Italy), with a non-revolving facility of EUR 30.5 million.	None	None	None
	Resolution:	Proposal passed.			
	Proposal:	The Company intends to carry out a capital injection into Cogne Acciai Speciali S.p.A. (based in Italy) through its subsidiaries Walsin Lihwa Europe S.à r.l. and MEG S.A. (both based in Luxembourg).	None	None	None
	Resolution:	Proposal passed.			
	Proposal:	MEG S.A., a 100% indirectly-owned subsidiary of the Company in Luxembourg, intends to repurchase shares from its shareholder, Walsin Lihwa Europe S.à r.l. (based in Luxembourg), and to proceed with a capital reduction by cancelling these shares.	None	None	None
Resolution:	Proposal passed.				
Proposal:	Walsin Singapore Pte. Ltd., a Singapore subsidiary of the Company, intends to lend funds to Walsin Lihwa Europe S.à r.l. (based in Luxembourg) with a one-year non-revolving facility of EUR 130 million (or its equivalent in US dollars).	None	None	None	
Resolution:	Proposal passed.				
Proposal:	Walsin Lihwa Europe S.à r.l., the Company's Luxembourg subsidiary, intends to provide its Italian subsidiary, Cogne Acciai Speciali S.p.A., with an endorsement and guarantee of up to EUR 130 million for a period of not exceeding five years.	None	None	None	
Resolution:	Proposal passed.				



Board of Directors Meeting	Content of Proposal and Resolution		Independent Directors' Opinion(s)	Company's Handling of Independent Directors' Opinion(s)	Independent Directors with Recorded or Written Opposing or Reserved Opinion(s)
	Proposal:	Walsin Singapore Pte. Ltd., the Company's Singapore subsidiary, intends to lend funds to PT. Walsin Everising Specialty Steel Indonesia, a newly established joint venture in Indonesia, with a non-revolving facility of US\$17,850,000.	None	None	None
	Resolution:	Proposal passed.			
	Proposal:	PT. Walsin Nickel Industrial Indonesia, the Company's Indonesian subsidiary, intends to lend funds to PT. Sunny Metal Industry and PT. Walhsu Metal Industry (both based in Indonesia) with a one-year revolving facility totaling US\$30,000,000, and to cancel the one-year revolving facility of US\$40,000,000 that PT. Walsin Nickel Industrial Indonesia has with the Company.	None	None	None
	Resolution:	Proposal passed.			
	Proposal:	Walsin Singapore Pte. Ltd., the Company's Singapore subsidiary, intends to lend funds to PT. Sunny Metal Industry (based in Indonesia) with two one-year non-revolving facilities totaling US\$145,000,000.	None	None	None
	Resolution:	Proposal passed.			
	Proposal:	Walsin Singapore Pte. Ltd. ("WLS"), the Company's Singapore subsidiary, intends to lend funds to INNOVATION WEST MANTEWE PTE. LTD. (based in Singapore) ("IWM") with a non-revolving facility of US\$18,000,000.	None	None	None
	Resolution:	Proposal passed.			
	Proposal:	Proposal to participate in the subscription for new shares issued through a cash capital increase in 2024 by Winbond Electronics Corporation. Proposal passed.	None	None	None
	Resolution:	Proposal passed.			
	Recusal:	Yu-Lon Chiao, Yu-Cheng Chiao, Yu-Heng Chiao, Yu-Chi Chiao, and Li-Chin Ku			
	Proposal:	Walsin (Nanjing) Development Co., Ltd., a subsidiary of the Company, intends to obtain long-term facilities not exceeding RMB 2 billion from financial institutions.	None	None	None
	Resolution:	Proposal passed.			



Board of Directors Meeting	Content of Proposal and Resolution		Independent Directors' Opinion(s)	Company's Handling of Independent Directors' Opinion(s)	Independent Directors with Recorded or Opposing or Reserved Opinion(s)
	Proposal:	Walsin (China) Investment Co., Ltd., a subsidiary of the Company, intends to lend funds to Hangzhou Walsin Power Cable Co., Ltd. with a revolving facility of RMB 150 million.	None	None	None
	Resolution:	Proposal passed.			
	Proposal:	Walsin (China) Investment Co., Ltd., a subsidiary of the Company, intends to lend funds to XiAn Walsin Metal Product Co., Ltd. with a non-revolving facility of RMB 190 million.	None	None	None
	Resolution:	Proposal passed.			
	Proposal:	The Company intends to lend funds to Borrego Energy Holdings, LLC (based in the United States) and its subsidiary Borrego Energy, LLC with a one-year non-revolving facility totaling US\$50,000,000.	None	None	None
	Resolution:	Proposal passed.			
Proposal:	Amendments to certain provisions of the Company's internal control system.	None	None	None	
Resolution:	Proposal passed.				
	Proposal:	Proposal to donate NT\$15 million to apply for the establishment of Walsin Lihwa Sustainable Development Foundation.	None	None	None
	Resolution:	Proposal passed.			
20th Term 13th Meeting 2024/10/14	Proposal:	Walsin International Investments Limited, the Company's Hong Kong subsidiary, intends to lend funds to Borrego Energy Holdings, LLC (based in the United States) and its subsidiary Borrego Energy, LLC with a one-year non-revolving facility totaling US\$50,000,000.	None	None	None
	Resolution:	Proposal passed.			
20th Term 14th Meeting 2024/11/08	Proposal:	Request for the Board of Directors to elect the Vice Chairman of the Board of Directors of the Company.	None	None	None
	Resolution:	Proposal passed.			
	Proposal:	Cogne Acciai Speciali S.p.A., the Company's Italian subsidiary, intends to lend funds to its German subsidiary, Mannesmann Stainless Tubes GmbH ("MST") and five subsidiaries wholly owned by MST with a non-revolving facility of EUR 30,000,000.	None	None	None
	Resolution:	Proposal passed.			



Board of Directors Meeting	Content of Proposal and Resolution		Independent Directors' Opinion(s)	Company's Handling of Independent Directors' Opinion(s)	Independent Directors with Recorded or Written Opposing or Reserved Opinion(s)
	Proposal:	Mannesmann Stainless Tubes GmbH, the Company's German subsidiary, intends to lend funds to its subsidiaries with revolving facilities totaling approximately EUR 50,000,000.	None	None	None
	Resolution:	Proposal passed.			
	Proposal:	Additions and amendments to certain provisions of the Company's internal control system.	None	None	None
	Resolution:	Proposal passed.			
	Proposal:	The Company's Singapore subsidiary, Walsin Singapore Pte. Ltd., intends to carry out a capital injection into PT. Walsin Everising Specialty Steel Indonesia (based in Indonesia) for about US\$9.15 million.	None	None	None
	Resolution:	Proposal passed.			
	Proposal:	Walsin Info-Electric Corp. ("Info-Electric"), a subsidiary of the Company, intends to lend funds to the Company with a non-revolving facility of NT\$100,000,000.	None	None	None
	Resolution:	Proposal passed.			
	Proposal:	Jiangyin Walsin Steel Cable Co., Ltd., a subsidiary of the Company, intends to lend funds to Walsin (China) Investment Co., Ltd. with a revolving facility of RMB 55,000,000.	None	None	None
	Resolution:	Proposal passed.			

(2) In addition to the foregoing, there were other matters to be resolved by directors board meetings about which an independent director expressed objections or reservations that had been included in records or stated in writing: Not applicable

2. Director recusals due to conflicts of interests totaled 3 times.

December 31, 2024

No.	Term/Meeting Date	Name(s) of Directors	Proposal	Reason for Recusal	Participated in Vote or Not
1	20 <sup>th</sup> Term 6 <sup>th</sup> Meeting January 26, 2024	Yu-Lon Chiao and Patricia Chiao	Advice on Chairman's and Vice Chairman's 2023 performance bonus	Personally interested	Recused as provided by law
2	20 <sup>th</sup> Term 8 <sup>th</sup> Meeting February 23, 2024	Wei-Chuan Gau	Proposal to lift the non-compete ban for the Company's Directors under Article 209 of the Company Act	Personally interested	Recused as provided by law
3	20 <sup>th</sup> Term 12 <sup>th</sup> Meeting August 2, 2024	Yu-Lon Chiao, Yu-Cheng Chiao, Yu-Heng Chiao, Yu-Chi Chiao, and Li-Chin Ku	Proposal to participate in the subscription for new shares issued through a cash capital increase in 2024 by Winbond Electronics Corporation.	Personally interested	Recused as provided by law

Note: Ms. Patricia Chiao, Vice Chairman, resigned from her post on March 11, 2024.



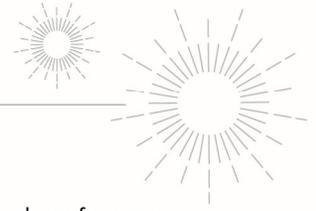
3. Frequency, period, scope, method, and items of self-evaluation of the Board of Directors and the Compensation Committee, Audit Committee, Sustainable Development Committee, and Nomination Committee:

Frequency	Period	Scope	Method	Item
Once every year	2024/01/01 ~ 2024/12/31	Board of Directors	Internal self-evaluation of the Board of Directors	1. Involvement in the operation of the Company. 2. Improve the quality of Board decisions. 3. Composition and structure of the board of directors. 4. Selection and Continuing Education of Directors. 5. Internal control.
Once every year	2024/01/01 ~ 2024/12/31	Compensation Committee, Audit Committee, Sustainable Development Committee, and Nomination Committee	Internal self-evaluation of the functional committees	1. Involvement in the operation of the Company. 2. Awareness of responsibilities of the committees. 3. Improve the quality of decision making in the committees. 4. Composition and selection of committee members. 5. Internal control.
Once every year	2024/01/01 ~ 2024/12/31	Each director	Self or peer performance evaluation of board members	1. Understanding of the company's objectives and tasks. 2. Awareness of directors' responsibilities. 3. Involvement in the operation of the Company. 4. Internal relationship management and communication. 5. Professional and continuing education of directors. 6. Internal control.
Once every 3 years	2023/10/01 ~ 2024/09/30	Board of Directors and each functional committee	Evaluation by an external organization	The evaluation covered five dimensions: board composition and division of responsibilities, board guidance and supervision, board authorization and risk management, board communication and collaboration, and board self-discipline and advancement.

4. Evaluation of achievement of enhancing the Board's performance (e.g. establishing an Audit Committee and increasing information transparency):

(1) Formulation of regulations related to the corporate governance: In addition to explicitly stating the powers and duties of the Board of Directors in the company's articles of incorporation, the Company also follows rules and regulations including the "Board of Directors Procedural Regulations", "Guidelines for the Ethical Conduct of Directors and Managerial Officers", "Procedures for the Processing of Critical Internal Information", "Corporate Governance Principles and Practice", "Corporate Management Integrity Principles", "Behavioral Guidelines and Operation Procedures for Honest Practices", "Guidelines for the Ethical Conduct of Employees", "Rules for Suggestions and Complaints from Related Parties", and "Practical Guidelines for Corporate Social Responsibility" in order to strengthen operations of the Board of Directors as well as corporate governance.

(2) Evaluation of the Performance of the Board of Directors and Functional Committees: To implement corporate governance and enhance the Company's board functions, and to set forth performance objectives to improve the operation efficiency of the board of directors, the Regulations Governing Board Performance Evaluation were established pursuant to the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and shall apply to the Board of Directors, functional committee and individual directors. According to the Company's Regulations Governing Board Performance Evaluation, the Board of Directors must conduct a performance evaluation at least once a year. The Board's performance evaluation should be conducted by an external professional independent institution or a team of external experts and scholars at



least once every three years, and should be performed at the end of each year for that year's performance evaluation. The internal self-assessment method for the Board and each functional committee involves each agenda working group providing questionnaires for Board members to complete in December each year. The questionnaire results are compiled and presented to the Nomination Committee and the Board of Directors for performance evaluation reporting. The external and internal performance evaluations of the Board of Directors, Compensation Committee, Audit Committee, Sustainable Development Committee, and Nomination Committee for 2024 were completed in December 2024 and reported to the Board of Directors on January 6, 2025.

A. Regarding external evaluations:

In 2018, the Company first appointed Taiwan Corporate Governance Association ("TCGA"), an independent third party with which the Company has no business dealings, to evaluate the effectiveness of its Board of Directors once every three years. The evaluation was conducted by means of questionnaires and on-site interviews on five major aspects of the board of directors, i.e., board composition and division of responsibilities, board guidance and supervision, board authorization and risk management, board communication and collaboration, and board self-discipline and advancement. Through the review by a professional organization and with the guidance of and communications with the evaluation members, the Company obtained professional and objective evaluation results and recommendations. The external evaluation of the Board's performance for 2024 was completed in December 2024 and reported to the Board of Directors on January 6, 2025.

The measures in response to the recommendations of the external evaluation institution in 2024 are as follows:

Recommendations of External Evaluation Institution	Measures
Setting Goals for the Board of Directors and Functional Committees	It is recommended that after the election of each term of the Board of Directors, goals should be established for the current term of the Board and its functional committees. Additionally, the responsibilities of each functional committee should be reviewed, and the relevant objectives should be incorporated into the Performance Evaluation Indicators for the Board of Directors and Functional Committees to ensure that the goals of the Board and functional committees for their term can be reasonably achieved.
	Following this recommendation, self-assessment items regarding assignments or objectives for Board members for their term have been added, with the Nomination Committee conducting regular reviews and providing recommendations. Each functional committee has similarly implemented these additional items accordingly.

B. Regarding the annual internal evaluation for 2024, the 2024 Board of Directors' and functional committees' performance self-evaluation results go as follows:

- (a) Board of Directors' overall average score 4.80 points (out of 5 points)
- (b) Board members' overall average score 4.77 points (out of 5 points)
- (c) Compensation Committee: 5.0 points (out of 5 points)
- (d) Audit Committee: 5.0 points (out of 5 points)
- (e) Sustainable Development Committee: 4.97 points (out of 5 points)
- (f) Nomination Committee: 5.0 points (out of 5 points)

In December 2024, the Company conducted an internal annual board performance evaluation of the board of directors, individual board members and functional committees (i.e., the Compensation Committee, Audit Committee, Sustainable Development Committee, and Nomination Committee) in accordance with the evaluation indicators and evaluation procedures specified in these Rules, and compiled and scored the data after the questionnaires were collected, and made recommendations for improvement. This year, the Company has made recommendations for improvement in the level of Directors' participation in the Company's internal control and operations, as well as the follow-ups on the recommendations made by an external evaluation institution in 2024, both of which were consolidated and reported to the Nomination Committee on January 6, 2025 and the Board of Directors' meeting, the details of which were disclosed on the Company's website.

- (3) Implementing the performance evaluation of the functional committees: In accordance with the "Regulations for the Evaluation of the Performance of the Board of Directors (including Functional Committees) and their Remunerations" formulated by the Compensation Committee based on the latest version published by the Competent Authority, our Compensation Committee, Audit Committee, Sustainable



Development Committee, and Nomination Committee members in December every year evaluate themselves by the assessment indicators to measure the corporate leadership strategic directions and oversee the corporate operational performance in an effort to improve shareholders' long-term value.

- (4) Actively participating in corporate governance: In recent years, the Company has actively participated in the promotion of the corporate governance and the transparency in information disclosure. Walsin Lihwa was listed as the top 5% outstanding companies by seven consecutive times of Corporate Governance Evaluation from 2017 to 2023. The Company also received five outstanding recognitions: Taiwan's Top 100 Sustainability Model Business Award, Information Security Leadership Award, Platinum Sustainability Report Award (Traditional Manufacturing Industry), Bronze Prize for English Sustainability Report, and Sustainable Micro Movie Bronze Award. The Company will continue making efforts to maintain among the top with respect to the Corporate Governance Evaluation Results. The Company not only will continue to strive to actively participate in the corporate governance evaluation, but also has formed a project to improve corporate governance matters and enhance corporate governance capabilities.

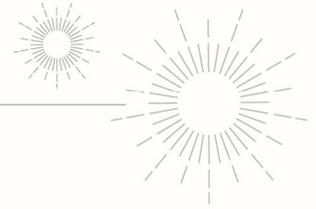
The Company is committed to enhancing the transparency of information. In addition to announcing financial information in accordance with laws and regulations, the Company also holds regular investor conferences four times a year. In 2024, the Company was granted a long-term credit rating of 'twA-' and a short-term credit rating of 'twA-2' with a 'negative' outlook by Taiwan Ratings. In addition, it was our first time in 2023 to volunteer to fill in the DJSI and scored 57 points (ranked 7/188 in ELQ Electrical Components & Equipment for the same industry). The Company's financial structure was certified by an external organization, and the disclosure of information to stakeholders was also enhanced through the external release of credit ratings.

- (5) Enhancing the board's functions and decision-making quality: In order to bring into play the functions and decision-making quality of the Board of Directors, our company regularly holds strategic meetings on a quarterly basis to enable the directors to understand our financial and business conditions and the formulation of major business strategies and the implementation of related plans. In addition, quarterly operational meetings are also held to help directors understand the operational content through reporting by operating units, so as to improve the performance of the Board of Directors. In the meantime, the directors may provide their effective guidance out of their expertise and experience to the operating units during such meetings.
- (6) Heavy reliance on the independent directors' functions: Authorizing independent directors to utilize their own expertise and regularly participate in our company's investment assessment projects and matters relevant to corporate governance. The Audit Committee was formally established by all independent directors after the shareholders' meeting on May 26, 2017, and the Audit Committee of the third term was formed by all independent directors on May 19, 2023; the Compensation Committee of the fifth term was established on May 19, 2023, with all independent directors acting as its members. On May 19, 2023, Chairman, Vice Chairman and all independent directors were appointed as members of the Sustainable Development Committee of the third term of the Company. On May 19, 2023, Chairman and all Independent Directors were appointed as the members of the Nomination Committee of the second term of the Company. These four functional committees continue to assist the Board of Directors in its oversight responsibilities.
- (7) Raising the transparency of corporate data: On the MOPS and our official website, we voluntarily disclose the related law and regulations which we follow, the important resolutions adopted at Board meetings and the relevant information to help shareholders understand our activities and to raise transparency in our corporate information.

### (II) Operation of the Audit Committee

1. The major matters reviewed by the Audit Committee include:

- (1) Adoption of or amendment to the internal control system pursuant to Article 14-1 of the Securities and Exchange Act.
- (2) Assessment of the effectiveness of the internal control system.
- (3) Adoption of or amendment to procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of loans to others, or endorsements or guarantees for others, pursuant to Article 36-1 of the Securities and Exchange Act.
- (4) Matters bearing on the personal interest of a director.
- (5) Material asset or derivatives transactions.
- (6) Material loans, endorsements, or provision of guarantees.
- (7) The offering, issuance, or private placement of any equity-type securities.
- (8) The engagement or dismissal of a CPA, or the compensation given thereto.



- (9) The appointment or discharge of a financial, accounting, or internal auditing officer.
- (10) Annual financial reports signed or sealed by the Chairman, manager and accounting officer.
- (11) Any other material matter so required by the Company or the Competent Authority.

2. Audit Committee's Annual Work Summary:

- (1) Agenda arrangement (for Audit Committee meetings and communication meetings)
- (2) Handling matters related to the meeting of the Audit Committee in accordance with the law (meeting notice, proceedings)
- (3) Follow-ups and execution of improvements requested by the Audit Committee
- (4) Providing company information required by independent directors to assist them in fully exercising their powers
- (5) Annual self-assessment of the Audit Committee
- (6) Establishing and revising the organizational regulations and relevant operating procedures
- (7) Announcement of relevant matters concerning the Audit Committee pursuant to law (organizational regulations and operational status)
- (8) Whether any employee, manager and director has entered into related-party transactions and possible conflicts of interest in such transactions
- (9) Suggestions and complaints from interested parties
- (10) Management of exchange rate risks
- (11) Information Security
- (12) Work safety/environmental protection and legal compliance

3. The Audit Committee of the third term started on May 19, 2023 and will be ending on May 18, 2026. The meetings were held 7 times in 2024, and the attendance of the independent directors in 2024 is as follows:

Title	Name	Personally Attended	Attended by Proxy	Attendance rate (%)	Remarks
Convener	Fu-Hsiung Hu	7	0	100%	None
Member	Ming-Ling Hsueh	7	0	100%	None
Member	Wei-Chuan Gau	7	0	100%	None
Member	Tyzz-Jiun Duh	7	0	100%	None

4. Other matters that need to be recorded in meeting minutes:

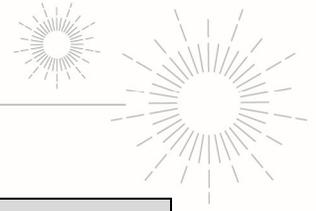
- (1) If any of the following circumstances occurs during the operation of the Audit Committee, the Board meeting date, meeting number, the proposal contents, the resolution of the Audit Committee and our company's handling of the Audit Committee's opinions shall be clearly described.

A. Items listed in Article 14-5 of the Securities and Exchange Act:

Term of Audit Committee Meeting Date	Term of the Board of Directors Meeting Date	Proposals and Resolutions	Independent Directors' Dissenting Opinions, Reservations, or Significant Recommendations	Company's Handling of Audit Committee Member's Opinion
3rd Term 6th Meeting 2024/01/19	20th Term 6th Meeting 2024/01/26	Proposal: Proposal to approve the Company's 2024 annual business plan. Resolution: Proposal passed.	None	All of the Directors present approved the proposal unanimously.
		Proposal: Evaluation of the independence and qualification of the Company's CPAs and the quality of the CPA firm's audit for each case, as well as the annual compensation payable to the CPA firm. Resolution: Proposal passed.	None	All of the Directors present approved the proposal unanimously.



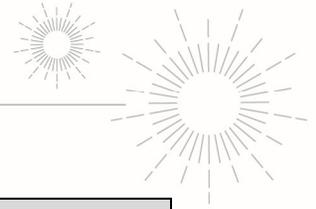
Term of Audit Committee Meeting Date	Term of the Board of Directors Meeting Date	Proposals and Resolutions	Independent Directors' Dissenting Opinions, Reservations, or Significant Recommendations	Company's Handling of Audit Committee Member's Opinion
		<p>Proposal: In order to expand the production capacity of high-voltage cables in Hsinchuang Plant, improve the voltage level of testing equipment, and expand business, the Company's Wire and Cable Business Group plans to add testing and production equipment.</p> <p>Resolution: Proposal passed.</p>	None	All of the Directors present approved the proposal unanimously.
		<p>Proposal: Proposal to update the investment plan and investment amount of submarine cable production plant and equipment set up by Walsin Energy Cable System Co., Ltd., a subsidiary of the Company.</p> <p>Resolution: Proposal passed.</p>	None	All of the Directors present approved the proposal unanimously.
		<p>Proposal: Cogne Acciai Speciali S.p.A., the Company's Italian subsidiary, intends to acquire 65% of the shares of Com. Steel Inox S.p.A. (based in Italy).</p> <p>Resolution: Proposal passed.</p>	None	All of the Directors present approved the proposal unanimously.
		<p>Proposal: PT. Walsin Nickel Industrial Indonesia intends to lend the funds to the Company and its Singapore subsidiary, Walsin Singapore Pte. Ltd., in the total amount of US\$100 million.</p> <p>Resolution: Proposal passed.</p>	None	All of the Directors present approved the proposal unanimously.
		<p>Proposal: Walsin International Investments Limited, a subsidiary of the Company in Hong Kong, intends to lend the Company US\$200 million, and lend Walsin (China) Investment Co., Ltd., the Company's subsidiary in China, US\$320 million (or the equivalent of RMB2.22 billion) and RMB1.78 billion.</p> <p>Resolution: Proposal passed.</p>	None	All of the Directors present approved the proposal unanimously.
	20th Term 10th Meeting 2024/03/29	<p>Proposal: Proposal to dispose of 20 percent of the shares in Innovation West Mantewe Pte. Ltd. (based in Singapore).</p> <p>Resolution: Proposal passed.</p>	None	All of the Directors present approved the proposal unanimously.



Term of Audit Committee Meeting Date	Term of the Board of Directors Meeting Date	Proposals and Resolutions	Independent Directors' Dissenting Opinions, Reservations, or Significant Recommendations	Company's Handling of Audit Committee Member's Opinion
3rd Term 7th Meeting 2024/02/16	20th Term 7th Meeting 2024/02/19	Proposal: Cogne Acciai Speciali S.p.A., the Company's Italian subsidiary, intends to acquire 100% equity interest in Mannesmann Stainless Tubes GmbH (based in Germany). Resolution: Proposal passed.	None	All of the Directors present approved the proposal unanimously.
	20th Term 8th Meeting 2024/02/23	Proposal: Proposal to approve the Company's 2023 business reports and financial statements. Resolution: Proposal passed.	None	All of the Directors present approved the proposal unanimously.
		Proposal: Proposal to approve the Company's 2023 consolidated business reports and consolidated financial statements of affiliated enterprises. Resolution: Proposal passed.	None	All of the Directors present approved the proposal unanimously.
		Proposal: Proposal to approve the Company's 2023 Profit Distribution Table. Resolution: Proposal passed.	None	All of the Directors present approved the proposal unanimously.
		Proposal: Proposal to approve the Company's 2023 Internal Control System Statement. Resolution: Proposal passed.	None	All of the Directors present approved the proposal unanimously.
		Proposal: Amendments to certain provisions of the Company's internal control system. Resolution: Proposal passed.	None	All of the Directors present approved the proposal unanimously.
		Proposal: PT. Sunny Metal Industry and PT. Walsin Nickel Industrial Indonesia, the Indonesian subsidiaries of the Company, intend to inject capital into their Indonesian subsidiaries, PT. Walhsu Metal Industry ("Walhsu"), to support the construction of Walhsu's high-grade nickel matte production line. Resolution: Proposal passed.	None	All of the Directors present approved the proposal unanimously.
		Proposal: Proposal to lift the non-compete ban on directors imposed by Article 209 of the Company Act. Resolution: Proposal passed.	None	Except for Wei-Chuan Gau, Independent Director, who recused himself due to personal conflict of interests, all of the Directors present approved the proposal



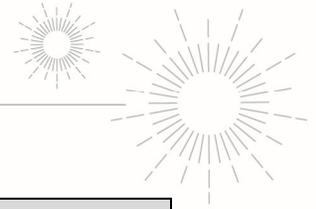
Term of Audit Committee Meeting Date	Term of the Board of Directors Meeting Date	Proposals and Resolutions	Independent Directors' Dissenting Opinions, Reservations, or Significant Recommendations	Company's Handling of Audit Committee Member's Opinion
				unanimously.
		Proposal: Amendments to the Company's Article of Incorporation. Resolution: Proposal passed.	None	All of the Directors present approved the proposal unanimously.
		Proposal: Proposal to issue domestic straight corporate bonds. Resolution: Proposal passed.	None	All of the Directors present approved the proposal unanimously.
		Proposal: Walsin Energy Cable System Co., Ltd., a subsidiary of the Company, intends to request the Company to provide endorsement and guarantee to the financial institutions for loans in response to the capital needs for the construction of the plant. Resolution: Proposal passed.	None	All of the Directors present approved the proposal unanimously.
		Proposal: Walsin Singapore Pte. Ltd., the Company's subsidiary, intends to lend funds to PT. Sunny Metal Industry (based in Indonesia) with a non-revolving facility of US\$175,750,000. Resolution: Proposal passed.	None	All of the Directors present approved the proposal unanimously.
3rd Term 8th Meeting 2024/03/22	20th Term 10th Meeting 2024/03/29	Proposal: Proposal to carry out a capital injection into Yantai Walsin Stainless Steel Co., Ltd. through Concord Industries Limited. Resolution: Proposal passed.	None	All of the Directors present approved the proposal unanimously.
		Proposal: Proposal to approve the Company's consolidated financial statements for the first quarter of 2024. Resolution: Proposal passed.	None	All of the Directors present approved the proposal unanimously.
		Proposal: Proposal to amend the Company's internal control system. Resolution: Proposal passed.	None	All of the Directors present approved the proposal unanimously.
		Proposal: Walsin Singapore Pte. Ltd., the Company's Singapore subsidiary, intends to lend funds to its investee company, PT. Transcoal Minergy (based in Indonesia), with a non-revolving facility of US\$18 million. Resolution: Proposal passed.	None	All of the Directors present approved the proposal unanimously.
3rd Term 9th Meeting 2024/04/26	20th Term 11th Meeting 2024/05/03	Proposal: PT Sunny Metal Industry, the Company's Indonesian subsidiary, intends to lend US\$60 million to its	None	All of the Directors present approved the proposal



Term of Audit Committee Meeting Date	Term of the Board of Directors Meeting Date	Proposals and Resolutions	Independent Directors' Dissenting Opinions, Reservations, or Significant Recommendations	Company's Handling of Audit Committee Member's Opinion
		<p>Indonesian subsidiary, PT Walhsu Metal Industry, with a non-revolving facility of US\$60 million.</p> <p>Resolution: Proposal passed.</p>		unanimously.
		<p>Proposal: Proposal to carry out a capital injection into a wholly-owned subsidiary of the Company, Walsin Singapore Pte. Ltd., for an amount of US\$160 million.</p> <p>Resolution: Proposal passed.</p>	None	All of the Directors present approved the proposal unanimously.
		<p>Proposal: The Company's Singapore subsidiary, Walsin Singapore Pte. Ltd., intends to lend funds to Walsin Lihwa Europe S.à r.l., a Luxembourg subsidiary of the Company, with a non-revolving facility of EUR 30 million, and then WLE will lend funds to its Italian subsidiary, Cogne Acciai Speciali S.p.A., with a non-revolving facility of EUR 30 million.</p> <p>Resolution: Proposal passed.</p>	None	All of the Directors present approved the proposal unanimously.
		<p>Proposal: Proposal to change the operations of lending from Walsin (China) Investment Co., Ltd. to Walsin (Nanjing) Development Co., Ltd.</p> <p>Resolution: Proposal passed.</p>	None	All of the Directors present approved the proposal unanimously.
3rd Term 10th Meeting 2024/07/26	20th Term 12th Meeting 2024/08/02	<p>Proposal: Proposal to approve the Company's consolidated financial statements for the second quarter of 2024.</p> <p>Resolution: Proposal passed.</p>	None	All of the Directors present approved the proposal unanimously.
		<p>Proposal: Walsin Singapore Pte. Ltd., the Company's Singapore subsidiary, intends to lend funds to PT. Walsin Indigo Specialty Steel Indonesia (based in Indonesia) with a non-revolving facility of US\$17,850,000.</p> <p>Resolution: Proposal passed.</p>	None	All of the Directors present approved the proposal unanimously.
		<p>Proposal: The Company intends to restructure its European subsidiaries' investment structure through Walsin Lihwa Europe S.à r.l. (a subsidiary in Luxembourg), MEG S.A. (a subsidiary in Luxembourg), and Cogne Acciai Speciali S.p.A. (a subsidiary in Italy).</p> <p>Resolution: Proposal passed.</p>	None	All of the Directors present approved the proposal unanimously.



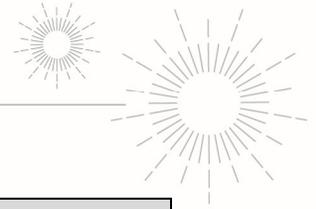
Term of Audit Committee Meeting Date	Term of the Board of Directors Meeting Date	Proposals and Resolutions	Independent Directors' Dissenting Opinions, Reservations, or Significant Recommendations	Company's Handling of Audit Committee Member's Opinion
		<p>Proposal: The Company's Luxembourg subsidiary, Walsin Lihwa Europe S.à r.l., intends to lend funds to MEG S.A. (a subsidiary in Luxembourg), with a non-revolving facility of EUR 30.5 million, and then MEG will lend funds to Cogne Acciai Speciali S.p.A. (a subsidiary in Italy), with a non-revolving facility of EUR 30.5 million.</p> <p>Resolution: Proposal passed.</p>	None	All of the Directors present approved the proposal unanimously.
		<p>Proposal: The Company intends to carry out a capital injection into Cogne Acciai Speciali S.p.A. (a subsidiary in Italy) through Walsin Lihwa Europe S.à r.l. (a subsidiary in Luxembourg) and MEG S.A. (a subsidiary in Luxembourg).</p> <p>Resolution: Proposal passed.</p>	None	All of the Directors present approved the proposal unanimously.
		<p>Proposal: MEG S.A., a 100% indirectly-owned subsidiary of the Company in Luxembourg, intends to repurchase shares from its shareholder, Walsin Lihwa Europe S.à r.l. (based in Luxembourg), and to proceed with a capital reduction by cancelling these shares.</p> <p>Resolution: Proposal passed.</p>	None	All of the Directors present approved the proposal unanimously.
		<p>Proposal: Proposal to participate in the subscription for new shares issued through a cash capital increase in 2024 by Winbond Electronics Corporation.</p> <p>Resolution: Proposal passed.</p>	None	All of the Directors present approved the proposal unanimously.
		<p>Proposal: PT. Walsin Nickel Industrial Indonesia ("Walsin Nickel"), the Company's Indonesian subsidiary, intends to lend funds to PT. Sunny Metal Industry and PT. Walhsu Metal Industry (both Indonesian subsidiaries) with a one-year revolving facility totaling US\$30,000,000, and to cancel the one-year revolving facility of US\$40,000,000 that Walsin Nickel has with the Company.</p> <p>Resolution: Proposal passed.</p>	None	All of the Directors present approved the proposal unanimously.



Term of Audit Committee Meeting Date	Term of the Board of Directors Meeting Date	Proposals and Resolutions	Independent Directors' Dissenting Opinions, Reservations, or Significant Recommendations	Company's Handling of Audit Committee Member's Opinion
		<p>Proposal: Walsin Singapore Pte. Ltd., the Company's Singapore subsidiary, intends to lend funds to PT. Sunny Metal Industry (a subsidiary in Indonesia) with two one-year non-revolving facilities totaling US\$145,000,000.</p> <p>Resolution: Proposal passed.</p>	None	All of the Directors present approved the proposal unanimously.
		<p>Proposal: Walsin Singapore Pte. Ltd. ("WLS"), the Company's Singapore subsidiary, intends to lend funds to Innovation West Mantewe Pte. Ltd. (an investee company based in Singapore) ("IWM") with a non-revolving facility of US\$18,000,000.</p> <p>Resolution: Proposal passed.</p>	None	All of the Directors present approved the proposal unanimously.
		<p>Proposal: Walsin (China) Investment Co., Ltd., a subsidiary of the Company, intends to lend funds to Hangzhou Walsin Power Cable Co., Ltd. with a revolving facility of RMB 150 million.</p> <p>Resolution: Proposal passed.</p>	None	All of the Directors present approved the proposal unanimously.
		<p>Proposal: Walsin (China) Investment Co., Ltd., a subsidiary of the Company, intends to lend funds to XiAn Walsin Metal Product Co., Ltd. with a non-revolving facility of RMB 190 million.</p> <p>Resolution: Proposal passed.</p>	None	All of the Directors present approved the proposal unanimously.
		<p>Proposal: The Company intends to lend funds to Borrego Energy Holdings, LLC (a subsidiary in the United States) and its subsidiary Borrego Energy, LLC with a one-year non-revolving facility totaling US\$50,000,000.</p> <p>Resolution: Proposal passed.</p>	None	All of the Directors present approved the proposal unanimously.
		<p>Proposal: Amendments to certain provisions of the Company's internal control system.</p> <p>Resolution: Proposal passed.</p>	None	All of the Directors present approved the proposal unanimously.
		<p>Proposal: Walsin Singapore Pte. Ltd., a Singapore subsidiary of the Company, intends to lend funds to Walsin Lihwa Europe S.à r.l. (a subsidiary in Luxembourg) with a one-year non-revolving facility of EUR 130 million (or its equivalent in</p>	None	All of the Directors present approved the proposal unanimously.



Term of Audit Committee Meeting Date	Term of the Board of Directors Meeting Date	Proposals and Resolutions	Independent Directors' Dissenting Opinions, Reservations, or Significant Recommendations	Company's Handling of Audit Committee Member's Opinion
		US dollars). Resolution: Proposal passed.		
		Proposal: Walsin Lihwa Europe S.à r.l., the Company's Luxembourg subsidiary, intends to provide its Italian subsidiary, Cogne Acciai Speciali S.p.A., with an endorsement and guarantee of up to EUR 130 million for a period of not exceeding five years. Resolution: Proposal passed.	None	All of the Directors present approved the proposal unanimously.
3rd Term 11th Meeting 2024/10/14	20th Term 13th Meeting 2024/10/14	Proposal: Walsin International Investments Limited, the Company's Hong Kong subsidiary, intends to lend funds to Borrego Energy Holdings, LLC (a subsidiary in the United States) and its subsidiary Borrego Energy, LLC with a one-year non-revolving facility totaling US\$50,000,000. Resolution: Proposal passed.	None	All of the Directors present approved the proposal unanimously.
3rd Term 12th Meeting 2024/11/01	20th Term 14th Meeting 2024/11/08	Proposal: Cogne Acciai Speciali S.p.A., the Company's Italian subsidiary, intends to lend funds to its German subsidiary, Mannesmann Stainless Tubes GmbH ("MST") and five subsidiaries wholly owned by MST with a non-revolving facility of EUR 30,000,000. Resolution: Proposal passed.	None	All of the Directors present approved the proposal unanimously.
		Proposal: Mannesmann Stainless Tubes GmbH ("MST"), the Company's German subsidiary, intends to lend funds to its subsidiaries with revolving facilities totaling approximately EUR 50,000,000. Resolution: Proposal passed.	None	All of the Directors present approved the proposal unanimously.
		Proposal: Proposal to approve the Company's consolidated financial statements for the third quarter of 2024. Resolution: Proposal passed.	None	All of the Directors present approved the proposal unanimously.
		Proposal: Additions and amendments to certain provisions of the Company's internal control system. Resolution: Proposal passed.	None	All of the Directors present approved the proposal unanimously.
		Proposal: Proposal to approve the Company's 2025 annual audit plan. Resolution: Proposal passed.	None	All of the Directors present approved the proposal unanimously.



Term of Audit Committee Meeting Date	Term of the Board of Directors Meeting Date	Proposals and Resolutions	Independent Directors' Dissenting Opinions, Reservations, or Significant Recommendations	Company's Handling of Audit Committee Member's Opinion
		<p>Proposal: The Company's Singapore subsidiary, Walsin Singapore Pte. Ltd., intends to carry out a capital injection into PT. Walsin Everising Specialty Steel Indonesia (based in Indonesia) for about US\$9.15 million.</p> <p>Resolution: Proposal passed.</p>	None	All of the Directors present approved the proposal unanimously.
		<p>Proposal: Walsin Info-Electric Corp., a subsidiary of the Company, proposes to extend a non-revolving credit facility of NT\$100,000,000 to the Company.</p> <p>Resolution: Proposal passed.</p>	None	All of the Directors present approved the proposal unanimously.
		<p>Proposal: Jiangyin Walsin Steel Cable Co., Ltd., a subsidiary of the Company, intends to lend funds to Walsin (China) Investment Co., Ltd. with a revolving facility of RMB 55,000,000.</p> <p>Resolution: Proposal passed.</p>	None	All of the Directors present approved the proposal unanimously.

B. Except for the foregoing items, the items that were not approved by the Audit Committee but were resolved by more than two-thirds of all directors: No such situation.

(2) Independent directors recusing themselves from conflicts of interest: None

(3) Communication between independent directors, the chief internal auditor and CPAs:

A. Communication policy between independent directors, chief internal auditor and CPAs:

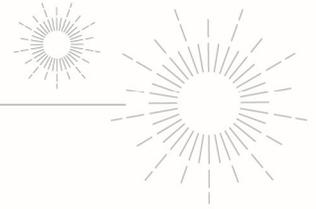
- (A) The CPAs are invited to attend Audit Committee meetings at least twice a year and to report to the Audit Committee on the review or audit results of our Company's and its affiliates' financial statements and the internal control audit status. The CPA shall fully communicate any material adjustments to entries or any amendments to laws and regulations.
- (B) If necessary, a communication meeting may be called at any time with the CPAs.
- (C) The chief internal auditor shall meet with the independent directors regularly in Audit Committee meetings at least once a quarter to report on the internal audit implementation of our Company and the internal control operations. In case of major irregularities, the meeting may be called at any time.
- (D) The convener of the Audit Committee shall discuss the internal audit operation with the chief internal auditor every quarter non-periodically aside from the above regular meetings.



B. Summary of communications between independent directors and CPAs for 2024:

Independent directors have good communication with CPAs individually.

Date	Communication Highlights	Directors' Recommendation	Execution Result
2024/2/16 Audit Committee Meeting	The CPAs have provided a description of the key audits of the stand-alone and consolidated financial statements for the year 2023 and the results of the audit.	None.	The stand-alone and consolidated financial statements for the year 2023 were approved by the Audit Committee and submitted for discussion at the 8 <sup>th</sup> meeting of the Board of Directors of 20 <sup>th</sup> term on February 23, 2024.
2024/7/26 Audit Committee Meeting	The CPAs provide an explanation of the audit results of the consolidated financial statements for the second quarter of 2024.	None.	The consolidated financial statements for the second quarter of 2024 were approved by the Audit Committee and reported to the 12 <sup>th</sup> Meeting of the Board of Directors of 20 <sup>th</sup> term on August 2, 2024.
2024/12/13 Individual Communication Meeting	<ol style="list-style-type: none"> <li>1. The CPAs explained the scope, method and discovery of the annual audit for 2024 and discussed with the Audit Committee members on the key audit matters.</li> <li>2. Carbon fee collection and accounting treatment issues.</li> <li>3. International Financial Reporting Standards sustainability disclosure standards.</li> <li>4. Key amendments to IFRS 18 financial statement presentation and disclosure.</li> </ol>	None.	<ol style="list-style-type: none"> <li>1. Key audit matters for the 2024 financial statements were confirmed.</li> <li>2. The engagement and assessment of the CPAs was submitted to the 13<sup>th</sup> meeting of the Audit Committee of third term on January 6, 2025 for discussion.</li> </ol>



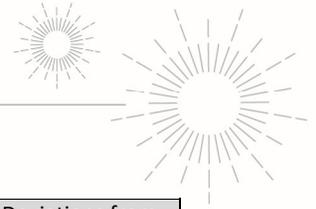
C. Summary of communications between independent directors and the chief internal auditor for 2024:

Date	Key Points of Communications	Independent Directors' Advice	Follow-Ups and Results
2024/2/16 Audit Committee Meeting	Report on audit implementation in the 4th quarter of 2023.	None.	The report on audit implementation for the fourth quarter of 2023 has been passed by the Audit Committee and reported to the Board of Directors.
2024/4/26 Audit Committee Meeting	Report on audit implementation in the 1st quarter of 2024.	None.	The report on audit implementation for the first quarter of 2024 has been passed by the Audit Committee and reported to the Board of Directors.
2024/7/26 Audit Committee Meeting	Report on audit implementation in the 2nd quarter of 2024.	None.	The report on audit implementation for the second quarter of 2024 has been passed by the Audit Committee and reported to the Board of Directors.
2024/11/1 Audit Committee Meeting	1. Report on audit implementation in the 3rd quarter of 2024.  2. Discussion of 2025 annual audit plan.	1. None.  2. None.	1. Report on audit implementation in the 3rd quarter of 2024 has been passed by the Audit Committee and reported to the Board of Directors.  2. 2025 annual audit plan has been passed by the Audit Committee and submitted to the Board of Directors for discussion.
2024/12/13 Individual Communication Meeting Between Independent Directors and Chief Internal Auditor	1. Report on the implementation of audit operations in 2024. 2. Internal audit transformation and digitalization.	1. None.  2. (1) Please strengthen system, information strategy, and related control audits. (2) Enhance internal audit functions for overseas subsidiaries, with a focus on post-investment management. (3) Please pay closer attention to each department's compliance with ESG.	1. None.  2. (1) Digital auditing will be strengthened, and information system audits will be incorporated as a key initiative for 2025. (2) We will continue to monitor the development of internal audit functions in overseas subsidiaries and enhance the audits of the effectiveness of post-investment management. (3) Sustainability information management has been included in the 2025 audit plan, and we will continue to monitor ESG regulatory compliance.



(3) Differences between our corporate governance and the Corporate Governance Best-Practice Principles for TWSE- and TPEX-listed Companies and reason(s):

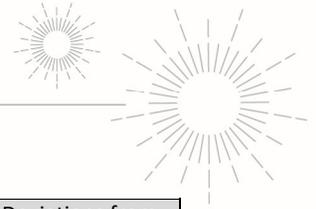
Appraisal Items	Actual Governance (Note 1)			Deviations from Corporate Governance Best-Practice Principles for TWSE-/ TPEX-listed Companies and Reason(s)
	Yes	No	Summary Description	
1. Has the company set and disclosed the principles for practicing corporate governance according to the Corporate Governance Best-Practice Principles for TWSE- TPEX-listed Companies?	Yes		The Company has formulated the Corporate Governance Principles and Practice according to the "Corporate Governance Best-Practice Principles for TWSE- TPEX-listed Companies", which were amended as approved by the Board of Directors in 2022 and were disclosed on the Company's website. <a href="https://www.walsin.com/investors/corporate-governance/#pills-major-internal-policies">https://www.walsin.com/investors/corporate-governance/#pills-major-internal-policies</a>	In line with the Corporate Governance Best-Practice Principles for TWSE- TPEX-listed Companies
2. The Company's ownership structure and shareholders' equity				In line with the Corporate Governance Best-Practice Principles for TWSE- and TPEX-listed Companies.
(1) Has the company implemented a set of internal procedures to handle shareholders' suggestions, queries, disputes and litigations?	Yes		(1) Our Shareholders Service & Contact Office is in charge of handling various shareholder recommendations, queries and disputes. The Company also provides related contact details on the Company's website and in the annual report and has set up a stakeholder mailbox to collect stakeholders' questions and suggestions.	
(2) Has the company had a list of major shareholders who actually control the company or a list of ultimate controller of such shareholders?	Yes		(2) The Company periodically discloses the list of ultimate controllers of its principal shareholders pursuant to the laws and regulations.	
(3) Has the company established and implemented risk control/management and firewall mechanisms between the company and its affiliated firms?	Yes		(3) 1. The Company has drafted rules governing the supervision of its subsidiaries, which have been approved by the Board. 2. All of the Company's affiliates are subsidiaries; the Company directly or indirectly retains at least 50% of their shares. Business dealings with affiliates are treated as transactions with third parties. 3. The Company has drawn up rigorous rules governing the lending, the endorsement/ guarantees as well as the management of disposal/acquisition of assets and derivatives transactions to/for/with its affiliates.	
(4) Has the company set internal regulations that prohibit the company's personnel from taking advantage of information that has not been disclosed to the public to purchase or sell securities?	Yes		(4) In order to establish an effective handling and disclosure mechanism for major internal information processing operations, so that unauthorized information leakage can be avoided, consistency and accuracy of information disclosed by the Company to the public can be maintained and insider trading can be prevented, the Company has established the "Procedures for Major Internal Information Processing Operations." Such procedures were last revised on November 4, 2022 and renamed as "Procedures for Handling Internal Material Information and Prevention of Insider Trading" to strengthen the corporate culture of prevention of insider trading and the control measures against insider stock trading. The Company's Directors' and Managerial Officers' Code of Ethical Conduct was amended on August 4, 2020. Such code contains regulations pertaining to the prohibition of insider trading pursuant to the	



Appraisal Items	Actual Governance (Note 1)			Deviations from Corporate Governance Best-Practice Principles for TWSE-/ TPEX-listed Companies and Reason(s)
	Yes	No	Summary Description	
			<p>Company's internal regulations and the Securities and Exchange Act. Relevant regulations are uploaded as an electronic copy to the Company's electronic bulletin board of its internal regulations for the perusal by relevant personnel.</p> <p>The Company periodically conducts internal training on ethical management (anti-corruption) and prevention of insider trading (among others) and educates its directors and employees on relevant policies and the importance of delivering integrity and compliance. In addition, some educational and awareness-raising articles on compliance with the regulations prohibiting insider trading have been published on the Company's internal education and training platform "Walsin Lihwa College", so that all managers may read and understand information related to ethical management. The details thereof have been disclosed on the Company's website (in the Risk Management_ Prevention of Insider Trading Section): <a href="https://www.walsin.com/investors/corporate-governance/#pills-information-security">https://www.walsin.com/investors/corporate-governance/#pills-information-security</a></p>	
<p>3. The composition and duties of the Board</p> <p>(1) Has the Board of Directors devised a policy and concrete management objectives for a more diverse composition of the Board? If so, has the plan been implemented?</p>	Yes		<p>(1) In accordance with Article 20 of the Company's Corporate Governance Best Practice Principles and the "Principles of Election of Board Members and Managers and Guidelines for Continuing Education and Succession Planning" established by the Company, the Board of Directors will implement the objectives of diversity and independence in terms of expertise, experience and gender required for Board members, and will continue to invite appropriate candidates to join the Board of Directors in accordance with the above objectives in order to strengthen the balance of the Board of Directors in response to the Company's development strategies and changes in the internal and external environment. In order to achieve the desired objectives of corporate governance, the Board of Directors of the Company is composed of members from the management team, managers of relevant industries and professionals with financial, business, accounting, and legal backgrounds, who effectively perform the duties of Board members with different fields and backgrounds and considerable practical experience. These duties include establishing and maintaining the Company's vision and values, assisting in promoting corporate governance and strengthening management, overseeing and evaluating the implementation of management policies and operational plans, and being responsible for the Company's overall economic, social, and environmental operations to enhance corporate governance and corporate value from the perspective of stakeholders.</p> <p>The Company focuses on its board diversity and therefore has a total of 11 directors on the Board of Directors of the 20<sup>th</sup> term, including one female Director. The Company also values corporate governance and thus has four Independent Directors</p>	In line with the Corporate Governance Best-Practice Principles for TWSE- and TPEX-listed Companies.



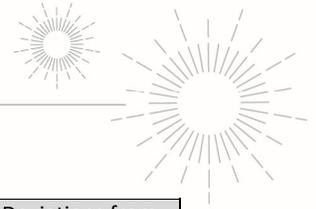
Appraisal Items	Actual Governance (Note 1)			Deviations from Corporate Governance Best-Practice Principles for TWSE-/ TPEX-listed Companies and Reason(s)
	Yes	No	Summary Description	
			<p>(one in excess of the number required by its articles of incorporation, which is three), accounting for 36% of all directors of the Company. Independent Directors were re-elected for fewer than 3 terms. Among the Directors, 1 is aged 71 years and older, and 10 are aged between 61 and 70.</p> <p>The Company has built its strength by being focused on the wire and cable, stainless steel, resources, and commercial real estate fields and become a model of business excellence moving towards the manufacturing service industry. If we look at the list of the Board of Directors of the 20th term, Yu-Lon Chiao, Chairman, has been working in the business field of the Company for a long time and has a good understanding of the operation and development of the industry, with an open-minded leadership style that encourages adoption of suggestions; Vice Chairman Shyi-Chin Wang focuses on the stainless steel industry and possesses operational management experience and expertise in the enhancement and transformation of the domestic stainless steel industry; Director Yu-Cheng Chiao, Director Yu-Heng Chiao, and Director Yu-Chi Chiao have joined the management team of the Company and therefore are familiar with the organization and business operation of the Company and are good at operation management and investment judgment; Andrew Hsia, Director, comes from a diplomatic background with an international perspective and therefore has a good grasp of the conditions of the Southeast Asian market and can fully assist the Company in making relevant investment decisions; Among female members, Director Wen-Chien Hsieh, as the managing partner of a law firm, brings extensive practical legal experience and specialization in business management. The Company's Independent Directors have industry knowledge and an international market perspective: Independent Director Ming-Ling Hsueh specializes in finance, accounting and corporate governance; Independent Director Fu-Hsiung Hu has expertise and experience in business administration, finance and securities, and credit information; Independent Director Tyzz-Jiun Duh is familiar with the general situation of the industry and commerce sector and the trends of economic development; and Independent Director Wei-Chuan Gau possesses professional capabilities in accounting, auditing, and information technology.</p> <p>The elite directors of the Company were selected from the industry to participate in major investment projects related to the Company's business, assist the Company's financial, accounting and corporate governance businesses according to their expertise, and assist the Company in making favorable decisions through their diverse experience, which gives rise to extensive and professional advice.</p> <p>For information on the implementation of Board</p>	



Appraisal Items	Actual Governance (Note 1)			Deviations from Corporate Governance Best-Practice Principles for TWSE-/ TPEX-listed Companies and Reason(s)
	Yes	No	Summary Description	
(2) In addition to establishing a Compensation Committee and an Audit Committee, which are required by law, is the company willing to also voluntarily establish other types of functional committees?	Yes		<p>diversity, please refer to the table titled "Implementation of Board Diversity" in "4. Diversity and Independence of the Board" section under (1) "Information on Directors" under II. "Corporate Governance Report."</p> <p>Board of Directors of Diversification Policy were disclosed on the Company's website: <a href="https://www.walsin.com/investors/corporate-governance/#pills-board-of-directors">https://www.walsin.com/investors/corporate-governance/#pills-board-of-directors</a>.</p> <p>(2) In addition to the committee established according to the laws, the Company further set up the Sustainable Development Committee and the Nomination Committee.</p> <p>1. On November 1, 2019, the 17th meeting of the Board of Directors of the 18th term resolved to establish the Sustainable Development Committee. On May 19, 2023, the Board of Directors appointed six members to the Sustainable Development Committee of the third term, in which Independent Director Tyzz-Jiun Duh acts as the Convener, and under which ethical management, environmental safety and health management, green operations, customer service and suppliers management and promotion and employee relations and social care promotion centers were established. The Sustainable Development Committee reviews the annual plans of each promotion center, monitors and tracks the implementation results of each promotion center, and revises its charter.</p> <p>2. The Nomination Committee was established on August 6, 2021, with Independent Director Fu-Hsiung Hu as the Convener. On May 19, 2023, the Board of Directors appointed five members to the Nomination Committee of the second term, with Wei-Chuan Gau, Independent Director, serving as the Convener. The duties of the Nomination Committee include setting standards for the diversity of expertise, experience, gender and independence required of Board members, and identifying, reviewing and nominating candidates for election as directors.</p>	
(3) Has the company established methods for appraising the performance of the Board of Directors as well as actual procedures for executing the appraisals? If so, has the company executed appraisals of the performance of the Board annually? Are the results of the performance evaluations reported to the Board of Directors and used as a reference for individual directors' remuneration	Yes		<p>(3) In order to improve our corporate governance, the Company's Regulations for the Board of Directors' Performance Appraisal stipulates that the Board of Directors of the Company shall conduct a performance evaluation at least once a year using questionnaires for self-evaluation, that the evaluation of the Board of Directors shall be evaluated at least once every three years by an external professional and independent organization or a team of external experts and scholars, and that the performance evaluation of the current year shall be conducted at the end of the year, so as to measure the directors' strategic direction in leading the Company and to oversee the operation of the Company's management in order to provide board performance and increase long-term shareholder value.</p> <p>The Company engaged the Taiwan Corporate Governance Association in September 2024 for the</p>	



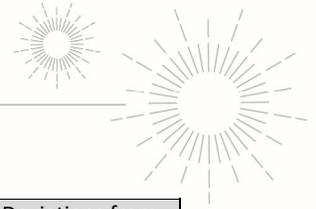
Appraisal Items	Actual Governance (Note 1)			Deviations from Corporate Governance Best-Practice Principles for TWSE-/ TPEX-listed Companies and Reason(s)
	Yes	No	Summary Description	
<p>and nomination for reappointment?</p> <p>(4) Has the company periodically evaluated the level of independence of the CPA?</p>	Yes		<p>third time to evaluate the effectiveness of the Company's Board of Directors, and the Company obtained professional, objective evaluation results and suggestions through the guidance of, and idea exchanges with, the evaluation members. Such results and suggestions were used as a reference in the compensation of individual directors and nominations for reappointment.</p> <p>The Company conducted its own internal evaluation for 2024 in December 2024 and reported to the Board of Directors on January 6, 2025. The result has been published on the Company's website, and the results of these evaluations will be used as a reference in individual directors' compensation and nominations for reappointment, for the purpose of continuous refinement and optimization of the functions of the Board of Directors. (Note 2)</p> <p>(4) Before we appoint a new CPA annually, its independence and competency shall be examined by the Audit Committee and Board of Directors for approval by resolution. In addition, we request the CPA to provide an "Impartiality and Independence Statement" and "Audit Quality Indicators (AQIs)" each year. We have to confirm that except for the expenses paid to the CPA for certifying our financial statements and for handling certain financial, tax affairs, we have no other business dealings with the CPA and that their family members have not violated the independence requirements. In addition, by referencing the AQI information, we confirmed that both the CPAs and the CPA firm have audit experience and training hours that are superior to the industry average before proceeding with the appointment of the CPAs and the review of their fees. The evaluation results for the most recent fiscal year were discussed and approved by the Audit Committee on January 19, 2024, and were subsequently reported and resolved by the Board of Directors on January 26, 2024. For the assessment of the CPAs' independence and suitability, please refer to Note 3.</p>	
<p>4. Has the TWSE- or TPEX-listed company designated a proper number of competent staff in charge of the corporate governance-related affairs (including but not limited to providing information for the Directors and Supervisors to execute their duties, assisting the Directors and Supervisors with legal compliance, handling the affairs related to the Board meetings and the Shareholders Meeting as prescribed by law, preparing the minutes of the</p>	Yes		<p>1. The Company appointed a Head of Corporate Governance as resolved by the Board of Directors on June 12, 2019. The key responsibilities of the Head of Corporate Governance include the meeting affairs in connection with board meetings, preparation of such meetings' minutes, assistance for Directors with the onboarding and continuing education, provision of information required for the business execution by Directors, assistance for Directors with legal compliance and other matters set out in the Articles of Incorporation of the Company or contracts.</p> <p>2. Vice President of the Company, Hueiping Lo, is currently the Head of Corporate Governance. She has more than three years of experience as a financial officer of a public company and meets the statutory qualifications as the head of corporate governance.</p>	<p>In line with the Corporate Governance Best-Practice Principles for TWSE- and TPEX-listed Companies.</p>



Appraisal Items	Actual Governance (Note 1)			Deviations from Corporate Governance Best-Practice Principles for TWSE-/ TPEX-listed Companies and Reason(s)
	Yes	No	Summary Description	
Board meetings and the Shareholders Meeting, etc.)?			<p>3. On June 12, 2019, the Company's Board of Directors also resolved to approve the "Standard Operating Procedures for Handling Directors' Requests" (which was lastly updated on April 9, 2021) pursuant to the rules, through the establishment of which the Directors have appropriate operating procedures for handling information necessary for the performance of their business.</p> <p>4. The business execution for the year 2024 are explained as follows:</p> <ul style="list-style-type: none"> <li>i. To manage the meetings of the Board of Directors and related committees, and to strengthen the procedures of meetings and recusal of interests.</li> <li>ii. To provide the directors with the information necessary for the execution of their business within the statutory period, to remind the directors of the relevant laws and regulations that they should comply with in the execution of their business or after the resolution of the board of directors, and to follow up on the situation and progress of the recommendations or opinions of the directors after the meeting.</li> <li>iii. To revise and amend the important regulations of the Company by adapting to the latest laws and regulations related to the Company's business field and corporate governance.</li> <li>iv. Based on the characteristics of the industry where the Company is operating, to handle matters related to directors' further education and regularly forward information on relevant external further education programs to assist directors in implementing the diversified education mechanism.</li> <li>v. To provide directors with the necessary corporate information, maintain smooth communication between directors and business executives, and assist in arranging communication meetings between independent directors and the chief audit executive and accountants to facilitate the execution of business by independent directors.</li> <li>vi. To conduct performance evaluations of the Board of Directors and functional committees.</li> <li>vii. To evaluate the purchase of appropriate directors and officers (D&amp;O) liability insurance.</li> <li>viii. To regularly present to the Board of Directors the international trends in corporate governance and the latest developments in corporate governance laws and regulations.</li> <li>ix. To conduct orientation sessions for new directors, introducing them to the industry, operational status, job responsibilities, and other important matters through interviews with the heads of various departments within the Company.</li> </ul>	
5. Has the company established channels for communicating with interested parties (including but not limited to shareholders, employees, customers, suppliers, etc.), set up a dedicated interested	Yes		The Company has been maintaining open communication channels with interested parties that include customers, shareholders, banks it has business dealings with, employees, suppliers, communities, competent authorities, or persons so connected with the Company. Communication channels can be found on the Company's internal and external websites as well as in its annual	In line with the Corporate Governance Best-Practice Principles for TWSE- and TPEX-listed Companies.



Appraisal Items	Actual Governance (Note 1)			Deviations from Corporate Governance Best-Practice Principles for TWSE-/ TPEX-listed Companies and Reason(s)
	Yes	No	Summary Description	
parties area on the company's website, as well as appropriately responded to important CSR issues that interested parties are concerned about?			<p>reports, to facilitate understanding of the Company's CSR issues that interested parties are concerned about, so that appropriate responses can be made.</p> <p>The Company has amended in 2020 the "Procedures for Interested Parties to Submit Complaints and Recommendations", through which interested parties can communicate with the Company's supervisory unit directly, propose constructive advice and file complaints.</p> <p>The Company has a contact channel on its website designated to stakeholders; a mailbox also exists on the employee portal site, thus providing internal and external personnel with a means to make suggestions and file complaints to the Company. Information received shall be handled by the Auditing Office.</p> <p>The Company regularly reports to the Board of Directors on its communications with various interested parties on an annual basis starting from 2019. The communications in 2024 have been reported to the Board of Directors at the board meeting on May 3, 2024. Details of both communications were disclosed on the Company's website: <a href="#">Annual Report on the Communications with Stakeholders</a>.</p>	
6. Has the company appointed a professional shareholders service agency to handle affairs related to the Shareholders Meeting?		No	The Company has handled such affairs by itself since March 1993.	Such matters are handled by the Company's shareholder service. Matters related to shareholders' meetings are conducted in accordance with the Company's Articles of Incorporation and laws and regulations, so that shareholders' meetings are convened in a legal, valid and safe fashion.
<p>7. Information disclosure</p> <p>(1) Has the company established a corporate website to disclose information regarding the company's financial, business and corporate governance statuses?</p> <p>(2) Has the company adopted other ways to disclose information (e.g., maintaining an English-language website, appointing responsible people to handle corporate information collection and disclosure, appointing</p>	Yes		<p>(1) Please visit Walsin Lihwa Corporation's Chinese/English website: <a href="https://www.walsin.com">https://www.walsin.com</a></p> <p>(2) The Company has a dedicated department for collecting its information and periodically updating its website. The Company has implemented one-spokesperson policy. It has also established the "Procedures for Handling Internal Material Information and Prevention of Insider Trading " that requires management as well as employees to properly keep financial as well as business secrets. We also require that personnel follow the "Corporate Governance Principles and Practices". Any change of our</p>	In line with the Corporate Governance Best-Practice Principles for TWSE- and TPEX-listed Companies.



Appraisal Items	Actual Governance (Note 1)			Deviations from Corporate Governance Best-Practice Principles for TWSE-/ TPEX-listed Companies and Reason(s)
	Yes	No	Summary Description	
<p>spokespersons, webcasting investor's conferences, etc.)?</p> <p>(3) Does the Company announce and report its annual financial report within two months after the end of the fiscal year, and announce and report its first, second and third quarter financial report and operations for each month well in advance of the required deadline?</p>	Yes		<p>spokesperson or deputy spokespersons shall immediately be made public.</p> <p>The Company's website regularly discloses major announcements, transactions with key stakeholders and investors conferences at: <a href="https://www.walsin.com/investors/shareholder/#pills-important-announcement">https://www.walsin.com/investors/shareholder/#pills-important-announcement</a></p> <p>(3) 1. In order for investors to obtain adequate and accurate financial information in a timely manner, the Company's annual financial report is submitted to the Audit Committee and the Board of Directors for approval within two months after the end of the year, and the financial report is announced on the Market Observation Post System on the date of approval by the Board of Directors; the financial report for the first, second and third quarter is submitted to the Audit Committee and the Board of Directors for approval one week before the statutory announcement deadline, and the financial report is announced on the Market Observation Post System on the date of report to the Board of Directors.</p> <p>2. The Company's operations for each month are also fully disclosed on the Company's website and the Market Observation Post System before the statutory deadline.</p>	
<p>8. Has the company had other information that is helpful for understanding the status of corporate governance (including but not limited to employee rights and interests, investor relations, supplier relations, rights of interested parties, further education sought by Directors and Supervisors, implementation of risk management policies and risk evaluation standards, implementation of customer policies, the taking out of liability insurance for Directors and Supervisors)?</p>	Yes		<p>1. Please refer to "(5) Our Fulfillment of Sustainable Development and differences between Our Fulfillment of Sustainable Development and the Development Best Practice Principles for TWSE/TPEX Listed Companies and reason(s) therefor" and "(6) Performance of ethical operations and differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor" under 3. Corporate Governance Status in II. Corporate Governance Report of this Annual Report for information concerning employee rights and interests, employee care, investor relations, supplier relations, rights of interested parties, and the implementation of the customer policies.</p> <p>2. Please refer to "(7) Other important information helpful for improving understanding of the governance of the company" under 3. Corporate Governance Status in II. Corporate Governance Report and "6. Risk Analysis and Assessment for the Following Items as of the Latest Year and up to the Date of Printing of the Annual Report" under V. Review of Financial Conditions, Financial Performance, and Risk Management of this Annual Report for the information regarding the implementation of directors' and supervisors' continuing education, risk management policies and risk measurement standards.</p> <p>3. The Company's purchase of D&amp;O liability insurance has been disclosed to the Market Observation Post System.</p>	In line with the Corporate Governance Best-Practice Principles for TWSE- and TPEX-listed Companies.
<p>9. With respect to the results of the annual Corporate Governance Evaluation most recently issued by the Corporate Governance Center of Taiwan Stock Exchange, please describe the improvements and provide priority and measures to enhance those matters that have not yet been improved.</p> <p>1. With respect to the 2023 Corporate Governance Evaluation results, our improvements in 2024 are as follows: We disclosed the video recording of the 2024 Annual Shareholders' Meeting on our corporate website.</p> <p>2. Improvement Priorities and Measures: The revision of the "Risk Management Policy and Procedures" clearly</p>				



Appraisal Items	Actual Governance (Note 1)			Deviations from Corporate Governance Best-Practice Principles for TWSE-/ TPEX-listed Companies and Reason(s)
	Yes	No	Summary Description	
			specifies the objectives of risk management, management procedures, and control mechanisms. At the same time, emerging risks are incorporated into the risk management system, focusing on global environmental changes and development trends. A comprehensive consideration of the business development and future outlook of the Company is undertaken, with emerging risks being identified regularly every year.	

Note 1: The Company shall provide explanations in the summary description box, regardless of whether actual governance is ticked "Yes" or "No."

Note 2: No more than 1% of the earnings of the Company for a given year may be distributed to its directors and managers as their remuneration for such year in accordance with Paragraph 1, Article 25 of the Company's Articles of Incorporation. In order to regularly assess the remuneration of directors and managers, directors and managers are remunerated according to their degree of participation in the Company's operations and personal performance, and in accordance with the Company's "Rules Governing the Compensation of Directors and Functional Members" and "Rules Governing the Evaluation of Manager's Performance and Management of Compensation". Such remuneration will be further calculated and reasonably paid in a proportion of such earnings by taking into consideration the evaluation items specified therein, such as the directors' individual professional input and performance, the manager's business strategy and medium- and long-term strategic plans, and how the policy plans and performance indicators at all levels are carried out in accordance with the current year's operating objectives. In addition, the director and manager remuneration system will be reviewed from time to time based on the actual operating status and relevant laws and regulations.

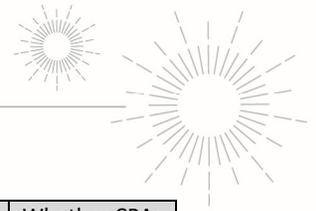
Note 3: Items for assessment of the CPA's independence

Appraisal Items	Results	Compliant with Independence?
1. The CPA and/or any of his/her family members has/have no direct or indirect significant financial interest in the Company.	True	Yes
2. The CPA and/or any of his/her family members has/have no financing or guarantee relations with the Company or its directors.	True	Yes
3. The CPA and/or any of his/her family members has/have no commercial relations with the Company, or any of its directors or managers.	True	Yes
4. Currently or in the most recent two years, the CPA does/did not hold any posts in the Company, such as the director, manager or any post which significantly influences the auditing work, neither did company promise its CPA any foregoing post.	True	Yes
5. At the time of the audit, no family member of the CPA held any position as a director or manager of the Company or that which had any direct and material influence on the audit.	True	Yes
6. During the audit period, no family member of the CPA held the posts in the Company, such as the director, managers or any post which directly and significantly influences the audit work.	True	Yes
7. The CPA did not receive from the Company or its directors, managers, or major shareholders any offer or gift, the value of which exceeds the usual social etiquette standards.	True	Yes
8. The CPA's audit team has implemented the necessary procedures regarding independence/conflicts of interests without any violation of the independence or any unsettled conflict of interests.	True	Yes

Note: Family members: They mean the CPA's spouse (or cohabitant), minors or other dependents.  
 Audit period: It usually begins from the date on which the members of the audit team start auditing and ends on the date when the audit report is issued. If the audit case is cyclical, the cycle period belongs to the audit period.

Items Evaluated under Audit Quality Indicators (AQIs)

Five major facets	AQIs	Focus of measurement	Whether CPAs meet the suitability or independence requirement
Professionalism	Audit Experience	Whether CPAs and senior auditors have sufficient audit experience to carry out the audit work	Yes
	Training hours	Whether CPAs and senior auditors have received sufficient education and training every year to continuously acquire professional knowledge and skills	Yes
	Attrition rate	Whether the CPA firm maintains sufficient senior human resources	Yes
	Professional support	Whether the CPA firm has sufficient professionals to support the audit team.	Yes



Five major facets	AQIs	Focus of measurement	Whether CPAs meet the suitability or independence requirement
Quality control	CPA workloads	Whether the workloads of CPA are too heavy	Yes
	Audit input	Whether audit team members have made inputs appropriately at each stage of the audit	Yes
	Engagement Quality Control Review	Engagement Quality Control Review (EQCR) is a review of whether CPAs have devoted sufficient hours to the audit case	Yes
	Quality control support capabilities	Whether the CPA firm has sufficient quality control manpower to support the audit team	Yes
Independence	Non-audit services	The impact of the proportion of annual fees for non-audit services on the independence of the CPA firm and its affiliates	Yes
	Familiarity with customer	The impact of the cumulative number of years of audit of the customer's annual financial reports on the independence of the CPA firm	Yes
Supervision	External inspection deficiencies and sanctions	Whether the CPA firm carries out its quality control and audit of the customer in accordance with relevant laws and regulations	Yes
	The competent authority issues a letter demanding improvement		Yes
Innovation capabilities	Innovative planning or initiatives	The CPA firm commits to improving audit quality, including the firm's innovation capability and planning	Yes

Note 4: The further education received by Independent Directors and other Directors is disclosed in "(8) Other important information helpful for improving understanding of the governance of the company" in this annual report.

#### (4) Composition, duties and operation of the Compensation Committee and the Nomination Committee:

##### 1. Compensation Committee

On September 27, 2011, the Company established the Compensation Committee and drew up the "Regulations Governing the Organization of the Compensation Committee". The Compensation Committee of the fourth term has four members and is comprised of four independent directors. The Committee is aimed at helping the Board establish and periodically review the performance appraisal of Directors and managers and the remuneration policy, system, standards and structure, as well as periodically review and determine the remunerations for Directors and managers.

##### (1) Information of the members of the Compensation Committee

Title	Name	Criteria	Qualifications and Experience	Independence	Number of Other Public Companies in which the Member also Serves as an on the Compensation Committee
Independent Director (Convener)	Ming-Ling Hsueh		Please refer to the "Disclosure of Professional Qualifications of Directors and Independence of Independent Directors" form on pages [12] to [13]		4
Independent Director	Fu-Hsiung Hu				1
Independent Director	Tyzz-Jiun Duh				4
Independent Director	Wei-Chuan Gau				1

##### (2) Information on Operation of the Compensation Committee

- A. The Company's Compensation Committee operates in accordance with the Company's Compensation Committee Charter and holds at least two regular meetings each year.
- B. There are 4 members of the Compensation Committee of the Company.



C. Term of office of the members of the 5<sup>th</sup> term: It started on May 19, 2023 and will end on May 18, 2026. The Compensation Committee met four times in 2024. The attendance records of the committee members in 2024 are as follows:

	Title	Name	Attended in Person	Attended by Proxy	Attendance Rate (%)
5 <sup>th</sup> Term	Convener	Ming-Ling Hsueh	4	0	100%
	Member	Fu-Hsiung Hu	4	0	100%
	Member	Tyzz-Jiun Duh	4	0	100%
	Member	Wei-Chuan Gau	4	0	100%

D. The matters for discussion and resolution by the Compensation Committee and the Company's handling of the opinions of the members of the Compensation Committee:

Term of Compensation Committee Meeting Date	Board of Directors Term Meeting Date	Proposals	Resolutions
5th Term 2nd Meeting 2024/01/19	20th Term 6th Meeting 2024/01/26	Proposal for 2023's managerial performance evaluation and bonus compensation	Compensation Committee:  The relevant proposals were passed with the consent of all members present and submitted to the Board of Directors for resolution.  Board of Directors:  All of the Directors present approved the proposals unanimously.
		Proposal for the distribution of the performance bonus for Chairman and Vice Chairman for 2023.	
		Proposal to set the goals of the Company's managers for 2024	
5th Term 3rd Meeting 2024/02/16	20th Term 8th Meeting 2024/02/23	Proposal for distribution of the Company's directors' and managers' remuneration for 2023	
5th Term 4th Meeting 2024/04/26	20th Term 11th Meeting 2024/05/03	Amendments to the Company's Regulations of Performance Evaluation and Remuneration of Managers	
5th Term 5th Meeting 2024/08/02	20th Term 12th Meeting 2024/08/02	Amendments to the Company's Regulations of Performance Evaluation and Remuneration of Managers	

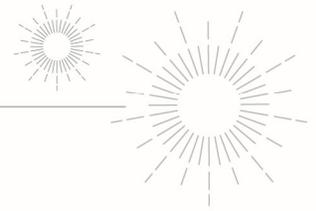
(3) Other details that need to be recorded:

Decisions made by the Compensation Committee for which certain committee members were against or had reservations that were recorded or expressed via written statements: None

(4) Scope of Duties of the Compensation Committee

A. The Compensation Committee shall exercise the care of a good administrator to faithfully perform the following duties and present its recommendations to the Board of Directors for discussion.

- (A) Periodically reviewing the Compensation Committee Charter and making recommendations for amendments.
- (B) Establishing and periodically reviewing the annual and performance goals for the directors and managers of the Company and the policies, systems, standards, and structure for their compensation, as well as disclosing the standards for evaluating their performance in the annual report.
- (C) Periodically assessing the degree to which performance goals for the directors and managers of the Company have been achieved, and setting the types and amounts of their individual compensation, as well as disclosing the director and manager compensation in the annual report.



- B. The Committee shall perform the duties under the preceding paragraph in accordance with the following principles:
- (A) Ensuring that the compensation arrangements of the Company comply with applicable laws and regulations and are sufficient to recruit outstanding talents.
  - (B) Performance assessments and compensation levels of directors and managerial officers shall take into account the general pay levels in the industry, as well as the reasonableness of the correlation between the individual's performance and the Company's operational performance and future risk exposure.
  - (C) There shall be no incentive for the directors or managerial officers to pursue compensation by engaging in activities that exceed the risk appetite of the Company.
  - (D) For directors and senior managerial officers, the percentage of remuneration to be distributed based on their short-term performance and the time for payment of any variable compensation shall be decided with regard to the characteristics of the industry and the nature of the Company's business.
  - (E) Reasonableness shall be taken into account when the contents and amounts of the compensation of the directors, supervisors, and managerial officers are set. It is not advisable for decisions on the compensation of the directors, supervisors, and managerial officers to run counter to financial performance to a material extent. It is not advisable for said compensation to be higher than that in the preceding year in the event of a material decline in profits or of long-term losses. If it is still higher than that in the preceding year, the reasonableness shall be explained in the annual report and reported at a shareholders' meeting.
  - (F) No member of the Committee may participate in discussion and voting when the Committee is deciding on that member's individual compensation.
  - (G) The Committee shall explain at the meeting the remuneration of any of its members that is to be discussed at such meeting. Such members shall not join the discussion and vote if it may do harm to the interests of the Company, and shall recuse themselves from the discussion and voting, and shall not exercise their voting rights on behalf of other members.

"Compensation" as used in the preceding two paragraphs includes cash compensation, stock options, profit sharing and stock ownership, retirement benefits or severance pay, allowances or stipends of any kind, and other substantive incentive measures. Its scope shall be consistent with the compensation for directors and managerial officers as set out in the Regulations Governing Information to be published in Annual Reports of Public Companies.

If the decision-making and handling of any matter relating to the remuneration of directors and managerial officers of a subsidiary is delegated to the subsidiary but requires ratification by the board of directors of the Company, the Committee shall be asked to make recommendations before the matter is submitted to the board of directors for deliberation.

## 2. Nomination Committee

- (1) The Committee shall be composed of at least three directors elected by the Board of Directors, in which a majority of the independent directors shall participate.
- (2) The Committee, under the authority of the Board of Directors, shall faithfully perform the following duties and responsibilities with the due care as a good administrator and shall submit its recommendations to the Board of Directors for discussion:
  - A. To establish the criteria of diversity and independence in terms of professional knowledge, technology, experience and gender required for board members and managers, and to identify, review and nominate candidates for directors and managers accordingly.
  - B. To establish the organizational structure of each functional committee and to review the establishment and amendment of the organizational rules and regulations of each functional committee.



- C. To establish and regularly review the directors' continuing education program and succession plans for directors and managers.
- D. To review the establishment and amendment of the Company's corporate governance and board of directors' operating rules and regulations.
- E. Other matters to be dealt with by the Committee as resolved by the Board of Directors.

(3) Professional qualifications and experience of the members of the Nomination Committee and its operations:

There are 5 members in the Nomination Committee of the Company of this term.

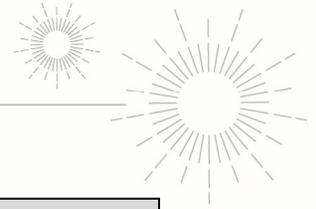
The term of office of the members: May 19, 2023 to May 18, 2026. For the professional qualifications and experience of the members of the current term, please refer to the table entitled "Disclosure of Professional Qualifications of Directors and Independence of Independent Directors" on pages [12] to [13]. The Nomination Committee met seven times in 2024, and the attendance of and the matters discussed by the members are as follows:

Title	Name	Personally Attended	Attended by Proxy	Attendance rate (%)	Remark
Convener	Wei-Chuan Gau	7	0	100%	
Member	Yu-Lon Chiao	7	0	100%	
Member	Ming-Ling Hsueh	7	0	100%	
Member	Fu-Hsiung Hu	7	0	100%	
Member	Tyzz-Jiun Duh	7	0	100%	

(4) Other matters that should be specified:

The results of the discussions and resolutions of the Nominating Committee and the Company's handling of the opinions of the members in 2024:

Term of the Nomination Committee Meeting Date	Term of the Board of Directors Meeting Date	Proposals and Resolutions	Company's Handling of Opinions of the Nominating Committee
2nd Term 3rd Meeting 2024/01/19	20th Term 6th Meeting 2024/01/26	Matters to be reported Proposal: Please review and approve the Company's 2023 Board of Directors and Functional Committees Performance Self-Evaluation Report, along with the results of the compliance review regarding Independent Directors' qualifications.	All members present were informed and submitted the proposal to the Board of Directors.
		Matters for discussion Proposal: Amendments to certain articles of the Company's Board of Directors Meeting Regulations.	The proposal was passed with the consent of all members present and submitted to the Board of Directors for resolution.
2nd Term 4th Meeting 2024/02/19	20th Term 8th Meeting 2024/02/23	Matters for discussion Proposal: Amendments to the Company's Audit Committee Charter.	The proposal was passed with the consent of all members present and submitted to the Board of Directors for resolution.
		Matters for discussion Proposal: Amendments to the Company's Sustainable Development Committee Charter.	The proposal was passed with the consent of all members present and submitted to the Board of Directors for resolution.



Term of the Nomination Committee Meeting Date	Term of the Board of Directors Meeting Date	Proposals and Resolutions	Company's Handling of Opinions of the Nominating Committee
2nd Term 5th Meeting 2024/03/11	20th Term 9th Meeting 2024/03/11	Matters to be reported Proposal: Proposal for the resignation of a director of the Company.	All members present were informed and submitted the proposal to the Board of Directors.
		Matters for discussion Proposal: Proposal to elect one director of the Company and to add items to the agenda of the Company's 2024 Annual General Meeting of Shareholders.	The proposal was passed with the consent of all members present and submitted to the Board of Directors for resolution.
2nd Term 6th Meeting 2024/03/29	20th Term 10th Meeting 2024/03/29	Matters for discussion Proposal: Proposal to nominate the candidates for the Directors of the Company of the 20th term.	The proposal was passed with the consent of all members present and submitted to the Board of Directors for resolution.
2nd Term 7th Meeting 2024/05/03	20th Term 11th Meeting 2024/05/03	Matters to be reported Proposal: Please review the results of the Company's 2024 annual corporate governance evaluation and the report on its 2024 annual improvement plan.	All members present were informed and submitted the proposal to the Board of Directors.
2nd Term 8th Meeting 2024/07/26	20th Term 12th Meeting 2024/08/02	Matters to be reported Proposal: Proposal to engage the Taiwan Corporate Governance Association to organize the performance evaluation project for the Company's Board of Directors (to be conducted once every three years).	All members present were informed and submitted the proposal to the Board of Directors.
		Matters for discussion Proposal: Amendments to the Company's Sustainable Development Committee Charter.	The proposal was passed with the consent of all members present and submitted to the Board of Directors for resolution.
2nd Term 9th Meeting 2024/08/02	20th Term 12th Meeting 2024/08/02	Matters for discussion Proposal: Proposal to appoint and/or dismiss the Company's managers.	The proposal was passed with the consent of all members present and submitted to the Board of Directors for resolution.

Note: The chairman of the meeting was Convener Wei-Chuan Gau, Independent Director.

(5) Our fulfillment of sustainable development:

1. The Company established the board-level Sustainable Development Committee on November 1, 2019.

According to the Walsin Lihwa Corporation Sustainable Development Committee Charter, the Committee convenes at least twice annually. In 2024, meetings were held on July 26 and December 13, during which the Committee reported to the Board of Directors on the implementation results for the current year and the implementation plans for the following year.

2. The Sustainable Development Committee consists of six members, including one Chairman, four Independent Directors, and one Advisor. The Committee's primary responsibilities include:

- (1) Formulating corporate sustainability-related policies, strategies, objectives, and management guidelines.
- (2) Establishing or modifying subordinate implementation centers, reviewing annual plans of these centers,



supervising and tracking the implementation progress and results of each center and related matters, and reporting regularly to the Board of Directors.

(3) Attending to issues of concern to various stakeholders, including shareholders, customers, suppliers, employees, government, non-profit organizations, communities, and media, and supervising communication plans and sustainability information disclosure matters, as well as reviewing and approving the content of the sustainability report.

(4) Identifying sustainability-related risks and opportunities following the Enterprise Risk Management framework, and regularly monitoring and controlling various important risks.

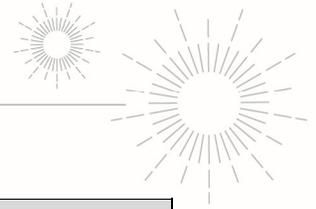
(5) Supervising the Company's business practices under the Sustainable Development Practice Principles or other matters that the Board of Directors resolves to instruct the Committee to handle.

On June 1, 2023, a new position of Chief Sustainability Officer was created to lead the operations of the Sustainability Office and various promotion centers. The details regarding the management matters and organizational structure are as follows:



Duties of the Five Major Promotion Centers under the Committee and the Sustainability Office:

Promotion Center	Roles and Responsibility
Ethical Management	It is responsible for formulating and promoting policies and systems related to ethical management, integrating integrity and ethical values into the Company's business strategies, supervising and reporting the execution results, and evaluating the effectiveness of the preventive measures established to implement ethical management.
Environment, Safety and Health	It is responsible for formulating our environmental protection (including green energy and sustainable ecology and environment), safety, health, energy and carbon management policies and action plans, collaborating with the Human Resources Department to implement measures to protect mothers from illegal abuse, and overseeing and reporting on the implementation performance. It carries out the interdepartmental integration and implementation promotion on related issues above.
Green Operation	It is responsible for formulating the green operation strategy, promoting circular economy, optimizing green manufacturing processes, exploring green produces and services with future value, and overseeing and reporting on the implementation performance. It carries out the interdepartmental integration and implementation promotion on related issues above.
Customer Service and Supplier Management	It is responsible for formulating policies and implementation plans for the improvement of customer service quality and supplier management, overseeing and reporting on the implementation performance. It carries out the interdepartmental integration and implementation promotion on related issues.
Employees Relations and Social Care	It is responsible for promoting and building a safe and healthy working environment for employees to fully utilize their talents for reasonable compensation and benefits. It also promotes and deepen the Company's influence in the field of public welfare by actively participating in four major aspects, i.e., corporate citizens, caring for minorities, environmental protection and cultivation, and strengthening community relationships, so as to pay back to society with concrete, continuous action.



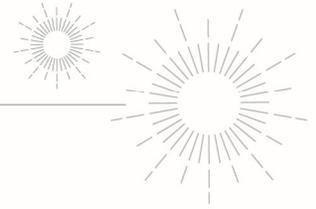
Promotion Center	Roles and Responsibility
Sustainability Office	The committee is tasked with managing meeting affairs, formulating and compiling the structure of the annual sustainability report, identifying sustainability issues that require attention, and developing corresponding action plans. It also assists in the planning and execution of sustainability development strategies, liaises, coordinates, and integrates operations related to various promotion centers, and manages and tracks the performance of sustainability issues across all aspects, while establishing continuous improvement plans, and reporting execution results and work plans to the committee.

3. The current committee's term runs from May 19, 2023 to May 18, 2026. In 2024, the Sustainable Development Committee held 5 meetings. The professional qualifications, experience, and operational details of the Sustainable Development Committee are as follows:

Identity	Name	Sustainability-Related Professional Knowledge and Capabilities	Actual Number of Attendances	Number of Attendances by Proxy	Actual Attendance Rate (%)
Convener (Independent Director)	Tyzz-Jiun Duh	Specialty: He has served as an independent director for multiple publicly traded companies and as a consultant to various new energy firms, demonstrating expertise in implementing green energy and environmental protection strategies and guiding organizations toward sustainable development goals. Education & Work Experience: Ph.D., Institute of Forestry, National Taiwan University; Director General of the Department of Commerce of the Ministry of Economic Affairs; Director General of the Department of Information Technology of the Ministry of Economic Affairs; Director General of the Industrial Development Bureau of the Ministry of Economic Affairs; Minister of the Ministry of Economic Affairs; Chairman of the National Development Council; Vice Premier of the Executive Yuan; CEO of Taoyuan Industrial Commercial Development & Investment Promotion Committee.	5	0	100%
Member (Chairman)	Yu-Lon Chiao	Specialty: He has led companies to achieve sustainable development and possesses professional expertise in Environmental, Social, and Governance (ESG) matters. Education & Work Experience: Business Administration Department, University of Washington; The Company's former President and Vice Chairman.	5	0	100%
Member (Independent Director)	Ming-Ling Hsueh	Specialty: He previously served as both a member and convener of the sustainability development committee for a prominent publicly traded company in Taiwan, as well as an executive director of the Taiwan Corporate Governance Association, where he regularly participated in corporate governance evaluations and initiatives to promote sustainable development. Education & Work Experience: Soochow University, Master in Accountancy; Bloomsburg University of Pennsylvania, Master of Business Administration; PwC Taiwan Director; Executive Director, Taiwan Corporate Governance Association; Adjunct Professor, School of Science and Technology Management, National Tsing Hua University; Adjunct	5	0	100%



Identity	Name	Sustainability-Related Professional Knowledge and Capabilities	Actual Number of Attendances	Number of Attendances by Proxy	Actual Attendance Rate (%)
		Professor, School of Management, National Taiwan University of Science and Technology.			
Member (Independent Director)	Fu-Hsiung Hu	Specialty: He has overseen relevant government departments in the areas of economy, energy, and agriculture, and possesses professional capabilities in finance and ESG matters, enabling him to guide enterprises toward sustainable development. Education & Work Experience: M.A., Graduate School of Business, National Taiwan University; Managing Director, Central Trust Bureau; Director of Mega Bank; Director of Department of Economic Energy and Agriculture, Executive Yuan; Vice Chairman of Council of Agriculture; Chairman of National Animal Industry Foundation, Institute of Animal Science and Technology, Joint Credit Information Center, and Taiwan Cooperative Securities	5	0	100%
Member (Independent Director)	Wei-Chuan Gau	Specialty: He has professional competence in auditing, accounting control, and ESG; he has also published a book examining the correlation between enterprises' true value and stock prices, analyzed from the perspective of carbon emissions. Education & Work Experience: Ph.D. in Accounting, Business School, Renmin University of China, Master of Business Administration, Baruch College, City University of New York, Computer Auditing Joint Course Diploma, NYU/Coopers & Lybrand, Bachelor of Accounting, Department of Business, National Taiwan University; Vice Chairman of KPMG Taiwan Inc.; Executive Director of KMPG Taiwan; Head of Insurance Business of KMPG Taiwan; CPA & Counselor of Audit Department of KMPG Taiwan; Director & CFO of Maxpro Capital Acquisition Corp.	5	0	100%
Member (Advisor)	Patricia Chiao	Specialty: She protects human rights and employee interests; actively promotes a positive corporate culture within the Company, with the ability to develop stakeholders for sustainable development. Education & Work Experience: MBA at College of Notre Dame; the Company's former Assistant Vice President of Investment Dept., Assistant Vice President of Financial Dept., Head of Financial Investment Dept., Assistant Vice President of Commodity Center and Financial Investment Management Center, President of Insulated Wire & Cable BU.	2	1	40%

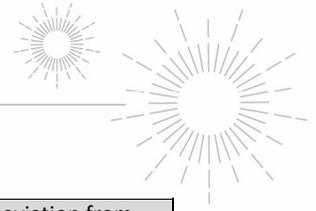


Meeting Date	Proposals	Discussion/Resolution
3rd Term 4th Meeting 2024/02/19	Amendments to the Company's Sustainable Development Committee Charter.	This proposal was passed by all members present unanimously after the consultation therewith by the chairman, and was submitted to the Nomination Committee for approval and then sent to the Board of Directors for resolution.
3rd Term 5th Meeting 2024/05/03	Proposal to approve the Company's 2023 Sustainability Report.	This proposal was passed by all members present unanimously after the consultation therewith by the chairman, and was submitted to the Board of Directors for resolution.
3rd Term 6th Meeting 2024/07/26	Report on the implementation of the work of the Committee in the first half of 2024.	All members were informed, and this proposal was submitted to the Board for report.
	Amendments to the Company's Sustainable Development Committee Charter.	This proposal was passed by all members present unanimously after the consultation therewith by the chairman, and was submitted to the Nomination Committee for approval and then sent to the Board of Directors for resolution.
3rd Term 7th Meeting 2024/08/02	Proposal to donate NT\$15 million to apply for the establishment of Walsin Lihwa Sustainability Foundation.	After the chairman consulted with the other members present, the foundation was named "Walsin Lihwa Sustainable Development Foundation." This proposal was passed by all members present unanimously and was submitted to the Board of Directors for resolution.
3rd Term 8th Meeting 2024/12/13	Proposal to approve the analysis results of the Company's 2024 major sustainability themes, in order to formulate long-term sustainability goals and communication policies with stakeholders.	This proposal was passed by all members present unanimously and was submitted to the Board of Directors for resolution; in accordance with the opinions of Independent Directors, "Human Rights Protection and Diversity & Inclusion" has been added to the sustainability issues consideration list for 2025.
	Proposal to review and approve the execution results of each promotion center for 2024 and the execution plans for 2025.	This proposal was passed by all members present unanimously after the consultation therewith by the chairman, and was submitted to the Board of Directors for resolution.
	Proposal to approve the plan to adopt International Financial Reporting Standards ("IFRS") Sustainability Disclosure Standards.	This proposal was passed by all members present unanimously after the consultation therewith by the chairman. Due to the urgent timeline for implementing the IFRS Sustainability Disclosure Standards, information tools need to be utilized to improve efficiency.



The Differences between Our Fulfillment of Sustainable Development and the Development Best Practice Principles for TWSE/TPEX Listed Companies and reason(s) therefor:

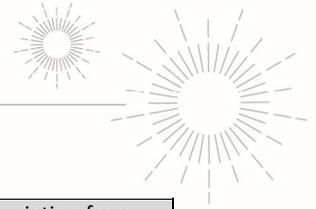
Promotion items	Actual Implementation		Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor
	Yes	No	
I. Has the Company established a governance structure to promote sustainable development and set up a dedicated (or part-time) unit to promote sustainable development, which unit is handled by senior management as authorized by the Board of Directors? And how does the board of directors supervise the same?	Yes		<p>1. The Company (Note 1)'s 7<sup>th</sup> meeting of the Board of Directors of the 17<sup>th</sup> term approved the establishment of the "Corporate Social Responsibility Committee" in April 29, 2015, and the 17<sup>th</sup> meeting of the Board of Directors of the 18<sup>th</sup> term in November 1, 2019 approved the establishment and organizational charter of the "Sustainable Development Committee" by merging the existing "Corporate Social Responsibility Committee" and "Ethical Management Committee". The establishment and the appointment of its members have been approved by the Board of Directors, and the Sustainable Development Committee is responsible for developing corporate sustainability strategies and visions to promote CSR-related work and management.</p> <p>2. The Sustainable Development Committee is composed of six members, with an Independent Director acting as the Convener. The Committee has five promotion centers, including the Ethical Management Promotion Center, the Environment, Safety and Health Management Promotion Center, the Green Operation Promotion Center, the Customer Service and Supplier Management Promotion Center, and the Employee Relations and Social Care Promotion Center.</p> <p>3. The Board of Directors receives regular reports on operations, finance, corporate governance, sustainability issues, etc. every year. Through the diverse experience of its members, the Board offers broad and professional opinions to assist the Company in making appropriate decisions and guiding the Company in a clear strategic direction. In 2024, five meetings of the Sustainable Development Committee were held, with the agenda as follows:            (1) Financial Supervisory Commission (FSC) Sustainable Development Path Planning            (2) Tracking of Current Year Implementation Plans            (3) Reporting on Current Year's Implementation Plan Results and Next Year's Implementation Plans            (4) Materiality Analysis Results and Sustainability Report            (5) IFRS Sustainability Disclosure Standards            The progress for the first half of 2024 was reported to the Board of Directors on July 26, 2024, and the execution results for 2024 and 2025 implementation plan were approved by resolution of the Board of Directors on December 13, 2024.</p>
II. Does the Company conduct risk assessments of environmental, social and corporate governance issues related to the Company's operations and formulate relevant risk	Yes		<p>1. This disclosure covers the Company's sustainability performance at its major locations from January to December 2024. The risk assessment boundary primarily focuses on the Company, including major operating locations in Taiwan, Mainland China, Indonesia, and Italy</p>



Promotion items	Actual Implementation		Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor
	Yes	No	
management policies or strategies in accordance with the principle of materiality? (Note 2)		<p>(Note 3), and covers some subsidiaries. The disclosed information accounts for over 75.0% of the consolidated revenue in 2024. If quantitative information has other significance, it will be explained in the notes.</p> <p>2. The Company refers to the five major principles of the AA1000 SES Stakeholder Engagement Standard, including accountability, influence, tension, diversity of perspectives, and dependency, to identify and prioritize the relationship levels of stakeholders. For significant topics, it considers international sustainability standards and norms, international sustainability ratings, United Nations Sustainable Development Goals, and industry trends. Through interaction and communication with stakeholders, senior management draws up a matrix of significant concern issues based on the "degree of positive and negative impacts on the economy, environment, and people" and "the likelihood of impact events" following the principle of double materiality. These issues, after being validated by the Sustainable Development Committee, are incorporated as references for the Company's operations and the promotion of a sustainable development blueprint, and appropriate measures are taken in a timely manner to strengthen risk assessment and information disclosure on various issues, while also integrating into the Company's overall risk management.</p> <p>3. In order to ensure the sound operation and sustainable development of the Company, it has formulated the Rules for Risk Management Policies and Procedures to establish an overall risk management system. The Board of Directors, the Audit Committee, the Auditing Office, the President and the President's Office, each risk management unit, and each unit and subsidiary of the Company are collectively involved in promoting the implementation of relevant risk management measures. The Company has also established the Sustainable Development Committee Charter. Following the Enterprise Risk Management framework, the Sustainable Development Committee identifies sustainability-related risks and opportunities, and regularly monitors and controls various important risks.</p> <p>4. On January 26, 2024, the Board of Directors resolved to amend the Risk Management Policy and Procedures, clearly defining risk management objectives, management procedures, and control mechanisms; at the same time, emerging risks are incorporated into the risk management system, with a focus on global environmental changes and development trends, by comprehensively considering the business development and future prospects of the Company and annually identifying emerging risks.</p>	



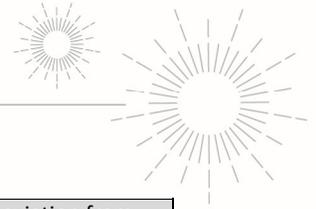
Promotion items	Actual Implementation			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor
	Yes	No	Summary description	
			<p>5. For the purpose of reducing the impact and influence of internal and external risks, the Company's governance units and other risk management units have identified risks related to environmental, social and corporate governance issues and planned relevant management and control measures in accordance with the principle of materiality, the business and operational characteristics of the Company. The results of risk assessments (including management policies, strategies or mechanisms for each risk category) are summarized in Note 4.</p> <p>Risk identification is regularly carried out in a systematic manner, and the identified risks are measured and monitored by each risk management unit. The above operation in 2024 has been reported to the Board of Directors on November 8, 2024 (for the report, please refer to <a href="https://www.walsin.com/wp-content/uploads/2024/11/2024RiskManagement_CN.pdf">https://www.walsin.com/wp-content/uploads/2024/11/2024RiskManagement_CN.pdf</a>).</p>	
<p>III. Environmental Issues</p> <p>(1) Has the Company established a proper environmental management system based on the characteristics of its industry?</p>	Yes		<p>(1)</p> <p>1. The Company has complied with all environmental, health, safety, and energy-related regulations or other requirements, and established environmental, health, and safety policies and related management procedures. The Company's Environmental, Health and Safety Promotion Center under the Sustainable Development Committee has set targets for energy saving and carbon reduction, water management and waste reuse in accordance with Walsin Lihwa Environmental, Health and Safety Policy, including a 10% carbon reduction by 2025 compared to 2014, a 15% reduction in water use in 2030 compared to 2014, and capital expenditures to replace production equipment, develop green processes, and promote source improvement. Please refer to Chapter 1 (Climate Actions and Environment Management) of the 2024 Annual Sustainability Report or the "Climate Actions and Environment Management" page of the Corporate Sustainability Section on the Company's website (<a href="https://esg.walsin.com/zh_TW/focus/climate">https://esg.walsin.com/zh_TW/focus/climate</a>) for related specific results.</p> <p>2. The environmental management of the Company's plants has been carried out in accordance with government regulations and international environmental protection conventions. The Company's plants have all received the "Environmental Management System" (ISO 14001:2015) certification. The Company will also continue to improve and refine our environmental management performance. Please refer to the Company's website - Document Center - Environmental Safety and Health Policy and Related Certificates</p>	In line with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.



Promotion items	Actual Implementation		Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor
	Yes	No	
(2) Has the company made efforts to improve the efficiency of resources utilization and use recycled materials which have a low impact on the environment?	Yes		<p>(2)</p> <p>1. The Company strives to be an environmentally sustainable enterprise, and increases its investment in energy saving, carbon reduction, and resource recycling software and hardware year by year, such as "control of reasonable energy consumption per unit of the product", "equipment energy efficiency management and improvement", "reduction of smelting process energy consumption and carbon emission", waste heat recovery and process technology improvement (such as pure oxygen combustion technology and yield improvement), and green power installation (such as solar energy). In 2024, the unit product thermal emission intensity for wire and cable and stainless steel in Asia plants decreased by 40.26% and 26.51% respectively compared to 2023. The target for unit product energy consumption reduction in 2025 is set at 1.5% lower than 2024.</p> <p>2. The Company mainly produces wire and cable and stainless steel. After these two types of products have gone through the stages of production, use and disposal, they can be recycled and reused to return to their life cycle, which is in line with the concept of recycling for new products in a circular economy. Regarding the use of raw materials and materials used for packaging, in addition to continuously raising the rate of using recycled stainless steel and carbon steel as raw materials, Walsin also considerably uses recycled pallets, iron frames, iron (wood) shafts, wooden plates, and iron plates as packaging materials for copper wire and cable. In 2024, approximately 90.83% of the products produced by Cable &amp; Wire Business Group used recycled raw materials and approximately 53.28% of those products used recycled packaging materials; approximately 46.65% of the products produced by Stainless Steel Business Group used recycled raw materials for scrap steel.</p> <p>3. For specific results, please refer to Section 1 "Climate Action and Environmental Management" and Section 4 "Transition to High Value and Smart Manufacturing" of the 2024 Annual Sustainability Report, or visit the "Transition to High Value and Smart Manufacturing" page in the Corporate Sustainability section of the Company's website "Climate Action and Environmental Management" (<a href="https://esg.walsin.com/zh_TW/focus/climate">https://esg.walsin.com/zh_TW/focus/climate</a>) "Transition to High Value and Smart Manufacturing" (<a href="https://esg.walsin.com/zh_TW/focus/smart">https://esg.walsin.com/zh_TW/focus/smart</a>).</p>



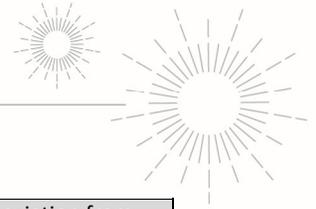
Promotion items	Actual Implementation			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor
	Yes	No	Summary description	
(3) Has the company assessed the current and future potential risks and opportunities of climate change for the business and taken measures to address climate related issues?	Yes		<p>(3)</p> <p>The Company has formulated its risk management policies and procedures to incorporate climate change and environmental risks into its management framework in accordance with its business operations and operating characteristics. The Company also introduced the Climate Related Financial Disclosures (TCFD) and international sustainability disclosure standards &lt;IFRS S2: Climate-related Disclosures&gt; to set up a solid framework and execution plan for managing risks and opportunities relating to climate change. In accordance with the recommendations of the Climate Related Financial Disclosures (TCFD), in 2023, we set up different climate scenarios, evaluated possible climate-related risks and opportunities, studied international climate change trends and industry-related trends, and assessed internal and external stakeholder attitudes, thereby identifying the climate-related risks and opportunities for Walsin Lihwa. In 2024, the Company formally implemented &lt;IFRS S2: Climate-related Disclosures&gt;. In the future, we will further refine climate scenario settings, comprehensively assess potential climate-related risks and opportunities, and strengthen our analysis of international climate change and industry trends. Simultaneously, by integrating key concerns of internal and external stakeholders, we will continue to identify the Company's risks and opportunities in the climate change domain, ensuring that relevant strategies and actions meet the expectations of all parties. Please refer to Chapter 1 (Climate Actions and Environment Management) of the 2024 Annual Sustainability Report or the "Climate Actions and Environment Management" page of the Corporate Sustainability Section on the Company's website (<a href="https://esg.walsin.com/zh_TW/focus/climate">https://esg.walsin.com/zh_TW/focus/climate</a>) for related contents. The assessment and response measures for climate change-related risks and opportunities are listed in the "Climate-related Information" section of this Annual Report.</p>	In line with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.
(4) Has the Company compiled statistics on greenhouse gas (GHG) emissions, water consumption and total weight of waste in the past two years, and formulated policies on energy conservation, carbon reduction, GHG reduction, water consumption reduction or other waste management?	Yes		<p>(4)</p> <p>1. The Company's energy-saving and carbon-reduction strategy is to "implement lean production management", "control reasonable energy consumption per unit of the product", "manage and improve equipment energy efficiency", and "reduce energy consumption and carbon emissions in the smelting process". In addition, the Company will increase the investment in software and hardware for energy saving, carbon reduction and resource recycling year by year, such as green raw materials, waste recycling/regeneration (such as recycling waste metals to replace natural mineral mining, waste plastic recycling plastic pellets, and waste acid regeneration), water resources recycling (such as</p>	In line with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.



Promotion items	Actual Implementation			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor																		
	Yes	No	Summary description																			
			<p>process cooling water recycling and reuse of reclaimed water), energy recycling (such as waste heat recovery) and process technology improvement (such as pure oxygen combustion technology and yield improvement), end-of-line reuse and disposal (such as furnace slag), and investment in green power constructions (such as solar energy). etc.</p> <p>2. Our annual statistics on greenhouse gas emissions, water consumption and total waste volume indicate total greenhouse gas emissions of 593,721.22 metric tons of CO<sub>2</sub>e, total water consumption of 14,942 million liters and total waste of 226,541.93 metric tons in 2024, a decrease by 11.89%, an increase by 5.79%, and a decrease by 9%, respectively, compared to 2023.</p> <p>(1) Greenhouse gas emissions for the last 2 years (by the plants of the Company based in Taiwan, Mainland China, and Malaysia) Unit: CO<sub>2</sub>e(metric tons)/Product(metric tons)</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Scope 1</th> <th>Scope 2</th> <th>Emissions per Copper Wire Product</th> <th>Emissions per Wire and Cable Product</th> <th>Emissions per Stainless Steel Product</th> </tr> </thead> <tbody> <tr> <td>2023</td> <td>203,986.19</td> <td>326,624.40</td> <td>0.352</td> <td>0.134</td> <td>0.583</td> </tr> <tr> <td>2024</td> <td>230,323.60</td> <td>363,397.62</td> <td>0.320</td> <td>0.127</td> <td>0.608</td> </tr> </tbody> </table> <p>(2) Water consumption for the last 2 years (by the plants of the Company based in Taiwan, Mainland China, and Malaysia) The Company is committed to proper water resource management and optimizing recycling and utilization, conducting water resource risk impact analysis and operational continuity planning. We have established a management model based on "source management," "source reduction," and "recycling utilization" to ensure continuous operation of the Company's water systems and to proactively develop contingency mechanisms for water shortages. Through the environmental and safety database "Water Resource Data Platform," we perform water balance analysis for each plant and compare with historical data from the same period to implement management and improvements. To address the risk of water scarcity, overseas high-risk plants (Yantai Walsin) have adopted zero wastewater discharge and increased reclaimed water reuse. In 2024, tap water withdrawal in Taiwan and overseas (Asia) regions increased by 2.37% compared to 2023, primarily due to increased production at the Yangmei Plant, Yantai Walsin, and Walsin Precision (Malaysia), resulting in higher overall water consumption.</p>	Year	Scope 1	Scope 2	Emissions per Copper Wire Product	Emissions per Wire and Cable Product	Emissions per Stainless Steel Product	2023	203,986.19	326,624.40	0.352	0.134	0.583	2024	230,323.60	363,397.62	0.320	0.127	0.608	
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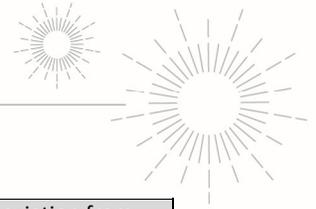
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			<p>Unit: Million liters / product (metric tons)</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Total Water Consumption</th> <th>Water Consumption per Product</th> </tr> </thead> <tbody> <tr> <td>2023</td> <td>14,125</td> <td>13.59</td> </tr> <tr> <td>2024</td> <td>14,942</td> <td>13.54</td> </tr> </tbody> </table> <p>Note: The above figures are sourced from Section 1.3.1 of the Sustainability Report, Water Resource Utilization.</p> <p>(3) Waste output for the last 2 years (by all plants of the Company in Taiwan, China, and Malaysia)</p> <p>Regarding waste management, the Company follows the 4R principles (Reduction, Reuse, Recycling, and Recovery) to continuously improve reuse rates. In 2024, the overall waste recycling and reuse rate for copper wire, power cables, and stainless steel products reached 94.43%, with non-hazardous waste at 98.87% and hazardous waste at 86.81% (excludes CAS). Waste output from plants in Taiwan and mainland China decreased by 8.72% compared to 2023. However, the overall waste reuse rate for Taiwan plants increased by 1.22% compared to 2023, primarily benefiting from the Yenshui Plant transporting all waste acid to the Taichung Plant for waste acid treatment and reuse, as well as process improvements that effectively reduced dust and sludge production, thereby achieving the goal of maintaining a landfill rate below 1% for all of our plants in Taiwan.</p> <p>Unit: metric tons/product (metric tons)</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Hazardous Wastes</th> <th>Non-Hazardous Wastes</th> <th>Output per Product</th> </tr> </thead> <tbody> <tr> <td>2023</td> <td>72,668</td> <td>175,507</td> <td>0.24</td> </tr> <tr> <td>2024</td> <td>83,402</td> <td>143,140</td> <td>0.21</td> </tr> </tbody> </table> <p>3. Our Taiwan plants have obtained ISO14064-1:2018, ISO50001 certification and ISO 14067:2018 (Hsinchuang Plant), and our overseas plants have obtained ISO50001 certification. The list of our certified plants is available in Section 1.2 of the Sustainability Report, Energy and Greenhouse Gas Management. Please refer to the Company's website - Document Center - Environmental Safety and Health Policy and related certificates (<a href="https://www.walsin.com/about-us/newsroom/#pills-reports-document">https://www.walsin.com/about-us/newsroom/#pills-reports-document</a>) for relevant verification standards.</p> <p>4. The Company's 2024 Sustainability Report has been verified by the British Standards Institution Taiwan Branch (BSI Taiwan), an independent third-party verification body, confirming that it complies with the GRI Standards, AA1000 AS v3 Type II moderate level of assurance, and follows the AA1000 Accountability Principles (2018). Please refer to</p>	Year	Total Water Consumption	Water Consumption per Product	2023	14,125	13.59	2024	14,942	13.54	Year	Hazardous Wastes	Non-Hazardous Wastes	Output per Product	2023	72,668	175,507	0.24	2024	83,402	143,140	0.21	
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	Yes	No	
			the appendix of the Sustainability Report for the verification statement.
IV. Social Issues (1) Has the Company established its management policies and procedures in accordance with relevant laws, regulations, as well as international conventions regarding human rights?	Yes		<p>(1) The Company supports and adheres to all internationally recognized human rights conventions and protection guidelines, including but not limited to the Universal Declaration of Human Rights, United Nations Global Compact, International Labor Organization Declaration on Fundamental Principles and Rights at Work, United Nations Guiding Principles on Business and Human Rights, and United Nations Declaration on the Rights of Indigenous Peoples, treating all employees fairly, reasonably, and respectfully while extending this philosophy to our business partners. The Company's human rights policy is published on our corporate website. A summary of our human rights management policies and specific initiatives is as follows:</p> <ol style="list-style-type: none"> <li>1. Implementation of gender work equality: We comply with the Act of Gender Equality in Employment to protect the gender equality in work rights. The Company does not discriminate on the basis of gender in recruitment, screening, hiring, position determination, performance appraisal, promotion, educational training, and welfare and benefits, except when certain positions are only suitable for a specific gender.</li> <li>2. Employment of people with physical and mental disabilities: We protect the employment opportunities of people with physical and mental disabilities, and the number of our employees with physical and mental disabilities are more than that required by the People with Disabilities Rights Protection Act and the Indigenous Peoples Employment Rights Protection Act.</li> <li>3. Creating a diverse and inclusive culture: We respect basic human rights that are internationally recognized, do not discriminate our employees on the basis of gender, race, age, marital status, political stance, religious beliefs, physical or mental challenges, place of birth, nationality, etc., encourage the exchange of ideas, value team members by making them feel kindness and respect, and actively create a diverse and inclusive workplace.</li> <li>4. Establishing a complaint channel: The Company's Auditing Office has set up an email address for complaints and a dedicated person to receive them. For sexual harassment prevention and control, we have formulated the "Workplace Sexual Harassment Prevention and Control Measures for Complaints and Discipline" to protect gender equality at work and to provide a working environment where employees and visitors to our office are free from sexual harassment. In the event of any sexual harassment, the victim or his or her agent may file a complaint with the Sexual Harassment</li> </ol>



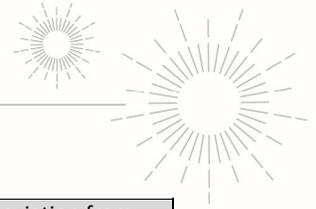
Promotion items	Actual Implementation			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor
	Yes	No	Summary description	
			<p>Complaint Committee either verbally or in writing. In addition, the Company has established relevant regulations in its internal documents to protect the human rights of employees and set up a complaint channel for employees in the event that their legal rights are violated or improperly handled, and that such issue cannot be resolved in a reasonable manner.</p> <p>5. Implementation of human rights protection training: In 2024, we strengthened human rights-related education and training, including multiple courses such as Workplace Friendliness Promotion Series, Personal Data Protection Act, Workplace Harassment Prevention, and Human Rights Education and Training specifically for management levels, totaling 5,208.22 hours.</p>	
(2) Has the company established and implemented reasonable employee benefit measures (including compensation, vacation and other benefits) and properly reflected operating performance or results in employee compensation?	Yes		<p>(2)</p> <p>1. Employee Benefits: The Company attaches importance to the physical and mental health and welfare of our employees by organizing book clubs, seminars and competitions from time to time, in order to increase exchanges among colleagues and to achieve work-life balance. The Company also provides comprehensive and diversified welfare measures. The Employee Welfare Committee was established to handle various welfare matters, including wedding and funeral celebrations; maternity; company travel; club subsidies; bonuses for three festivals, Labor Day, and birthday; children's scholarships; interest-free loans; and hospitalization grants. To improve the overall operational performance of the Company, it has work rules and management regulations, which cover basic wages, working hours, annual leaves more than what is provided in the Labor Standards Act, meal/transportation/communication subsidies, group insurance and health check-ups, and the provision of staff restaurants, dormitories, transportation vehicles, parking spaces, etc.</p> <p>2. Reflection of business performance in employee compensation: Article 25-1 of the Company's Articles of Incorporation stipulates that if the Company reports a profit for the year, no less than 1% shall be allocated as employee compensation and no more than 1% as director compensation. Employee compensation may be distributed in the form of stock or cash. Recipients may include employees of controlled or subsidiary companies who meet certain criteria. The Board of Directors is authorized to separately determine the related conditions and distribution methods.</p> <p>The Company conducts regular market salary surveys to ensure that its overall compensation structure is competitive; it also provides performance bonuses and production bonuses based on the Company's operational performance, the achievement of team goals, and</p>	In line with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.



Promotion items	Actual Implementation			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor
	Yes	No	Summary description	
			<p>individual employees' performance, to motivate those who have performed well.</p> <p>3. Workplace diversity and equality: The Company's primary operations are in the manufacturing of wire, cable, and stainless steel, which are labor-intensive industries. As heavy machinery operation work at production sites is primarily performed by male employees, the proportion of male employees exceeds that of female employees. Under the principle of equal pay for equal work and promotion opportunities, both male and female employees have equal and reasonable opportunities. In 2024, female employees represented 12.5% of our workforce, with women holding 19.5% of management positions.</p>	
(3) Has the company provided a safe and healthy work environment for employees and provided education on safety and health for employees on a regular basis?	Yes		<p>(3)</p> <p>1. In order to protect the health and safety of employees, in addition to the necessary training required by law and regulations, our annual safety training plan has been conducted according to the operation of each department, each job type on site, and each business unit. In 2024, we offered training to 2,186 participating new recruits, 38,442/1,887 participating in-service employees (internal/external), and 3,462 participating contractors (before entering factories)/1,163 sessions. We also have regular training plans for dedicated ESH personnel, special hazardous operators, and first aid personnel. In addition, a complete certification system has been set up for the management of ESH training and certification, to keep track of the movement and demand for certification at each site.</p> <p>2. Our occupational safety and health management system (ISO 45001) applies and covers all workers (including employees, contractors, and visitors) in our plants in Taiwan (Hsinchuang, Yangmei, Taichung, Yenshui), in China (Shanghai Walsin, Dongguan Walsin, Jiangyin Walsin, Jiangyin Alloy, Changshu Walsin, Yantai Walsin), and in Indonesia (PT. Walsin Nickel Industrial Indonesia and PT. Sunny Metal Industry), and CAS (Italy), with an internally and externally audited overall coverage rate of 83.97% and 98.86% for employees and non-employees (i.e., contractors) respectively (Taipei Head Office, PT. Walsin Everising Specialty Steel Indonesia, Nanjing Walsin (Real Estate), and Walsin Precision (Malaysia) have not yet been verified). Please refer to the Company's website - Document Center - Environmental Safety and Health Policy and related certificates (<a href="https://www.walsin.com/about-us/newsroom/#pills-reports-document">https://www.walsin.com/about-us/newsroom/#pills-reports-document</a>).</p> <p>3. In 2024, there were 109 employee work-related injuries (including 1 fatal injury at PT. Walsin Nickel Industrial Indonesia, but excluding 160 minor injuries). The recordable employee incident rate was 1.02% (number of work injuries as a</p>	In line with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.



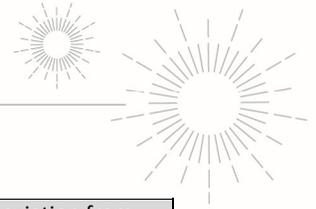
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	Yes	No	Summary description	
			percentage of total employees). The overall incident frequency was higher than in 2023. Analysis shows that entry-level technical operators had the highest occurrence rate (85%) (This analysis excludes CAS). The primary injury types were entanglement injuries (20%), followed by cuts (15%) and impact injuries (15%). For non-employees, there were 13 work-related injuries (including 2 fatal injuries, but excluding 13 minor injuries), with the main injury types being impact injuries (31%), followed by falls (23%). All related incident risks and deficiencies have been promptly addressed through hardware protections and management measures. In 2024, there were zero fire accidents, no chemical leaks, and no fatal workplace injuries.	
(4) Has the company established an effective career development and capability training program for its employees?	Yes		<p>(4) In our talent development system, we provide comprehensive and diverse training methods tailored to different functional needs, fulfilling various requirements throughout our colleagues' career development. The Company invests substantial resources in education and training, with a dedicated team responsible for planning and implementing annual training programs. Each year, we ensure training effectiveness through a systematic cycle of training needs assessment, course planning, program implementation, and post-training satisfaction surveys.</p> <p>Online learning has become a trend in corporate training in recent years. To promote employees' self-directed learning habits, the Company has established various learning roadmaps on our online learning platform, Walsin Lihwa Academy, making it accessible to all employees. Employees can instantly and quickly access courses and review their past learning records online, enabling them to plan their own training content and master job skills. Various learning promotion activities are also available to motivate colleagues to learn proactively and enhance their work capabilities.</p> <p>Simultaneously, we design diverse courses targeting critical issues in business transformation, business deployment, talent cultivation, and organizational culture, including but not limited to: legal compliance, corporate governance, human rights protection, information security, technology applications, project management, leadership, and foreign language learning. In 2024, the total online learning hours through Walsin Lihwa Academy reached 53,146.8 hours, with total education and training hours amounting to 274,227 hours, averaging 24 hours per employee. The total investment in education and training exceeded NT\$49 million. At the same time, during the annual implementation of performance appraisal, in addition to conducting the annual work review in conjunction with colleagues, supervisors</p>	In line with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.



Promotion items	Actual Implementation			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor
	Yes	No	Summary description	
			understand the potentials of colleagues, professions and areas to be improved based on their implementation of their work, and jointly formulate development plans for training, rotation and participation in projects.	
(5) Does the Company comply with relevant regulations and international standards regarding customer health and safety, customer privacy, marketing and labeling of its products and services, and has it formulated relevant policies and complaint procedures to protect consumer rights?	Yes		<p>(5)</p> <ol style="list-style-type: none"> <li>Our products and services are marketed and clearly labeled in accordance with local and international regulations and standards or pursuant to the requirements of our customers. In order to protect business information and customer privacy, the Company establishes a code of ethical conduct for employees and information security policies and relevant regulations (Note 5) to prevent any unauthorized access to, alteration to, or improper disclosure of any information that may infringe on customer privacy and rights. In addition to providing its latest information, product information, and the telephone numbers and e-mail addresses of the persons-in-charge of each business on its website, the Company has established channels through which interested parties can make complaints or communicate with the Company. Upon receipt of any information from an interested party, the Company will transfer the case to a dedicated person for him/her to confirm or handle, in order to reply to the stakeholders within the time limit.</li> <li>We have not violated any product- or service-related laws or regulations regarding customer health and safety, customer privacy, marketing and labeling of our products and services in 2024.</li> <li>For the latest information, product information, contact phone numbers and emails, please refer to the Company's website.  <a href="https://www.walsin.com/our-business/">https://www.walsin.com/our-business/</a>  <a href="https://www.walsin.com/about-us/contact-us/">https://www.walsin.com/about-us/contact-us/</a></li> </ol>	In line with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.
(6) Does the company have a supplier management policy requiring suppliers to comply with relevant regulations governing environmental protection, occupational safety and health, or human rights in the workplace, and how is it implemented?	Yes		<p>(6)</p> <ol style="list-style-type: none"> <li>In order to strengthen and implement the sustainable management of its suppliers, the Company has established the regulations for sustainability procurement and the principles for evaluating the suppliers' performance of corporate social responsibility, and requires suppliers to comply with environmental protection, occupational safety and health or labor human rights regulations in purchase orders and contracts. Key suppliers and new suppliers, in addition to signing the "Supplier Management Commitment Letter", also need to conduct self-assessments through the Key Supplier Sustainability Assessment Questionnaire, with evaluation items including environmental (i.e., management system, greenhouse gas, air pollution, water resources management, and waste management), social (i.e., human rights, health, and safety), and governance (i.e., sustainable government, supplier management, and trade secret protection) aspects for the</li> </ol>	In line with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.



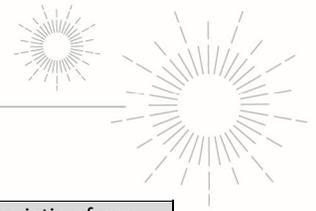
Promotion items	Actual Implementation			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor
	Yes	No	Summary description	
			<p>purpose of identifying the degree of sustainability risk of each key supplier, in order to comply with CSR-related regulations along with the partnering suppliers and ensure that the supply chain fulfills its CSR commitments and implements the Principles for Supplier CSR Performance Assessment.</p> <p>2. In 2024, there were 139 key suppliers in the Wire and Cable, Stainless Steel and Commercial, Real Estate Business Groups, and Walsin Precision Technology, among which 138 have been evaluated for their risks. Of them, 8 were high-risk suppliers, 38 were medium-risk suppliers, and 92 were low-risk suppliers. In 2024, we kept conducting on-site audits, interviews and guidance with regard to high-risk key suppliers to prevent and reduce the occurrence of risks, and will continue to conduct on-site audits and guidance with regard to high-risk key suppliers.</p> <p>3. The Company holds two annual supplier conferences each year (one in Taiwan and one in China). In addition to communicating the Company's sustainability philosophy and goals, these conferences enhance suppliers' capabilities to address sustainability issues through themed discussions and encourage them to incorporate sustainable development into their corporate management agenda.</p>	



Promotion items	Actual Implementation			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor
	Yes	No	Summary description	
V. Did the Company make reference to international standards or guidelines for the preparation of reports in preparing its sustainability reports and other reports that disclose non-financial information about the Company? Did the Company obtain a third-party certification agency's confirmation or assurance opinion on said reports?	Yes		<p>1. Since 2014, we have been compiling sustainability reports (Note 6) by reference to the Global Reporting Initiative's (GRI) G4 Standards, and since 2017, the report structure has followed the latest GRI Standards. In 2020, we introduced the Sustainability Accounting Standards Board (SASB) Industry Standard and the Task Force on the Climate-related Financial Disclosures (TCFD) framework to provide stakeholders with more complete and transparent ESG information.</p> <p>2. From 2015 to 2023, we have engaged Deloitte Taiwan to perform third-party assurance checks on our reports and have obtained the CPA Statement of Limited Assurance. The third-party assurance checks are performed every year in accordance with the standards set forth in Statement of Standard on Assurance No. 3000, "Assurance Cases Other Than Audits or Reviews of Historical Financial Information" and "Rules for the Preparation and Reporting of Sustainability Reports by Public Companies." In 2024, to strengthen interactions with stakeholders and appropriately and qualitatively respond to their expectations, as of the publication date hereof, the Sustainability Report is undergoing assurance verification by an independent third-party organization, British Standards Institution, Taiwan Branch (BSI Taiwan), in accordance with the GRI Standards AA1000 v3 Type 2 moderate level of assurance and the AA1000 Accountability Principles (2018).</p>	In line with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.
VI. If your company has established sustainable development principles based on "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies", please describe differences between the principles and their implementation: In December 2014, the Company has established, based on "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" (Note 6), its Corporate Governance Best Practice Principles, which has also been approved by the Board of Directors. In line with the amendments to Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, the Board of Directors amended the Corporate Governance Best Practice Principles in January 2018, April 2020, January 2022, and February 2023. The Corporate Governance Best Practice Principles serve as the guidelines for the Company to establish and to execute related policies related to corporate governance, ESH management, customer service and supplier management, green operation, employee relations and social care. There are no discrepancies between the principles and actual practice.				
VII. Other key information useful for explaining the promotion and execution of sustainable development: (1) With regard to developing a sustainable environment, please refer to "IV. Operating Status, IV. Environmental Protection Expenditure Status" in the annual report. (2) With regard to the Company's observing relevant labor regulations by safeguarding the lawful rights and interests of its employees and providing a safe and healthy work environment for its employees, please refer to "IV. Operating Status, V. Labor-Management Relations" in the annual report. (3) "Growth and integration with the local communities" is the philosophy in the social care of Walsin. It is a continuous implementation focused in four directions: "Corporate Citizen", "Minority Support", "Environment Conservation", and "Community Development". The results in 2024 are summarized as below: 1. Supporting Taiwanese Original Arts and Cultural Groups (1) Dragon Brilliance in Tainan: "Walsin Lihwa x Taiwan Lantern Festival" Performance Series Walsin Lihwa sponsored artistic performances at the 2024 Taiwan Lantern Festival in Tainan City, home to our Yenshui Plant. The festival showcased local talent through diverse artistic expressions including music, dance, street parades, circus arts, and traditional theater performances. Sponsored Artists: Taiwan Lantern Festival Performance Groups Venue: Tainan High Speed Rail Lantern Area, Taiwan Lantern Festival Sponsorship: NT\$1,000,000				



Promotion items	Actual Implementation			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor
	Yes	No	Summary description	
(2) Supporting Traditional Theater Troupes in Xinying, Tainan			In celebration of "Tainan's 400th Anniversary of Establishment," our Yenshui Plant supported the "Twenty Years at the Corner" joint performance by local theater troupes. This innovative production created a new era of theatrical artistry by blending modern dance with traditional opera, puppetry, "Luo Di Sao" (early-period Taiwanese opera street performances), and projection lighting—beautifully showcasing Tainan's rich and diverse cultural heritage. Sponsored Artists: Pan-Guo Dance Theater, Bamboo Horse Formation, and Fucheng Puppet Theater Venue: Xinying Cultural Center Performing Arts Hall, Tainan City Sponsorship: NT\$300,000	
(3) Supporting Original Performing Arts			The Company invited employees and their families from Taipei Headquarters and Hsinchuang and Yangmei Plants to attend "Aning-Gu's Mischief Again YA~", a children's musical adapted from Taiwanese author Lou Yi-Chun's "Little Son". This conveyed the Company's care for employees' family interactions while infusing artistic cultural nourishment into everyday life. Sponsored Artists: Aning-Gu Children's Theater Venue: Taipei City Government Family Theater Sponsorship: NT\$300,000	
(4) Sustaining the Power of "Seeing": Supporting the Chi Po-lin Foundation's "Environmental Living Festival"			Walsin sponsored the Chi Po-lin Foundation's inaugural "Seeing Environmental Living Festival," inviting employees and their families to engage in diverse experiential activities including photography exhibitions, musical performances, environmental documentaries, Tamsui cultural walking tours, and DIY handicraft workshops. These experiences initiated a journey of "seeing" that inspires sustainable daily living practices. Sponsored Organization: Chi Po-lin Foundation Venue: Tamsui Tidal Plaza Sponsorship: NT\$900,000	
(5) Celebrating Indigenous Cultural Heritage			In promotion of multicultural harmony and support for indigenous youth performing arts, the Company hosted an exclusive corporate performance titled "Sanga'ayen ko rakat" (Safe Journey) "Suming X Indigenous Cultural Concert." Led by Golden Melody Award winner and Amis singer-songwriter Suming, the performance featured youth from the Dulan tribe. Nearly 200 employees and family members from Taipei Headquarters and Hsinchuang and Yangmei Plants attended, fostering appreciation and recognition of indigenous cultural diversity. Sponsored Group: Mida Creative Venue: Taipei Red House Performance Hall, Ximending Sponsorship: NT\$600,000	
(6) Supporting Traditional Peking Opera "Mei School Private Academy" Heritage Project and "Republic Trilogy" Theatrical Production Plan			Traditional Chinese opera serves as a bridge connecting contemporary society with ancient times and represents a performing art form that is challenging to preserve in its entirety. To support cultural heritage preservation, Walsin sponsored the Wei-Hai-Min Foundation for the Arts of Peking Opera's "Mei School Private Academy" heritage project and the planning of the "Republic Trilogy" theatrical production, contributing to the preservation of Peking Opera's traditional culture. Sponsored Group: Wei Hai-Min Peking Opera Arts Sponsorship: NT\$300,000	
2. "Illuminating the Corners of Taiwan" Project			The Company has initiated the sponsorship project "Illuminating the Corners of Taiwan" in the end of 2016 to give back to society by offering 5 elementary and junior high schools in rural Taiwan with relatively low resources more comprehensive faculty, environment and equipment and to develop characteristic physical and musical education. We continued to cooperate with five existing schools in 2024 to deepen the various incubation programs.	
3. Long-Term Care for Children's Education			The Company and its employees regularly sponsor 12 child welfare organizations, including World Vision Taiwan, Taiwan Funds for Children and Families, the Lotus Heart Garden Nursery School in Houbi District, and Chinese Childrenhome & Shelter Association.	
4. Taiwan Native Plant Resources Conservation Project			To promote cultivation of talents for conservation, collection and management of aboriginal Taiwan plant resources, Walsin Lihwa cooperated with College of Agriculture and Natural Resources, National Chung Hsing University to install a screen-house and an outdoors nursery, cultivate seedlings for afforestation applications and, environmental education and promotion for conservation, and protect Taiwan's diverse protected animal and plant resources. Starting from 2018, the Company and Winbond Electronics Corporation cooperated to incorporate Huabao Seed Breeding Co., Ltd., responsible for promoting Taiwan's forest germplasm conservation and indigenous plants	



Promotion items	Actual Implementation			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor
	Yes	No	Summary description	
			<p>revegetation projects. We completed the first phase of the collection of 24 Taiwanese tea varieties in 2023, and continued to implement the related programs for hardware and software installation and training on cultivation techniques in 2024. In addition, Walsin Lihwa has acquired 21 hectares of national land in Sanxing Township, Yilan County, which will be planned for afforestation according to the principle of planting suitable trees in suitable locations, generating natural carbon sinks.</p> <p>5. Support Local Agriculture</p> <p>(1) Organic Kiwifruit Contract Farming In order to support environmental ecological conservation and the development of organic agriculture, starting from 2021, we cooperated with "Jianghao Farm Young Farmers", contracted with them for organically planted Taiwanese native kiwi fruit that is conducive to soil and water conservation. In 2023, the Company produced and released the video documentary and digital feature "The Kiwi Dilemma," which documents the journey of kiwi-friendly cultivation. It explores how local production can enhance sustainable production, reduce waste, and lower carbon emissions. Through exposure in media features, it aims to raise more awareness and understanding of agriculture on this land. The Company also participated in the 2024 8th Taipei Golden Eagle Micro Movie Festival, standing out among 183 entries to win the Bronze Award for Sustainable Micro Movies, demonstrating Walsin Lihwa's commitment to supporting sustainable development of local agriculture. "The Kiwi Dilemma" video: <a href="https://esg.walsin.com/zh_TW/event/180">https://esg.walsin.com/zh_TW/event/180</a> "Encounters with Kiwi" feature news report: <a href="https://esg.walsin.com/kiwi">https://esg.walsin.com/kiwi</a></p> <p>(2) Support Taiwan's Local Farmers Walsin's Employee Welfare Committee adopts the concept of "buying directly from small farmers" as annual festival gifts for employees every year, and purchases products from local Taiwanese root farmers, bee farmers, and tea farmers for the Chinese New Year, the Dragon Boat Festival, and the Mid-Autumn Festival in Taiwan as festival gifts for employees in 2024 to support local farmers.</p> <p>6. "Elementary and Junior High School Newspaper Reading Project":</p> <p>(1) Starting from 2014, this cooperation and partnership between Mandarin Daily News sponsors newspapers issued by Mandarin Daily News for primary/junior high schools in the counties and cities in Taiwan where our plants located. The school teachers led students to understand the subjects of newspaper reports, and through interactive discussions, expanded their horizons. In 2024, we sponsored 76 classes in 18 schools in New Taipei City, Taoyuan City, Taichung City, Tainan City and Kaohsiung City, benefiting 1,191 students. Since 2019, Walsin, together with the Walsin Technology Foundation and Mandarin Daily News, has launched a bilingual reading education program. In 2024, we promoted this program in 558 classes in a total of 34 junior high schools in Taoyuan City and Kaohsiung City, benefiting a total of 15,298 students. With the advantage of the English and Chinese bilingual texts in "Junior High School Student Daily" offered by Mandarin Daily News, students' listening, speaking, reading and writing skills in both Chinese and English improved and their interests in the world and reading were opened.</p> <p>(2) In April and December 2024, approximately 30 Walsin volunteers visited Zhongzheng Elementary School in Wuqi District, Taichung City and Yongji Elementary School in Yingge District, New Taipei City to organize newspaper reading challenge activities. The challenges incorporated mathematics, Chinese language, social studies, stainless steel tableware for environmental protection, electrical safety, and general knowledge. Through these interactive challenges, the activities not only sparked interest in reading but also planted seeds of knowledge in the children's minds, opening doors to explore the world.</p> <p>7. Community Development and Promotion by Plants: Each plant of Walsin continues to care about and evaluate the social and environmental risks or opportunities faced by its local community through supporting local cultural and activities, cares for the disadvantaged in the community, and effectively uses plant resources to promote neighborhood development. In 2024, we continued to sponsor five elementary schools in the Yenshui area of Tainan in the academic mentoring program, and participated in 102 local civil defense, cultural, folklore, respect for the elderly, care for women and children, and environmental cleanup activities, as well as our long-term care for 12 roads, drains, and parks surrounding the plants for cleaning and making them greener.</p> <p>(4) In 2024, Walsin Lihwa was listed as the top 5% outstanding companies as published by the Taiwan Stock Exchange in the 10<sup>th</sup> "Corporate Governance Evaluation." The Company was also awarded the "Model Donation for Education" by the Yilan County Government for the "Light Up the Corners of Taiwan" project. In 2024, the Company also received Taiwan's Top 100 Sustainable Model Business Award, Information Security Leader Award, and Platinum Corporate Sustainability Report Award for its ESG performance and Sustainability Report, as well as Bronze Prize for English Sustainability Report.</p> <p>(5) For details on the Company's execution of sustainable development, please go to the Walsin Lihwa website Corporate Sustainability section (<a href="https://esg.walsin.com/zh_TW">https://esg.walsin.com/zh_TW</a>) and read our 2024 Sustainability Report.</p>	



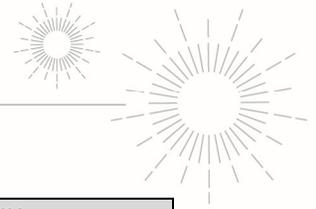
Note 1: The "Implementation Status of Promoting Sustainable Development" disclosed in this report applies to all subsidiaries within the scope of Walsin's consolidated financial statements. All related data and management mechanisms are prepared in accordance with the consolidated financial statements, unless specifically noted as applicable to the individual company.

Note 2: "Principle of Materiality" refers to environmental, social and corporate governance issues that have a material impact on the Company's investors and other stakeholders.

Note 3: Cogne Acciai Speciali (CAS) in Italy was added in 2023, and information from its subsidiaries has been included starting from 2024. For CAS's individual sustainability report, please refer to the CAS sustainability webpage at <https://www.cogne.com/en>

Note 4: Management Policies, Strategies or Mechanisms of Risk

Issues	Risk Category	Management Policies, Strategies or Mechanisms
Corporate Governance and Economic Issue	<ul style="list-style-type: none"> <li>• Strategy and Operations</li> <li>• Legal Risk</li> <li>• Capital Expenditure</li> <li>• Information Security</li> <li>• Changes in Interest Rates</li> <li>• Changes in Exchange Rates</li> <li>• Raw Material Prices and Supply Chains</li> <li>• Technology Risks</li> </ul>	<ul style="list-style-type: none"> <li>• Business units regularly report strategic issues to the Directors and therefore reduce strategic risks through the participation, advice and supervision of board members.</li> <li>• The Company's culture of "Ethical Management" emphasizes that all business activities must be conducted in accordance with local laws and regulations. We also require our employees to comply with laws and regulations, corporate rules and procedures, and guide them to conduct themselves in accordance with laws and regulations and ethical standards through education, internal audit, internal control and other management measures.</li> <li>• Major capital expenditures shall be reported to the Audit Committee and the Board of Directors for review and approval.</li> <li>• The Company continuously introduces advanced information security solutions, establishes data protection mechanisms, organizes education and training, promotes new information security knowledge and raises staff awareness of information security.</li> <li>• The Company monitors changes in the interest rate markets, controls existing long and short term borrowing positions and uses market instruments to lock in interest rate costs in a timely manner.</li> <li>• The Company develops a hedging strategy and carries out exchange rate hedging in conjunction with relevant hedging instruments such as spot rate trading and forward rate trading. Control of risks associated with foreign currency exchange rates and related hedging operations are performed with respect to major capital expenditures and capital transfers that may cause changes in foreign currency positions.</li> <li>• The Company carries out market risk management of its raw materials-related operations. It also prudently evaluates and actively develops new material sources to avoid monopoly by a few suppliers. In addition, we establish a safe inventory of raw materials and purchase some raw materials in stock to allow for flexibility.</li> <li>• We deeply understand the needs of customers and end-use applications, and accelerate the technical development of product materials manufacturing processes and applications, in order to strengthen our technical capabilities to respond to rapid changes in the external environment.</li> </ul>
Environmental Issues	<ul style="list-style-type: none"> <li>• Climate Change and Environmental Risks</li> <li>• Emerging Risks</li> </ul>	<ul style="list-style-type: none"> <li>• The Company's environment, safety and health and energy policy is "Green Manufacturing, Happy Enterprise and Sustainable Development" and is committed to "Compliance with Regulations, Risk Control, Pollution Prevention, Energy Saving and Waste Reduction and Performance Enhancement."</li> <li>• We promote energy management systems to establish energy management performance indicators, so as to facilitate long-term energy efficiency control. We also invest in green electricity and gradually build up a product carbon footprint, in order to improve carbon reduction performance and prepare for carbon rights operations in advance. Besides, we continuously identify and develop waste reuse technologies to improve resource recycling efficiency.</li> <li>• Every year, we reference the global environmental changes and development trends and the Global Risk Report published by the World Economic Forum (WEF) to identify emerging risks that we should pay attention to in the long term, by taking into account the Company's business development and future prospect planning.</li> </ul>



Issues	Risk Category	Management Policies, Strategies or Mechanisms
Social Issues	<ul style="list-style-type: none"> <li>Human Resources Management Risks</li> <li>Occupational Safety Risks</li> <li>Corporate Image Risks</li> </ul>	<ul style="list-style-type: none"> <li>Employees are Walsin's most important asset and major driving force. Walsin cares about its employees, their families and their lives, listens to their voices and strengthens the communication channels between employees and employers to promote harmonious relationships. We also ensure that the existing human resources management procedures and related administrative practices comply with the laws and regulations.</li> <li>We maintain the consistency of the environment, safety and health management systems in all plants through ESH education and training, and implement operational risk factor checks and regulations to reduce the incidence of occupational safety incidents. We also require contractors to sign an Environment, Safety and Health Policy Commitment to jointly comply with the requirements of the environment, safety and health law and to reduce occupational safety hazards.</li> <li>The Company has established in normal times a good crisis management response mechanism for any operational risks that may affect its image, as well as simulated possible events, so that it can immediately initiate the response mechanism promptly. The spokesman will act as the external speaker, or clarify false information through the material information reporting platform, to protect the Company's image, and to make communications with various stakeholders.</li> </ul>

Note 5: The Ethical Conduct Guidelines for Employees and the rules relating thereto include: the Ethical Conduct Guidelines for Employees and the Guidelines for Suggestions and Complaints by Stakeholders. Information security policies and the rules relating thereto include: the Information Security Policy, the Internal Audit Operation for Information Security Management, the Information Security Risk Management Rules, the Information Security Incident Management Rules, the Information Security Organization Management Rules, the Service Information Security Policy Formulation Standards, the Information Outsourcing Management Rules, the Compliance Management Rules, the Personnel Safety Management Rules, the Network Equipment Maintenance and Operation Standards, the Communication Operation Management Rules, the Access Control Management Rules, the Account Access Management Standards, the Information Asset Management Rules, the Computer Room Maintenance and Operation Management Standards, the System Administrator Password Management Standards, the Entity and Environmental Security Management Rules, the Business Continuity Management Rules, and the Information System Acquisition, Development and Maintenance Management Standards.

Note 6: The title of the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies was amended to the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" on December 7, 2021; the title of the Corporate Social Responsibility Report was amended to the "Sustainability Report."

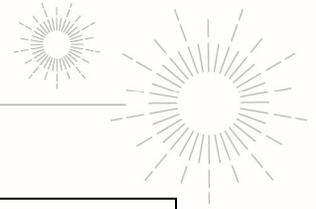
## Climate-Related Information

### 1. Information on Implementation of Climate-Related Initiatives

Item	Execution
1. Describe the Board of Directors and management's oversight and governance of climate-related risks and opportunities.	<p>The Company (Note 1)'s climate change governance and management structure is ultimately overseen by the Board of Directors, which is responsible for monitoring major climate-related risks and guiding management strategies, key action plans, and target implementation. The Company established a Board-level Sustainable Development Committee on November 1, 2019. The current committee consists of six members, with an Independent Director serving as the Convener, along with the Chairman, other Independent Directors, and advisors serving as committee members. The Committee is responsible for formulating corporate sustainability strategies and visions, promoting sustainable development initiatives and management, and regularly reporting to the Board of Directors on sustainability implementation, including climate change issues. Under the Committee, a Sustainability Office is responsible for planning and guiding relevant company departments to identify and manage risks and opportunities arising from climate change, and regularly reporting to the Sustainable Development Committee on the latest trends, impacts, and implementation performance related to climate change issues.</p> <p>For information on the oversight and governance of climate and sustainability-related risks and opportunities by the Board of Directors, functional committees, and management, please refer to Chapter 1.1 Climate Action (TCFD) and Chapter 3 Corporate Governance in the 2024 Sustainability Report.</p>



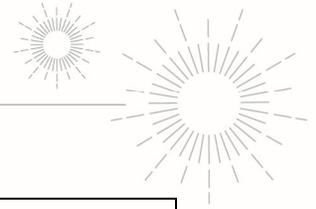
Item	Execution
<p>2. Describe how the identified climate risks and opportunities affect the Company's business, strategy and finances (in the short, medium and long term).</p>	<p>To effectively manage climate-related risks and opportunities, the Company's Sustainability Office incorporates climate change-related risks into the tracking scope of overall enterprise risk management, continuously monitoring climate risks that may impact Company operations, including international regulatory requirements and extreme weather events. The Office also implements subsequent financial impact and management cost estimates, dynamically adjusts relevant management mechanisms, and further proposes response strategies to enhance operational resilience. The Company defines its impact period ranges as: short-term for 2025, medium-term for 2026 to 2030, and long-term for 2031 to 2035. Related assessments can be found in Chapter 1.1 Climate Action (TCFD) of the 2024 Sustainability Report or on the Company's website under the Corporate Sustainability section, "Climate Action and Environmental Management" webpage (<a href="https://esg.walsin.com/zh_TW/focus/climate">https://esg.walsin.com/zh_TW/focus/climate</a>).</p> <p>(I) Climate Risks</p> <ol style="list-style-type: none"> <li>1. Impact of extreme climate events on upstream and downstream supply chains and transportation (short to medium-term risks)               <ol style="list-style-type: none"> <li>(1) Product delivery delays or supply chain disruptions, leading to reduced income and deferred revenue</li> <li>(2) Increased transportation costs due to extreme climate events</li> <li>(3) Operational equipment damage preventing timely shipments</li> </ol> </li> <li>2. Low-carbon technology transition costs (medium-term risk)               <ol style="list-style-type: none"> <li>(1) Increased research and production costs for developing and manufacturing low-carbon products</li> <li>(2) Rising operational costs from replacing high-emission process equipment</li> </ol> </li> <li>3. Increased greenhouse gas emission costs due to policy regulations (medium-term risk)               <ol style="list-style-type: none"> <li>(1) Increased operational expenses due to higher greenhouse gas emission costs</li> <li>(2) Higher internal carbon management costs leading to increased operational expenses</li> </ol> </li> </ol> <p>(II) Climate Opportunities</p> <ol style="list-style-type: none"> <li>1. More efficient production and distribution processes (short-term opportunities)               <ol style="list-style-type: none"> <li>(1) Reduced operational costs through automated equipment</li> <li>(2) Reduced operational costs through improved energy efficiency</li> <li>(3) Increased business revenue through product carbon footprint calculation</li> </ol> </li> <li>2. Entry into new markets (short-term opportunities)               <ol style="list-style-type: none"> <li>(1) Expanded industry sales volume, increasing revenue</li> <li>(2) Joint development of new industrial applications with customers, expanding market development and facilitating entry into new markets</li> </ol> </li> <li>3. Use of new energy technologies (medium-term opportunities) Using renewable energy to reduce greenhouse gas emissions, enhance product competitiveness, and reduce the impact of carbon taxes and fees.</li> </ol>
<p>3. Describe the financial impact of extreme weather events and transition actions.</p>	<p>The Company's Sustainability Office coordinates with various departments to analyze climate risks. Through internal discussions, inventory, and assessments, it guides staff to identify risks and opportunities that extreme climate changes may bring to operations under different climate change scenarios, and calculates the corresponding financial impacts and response costs.</p>



Item	Execution
	<p>For information on the financial impact of extreme climate events and transition actions, please refer to the assessment description in Chapter 1.1 Climate Action (TCFD) of the 2024 Sustainability Report or on the Company's website under the Corporate Sustainability section, "Climate Action and Environmental Management" webpage (<a href="https://esg.walsin.com/zh_TW/focus/climate">https://esg.walsin.com/zh_TW/focus/climate</a>).</p>
<p>4. Describe how the process of identifying, assessing and managing climate risks is integrated into the overall risk management system.</p>	<p>The Board of Directors is the highest decision-making body for risk management (including climate change and environmental risks), responsible for approving overall risk management policies and major decisions. To ensure stable operations and sustainable development, the Company has established a Risk Management Policy and Procedures approved by the Board of Directors to establish a comprehensive risk management system. This system involves the Board of Directors, Audit Committee, Auditing Office, President and President's Office, risk management units, all departments, and subsidiaries jointly implementing relevant risk management measures. It clearly defines risk management objectives, management procedures, and control mechanisms, and also identifies emerging risks annually, monitoring global environmental changes and development trends while comprehensively considering the Company's business development and future prospect planning.</p> <p>To reduce the impact and influence of internal and external risks, the Company's governance units and risk management-related units identify environmental, social, and corporate governance issues related to operations based on materiality principles, corporate business, and operational characteristics, and plan relevant management and monitoring measures. Risk identification is conducted regularly every year in a meticulous and systematic manner. For identified risk items, each risk management unit conducts measurement and monitoring, reporting regularly to the Board of Directors. For information on the Company's risk management processes and systems, please refer to Chapter 3 Corporate Governance in the 2024 Sustainability Report.</p>



Item	Execution
<p>5. If scenario analysis is used to assess resilience to climate change risks, describe the scenarios, parameters, assumptions, analysis factors and key financial impacts used.</p>	<p>Based on the geographical locations of its operating sites, the Company assesses the risks that climate disasters such as floods, droughts, typhoons, and high temperatures may bring to each operating plant. It further selects scenarios to analyze the potential financial impacts under different climate scenarios, integrates the analysis results into resilience strategy planning, and actively adjusts and strengthens mitigation and adaptation operations.</p> <p>(I) Physical Risks Using the climate warming scenarios from the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report:</p> <ol style="list-style-type: none"> <li>1. SSP 3-7.0: A high to medium emission scenario where greenhouse gas emissions peak around 2060.</li> <li>2. SSP 5-8.5: An extremely high impact emission scenario where climate change causes intensified changes in future average temperatures, extreme high temperatures, annual total rainfall, maximum 1-day rainfall intensity, maximum consecutive days without rainfall, and proportion of strong typhoons, potentially affecting the Company's operations and its value chain.</li> </ol> <p>In addition, risks are categorized as immediate and long-term. Immediate risks include increasingly severe extreme weather events such as typhoons and floods, while long-term risks include rising average temperatures and sea levels. These are used to calculate potential financial impacts, including: decreased or interrupted production capacity, impacts on labor management and planning, increased operational costs, and reduced sales leading to decreased revenue.</p> <p>(II) Transition Risks</p> <ol style="list-style-type: none"> <li>1. NDC: Nationally Determined Contributions of the Republic of China: Controlling global warming within 1.5°C, risks arising from enterprises' low-carbon transition.</li> <li>2. IEA NZE 2050: Nationally Determined Contributions of the Republic of China, controlling global warming within 1.5°C, risks arising from enterprises' low-carbon transition.</li> </ol> <p>Evaluating the transition risks under the above two scenarios, their risk classifications and possible risk impacts are:</p> <ul style="list-style-type: none"> <li>• Policy and Regulations: Increased requirements for controlling greenhouse gas emissions, imposition of carbon fees and taxes, stricter regulatory oversight of existing products, etc.</li> <li>• Technology: Substitution of existing products and services with low-carbon alternatives, low-carbon technology transition costs, investment in new technologies, etc.</li> <li>• Market: Rising raw material costs, changes in customer behavior, market information uncertainties, etc.</li> <li>• Reputation: Shifting consumer preferences, industry stigmatization, and increased negative stakeholder responses.</li> </ul> <p>For major financial impacts, please refer to Chapter 1 of the 2024 Sustainability Report, Climate Action and Environmental Management, or the Corporate Sustainability section on the Company's website, "Climate Action and Environmental Management" webpage (<a href="https://esg.walsin.com/zh_TW/focus/climate">https://esg.walsin.com/zh_TW/focus/climate</a>).</p>
<p>6. If there is a transition plan to address and manage climate-related risks, describe the content of the plan, and the metrics and targets used to identify and manage physical and transition risks.</p>	<p>(I) Transition Plan for Climate-Related Risks</p> <ol style="list-style-type: none"> <li>1. Green products and clean technology Walsin Lihwa is committed to the development of green products and clean technology, and to high-value products and the establishment of a resource-based industrial chain. We will continue to increase the proportion of clean technology products, create shared value with customers, and establish a sustainable business model.</li> <li>2. Intelligent manufacturing In the manufacturing process, we use intelligent technology to implement green manufacturing and achieve multiple benefits,</li> </ol>



Item	Execution
	<p>such as real-time monitoring, efficiency improvement, quality assurance and material conservation, through intelligent manufacturing, so as to further improve our operational efficiency.</p> <p>3. Energy and greenhouse gas management:</p> <p>(1) Implement energy-saving measures to reduce electricity consumption.</p> <p>(2) Plan to use renewable energy to reduce dependence on traditional energy sources.</p> <p>(3) Implement greenhouse gas management processes to effectively monitor and reduce emissions.</p> <p>(II) Climate-Related Management Indicators and Targets</p> <ul style="list-style-type: none"> <li>● 1.5% annual reduction in the use and generation of electricity and carbon from 2022 (Base year: 2021)</li> <li>● Renewable energy and green power will be purchased in 2025.</li> </ul>
<p>7. If internal carbon pricing is used as a planning tool, describe the basis for setting carbon prices.</p>	<p>Since 2023, the Company has actively planned and established an internal carbon pricing mechanism. In 2024, referencing the Ministry of Environment's three carbon fee regulations setting NT\$300 per metric ton, carbon fee calculation, and autonomous reduction plan management, the Company established an internal carbon pricing calculation standard.</p> <p>Starting from 2025, fees will be collected according to the internal carbon pricing calculation standard. At the same time, business units are required to actively promote energy conservation and carbon reduction measures. Regular adjustments to internal carbon pricing collection will be made based on each unit's energy conservation performance and carbon reduction target achievement rates, thereby enhancing carbon management efficiency and achieving optimal carbon reduction results.</p>
<p>8. If climate-related targets are set, describe information such as the activities covered, the scope of greenhouse gas emissions, the planning timeline, and the progress made in achieving them each year; if carbon offsets or renewable energy certificates (RECs) are used to achieve the relevant targets, describe the source and quantity of carbon offset credits or renewable energy certificates (RECs) to be offset.</p>	<p>The Company actively responds to climate change by formulating carbon management, net-zero emissions, and resource recycling policies and visions. Through increased annual investments in energy conservation, carbon reduction, resource reuse, and green supply chain management software and hardware, the Company enhances ecological benefits in energy conservation, water conservation, waste reduction, and greenhouse gas reduction, committed to creating a sustainable and environmentally friendly operational system. In 2022, the Environmental, Health and Safety Management Committee dynamically adjusted the five-year energy management plan, setting annual electricity and carbon reduction targets of 1.5%, and aiming to reduce water usage by 15% in 2030 compared to 2014. The Sustainable Development Committee regularly monitors progress. For greenhouse gas emission reduction planning schedules and achievement progress, please see Point 9 below and Chapter 1 of the 2024 Sustainability Report, Climate Action and Environmental Management, or the Corporate Sustainability section on the Company's website, "Climate Action and Environmental Management" webpage</p> <p><a href="https://esg.walsin.com/zh_TW/focus/climate">https://esg.walsin.com/zh_TW/focus/climate</a>.</p>
<p>9. Please refer to Table 1 below for GHG inventory and assurance and reduction targets, strategies and specific action plans.</p>	<p>Please refer to Tables 1 and 2 below.</p>



1. GHG Inventory and Assurance Information for the Last Two Years

The Company has established a greenhouse gas mechanism in accordance with the ISO 14064-1:2018 greenhouse gas inventory standard issued by the International Organization for Standardization (ISO), and since 2014, has conducted regular annual inventories of the Company's stand-alone greenhouse gas emissions. Starting from 2023, the Company began inventorying greenhouse gas emissions from subsidiaries included in the consolidated financial reports, comprehensively tracking greenhouse gas usage and emissions, and verifying the effectiveness of reduction actions.

The Company's greenhouse gas disclosure schedule planning is as follows:

		2022	2023	2024	2025	2026	2027
Company-wide Plans and Implementation	Inventory	Taiwan, China, Malaysia	Waltuo Green Resources	Indonesia WNII and PT. Sunny Metal Industry, CAS consolidated			
	Assurance	Taiwan	China, Malaysia	Indonesia WNII and PT. Sunny Metal Industry		CAS consolidated	
Regulatory Requirements	Disclosure		Inventory data (stand-alone)	Assured data (stand-alone)	Inventory data (consolidated)		Assured data (consolidated)

The greenhouse gas inventory data for the past two years has been compiled based on the operational control approach, summarizing greenhouse gas emissions from the Company and its subsidiaries included in the consolidated financial reports, as well as the implementation of assurance, as described below.

Category	Year	2023				2024					
		Contains stand-alone subsidiaries	Total emissions (MTCO <sub>2</sub> e)	Intensity (MTCO <sub>2</sub> e/NT \$ millions of Sales)	Assurance agency	Description of assurance	Contains stand-alone subsidiaries <sup>Note 2</sup>	Total emissions (MTCO <sub>2</sub> e)	Intensity (MTCO <sub>2</sub> e/NT \$ millions of Sales)	Assurance agency	Description of assurance
Scope 1 <sup>Note 1</sup>	Walsin Lihwa Corporation		135,284.04	1.66	TÜV Rheinland Taiwan Ltd.	The third-party verification has been completed. Please refer to the official website (File Center) for details: <a href="https://www.walsin.com/about-us/newsroom/#pills-reports-document">https://www.walsin.com/about-us/newsroom/#pills-reports-document</a> .	Walsin Lihwa Corporation	146,027.55	1.67	TÜV Rheinland Taiwan Ltd.	The full assurance information will be disclosed in the Sustainability Report, and the relevant information can also be found on the official website (Document Center): <a href="https://www.walsin.com/about-us/newsroom/#pills-reports-document">https://www.walsin.com/about-us/newsroom/#pills-reports-document</a> .
	Subsidiaries on a consolidated basis (Including Shanghai Walsin, Jiangyin Alloy, Yantai Walsin, Changshu Walsin, and Walsin Precision on a consolidated basis)		68,702.15	2.84	Shanghai Walsin: Beijing CQE Testing and Certification Co., Ltd. Jiangyin Alloy: Beijing Ouya Puxin International Certification Center Yantai Walsin: Shandong LAJ International Certification Co., Ltd. Changshu Walsin: Shandong LAJ International Certification Co., Ltd. Walsin Precision: BSI (British Standards Institution)	The third-party verification has been completed. Please refer to the official website (File Center) for details: <a href="https://www.walsin.com/about-us/newsroom/#pills-reports-document">https://www.walsin.com/about-us/newsroom/#pills-reports-document</a> .	Subsidiaries on a consolidated basis (Including Shanghai Walsin, Jiangyin Alloy, Yantai Walsin, Changshu Walsin, Walsin Precision, Walsin Nickel, PT. Sunny Metal Industry ("Sunny"), and CAS on a consolidated basis)	3,060,917.18	34.52	Shanghai Walsin: Beijing CQE Testing and Certification Co., Ltd. Jiangyin Alloy: Beijing Ouya Puxin International Certification Center Yantai Walsin: Shandong LAJ International Certification Co., Ltd. Changshu Walsin: Shandong LAJ International Certification Co., Ltd. Walsin Precision: BSI (British Standards Institution) Walsin Nickel: TÜV NORD Taiwan Sunny: TÜV NORD Taiwan CAS: Self-inventory was not verified	The full assurance information will be disclosed in the Sustainability Report, and the relevant information can also be found on the official website (Document Center): <a href="https://www.walsin.com/about-us/newsroom/#pills-reports-document">https://www.walsin.com/about-us/newsroom/#pills-reports-document</a> .
	Total		203,986.19	1.93			Total	3,206,944.73	18.22		
Scope 2 <sup>Note 1</sup>	Walsin Lihwa Corporation		191,192.18	2.35	TÜV Rheinland Taiwan Ltd.	The third-party verification has been completed. Please refer to the official website (File Center) for details: <a href="https://www.walsin.com/about-us/newsroom/#pills-reports-document">https://www.walsin.com/about-us/newsroom/#pills-reports-document</a> .	Walsin Lihwa Corporation	196,717.44	2.25	TÜV Rheinland Taiwan Ltd.	The full assurance information will be disclosed in the Sustainability Report, and the relevant information can also be found on the official website (Document Center): <a href="https://www.walsin.com/about-us/newsroom/#pills-reports-document">https://www.walsin.com/about-us/newsroom/#pills-reports-document</a> .



Category	Year	2023				2024				
	Contains stand-alone subsidiaries	Total emissions (MTCO <sub>2</sub> e)	Intensity (MTCO <sub>2</sub> e/NT \$ millions of Sales)	Assurance agency	Description of assurance	Contains stand-alone subsidiaries <sup>Note 2</sup>	Total emissions (MTCO <sub>2</sub> e)	Intensity (MTCO <sub>2</sub> e/NT \$ millions of Sales)	Assurance agency	Description of assurance
	Subsidiaries on a consolidated basis (Including Shanghai Walsin, Jiangyin Alloy, Yantai Walsin, Changshu Walsin, and Walsin Precision)	135,432.21	5.59	Shanghai Walsin: Beijing CQE Testing and Certification Co., Ltd. Jiangyin Alloy: Beijing Ouya Puxin International Certification Center Yantai Walsin: Shandong LAJ International Certification Co., Ltd. Changshu Walsin: Shandong LAJ International Certification Co., Ltd. Walsin Precision: BSI (British Standards Institution)	The third-party verification has been completed. Please refer to the official website (File Center) for details: <a href="https://www.walsin.com/about-us/newsroom/#pills-reports-document">https://www.walsin.com/about-us/newsroom/#pills-reports-document</a> .	Subsidiaries on a consolidated basis (Including Shanghai Walsin, Jiangyin Alloy, Yantai Walsin, Changshu Walsin, Walsin Precision, Walsin Nickel, PT. Sunny Metal Industry ("Sunny"), and CAS on a consolidated basis)	3,249,623.88	36.65	Shanghai Walsin: Beijing CQE Testing and Certification Co., Ltd. Jiangyin Alloy: Beijing Ouya Puxin International Certification Center Yantai Walsin: Shandong LAJ International Certification Co., Ltd. Changshu Walsin: Shandong LAJ International Certification Co., Ltd. Walsin Precision: BSI (British Standards Institution) Walsin Nickel: TUV NORD Taiwan Sunny: TUV NORD Taiwan CAS: Self-inventory was not verified	The full assurance information will be disclosed in the Sustainability Report, and the relevant information can also be found on the official website (Document Center): <a href="https://www.walsin.com/about-us/newsroom/#pills-reports-document">https://www.walsin.com/about-us/newsroom/#pills-reports-document</a> .
	Total	326,625.01	3.09			Total	3,446,341.32	19.58		
Scope 3 <sup>Note 1</sup>	Walsin Lihwa Corporation	2,212,164.16	27.23	TÜV Rheinland Taiwan Ltd.	The third-party verification has been completed. Please refer to the official website (File Center) for details: <a href="https://www.walsin.com/about-us/newsroom/#pills-reports-document">https://www.walsin.com/about-us/newsroom/#pills-reports-document</a> .	Walsin Lihwa Corporation	2,423,215.23	27.73	TÜV Rheinland Taiwan Ltd.	The full assurance information will be disclosed in the Sustainability Report, and the relevant information can also be found on the official website (Document Center): <a href="https://www.walsin.com/about-us/newsroom/#pills-reports-document">https://www.walsin.com/about-us/newsroom/#pills-reports-document</a> .
	Subsidiaries on a consolidated basis (Including Shanghai Walsin, Jiangyin Alloy, Yantai Walsin, Changshu Walsin, and Walsin Precision)	2,110,482.66	87.13	Shanghai Walsin: Beijing CQE Testing and Certification Co., Ltd. Jiangyin Alloy: Beijing Ouya Puxin International Certification Center Yantai Walsin: Shandong LAJ International Certification Co., Ltd. Changshu Walsin: Shandong LAJ International Certification Co., Ltd. Walsin Precision: BSI (British Standards Institution)	The third-party verification has been completed. Please refer to the official website (File Center) for details: <a href="https://www.walsin.com/about-us/newsroom/#pills-reports-document">https://www.walsin.com/about-us/newsroom/#pills-reports-document</a> .	Subsidiaries on a consolidated basis (Including Shanghai Walsin, Jiangyin Alloy, Yantai Walsin, Changshu Walsin, and Walsin Precision on a consolidated basis)	1,375,634.10	55.26	Shanghai Walsin: Beijing CQE Testing and Certification Co., Ltd. Jiangyin Alloy: Beijing Ouya Puxin International Certification Center Yantai Walsin: Shandong LAJ International Certification Co., Ltd. Changshu Walsin: Shandong LAJ International Certification Co., Ltd. Walsin Precision: BSI (British Standards Institution) Walsin Nickel: TUV NORD Taiwan Sunny: TUV NORD Taiwan CAS: Self-inventory was not verified	The full assurance information will be disclosed in the Sustainability Report, and the relevant information can also be found on the official website (Document Center): <a href="https://www.walsin.com/about-us/newsroom/#pills-reports-document">https://www.walsin.com/about-us/newsroom/#pills-reports-document</a> .
	Total	4,322,646.82	40.98			Total	3,798,849.33	33.84		

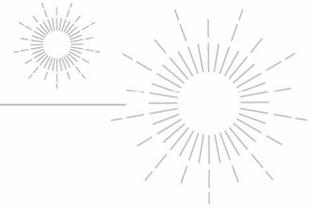
Note 1: Direct emissions (Scope 1, i.e., emissions directly from sources owned or controlled by the Company), indirect energy emissions (Scope 2, indirect greenhouse gas emissions from the input of electricity, heat, or vapor), and other indirect emissions (Scope 3, i.e., emissions from the Company's activities, not indirect emissions from energy, but from sources owned or controlled by other companies). Scope 3 data has been disclosed since 2023.



2. GHG Reduction Targets, Strategies and Specific Action Plans

Reduction targets	<p>Short term: Effectively manage energy efficiency, and set a target of continuous power saving and carbon reduction of 1.5% every year from 2022 onwards (GHG reduction base year: 2021).</p> <p>Medium to long term: Achieve the goal of net-zero carbon emissions by 2050 through carbon inventory and energy conservation, energy creation, green energy trading, low-carbon production of new technologies, and externalization of low-carbon technologies.</p>
Strategy	<p>(1) Introduce a Task Force on Climate-related Financial Disclosure (TCFD) to identify climate-related risks and opportunities by reference to more than two climate change scenarios.</p> <p>(2) Introduce an energy management system and carbon inventory.</p> <p>(3) Promote carbon reduction management, including the implementation of lean production management, management and control of reasonable energy consumption per unit of product, management and improvement of equipment energy efficiency, and reduction of energy consumption and carbon emissions in the smelting process.</p>
Specific action plans	<p>(1) From 2022 onwards, the Task Force on Climate-related Financial Disclosure (TCFD) has been introduced, and climate-related risks and opportunities have been regularly reviewed annually to identify and respond to them.</p> <p>(2) Introduce an energy management system and carbon inventory: In 2018, the ISO 50001 energy management system was introduced, and from 2019 to 2020, the ISO 50001 energy management E-system was planned and built by the Company to improve the real-time energy management. In 2023, all of our Taiwan and mainland China plants have passed ISO 50001:2018 certification In 2020, our Taiwan plants carried out the inventory of energy consumption and carbon emission per unit of main products, and in 2022, the energy consumption and carbon emission per unit product of the main products of our Taiwan plants (14067 carbon footprint inventory (B2B)) was obtained. Since 2014, the carbon inventory and third-party verification of each plant have been initiated, and in 2023, the carbon inventory and third-party verification have been completed in our plants in Taiwan and mainland China.</p> <p>(3) Every year, we will continue to improve energy efficiency and reduce carbon emissions through project control and administrative management through the implementation of lean production management, management and control of reasonable energy consumption per unit of product, management and improvement of equipment energy efficiency, and reduction of energy consumption and carbon emissions in the smelting process.</p> <p>(4) Since 2015, each plant has set up an energy conservation and carbon reduction management body, set annual goals and various energy conservation and carbon reduction measures, and held regular meetings to review and build an energy management E system for real-time management. In 2024, a total of 105 carbon reduction plans were proposed in our Taiwan and overseas plants, with a total power saving rate of 3.14% and a total carbon reduction of 18,886 metric tons of CO<sub>2</sub>e/year in Asia region in 2024.</p> <p>(5) In 2021, we planned to build 5.5 MWp of renewable energy (solar energy) for self-consumption; 5.5 MWp has been built in 2024, and 6,232,988 kWh of electricity has been connected to the grid.</p>

Note 1: The "climate-related information" disclosed by the Company in this report applies to subsidiaries within the scope of the consolidated financial statements. Relevant data and management mechanisms are prepared according to the consolidated financial statements, unless specifically noted as applicable to the individual company.

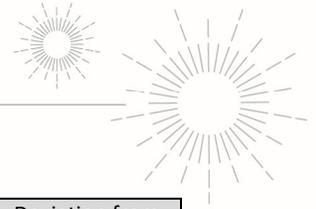


(6) Fulfillment of ethical management and differences between our ethical management and the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reason(s)

Assessment items	Implementation status			Deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons for deviation
	Yes	No	Summary	
<p>I. Establishment of ethical management policies and solutions</p> <p>(I) Has the Company formulated its ethical management policies approved by the Board of Directors and stated its ethical management policies and practices in its internal rules and external documents? Do the Board of Directors and senior management actively fulfill their commitment to ethical management polices?</p> <p>(II) Has the Company established an assessment mechanism for the risk of unethical conduct to regularly analyze and evaluate business activities with a higher risk of unethical conduct in its scope of business, and formulated a plan based on such analysis and evaluation to prevent unethical conduct, which should cover at least the preventive measures under Paragraph 2, Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies?</p>	<p>Yes</p> <p>Yes</p>		<p>(I) The Company has always insisted on honest business practices. We abide by the laws set forth by the government, implement our corporate governance principles and make our utmost effort to fulfill our corporate responsibilities. Our Board passed our "Ethical Corporate Management Best Practice Principles" and our "Procedures for Ethical Management and Guidelines for Conduct" as the Company's policies for ethical management practices. The full texts are also disclosed in electronic form on the Company's website to showcase our commitment to implementing and overseeing ethical management policies.</p> <p>The directors and senior executives signed a Statement of Ethical Management to demonstrate their determination to operate with integrity. At the same time, information related to ethical management was published on the corporate website and internal website for the directors' reference to convey the importance of operating with integrity and to actively implement and monitor the implementation of the ethical management policy.</p> <p>(II) 1. The Company's prevention plan and scope of Article 6 of the Ethical Corporate Management Best Practice Principles have specifically covered the business activities with higher risk of dishonest behavior or other activities specified in each paragraph of Paragraph 2 of Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies. The Company has strengthened the relevant preventive measures through the establishment of internal rules and regulations and practices, education and training, daily promotion, contractual agreements and inclusion in the employee performance evaluation.</p> <p>2. The Company established a risk assessment mechanism for dishonest acts and used the seven major types of dishonest acts listed in Paragraph 2 of Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies as the scope of assessment to promote the assessment of dishonest acts.</p> <p>3. In order to implement the concept of sustainable management and promote</p>	<p>In line with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies.</p>



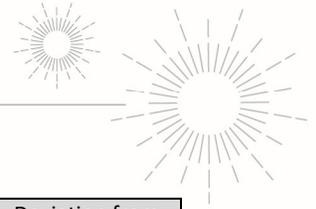
Assessment items	Implementation status			Deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons for deviation
	Yes	No	Summary	
(III) Has the Company defined and implemented the operating procedures, conduct guidelines, disciplinary and complaint systems for non-compliance in its unethical conduct prevention program, and regularly reviewed and revised the foregoing program?	Yes		<p>corporate governance, we have established the Sustainable Development Committee, under which the "Ethical Management Promotion Center" is responsible for the management of the Company's ethical management and the implementation of corporate social responsibility, while assisting in integrating integrity management into the Company's business strategy, formulating relevant measures to ensure ethical management in accordance with laws and regulations, supervising the implementation of ethical management, and evaluating its effectiveness. The Sustainable Development Committee held two meetings in 2024 to review the annual plan and implementation results of the Ethical Management Promotion Center and reported the implement result in 2024 to the board of directors meeting on January 6, 2025.</p> <p>4. On February 27, 2020, the Board of Directors approved the establishment of the "Risk Management Policies and Procedures" as the highest guiding principle for the Company's risk management. The Company will regularly assess the risks on an annual basis and formulate and implement management policies for each risk, which cover management objectives, organizational structure, attribution of authority and responsibility and risk management procedures, so as to effectively identify, measure and control the Company's risks and control the risks arising from business activities within an acceptable range.</p> <p>5. In respect of the Company's risk management, each risk management unit and audit unit will carry out the Company's risk environment management and countermeasures, and President will organize and oversee the implementation and coordination of risk management. The risk control measures and risk management operations will be reported to the Board of Directors in case of material risk events. The risk management operations for 2024 were reported to the Board of Directors on November 8, 2024</p> <p>(III) 1. The Company has formulated its Ethical Corporate Management Best Practice Principles and Procedures for Ethical Management and Guidelines for Conduct setting forth the operational procedures, codes of conduct, and training for the prevention of unethical behavior. In so doing, we cause our staff to behave honestly and uprightly to our stakeholders in compliance with the ethical management policies. We also have established</p>	



Assessment items	Implementation status			Deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons for deviation
	Yes	No	Summary	
			<p>reporting system, punishment policies and a complaint filing system for employees who violate relevant regulations, which is linked to the employee performance evaluation.</p> <p>2. The Company implements the prevention measures through internal education and training, daily promotion, contractual agreements and linkage to employee performance assessment. It also aims to strengthen the implementation of such measures by making periodic review and revisions thereof.</p> <p>3. We continue to steadily implement the risk assessment of dishonest behavior. In 2024, using data-driven approaches, we implemented comprehensive measures throughout all levels of the organization from management to frontline staff. Simultaneously, we conducted a thorough review of regulations and policies, closely examining internal control mechanisms within business processes to identify potential vulnerabilities and weaknesses, and subsequently formulated response measures and process improvements.</p>	
<p>2. Ensuring ethical business practice</p> <p>(I) Has the Company evaluated the ethical management practices records of the companies it does business with as well as explicitly included ethical management practices clauses in the contracts?</p>	Yes		<p>(I) 1. The Company prevents transacting with companies with unethical management practice records by adopting the following approaches:</p> <p>(1)When selecting a business partner, the Company reviews the partner's past trading history and credit record. When inviting bids, suppliers shall be informed of the principle of a fair, open and transparent supplier selection policy.</p> <p>(2)Entities we are selling to: Except for procurement projects from the government, the Company shall track the long-term credit information of distributors, with the reputation of new distributors obtained through credit reference agencies and other companies in the industry.</p> <p>2. Including honest practice provisions in contracts:</p> <p>(1)Procurement contracts: We have either had honest business practices clauses added to the contracts or have our suppliers make an undertaking to comply with the ethical management policy.</p> <p>(2)Sales contracts: Honest business practices clauses have been added to all such contracts.</p> <p>3. The Company also non-periodically holds supplier conventions for suppliers of different plants to advocate for the integrity management of suppliers. In 2024, a total of 218 companies attended the meetings held by</p>	In line with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies.



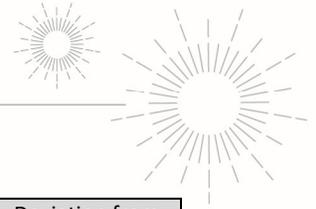
Assessment items	Implementation status			Deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons for deviation
	Yes	No	Summary	
(II) Has the company established a dedicated or non-dedicated department under the Board of Directors to ensure honest business practices? Does this department periodically report their status of implementation to the Board of Directors?	Yes		<p>Taipei Head Office, Wire and Cable Business Group (Shanghai, Hsinchuang, and Yangmei Plants), Stainless Steel Business Group (Yantai Plant, Yantai Plant, Jiangyin Alloy Plant, Changshu Plant, Taichung Plant, and Yenshui Plant).</p> <p>(II) The Company's 7<sup>th</sup> meeting of the Board of Directors of the 17<sup>th</sup> term approved the establishment of the "Corporate Social Responsibility Committee" in April 29, 2015, and the 17<sup>th</sup> meeting of the Board of Directors of the 18<sup>th</sup> term in November 1, 2019 approved the establishment and organizational charter of the "Sustainable Development Committee" by merging the existing "Corporate Social Responsibility Committee" and "Ethical Management Committee". The Sustainable Development Committee is responsible for developing corporate sustainability strategies and visions to promote sustainability management-related work and management. The Committee is composed of an independent director as the Convener, and the Chairman, all other independent directors, and the Advisor as members. The Committee has five promotion centers, including the Ethical Management Promotion Center, the Environment, Safety and Health Management Promotion Center, the Green Operation Promotion Center, the Customer Service and Supplier Management Promotion Center, and the Employee Relations and Social Care Promotion Center. The Company's Ethical Management Promotion Center is the responsible unit for formulating and overseeing the implementation of the Company's ethical management policies and preventive measures. It reported to the Board on the implementation in 2024 and the implementation plan for 2025 on January 6, 2025. The Company has diligently implemented its ethical management policies, with the following key initiatives in 2024:</p> <ol style="list-style-type: none"> <li>Enhanced information transparency: Through establishing platforms for tax information, legal compliance, and intellectual property, we strengthened corporate compliance and data transparency, avoided high-risk behaviors, and ensured operational integrity.</li> <li>Conducted regular quarterly meetings: We held promotion center meetings with executive management each quarter to track implementation status and discuss annual plans. Reports were also submitted to the Sustainable Development Committee and the Board of Directors to ensure implementation progress aligned with corporate governance and sustainable development objectives.</li> </ol>	



Assessment items	Implementation status			Deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons for deviation
	Yes	No	Summary	
(III) Has the company established policies to prevent conflicts of interest, implemented such policies and provided adequate channels of communication?	Yes		<p>3. Promoted awareness internally and externally: Through internal training, announcements, and external promotional activities, we strengthened awareness among employees and external partners regarding ethical management, intellectual property rights, and protection of trade secrets, comprehensively enhancing compliance awareness.</p> <p>4. Intellectual property management and confidentiality mechanisms: We improved systems to strengthen intellectual property rights management, including risk assessment, rights protection, and infringement handling mechanisms. We regularly inventoried confidential documents and optimized confidentiality regulations, promoting systematized trade secret management and incentive mechanisms.</p> <p>5. Ethical risk assessment and second-degree relative database: We expanded the scope of risk assessment for unethical behavior, completed the assessment for the Hangzhou plant, and formulated risk management plans. We also actively established a database of second-degree relatives.</p> <p>For more information, please refer to "Implementation Status of Business Integrity Promotion Center" on the company website: <a href="https://www.walsin.com/investors/corporate-governance/#pills-function-committee">https://www.walsin.com/investors/corporate-governance/#pills-function-committee</a></p>	
(IV) Has the Company established an effective accounting system and internal control system for the implementation of ethical management, and has its internal audit unit drawn up an audit plan based on the results of the	Yes		<p>(III) The Company has established the Ethical Corporate Management Best Practice Principles and the Procedures for Ethical Management and Guidelines for Conduct to regulate Directors, managers and employees in terms of obligations to the Company, external business activities, pecuniary transactions, avoidance of conflicts of interest and the management of classified information. The Company has set up a complaint mailbox on its website that provides a means for filing complaints about violations of honest business practice and sexual harassments, which the Independent Director may receive in real time. A corporate mailbox also exists on the employee portal site, thus providing internal and external personnel with a means to make suggestions and complaints to the Company. Information received shall be handled by the Auditing Office.</p> <p>(IV) The Company actively works to ensure ethical business practices. The Auditing Office (or hired CPA, when necessary) shall regularly audit relevant compliance statuses according to accounting policies, internal control policies, as well as other relevant regulations. The Auditing</p>	



Assessment items	Implementation status			Deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons for deviation
	Yes	No	Summary	
<p>assessment of the risk of unethical conduct, in order to verify compliance with such plan for prevention of unethical conduct, or has it engaged a CPA firm to perform the audit?</p> <p>(V) Does the Company regularly conduct internal and external educational training on ethical management?</p>	Yes		<p>Office will periodically report its auditing results during Board meetings.</p> <p>(V) During new-employee training, the Company periodically states its principles towards ethical management practices. It also periodically holds courses on corporate governance as well as ethical management practices and asks employees to participate. The Company's Procurement Department also informs suppliers of our ethical management practices principles in order to prevent unethical business practices.</p> <ol style="list-style-type: none"> <li>1. The Company regularly conducts annual training on ethical management (including anti-corruption) and legal compliance (among others), which is disclosed in the annual sustainability report and annual report.</li> <li>2. Through public commitment, information dissemination and education, the Company deepens its management philosophy of integrity and creates a corporate culture of integrity from top to bottom. In 2024, we offered directors courses related to ethical management to sharpen their professional knowledge and skills, and through the implementation of ethical management (including anti-corruption) and legal compliance training, we have established a good ethical management culture and strengthened our commitment to ethical practices.</li> <li>3. In 2024, we conducted internal training courses on topics such as ethical management, patent education and the TIPS system. The total number of participants who completed the training on ethical management (including anti-corruption), trade secret, and intellectual property rights (including TIPS) reached 2,399, 2,355, and 2,254 respectively. For external promotion, we invited 218 major suppliers to participate in the training.</li> </ol>	
<p>3. Status of the Company's reporting mechanism</p> <p>(I) Has the Company established concrete reporting and rewards systems, set up convenient reporting channels and appointed any appropriate, dedicated staffer to deal with the person who has been reported?</p>	Yes		<p>(I) The Company's website provides a "Reporting Violations of Ethical Management Practices and Sexual Harassment" area, which allows people to file complaints about violations against ethical management practices, which the Independent Director may receive in real time. There is also a "company mailbox" on the employee portal website, providing internal and external personnel with a means to file complaints. The Auditing Office is responsible for handling related recommendations and violations. If the violations</p>	In line with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies.



Assessment items	Implementation status			Deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons for deviation
	Yes	No	Summary	
(II) Has the Company established standard operating procedures for investigation of, the follow-up steps after the investigation of, and related information confidentiality mechanisms for, complaints?	Yes		are verified, disciplinary action shall be taken in accordance with the Company's regulations.	
(III) Has the company adopted any measure to protect the informers lest they be inappropriately treated?	Yes		(II) The Company has formulated the Measures for Stakeholder Recommendations and Complaints and Operational Rules for Event Investigations. Therefore, we have formulated the operational procedure for investigation and the handling system, whereby the identity as well as data of those complainants, whistleblowers, or other relevant parties will be protected. (III) All reported cases are filed under the classified category, with a case opened to handle the issue. In addition, dedicated personnel are appointed to handling related tasks and issues in order to ensure the privacy of reporter and avoid unfair revenge or treatment.	
4. Improved Information Disclosure Has the Company disclosed the content of its Ethical Corporate Management Best Practice Principles as well as related implementation results on its website and the MOPS?	Yes		The Company has established a Corporate Governance page on its website to disclose its ethical management-related information; it also discloses the implementation status and execution results of its ethical management practice in the annual sustainability report and also the Company's Ethical Corporate Management Best Practice Principles, Procedures for Ethical Management and Guidelines for Conduct, and Ethical Conduct Guidelines for Directors of the Board and Managerial Officers on the MOPS.	In line with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies.
5. If the company has established its ethical corporate management principles in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE- and TPEX-listed Companies", please state the difference between such principles and implementation: In line with the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies."				
6. Other key information useful for explaining the status of the implementation of honest business practices: (Such as the status of the Company's efforts to review and correct its Ethical Corporate Management Best Practice Principles): In order to encourage R&D, protect technology and R&D achievements, optimize processes, promote product innovation, upgrade and smart manufacturing through the intellectual property rights system, thereby achieving a high-value transformation strategy for the Company's growth, we introduced the Taiwan Intellectual Property Management System (TIPS) and passed the certification in 2020. Later in 2021, we passed and received the Taiwan Intellectual Property Management System (TIPS Class A) recertification. In 2023, we passed TIPS Level A recertification for the third time. This certificate will be valid until December 31, 2025. In 2023, in response to organizational adjustments, the Procurement Management Center will be incorporated into the scope of execution of the TIPS intellectual property management system. Additionally, we have formulated plans in place for the management system and system design of trade secrets, integrating the systematic electronic document confidentiality labeling introduced in 2022 to gradually enhance the strength of confidential information protection. Following the TIPS standards, the intellectual property management policy and its objectives for the year are established, and the implementation status and annual plan were reported to the Board of Directors on November 8, 2024. (Note 1)				

Note 1: The operation of the Company's intellectual property rights management:

<https://www.walsin.com/investors/corporate-governance/#pills-information-security>

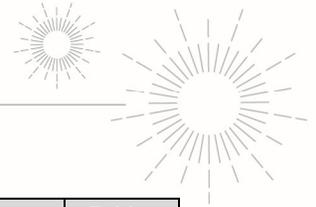


(7) Other important information helpful for improving understanding of the governance of the company:

1. Further education on themes encompassing corporate governance the Company's Directors have received in 2024:

As of December 31, 2024

Title	Name	Training Date		Organizer	Course Title	Training Hours	
		From	To			This Time	Year Total
Chairman	Yu-Lon Chiao	2024/01/26	2024/01/26	Taiwan Corporate Governance Association	Analysis of Taiwan's Economic Trend in 2024	3	11
		2024/03/29	2024/03/29	Taiwan Corporate Governance Association	Production Technology and Market Development of High-Value Steel Products	2	
		2024/05/03	2024/05/03	Taiwan Corporate Governance Association	Development Prospects of the Nickel Industry and Sustainable Management of Resilient Supply Chains	3	
		2024/11/08	2024/11/08	Taiwan Corporate Governance Association	Taiwan's Cable Industry Development and Prospect and Creating a Friendly Workplace (Including Sexual Harassment Prevention)	3	
Vice Chairman	Shyi-Chin Wang	2024/08/20	2024/08/20	Taiwan Investor Relations Institute	Trade Secret and Information Security Practices and Legal Risk Management	3	9
		2024/11/08	2024/11/08	Taiwan Corporate Governance Association	Taiwan's Cable Industry Development and Prospect and Creating a Friendly Workplace (Including Sexual Harassment Prevention)	3	
		2024/11/29	2024/11/29	Securities and Futures Institute	2024 Annual Insider Trading Compliance and Education Seminar	3	
Director	Yu-Cheng Chiao	2024/01/26	2024/01/26	Taiwan Corporate Governance Association	Analysis of Taiwan's Economic Trend in 2024	3	21.5
		2024/03/14	2024/03/14	Taiwan Corporate Governance Association	Flowers in Troubled Times: Dialogue on the Contradictions in the Current Economic Situation and Geopolitics; A Musical Messenger from Heaven	3	
		2024/03/14	2024/03/14	Taiwan Corporate Governance Association	Opportunities and Challenges of Generative AI; Make Good Use of Climate Legal/Economic Tools to Address the Scope 3 Decarbonization Challenges	3	
		2024/03/29	2024/03/29	Taiwan Corporate Governance Association	Production Technology and Market Development of High-Value Steel Products	2	
		2024/05/03	2024/05/03	Taiwan Corporate Governance Association	Development Prospects of the Nickel Industry and Sustainable Management of Resilient Supply Chains	3	
		2024/08/08	2024/08/08	Taiwan Corporate Governance Association	Examining the Challenges and Responses in Business Management Through the Growth Journey of Well-Known Multinational Companies / Trends and Challenges of Climate Change and Corporate Sustainability	3	
		2024/08/08	2024/08/08	Taiwan Corporate Governance Association	Global Economic Outlook	1.5	
		2024/11/08	2024/11/08	Taiwan Corporate Governance Association	Taiwan's Cable Industry Development and Prospect and Creating a Friendly Workplace (Including Sexual Harassment Prevention)	3	
Director	Yu-Heng Chiao	2024/01/26	2024/01/26	Taiwan Corporate Governance Association	Analysis of Taiwan's Economic Trend in 2024	3	15
		2024/05/03	2024/05/03	Taiwan Corporate Governance Association	Development Prospects of the Nickel Industry and Sustainable Management of Resilient Supply Chains	3	
		2024/11/06	2024/11/06	Securities and Futures Institute	Carbon Trading Mechanism and Carbon Management Applications	3	
		2024/11/06	2024/11/06	Securities and Futures Institute	NVIDIA's Miracle of Reaching Capitalization of USD Three Trillion - New Thinking in the Semiconductor Industry Revolution Behind Artificial Intelligence	3	
		2024/11/08	2024/11/08	Taiwan Corporate Governance Association	Taiwan's Cable Industry Development and Prospect and Creating a Friendly Workplace (Including Sexual Harassment Prevention)	3	
Director	Yu-Chi Chiao	2024/01/26	2024/01/26	Taiwan Corporate Governance Association	Analysis of Taiwan's Economic Trend in 2024	3	20
		2024/03/05	2024/03/05	Taiwan Corporate Governance Association	Succession Plan Initiation - Employee Compensation Program and Equity Succession	3	
		2024/03/29	2024/03/29	Taiwan Corporate Governance Association	Production Technology and Market Development of High-Value Steel Products	2	



Title	Name	Training Date		Organizer	Course Title	Training Hours	
		From	To			This Time	Year Total
		2024/09/06	2024/09/06	Securities and Futures Institute	2024 Insider Trading Prevention Seminar	3	
		2024/10/28	2024/10/28	Taiwan Corporate Governance Association	Global Economic Outlook for 2025	3	
		2024/10/28	2024/10/28	Taiwan Corporate Governance Association	How to Deal With Global Geopolitical Tensions	3	
		2024/11/08	2024/11/08	Taiwan Corporate Governance Association	Taiwan's Cable Industry Development and Prospect and Creating a Friendly Workplace (Including Sexual Harassment Prevention)	3	
Director	Andrew Hsia	2024/01/26	2024/01/26	Taiwan Corporate Governance Association	Analysis of Taiwan's Economic Trend in 2024	3	11
		2024/03/29	2024/03/29	Taiwan Corporate Governance Association	Production Technology and Market Development of High-Value Steel Products	2	
		2024/05/03	2024/05/03	Taiwan Corporate Governance Association	Development Prospects of the Nickel Industry and Sustainable Management of Resilient Supply Chains	3	
		2024/11/08	2024/11/08	Taiwan Corporate Governance Association	Taiwan's Cable Industry Development and Prospect and Creating a Friendly Workplace (Including Sexual Harassment Prevention)	3	
Director	Wen-Chien Hsieh	2024/07/03	2024/07/03	Taiwan Stock Exchange	2024 Cathay Sustainable Finance & Climate Change Summit	6	9
		2024/11/08	2024/11/08	Taiwan Corporate Governance Association	Taiwan's Cable Industry Development and Prospect and Creating a Friendly Workplace (Including Sexual Harassment Prevention)	3	
Independent Director	Ming-Ling Hsueh	2024/01/26	2024/01/26	Taiwan Corporate Governance Association	Analysis of Taiwan's Economic Trend in 2024	3	32
		2024/03/29	2024/03/29	Taiwan Corporate Governance Association	Production Technology and Market Development of High-Value Steel Products	2	
		2024/04/18	2024/04/18	Financial Law and Crime Prevention Center	Promotion for Anti-Money Laundering, Counter-Terrorism Financing, and Prevention of Insider Trading	3	
		2024/04/30	2024/04/30	Taiwan Corporate Governance Association	TCFD & SBTi Development Trends and Director Responsibilities	3	
		2024/05/03	2024/05/03	Taiwan Corporate Governance Association	Development Prospects of the Nickel Industry and Sustainable Management of Resilient Supply Chains	3	
		2024/05/16	2024/05/16	Taiwan Securities Association	Financial Consumer Protection Act and Fair Customer Treatment Principles (Course Content Includes "Financial Inclusion and Convention on the Rights of Persons with Disabilities")	3	
		2023/09/04	2023/09/04	Taiwan Corporate Governance Association	Corporate Legal Compliance and Ethical Corporate Management Plus Directors' Practical Understanding of Labor Standards Act - Friendly Workplace and Gender Equality Laws	3	
		2024/09/05	2024/09/05	Taiwan Securities Association	Trends for Information Security Threats and Crisis Management	3	
		2024/10/16	2024/10/16	Taiwan Corporate Governance Association	The 20th (2024) International Corporate Governance Summit Forum - Focusing on Governance Priorities to Leverage Strengths of Talents	3	
		2024/10/30	2024/10/30	Taiwan Corporate Governance Association	Information Security Governance Practices: Research and Analysis of Key Management Issues	3	
Independent Director	Fu-Hsiung Hu	2024/01/26	2024/01/26	Taiwan Corporate Governance Association	Analysis of Taiwan's Economic Trend in 2024	3	19
		2024/03/13	2024/03/13	Taiwan Corporate Governance Association	Corporate Governance and Sustainable Development	1	
		2024/03/29	2024/03/29	Taiwan Corporate Governance Association	Production Technology and Market Development of High-Value Steel Products	2	
		2024/04/09	2024/04/09	Taiwan Corporate Governance Association	Benefits of Circular Economy and Business Opportunities for Sustainable Finance	2	
		2024/05/02	2024/05/02	Taiwan Corporate Governance Association	Enterprise Information Security Positions in the Context of Digital Resilience	1	
		2024/05/03	2024/05/03	Taiwan Corporate Governance Association	Development Prospects of the Nickel Industry and Sustainable Management of Resilient Supply Chains	3	

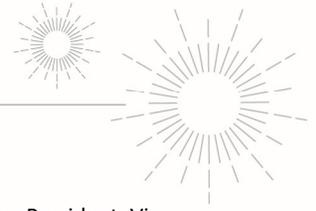


Title	Name	Training Date		Organizer	Course Title	Training Hours	
		From	To			This Time	Year Total
		2024/10/02	2024/10/02	Taiwan Corporate Governance Association	Anti-Money Laundering and Anti-Terrorism Financing	2	
		2024/11/08	2024/11/08	Taiwan Corporate Governance Association	Taiwan's Cable Industry Development and Prospect and Creating a Friendly Workplace (Including Sexual Harassment Prevention)	3	
		2024/11/12	2024/11/12	Taiwan Corporate Governance Association	Fair Treatment, Friendly Finance, and Ethical Management	2	
Independent Director	Tyzz-Jiun Duh	2024/01/26	2024/01/26	Taiwan Corporate Governance Association	Analysis of Taiwan's Economic Trend in 2024	3	23
		2024/02/27	2024/02/27	Taiwan Institute of Directors	Global Economic Outlook (Inflation, Interest Rate Policies, Green Trade Wars)	3	
		2024/03/29	2024/03/29	Taiwan Corporate Governance Association	Production Technology and Market Development of High-Value Steel Products	2	
		2024/05/03	2024/05/03	Taiwan Corporate Governance Association	Development Prospects of the Nickel Industry and Sustainable Management of Resilient Supply Chains	3	
		2024/07/31	2024/07/31	Financial Law and Crime Prevention Center	Analysis of Common Deficiencies and Penalties in the Financial Industry and Prevention of Sexual Harassment	3	
		2024/10/16	2024/10/16	Securities and Futures Institute	Carbon Trading Mechanism and Carbon Management Applications	3	
		2024/10/29	2024/10/29	Taiwan Institute of Directors	Sustainability Information and Financial Reports Disclosure Trends	3	
2024/11/08	2024/11/08	Taiwan Corporate Governance Association	Taiwan's Cable Industry Development and Prospect and Creating a Friendly Workplace (Including Sexual Harassment Prevention)	3			
Independent Director	Wei-Chuan Gau	2024/01/26	2024/01/26	Taiwan Corporate Governance Association	Analysis of Taiwan's Economic Trend in 2024	3	23
		2024/03/01	2024/03/01	Taiwan Corporate Governance Association	Corporate Governance and Securities Regulations	3	
		2024/03/29	2024/03/29	Taiwan Corporate Governance Association	Production Technology and Market Development of High-Value Steel Products	2	
		2024/05/03	2024/05/03	Taiwan Corporate Governance Association	Development Prospects of the Nickel Industry and Sustainable Management of Resilient Supply Chains	3	
		2024/06/11	2024/06/11	Taiwan Corporate Governance Association	Exploring Corporate Employee Compensation Strategies and Tool Applications	3	
		2024/07/15	2024/07/15	Chinese National Association of Industry and Commerce, Taiwan	Tax Governance and Approaches to Address Changes in the Latest International Tax Laws and Environment	3	
		2024/11/08	2024/11/08	Taiwan Corporate Governance Association	Taiwan's Cable Industry Development and Prospect and Creating a Friendly Workplace (Including Sexual Harassment Prevention)	3	
		2024/12/05	2024/12/05	National Federation of Certified Public Accountant Associations, R.O.C.	Analysis of the Latest Regulations and Practical Cases Under the Money Laundering Control Act	3	

Note: Ms. Wen-Chien Hsieh was newly elected on May 17, 2024.

In response to sustainable development trends, the Company's directors have also completed various courses related to sustainability topics. Course subjects include "Development Prospects of the Nickel Industry and Sustainable Management of Resilient Supply Chains," "Carbon Trading Mechanisms and Carbon Management Applications," and the "2024 Cathay Sustainable Finance & Climate Change Summit." In 2024, the directors collectively completed 48 hours of sustainability-related courses, representing 24.8% of their total training hours.

2. For the attendance of Board meetings by Directors, please refer to "II. Corporate Governance Report 3. Status of Corporate Governance."



3. Further education in corporate governance participated by the Company's managers (including President, Vice President, Managers of BUs, Accounting head, Finance head, etc.) in 2024:

As of December 31, 2024

Title	Name	Training Date		Organizer	Course Title	Training Hours	
		From	To			This Time	Total in the Year
President & President of Commercial and Real Estate BG	Fred Pan	2024.01.26	2024.01.26	Taiwan Corporate Governance Association	Analysis of Taiwan's Economic Trend in 2024	3	11
		2024.03.29	2024.03.29	Taiwan Corporate Governance Association	Production Technology and Market Development of High-Value Steel Products	2	
		2024.05.03	2024.05.03	Taiwan Corporate Governance Association	Development Prospects of the Nickel Industry and Sustainable Management of Resilient Supply Chains	3	
		2024.11.08	2024.11.08	Taiwan Corporate Governance Association	Taiwan's Cable Industry Development and Prospect and Creating a Friendly Workplace (Including Sexual Harassment Prevention)	3	
Head of Corporate Governance	Hueiping Lo	2024.01.25	2024.01.25	Taiwan Institute for Sustainable Energy	The 35th TCCS Board Meeting and CEO Lecture Hall	2	36
		2024.01.26	2024.01.26	Taiwan Corporate Governance Association	Analysis of Taiwan's Economic Trend in 2024	3	
		2024.03.29	2024.03.29	Taiwan Corporate Governance Association	Production Technology and Market Development of High-Value Steel Products	2	
		2024.05.03	2024.05.03	Taiwan Corporate Governance Association	Development Prospects of the Nickel Industry and Sustainable Management of Resilient Supply Chains	3	
		2024.06.06	2024.06.06	Taiwan Corporate Sustainability Association (Co-Organizer: Taiwan Stock Exchange)	GHG Protocol Corporate Standard and Scope 3 Standard Promotion Course Building the New Carbon Era Through Sustainability Knowledge Promotion Conference	7	
		2024.07.03	2024.07.03	Taiwan Stock Exchange	2024 Cathay Sustainable Finance & Climate Change Summit	6	
		2024.07.18	2024.07.18	Taiwan Institute for Sustainable Energy	The 37th TCCS Board Meeting and CEO Lecture Hall	2	
		2024.10.07	2024.10.07	Chines National Association of Industry and Commerce, Taiwan	2024 Taishin Net Zero Summit Forum	3	
		2024.10.14	2024.10.14	Taipei Foundation of Finance	Corporate Governance - Workplace Bullying and Sexual Harassment	2	
		2024.11.08	2024.11.08	Taiwan Corporate Governance Association	Taiwan's Cable Industry Development and Prospect and Creating a Friendly Workplace (Including Sexual Harassment Prevention)	3	
		2024.11.29	2024.11.29	Securities and Futures Institute	2024 Annual Insider Trading Compliance and Education Seminar	3	
Head of Accounting Department	Kelly Liu	2024/04/12	2024/04/12	Accounting Research and Development Foundation	Practical Analysis of the Latest Annual Report Preparation, ESG Sustainability Policies, Laws, and Regulations, and the Impact of Net-Zero Carbon Emissions On Financial Reports	6	18
		2024/10/17	2024/10/18	Accounting Research and Development Foundation	Recent Updates to ESG Regulations in Taiwan and the Potential Risks of ESG to Corporate Operations	3	
		2024/10/17	2024/10/18	Accounting Research and Development Foundation	Corporate Tax Governance Practices under the ESG Trend	3	
		2024/10/17	2024/10/18	Accounting Research and Development Foundation	Analysis of Latest ESG Sustainability Policies and Laws Related to the Preparation of the Annual Reports: The Impact of the Zero-Carbon Era on Financial Reporting	3	
		2024/10/17	2024/10/18	Accounting Research and Development Foundation	Analysis of Legal Liability and Practical Cases of Non-Arm's Length Transactions	3	



(8) Implementation Status of Internal Control System

1. Statement on Internal Control has been filed on the Market Observation Post System, MOPS. Please refer to the following website:

<https://mopsov.twse.com.tw/nas/cont06/c1605113011140314.pdf>

2. If CPAs are engaged to review the internal control system, their report shall be disclosed: None.

(9) In the most recent year, resolutions passed at the AGM and board meetings, as of the day the annual report was prepared.

The Company hosted its 2024 AGM on May 17, 2024 at the 1st Floor Multimedia Conference Room, No.15, Alley 168, Xingshan Road, Neihu District, Taipei City. The following decisions, with implementation details, were made during the meeting:

Matters to Be Recognized and Discussed:

Proposal 1

Subject: Acknowledgement of the Company's 2023 Business Report and financial statements.

Resolution: According to the voting result, the number of affirmative votes exceeded the legal threshold, so the proposal was passed.

Implementation Status: This important resolution was announced as material information on the day of the shareholders' meeting.

Proposal 2

Subject: Acknowledgement of the Company's 2023 Profit Distribution Table.

Resolution: According to the voting result, the number of affirmative votes exceeded the legal threshold, so the proposal was passed.

Implementation Status: June 28, 2024 was the ex-dividend record date and the dividends were paid out on July 18, 2024. (Cash dividend of \$1.1 per share was paid out)

Proposal 3

Subject: Amendments to the Company's Article of Incorporation.

Resolution: According to the voting result, the number of affirmative votes exceeded the legal threshold, so the proposal was passed.

Implementation Status: Changes to the corporate registration card were made in accordance with the law and have been approved by the Ministry of the Economic Affairs on July 2, 2024 via a letter (Ref. No.: Jin-So-Shang-Zi-11330094790), and the revised articles were disclosed on our official website.

Proposal 4

Subject: Proposal to lift the non-compete ban on directors imposed by Article 209 of the Company Act.

Resolution: According to the voting result, the number of affirmative votes exceeded the legal threshold, so the proposal was passed.

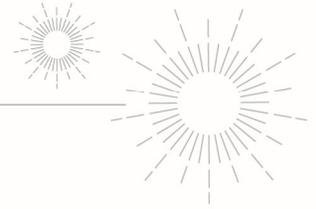
Implementation Status: The announcement of material information was completed on the day of the shareholders' meeting.

Proposal 5

Subject: Election of one director.

Resolution: Directors: Wen-Chien Hsieh was elected as Director.

Implementation Status: The election results were announced as material information on the day of the shareholders' meeting, and the registration of the change of directors was approved by the Ministry of Economic Affairs on July 2, 2024 by the letter (Ref. No.: Jin-So-Shang-Zi-11330094790).



Important resolutions adopted by 2024 Board meetings as of the day of this annual report

2024/01/26 (6th meeting of the 20th term)

Important Resolution: Cogne Acciai Speciali S.p.A., the Company's Italian subsidiary, intends to acquire 65% of the shares of Com. Steel Inox S.p.A. (Italy).

Result: Proposal passed.

Important Resolution: PT. Walsin Nickel Industrial Indonesia intends to lend the funds to the Company and its Singapore subsidiary, Walsin Singapore Pte. Ltd. in the total amount of US\$100 million.

Result: Proposal passed.

Important Resolution: Walsin International Investments Limited, a subsidiary of the Company in Hong Kong, intends to lend the Company US\$200 million, and lend Walsin (China) Investment Co., Ltd., the Company's subsidiary in China, US\$320 million (or the equivalent of RMB2.22 billion) and RMB1.78 billion.

Result: Proposal passed.

2024/02/19 (7th meeting of the 20th term)

Important Resolution: Cogne Acciai Speciali S.p.A., the Company's Italian subsidiary, intends to acquire 100% equity interest in Mannesmann Stainless Tubes GmbH (based in Germany).

Result: Proposal passed.

2024/02/23 (8th meeting of the 20th term)

Important Resolution: Proposal to approve the Company's 2023 business reports and financial statements.

Result: Proposal passed.

Important Resolution: Proposal to approve the Company's 2023 consolidated business reports and consolidated financial statements of affiliated enterprises.

Result: Proposal passed.

Important Resolution: Proposal to approve the Company's 2023 Profit Distribution Table.

Result: Proposal passed.

Important Resolution: PT. Sunny Metal Industry and PT. Walsin Nickel Industrial Indonesia, the Indonesian subsidiaries of the Company, intend to inject capital into their Indonesian subsidiaries, PT. Walhsu Metal Industry, to support the construction of their high-grade nickel matte production line.

Result: Proposal passed.

Important Resolution: Proposal to issue domestic straight corporate bonds.

Result: Proposal passed.

Important Resolution: Walsin Singapore Pte. Ltd. intends to lend funds to PT. Sunny Metal Industry (based in Indonesia) with a non-revolving facility of US\$175.75 million.

Result: Proposal passed.

Important Resolution: Proposal to hold the Company's 2024 Annual General Meeting of Shareholders through video conferencing.

Result: Proposal passed.

Important Resolution: Proposal to elect one director of the Company and to add items to the agenda of the Company's 2024 Annual General Meeting of Shareholders.

Result: Proposal passed.

2024/03/11 (9th meeting of the 20th term)

Important Resolution: Proposal to dispose of 20 percent of the shares in Innovation West Mantewe Pte. Ltd. (based in Singapore).

Result: Proposal passed.

Important Resolution: Proposal to carry out a capital injection into Yantai Walsin Stainless Steel Co., Ltd. through Concord Industries Limited.

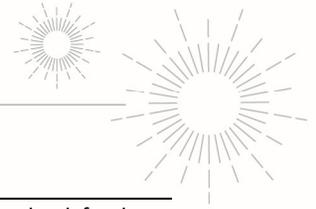
Result: Proposal passed.

Important Resolution: Proposal to carry out a capital injection into Yantai Walsin Stainless Steel Co., Ltd. through Concord Industries Limited.

Result: Proposal passed.



<b>2024/05/03 (11th meeting of the 20th term)</b>	
Important Resolution:	Proposal to approve the Company's consolidated financial statements for the first quarter of 2024.
Result:	Proposal passed.
Important Resolution:	Walsin Singapore Pte. Ltd. intends to lend funds to PT. Transcoal Minergy (based in Indonesia) with a non-revolving facility of US\$18 million US.
Result:	Proposal passed.
Important Resolution:	PT Sunny Metal Industry, the Company's Indonesian subsidiary, intends to lend US\$60 million to its Indonesian subsidiary, PT Walhsu Metal Industry, with a non-revolving facility of US\$60 million.
Result:	Proposal passed.
Important Resolution:	Proposal to carry out a capital injection into a wholly-owned subsidiary of the Company, Walsin Singapore Pte. Ltd., for an amount of US\$160 million.
Result:	Proposal passed.
Important Resolution:	The Company's Singapore subsidiary, Walsin Singapore Pte. Ltd., intends to lend funds to Walsin Lihwa Europe S.à r.l., a Luxembourg subsidiary of the Company, with a non-revolving facility of EUR 30 million, and then WLE will lend funds to its Italian subsidiary, Cogne Acciai Speciali S.p.A., with a non-revolving facility of EUR 30 million.
Result:	Proposal passed.
<b>2024/08/02 (12th meeting of the 20th term)</b>	
Important Resolution:	Proposal to approve the Company's consolidated financial statements for the second quarter of 2024.
Result:	Proposal passed.
Important Resolution:	The Company intends to restructure the investment structure of its European subsidiaries through its subsidiaries Walsin Lihwa Europe S.à r.l., MEG S.A. (based in Luxembourg), and Cogne Acciai Speciali S.p.A. (based in Italy).
Result:	Proposal passed.
Important Resolution:	The Company intends to carry out a capital injection into Cogne Acciai Speciali S.p.A. (based in Italy) through its subsidiaries Walsin Lihwa Europe S.à r.l. and MEG S.A. (both based in Luxembourg).
Result:	Proposal passed.
Important Resolution:	Walsin Singapore Pte. Ltd., a Singapore subsidiary of the Company, intends to lend funds to Walsin Lihwa Europe S.à r.l. (based in Luxembourg) with a one-year non-revolving facility of EUR 130 million (or its equivalent in US dollars).
Result:	Proposal passed.
Important Resolution:	Walsin Singapore Pte. Ltd., the Company's Singapore subsidiary, intends to lend funds to PT. Walsin Everising Specialty Steel Indonesia, a newly established joint venture in Indonesia, with a non-revolving facility of US\$17,850,000.
Result:	Proposal passed.
Important Resolution:	PT. Walsin Nickel Industrial Indonesia, the Company's Indonesian subsidiary, intends to lend funds to PT. Sunny Metal Industry and PT. Walhsu Metal Industry (both based in Indonesia) with a one-year revolving facility totaling US\$30,000,000, and to cancel the one-year revolving facility of US\$40,000,000 that PT. Walsin Nickel Industrial Indonesia has with the Company.
Result:	Proposal passed.
Important Resolution:	Walsin Singapore Pte. Ltd., the Company's Singapore subsidiary, intends to lend funds to PT. Sunny Metal Industry (based in Indonesia) with two one-year non-revolving facilities totaling US\$145,000,000.
Result:	Proposal passed.
Important Resolution:	Walsin Singapore Pte. Ltd. ("WLS"), the Company's Singapore subsidiary, intends to lend funds to Innovation West Mantewe Pte. Ltd. (based in Singapore) ("IWM") with a non-revolving facility of US\$18,000,000.
Result:	Proposal passed.
Important Resolution:	Proposal to participate in the subscription for new shares issued through a cash capital increase in 2024 by Winbond Electronics Corporation.
Result:	Proposal passed.



Important Resolution:	Walsin (China) Investment Co., Ltd., a subsidiary of the Company, intends to lend funds to Hangzhou Walsin Power Cable Co., Ltd. with a revolving facility of RMB 150 million.
Result:	Proposal passed.
Important Resolution:	Walsin (China) Investment Co., Ltd. ("Walsin Investment"), a subsidiary of the Company, intends to lend funds to XiAn Walsin Metal Product Co., Ltd. ("XiAn Metal") with a non-revolving facility of RMB 190 million.
Result:	Proposal passed.
Important Resolution:	Proposal to donate NT\$15 million to apply for the establishment of Walsin Lihwa Sustainable Development Foundation.
Result:	Proposal passed.

#### 2024/10/14 (13th meeting of the 20th term)

Important Resolution:	Walsin International Investments Limited, the Company's Hong Kong subsidiary, intends to lend funds to Borrego Energy Holdings, LLC (based in the United States) and its subsidiary Borrego Energy, LLC with a one-year non-revolving facility totaling US\$50,000,000.
Result:	Proposal passed.

#### 2024/11/08 (14th meeting of the 20th term)

Important Resolution:	Request for the Board of Directors to elect the Vice Chairman of the Board of Directors of the Company.
Result:	Proposal passed.
Important Resolution:	Cogne Acciai Speciali S.p.A., the Company's Italian subsidiary, intends to lend funds to its German subsidiary, Mannesmann Stainless Tubes GmbH ("MST") and five subsidiaries wholly owned by MST with a non-revolving facility of EUR 30,000,000.
Result:	Proposal passed.
Important Resolution:	Mannesmann Stainless Tubes GmbH, the Company's German subsidiary, intends to lend funds to its subsidiaries with revolving facilities totaling approximately EUR 50,000,000.
Result:	Proposal passed.
Important Resolution:	Proposal to approve the Company's consolidated financial statements for the third quarter of 2024.
Result:	Proposal passed.
Important Resolution:	The Company's Singapore subsidiary, Walsin Singapore Pte. Ltd., intends to carry out a capital injection into PT. Walsin Everising Specialty Steel Indonesia (based in Indonesia) for about US\$9.15 million.
Result:	Proposal passed.
Important Resolution:	Walsin Info-Electric Corp., a subsidiary of the Company, proposes to extend a non-revolving credit facility of NT\$100,000,000 to the Company.
Result:	Proposal passed.
Important Resolution:	Jiangyin Walsin Steel Cable Co., Ltd., a subsidiary of the Company, intends to lend funds to Walsin (China) Investment Co., Ltd. with a revolving facility of RMB 55,000,000.
Result:	Proposal passed.
Important Resolution:	Proposal to lift the non-compete ban on the Company's managerial officers.
Result:	Proposal passed.

#### 2025/01/06 (15th meeting of the 20th term)

Important Resolution:	Proposal to change the accounting estimates for depreciation and amortization methods of machinery, equipment, and intangible assets of the Resources Business Group.
Result:	Proposal passed.
Important Resolution:	The Company intends to participate in the capital injection into its Italian subsidiary, Cogne Acciai Speciali S.p.A., through its wholly-owned Luxembourg subsidiaries Walsin Lihwa Europe S.a r.l. and MEG S.A., for an amount of EUR 60.5 million Euros.
Result:	Proposal passed.



Important Resolution:	Walsin International Investments Limited, the Company's Hong Kong subsidiary, intends to lend funds to the Company with a revolving facility of US\$300,000,000, and to lend funds to Walsin (China) Investment Co., Ltd., the Company's subsidiary in China, with a revolving facility of RMB 3.7 billion (or equivalent in US dollars).
Result:	Proposal passed.
Important Resolution:	Walsin Singapore Pte. Ltd., the Company's subsidiary in Singapore, intends to lend funds to PT. Sunny Metal Industry, the Company's subsidiary in Indonesia, with a non-revolving facility of US\$175,750,000.
Result:	Proposal passed.
Important Resolution:	The Company intends to carry out a capital injection by issuing new shares.
Result:	Proposal passed.
Important Resolution:	Proposal to lift the non-compete ban on the Company's managerial officers.
Result:	Proposal passed.
Important Resolution:	Proposal to change the Company's Chief Audit Executive.
Result:	Proposal passed.

2025/02/21 (16th meeting of the 20th term)

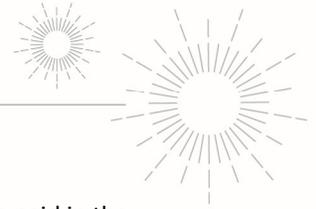
Important Resolution:	Proposal to approve the Company's 2024 business reports and financial statements.
Result:	Proposal passed.
Important Resolution:	Proposal to approve the Company's 2024 consolidated business reports and consolidated financial statements of affiliated enterprises.
Result:	Proposal passed.
Important Resolution:	Proposal to approve the Company's 2024 Profit Distribution Table.
Result:	Proposal passed.
Important Resolution:	The Company's subsidiary, Walsin Energy Cable System Co., Ltd. ("Walsin Cable System"), requests to obtain from the Company the joint right to use the additionally leased A6-A land at Kaohsiung Port for the development of its submarine cable business and based on plant construction and operational needs.
Result:	Proposal passed.
Important Resolution:	Proposal to lift the non-compete ban on the Company's managerial officers.
Result:	Proposal passed.
Important Resolution:	Proposal to hold the Company's 2025 Annual General Meeting of Shareholders through video conferencing.
Result:	Proposal passed.

- (10) In the most recent year, as of the day the annual report was prepared, directors held different opinions (on record or with written statement) about important resolutions passed at Board meetings and the major contents are: None.

4. Information on CPAs' fees

Unit: NT\$ thousands

CPA Firm	CPA	Audit Period	Audit Fee	Non-Audit Fee	Total	Remarks
Deloitte Taiwan	Wen-Yea Shyu and Ko-Chang Wu	2024/01/01~2024/12/31	NT\$20,150	NT\$8,326	NT\$28,476	The non-audit fees were mainly for taxation compliance, and consultation and assurance of sustainability reports.



(I) Change of CPA firm and the audit fees paid in the year of the change are less than those paid in the previous year: Not applicable.

(II) Audit fees paid in the current year are at least 10% less than those paid in the previous year: Not applicable.

**5. Information on the replacement of CPAs: None.**

**6. Chairman, President, or managers responsible for financial or accounting affairs who worked for the firm to which the certifying CPA belongs or its affiliate in the most recent year: None.**

**7. Transfer and pledge of shares of the directors, managers and shareholders holding more than 10% of the company's shares**

(I) Changes to the shares of the directors, managers and shareholders holding more than 10% of the company's shares:

Title	Name	2024		Current fiscal year up to March 18, 2025	
		No. of shares held Increase (decrease)	Shares pledged Increase (decrease)	No. of shares held Increase (decrease)	Shares pledged Increase (decrease)
Chairman	Yu-Lon Chiao	0	0	0	0
Vice Chairman	Chin-Xin Investment Co., Ltd.	0	36,000,000	0	16,000,000
	Representative: Shyi-Chin Wang (Note 1)	0	0	0	0
	Representative: Li-Chin Ku (Note 2)	0	0	0	0
Director	Yu-Cheng Chiao	0	0	0	0
Director	Yu-Heng Chiao	0	0	0	0
Director	Yu-Chi Chiao	0	0	0	0
Director	Andrew Hsia	0	0	0	0
Director	Wen-Chien Hsieh (Note 3)	0	0	0	0
Independent Director	Ming-Ling Hsueh	0	0	0	0
Independent Director	Fu-Hsiung Hu	0	0	0	0
Independent Director	Tyzz-Jiun Duh	0	0	0	0
Independent Director	Wei-Chuan Gau	0	0	0	0
President and Senior General Manager of Real Estate BG	Fred Pan	0	0	0	0
Executive Vice President & Vice President of Finance	C.C. Chen	0	0	0	0
President of Insulated Wire & Cable BG	Jin-Renn Leu	0	0	0	0
President of Resources BG	Josh Chia	0	0	0	0
President of Stainless Steel BG	Kevin Niu (Note 4)	0	0	0	0
President of Stainless Steel BG	Chung-Shin Chen (Note 5)	0	0	0	0
President of Corporate Strategy and Supply Chain Management	Sherry Ho (Note 5)	0	0	0	0



Title	Name	2024		Current fiscal year up to March 18, 2025	
		No. of shares held Increase (decrease)	Shares pledged Increase (decrease)	No. of shares held Increase (decrease)	Shares pledged Increase (decrease)
President of Digital Intelligence Development	Ming-Ji Wu (Note 6)	0	0	0	0
Head of Corporate Governance	Hueiping Lo	0	0	0	0
Head of Accounting Dept.	Kelly Liu	0	0	0	0
Shareholders holding over 10% of outstanding shares	None	-	-	-	-
<p>Note 1: From October 21, 2024, Mr. Wang, Shyi-Chin was appointed as the legal representative of Chin-Xin Investment Co., Ltd., Corporate Director, with equity changes calculated from that date. On November 8, 2024, Chin-Xin Investment Co., Ltd. was elected as the Vice Chairman.</p> <p>Note 2: Chin-Xin Investment Co., Ltd., Corporate Director appointed its legal representative on October 21, 2024, with equity changes calculated up to that date.</p> <p>Note 3: From May 17, 2024, she was newly appointed, with equity changes calculated from that date.</p> <p>Note 4: From August 2, 2024, adjustments were made to his position, with equity changes calculated up to that date.</p> <p>Note 5: From August 2, 2024, she was newly appointed, with equity changes calculated from that date.</p> <p>Note 6: From September 16, 2024, he was newly appointed, with equity changes calculated from that date.</p>					

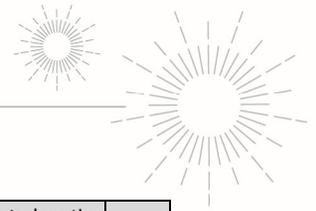
(2) Information on change in the number of shares retained: None.

(3) Information on Share Pledges: None.

**8. Information on relationships amongst the top ten shareholders and their relationships with spouses or relatives within the second degree of kinship**

March 18, 2025

Name	Myself Shares Held Themselves		Shares Held by Spouse and Underage Children		Shares Held Under Name of Others		Name and relationships of related parties to top ten shareholders (spouse and relatives within the second degree) (Note 1)		Note
	No. of Shares	Shareholding Ratio	No. of Shares	Shareholding Ratio	No. of Shares	Shareholding Ratio	Name	Relationship	
Chin-Xin Investment Co., Ltd.	248,002,375	6.15%	-	-	-	-	Winbond Electronics Corporation	Its chairman is the same as the chairman of said institutional shareholder	-
							Huali Investment Co., Ltd.	Its chairman is a second-degree relative of the chairman of said institutional shareholder	
							Patricia Chiao	She is a second-degree relative of the chairman of said institutional shareholder	
							Yu-Heng Chiao	He is a second-degree relative of the chairman of said institutional shareholder	
Chin-Xin Investment Co., Ltd. Representative: Yu-Cheng Chiao	41,001,551	1.02%	19,502,428	0.48%	-	-	Winbond Electronics Corporation	Its chairman is the same as the chairman of said institutional shareholder	-
							Huali Investment Co., Ltd.	Its chairman is a second-degree relative of the chairman of said institutional shareholder	
							Patricia Chiao	She is a second-degree relative of the chairman of	



Name	Myself Shares Held Themselves		Shares Held by Spouse and Underage Children		Shares Held Under Name of Others		Name and relationships of related parties to top ten shareholders (spouse and relatives within the second degree) (Note 1)		Note
	No. of Shares	Shareholding Ratio	No. of Shares	Shareholding Ratio	No. of Shares	Shareholding Ratio	Name	Relationship	
								said institutional shareholder	
							Yu-Heng Chiao	He is a second-degree relative of the chairman of said institutional shareholder	
Winbond Electronics Corporation	247,527,493	6.14%	-	-	-	-	Chin-Xin Investment Co., Ltd.	Its chairman is the same as the chairman of said institutional shareholder	-
							Huali Investment Co., Ltd.	Its chairman is a second-degree relative of the chairman of said institutional shareholder	-
							Patricia Chiao	She is a second-degree relative of the chairman of said institutional shareholder	-
							Yu-Heng Chiao	He is a second-degree relative of the chairman of said institutional shareholder	-
Winbond Electronics Corporation Representative: Yu-Cheng Chiao	41,001,551	1.02%	19,502,428	0.48%	-	-	Chin-Xin Investment Co., Ltd.	Its chairman is the same as the chairman of said institutional shareholder	-
							Huali Investment Co., Ltd.	Its chairman is a second-degree relative of the chairman of said institutional shareholder	-
							Patricia Chiao	She is a second-degree relative of the chairman of said institutional shareholder	-
							Yu-Heng Chiao	He is a second-degree relative of the chairman of said institutional shareholder	-
TECO Electric and Machinery Co., Ltd.	210,332,690	5.22%	-	-	-	-	-	-	-
Rong Chiang International Ltd.	199,482,651	4.95%	-	-	-	-	-	-	
Investment account of LGT Bank (Singapore) under the custody of Business Department of Standard Chartered Bank	183,022,000	4.54%	-	-	-	-	-	-	Note 2
Huali Investment Co., Ltd.	106,994,366	2.65%	-	-	-	-	Chin-Xin Investment Co., Ltd.	Its chairman is a second-degree relative of the chairman of said institutional shareholder	-
							Winbond Electronics Corporation	Its chairman is a second-degree relative of the chairman of said institutional shareholder	
							Patricia Chiao	She is a second-degree relative of the chairman of said institutional shareholder	

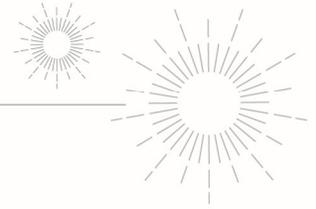


Name	Myself Shares Held Themselves		Shares Held by Spouse and Underage Children		Shares Held Under Name of Others		Name and relationships of related parties to top ten shareholders (spouse and relatives within the second degree) (Note 1)		Note
	No. of Shares	Shareholding Ratio	No. of Shares	Shareholding Ratio	No. of Shares	Shareholding Ratio	Name	Relationship	
							Yu-Heng Chiao	He is a second-degree relative of the chairman of said institutional shareholder	
Huali Investment Co., Ltd. Representative: Yu-Chi Chiao	52,285,470	1.30%	244,033	0.01%	-	-	Chin-Xin Investment Co., Ltd.	Its chairman is a second-degree relative of the chairman of said institutional shareholder	-
							Winbond Electronics Corporation	Its chairman is a second-degree relative of the chairman of said institutional shareholder	-
							Patricia Chiao	She is a second-degree relative of the chairman of said institutional shareholder	-
							Yu-Heng Chiao	He is a second-degree relative of the chairman of said institutional shareholder	-
Patricia Chiao	70,224,587	1.74%	-	-	-	-	Chin-Xin Investment Co., Ltd.	Its chairman is a second-degree relative of said shareholder	-
							Winbond Electronics Corporation	Its chairman is a second-degree relative of said shareholder	-
							Huali Investment Co., Ltd.	Its chairman is a second-degree relative of said shareholder	-
							Yu-Heng Chiao	He is a second-degree relative of said shareholder	-
Investment account of Norges Bank under the custody of Citibank Taiwan Ltd.	67,365,261	1.67%							Note 2
Yu-Heng Chiao	65,343,810	1.62%	4,324,192	0.11%	-	-	Chin-Xin Investment Co., Ltd.	Its chairman is a second-degree relative of said shareholder	-
							Winbond Electronics Corporation	Its chairman is a second-degree relative of said shareholder	-
							Huali Investment Co., Ltd.	Its chairman is a second-degree relative of the chairman of said institutional shareholder	-
							Patricia Chiao	She is a second-degree relative of said shareholder	-
Chunghwa Post Co., Ltd.	60,166,981	1.49%	-	-	-	-	-	-	-

Note 1: Disclosure of relationship pursuant to rules indicated on the issuer's financial statement.

Note 2: The shareholder was a foreign fund account and inquiries have been made of its representative with relevant information requested: None.

Note 3: The shareholding ratios are rounded to the nearest hundredth percent.



**9. The number of shares of the same investee held by the Company, its directors, managers and which the Company controls directly or indirectly, with the aggregate shareholding percentages**

As of December 31, 2024; Units: Shares; %

Re-Investment Companies (Note 1)	Investment by the Company		Investment of directors, managers or businesses under their direct or indirect control		Combined Investment	
	Number of shares	Percentage	Number of shares	Percentage	Number of shares	Percentage
Walsin Lihwa Holdings Limited	2,730,393	100.00	-	-	2,730,393	100.00
Concord Industries Ltd.	297,498,375	100.00	-	-	297,498,375	100.00
Ace Result Global Limited	44,739,988	100.00	-	-	44,739,988	100.00
Min Maw Precision Industry Corp.	37,058,059	100.00	-	-	37,058,059	100.00
Hua Tuo Green Resources Co., Ltd.	1,828,287	100.00	-	-	1,828,287	100.00
Walsin Precision Technology Sdn. Bhd.	32,178,385	100.00	-	-	32,178,385	100.00
Walsin Singapore Pte. Ltd.	873,000,000	100.00	-	-	873,000,000	100.00
Walsin Europe S.a r.l.	12,000	100.00	-	-	12,000	100.00
PT Walsin Research Innovation Indonesia	20,930	99.67	70	0.33	21,000	100.00
Walsin America, LLC	(Note 2)	100.00	-	-	(Note 2)	100.00
Walsin Energy Cable System Co., Ltd.	270,000,000	90.00	-	-	270,000,000	90.00
Walsin Info-Electric Corp.	29,854,246	99.51	-	-	29,854,246	99.51
Chin-Cherng Construction Co.	529,955,805	99.22	-	-	529,955,805	99.22
PT. Walsin Lippo Industries	10,500	70.00	-	-	10,500	70.00
PT. Walsin Lippo Kabel	2,999,500	70.00	-	-	2,999,500	70.00
PT. Walsin Nickel Industrial Indonesia	500,000	50.00	420,000	42.00	920,000	92.00
Joint Success Enterprises Limited	21,344,562	49.05	22,175,438	50.95	43,520,000	100.00
Innovation West Mantewe Pte. Ltd.	2,600,020	20.00	-	-	2,600,020	20.00
Chin-Xin Investment Co., Ltd	179,468,270	37.00	64,166,135	13.22	243,634,405	50.22
Tsai Yi Corporation	49,831,505	33.97	12,070,677	8.23	61,902,182	42.20
Han-You Venture Capital Co., Ltd.	26,670,699	26.67	1,934,486	1.94	28,605,185	28.61
Winbond Electronics Corporation	995,000,540	22.11	430,340,141	9.56	1,425,340,681	31.67
Walton Advanced Engineering, Inc.	109,628,376	21.17	16,060,756	3.10	125,689,132	24.28
Walsin Technology Corporation	88,902,325	18.30	19,818,629	4.08	108,720,954	22.38

Note 1: These are investments by the Company that adopt the equity method of accounting.

Note 2: Walsin America, LLC is a non-stock corporation, with a paid-in capital of USD 81,652,107 as of December 31, 2024, which is wholly contributed by the Company.

## III Fundraising Overview

### 1. The Company's Capital and Shares

#### (1) Sources of Share Capital

##### 1. Historical Sources of Share Capital

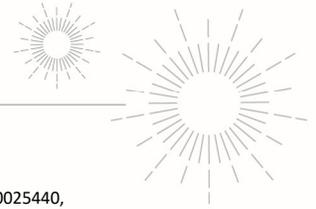
MM/YY	Issuance Price	Authorized capital		Paid-in capital		Remarks		
		Shares	Amount	Shares	Amount	Sources of capital	Paid with property other than cash	Other
11/02	10	6,500,000,000	65,000,000,000	3,512,976,276	35,129,762,760	Treasury stock capital decreased by 100,000,000 shares	No	Note 1
06/03	10	6,500,000,000	65,000,000,000	3,412,976,276	34,129,762,760	Treasury stock capital decreased by 100,000,000 shares	No	Note 2
11/03	10	6,500,000,000	65,000,000,000	3,366,067,276	33,660,672,760	Treasury stock capital decreased by 46,909,000 shares	No	Note 3
01/04	10	6,500,000,000	65,000,000,000	3,266,067,276	32,660,672,760	Treasury stock capital decreased by 100,000,000 shares	No	Note 4
04/04	10	6,500,000,000	65,000,000,000	3,174,491,276	31,744,912,760	Treasury stock capital decreased by 91,576,000 shares	No	Note 5
07/04	10	6,500,000,000	65,000,000,000	3,078,236,276	30,782,362,760	Treasury stock capital decreased by 96,255,000 shares	No	Note 6
08/04	10	6,500,000,000	65,000,000,000	3,079,012,601	30,790,126,010	Bond conversion entitlement certificates converted to common shares	No	None
05/05	10	6,500,000,000	65,000,000,000	3,006,294,601	30,062,946,010	Treasury stock capital decreased by 72,718,000 shares	No	Note 7
08/05	10	6,500,000,000	65,000,000,000	3,310,913,261	33,109,132,610	Capital increased by earnings recapitalization by 304,618,660 shares	No	Note 8
04/06	10	6,500,000,000	65,000,000,000	3,244,314,261	32,443,142,610	Treasury stock capital decreased by 66,599,000 shares	No	Note 9
11/08	10	6,500,000,000	65,000,000,000	3,194,314,261	31,943,142,610	Treasury stock capital decreased by 50,000,000 shares	No	Note 10
02/09	10	6,500,000,000	65,000,000,000	3,179,200,422	31,792,004,220	Treasury stock capital decreased by 27,124,000 shares and overseas convertible bonds converted to 12,010,161 common shares	No	Note 11
09/09	10	6,500,000,000	65,000,000,000	3,119,200,422	31,192,004,220	Treasury stock capital decreased by 60,000,000 shares	No	Note 12
11/09	10	6,500,000,000	65,000,000,000	3,069,200,422	30,692,004,220	Treasury stock capital decreased by 50,000,000 shares	No	Note 13
12/10	10	6,500,000,000	65,000,000,000	3,609,200,422	36,092,004,220	Cash capital increased by 540,000,000 shares	No	Note 14
01/11	10	6,500,000,000	65,000,000,000	3,614,890,804	36,148,908,040	Overseas convertible bonds converted to 5,690,382 shares	No	None
04/11	10	6,500,000,000	65,000,000,000	3,616,000,258	36,160,002,580	Overseas convertible bonds converted to 1,109,454	No	None
06/13	10	6,500,000,000	65,000,000,000	3,576,000,258	35,760,002,580	Treasury stock capital decreased by 40,000,000 shares	No	Note 15
05/15	10	6,500,000,000	65,000,000,000	3,516,000,258	35,160,002,580	Treasury stock capital decreased by 60,000,000 shares	No	Note 16
10/16	10	6,500,000,000	65,000,000,000	3,396,000,258	33,960,002,580	Treasury stock capital decreased by 120,000,000 shares	None	Note 17
06/17	10	6,500,000,000	65,000,000,000	3,366,000,258	33,660,002,580	Treasury stock capital decreased by 30,000,000 shares	None	Note 18
08/18	10	6,500,000,000	65,000,000,000	3,326,000,258	33,260,002,580	Treasury stock capital decreased by 40,000,000 shares	None	Note 19
09/20	10	6,500,000,000	65,000,000,000	3,286,000,258	32,860,002,580	Treasury stock capital decreased by 40,000,000 shares	None	Note 20
12/20	10	6,500,000,000	65,000,000,000	3,226,000,258	32,260,002,580	Treasury stock capital decreased by 60,000,000 shares	None	Note 21
01/21	10	6,500,000,000	65,000,000,000	3,431,332,948	34,313,329,480	Share swap of 205,332,690 shares	None	Note 22
09/22	10	6,500,000,000	65,000,000,000	3,731,332,948	37,313,329,480	Cash capital increased by 300,000,000 shares	None	Note 23
07/23	10	6,500,000,000	65,000,000,000	4,031,332,948	40,313,329,480	Cash capital increased by 300,000,000 shares	None	Note 24

Note 1: Approval letter Tai-Cai-Zheng (3) No. 0910155823, dated 2002.10.16

Note 2: Approval letter Tai-Cai-Zheng (3) No. 0920110106, dated 2003.03.25

Note 13: Letter Jin-Guan-Zheng (Jiao) No. 0980050862, dated 2009.09.21

Note 14: Letter Jin-Guan-Zheng (Fa) No. 0990051578, dated 2010.09.28



Note 3: Approval letter (2001) Tai-Cai-Zheng (3) No. 101196, dated 2001.02.08	Note 15: Letter Jin-Guan-Zheng (Jiao) No. 0990025440, dated 2010.05.12
Note 4: Approval letter Tai-Cai-Zheng (3) No. 0920159026, dated 2003.12.15	Note 16: Letter Jin-Guan-Zheng (Jiao) No. 1050021717, dated 2016.05.27
Note 5: Approval letter Tai-Cai-Zheng (3) No. 0930110000, dated 2004.03.24	Note 17: Letter Jin-Guan-Zheng (Jiao) No. 1050040371, dated 2016.10.03
Note 6: Approval letter Tai-Cai-Zheng (3) No. 0930125152, dated 2004.06.03	Note 18: Letter Jin-Guan-Zheng (Jiao) No. 1030014322, dated 2014.04.17
Note 7: Approval letter Jin-Guan-Zheng (3) No. 0940110778, dated 2005.03.30	Note 19: Letter Jin-Guan-Zheng (Jiao) No. 1040026231, dated 2015.07.08
Note 8: Approval letter Jin-Guan-Zheng (1) No. 0940124111, dated 2005.06.16	Note 20: Letter Jin-Guan-Zheng (Jiao) No. 1090341078, dated 2020.05.05
Note 9: Approval letter Jin-Guan-Zheng (3) No. 0950105881, dated 2006.02.20	Note 21: Letter Jin-Guan-Zheng (Jiao) No. 1090359858, dated 2020.09.29
Note 10: Letter Jin-Guan-Zheng (3) No. 09700511511, dated 2008.09.24	Note 22: Letter Jin-Guan-Zheng (Fa) No. 1090377120, dated 2020.12.16
Note 11: Letter Jin-Guan-Zheng (3) No. 0970065169, dated 2008.11.28	Note 23: Letter Jin-Guan-Zheng (Fa) No. 1090377120, dated 2022.03.11
Note 12: Letter Jin-Guan-Zheng (Jiao) No. 0980027679, dated 2009.06.06	Note 24: Letter Jin-Guan-Zheng (Fa) No. 1120345884, dated 2023.06.26

## 2. Types of Shares

As of March 18, 2025

Types of Shares	Authorized Capital			Remarks
	Shares Issued and Outstanding (Note 1)	Unissued Shares	Total	
Common Shares	4,031,332,948	2,468,667,052	6,500,000,000	(Note 2)

Note 1: Publicly-traded shares.

Note 2: The Company's capital includes NT\$8,000,000,000 for the issuance of share warrants, corporate bonds with share warrants or preferred shares with share warrants, up to eight hundred million shares at a par value of NT\$10 per share, which may be issued in separate tranches.

## 3. Information on Shelf Registration: None.

### (4) List of Major Shareholders

As of March 18, 2025

Major Shareholders	Shares	Number of Shares Held	Shareholding (Note)
Chin-Xin Investment Co., Ltd		248,002,375	6.15%
Winbond Electronics Corporation		247,527,493	6.14%
TECO Electric and Machinery Co., Ltd.		210,332,690	5.22%
Rong Jiang Co., Ltd.		199,482,651	4.95%
LGT Bank (Singapore) Investment Fund under the custody of Business Department, Standard Chartered Bank (Taiwan) Ltd.		183,022,000	4.54%
Huali Investment Corp.		106,994,366	2.65%
Patricia Chiao		70,224,587	1.74%
Investment account of Norges Bank under the custody of Citibank Taiwan Ltd.		67,365,261	1.67%
Yu-Heng Chiao		65,343,810	1.62%
Chunghwa Post Co., Ltd.		60,166,981	1.49%

Note: The shareholding ratios are rounded to the nearest hundredth percent.



### (6) Dividend Policy and Implementation Status

#### 1. Dividends Policy Specified in the Company's Articles of Incorporation

Article 28 of the Company's Articles of Incorporation:

After the Company has offset its accumulated losses from previous years and paid all tax due, the Company shall set aside 10% of its net profits as legal reserve, except when the legal reserve equals to the total paid-in capital of the Company. From the remainder calculated above plus the surplus retained earnings of previous year, the Company shall set aside or reverse the special reserve as stipulated by the law or the competent authority. Then the Board of Directors shall draft an earning distribution proposal submitted to the Shareholders' meeting for resolution to distribute shareholder's dividends. If the aforementioned distribution of earnings is made in cash, the Board of Directors shall be authorized to distribute the earnings with the presence of at least two-thirds of the Directors and the resolution of a majority of the Directors present, and to report the distribution to the shareholders' meeting.

The setting aside of the legal reserve set forth in Paragraph 1 of this Article should be based on the "the total amount of after-tax net income for the period and other profit items adjusted to the current year's undistributed earnings other than after-tax net income for the period."

Article 28-1 of the Company's Articles of Incorporation:

The share dividend policy of the Company should be stable for the purpose of sustainable operation and development. In case of any earnings on the final account, the Company shall allot as shareholder dividends no lesser than 40% of the balance of such earnings after offsetting its loss, paying income tax, setting aside the legal reserve, and setting aside the special reserve as adjusted based on the net decrease in other shareholders' equity as stipulated in Article 28 hereof, as well as deducting the share of the affiliates' interests recognized by equity method and adding the cash dividends paid out by the affiliates to the Company recognized by equity method. Such dividends shall be distributed in cash or in form of shares; cash dividends shall not be lesser than 70% of the total dividends.

To ensure the stability of the financial structure, and based on the principle of equitable dividend payout, if the Company has no earnings to distribute or has earnings but the amount of earnings is significantly less than the actual earnings distributed previously, the Company may distribute all or part of the reserves or the undistributed earnings in the previous period. If there is a non-recurring, material income in the Company's earnings for the year, all or a part of such income may be retained without being subject to the percentage limitation set forth in Paragraph 1 hereof.

#### 2. Dividends Distribution to be proposed to the Shareholders' Meeting

According to the decision of the Company's 16<sup>th</sup> board meeting of the 20<sup>th</sup> term, it is proposed to distribute cash dividends from the earnings in 2024 to shareholders shall be NT\$2,015,666,474, with NT\$0.5 per share (which is calculated based on the Company's 4,031,332,948 issued and outstanding common shares). After this dividend distribution has been resolved and approved by the Board of Directors, the Chairman of the Board is authorized to determine the distribution record date and the distribution date. In the future, if the Company issues or repurchases shares, thereby influencing the amount of outstanding shares and changing the distributable cash dividend per share, it is proposed that the shareholders meeting authorize the chairman of the board to adjust the number of outstanding stocks on the ex-dividend date.

The smallest unit of the cash dividend is NT\$1. The distribution of the cash dividends shall be rounded down to the nearest New Taiwan Dollar. The aggregate of the remaining cash will be credited to Other Revenue by the Company.

#### 3. Explanation regarding expected major changes to dividend policy: None.

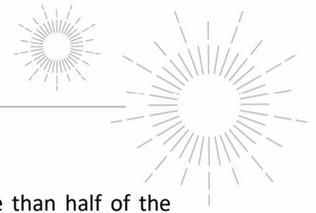
### (7) Effect of the proposed stock dividends (to be adopted by the Shareholders' Meeting) on the operating performance and earnings per share: Not applicable.

### (8) Compensation for employees and directors:

#### 1. The Company's Articles of Incorporation includes the amount and coverage of compensation for employees and directors

Article 25-1:

If the Company turns a profit in a year, no less than 1% of the profit should be distributed to its employees as compensation and no more than 1% to directors as compensation. The actual amount should be determined



by a board meeting where no less than two-thirds of the directors are present and more than half of the directors present votes to approve the suggested amounts. The amounts should be reported to the shareholders meeting. However, if the Company still has accumulated deficit from previous terms, it should first reserve the amount needed to settle the outstanding balance.

Employee bonuses may be distributed by way of stock or cash dividends and the Company may issue bonuses to employees of parents or subsidiaries of the Company that meets the conditions set by the board of directors. The board of directors shall be authorized to determine the method of distribution.

The qualification requirements of or the distribution rules for the employees who are entitled to the treasury stock transferred, the employee warrants issued, subscription for new shares issued, and the restricted stock awards issued by the Company, including the employees of parents or subsidiaries of the company meeting certain specific requirements, shall be formulated by the board of directors as authorized.

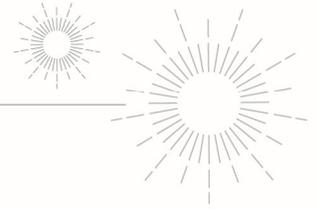
2. Basis for estimates of compensations for employees and directors for this term, basis for calculating employee stock compensation and accounting procedures for when there is a discrepancy between the estimated and actual amount
    - (1) Basis for estimates of compensations for employees and directors for this term: Estimated by ratio of the pre-tax income as determined by the Articles of Incorporation.
    - (2) Basis for calculating employee stock compensation: Not applicable.
    - (3) Accounting procedures for when there is a discrepancy between the estimated and actual amount: If there is a material change in the amount resolved by the Board of Directors for distribution prior to the approval and issuance date of the annual financial report, such change shall be adjusted against the originally set aside annual expenses. If the amount continues to change after the approval and issuance date of the annual financial report, it shall be treated as a change in accounting estimate and adjusted in the accounts of the following year.
  3. Information regarding board of directors' approval of employee compensation
    - (1) Amount to be paid in the form of cash and stocks to employees and directors: The board has approved NT\$47,470,000 to be paid in cash to employees and NT\$14,450,000 to directors for 2024.
    - (2) Difference from estimated amount, reason and actions required: No difference.
    - (3) The amount of employee compensation in the form of stock and its percentage of the Company's after-tax income (as reported in the financial statement of this term) and total employee compensation: Not applicable.
  4. Actual payment status (including stocks, cash and stock price) for employee and director compensation from the previous year; discrepancies (if any) between the actual payment and estimated amount, as well as the reasons for and actions required by the discrepancies
    - (1) Cash and stock compensation for employees; compensation amount for directors: for 2023, the Company issued NT\$70,700,000 to employees and NT\$30,000,000 to directors.
    - (2) Differences between the estimated amount of compensation for employees and directors, as well as the reasons for and actions required by the discrepancies: No differences.
- (9) Share Repurchases:
1. Those having been executed: None.
  2. Those being executed: None.



**2. Issuance of Corporate Bonds:**

Type of Corporate Bonds	2021 1 <sup>st</sup> Unsecured Straight Corporate Bonds	2023 1 <sup>st</sup> Unsecured Straight Corporate Bonds
Issuance (Processing) Date	October 8, 2021	April 11, 2023
Denomination	NT\$10,000,000	NT\$10,000,000
Issue Price	Issued at denomiati nion	Issued at denomiati nion
Lump Sum	NT\$7,500,000,000	NT\$5,300,000,000
Interest Rate (p.a.)	A fixed rate of 0.70% per annum	Tranche A: 1.70% Tranche B: 2.10%
Tenor	5 years; Maturity Date: 2026/10/8	Tranche A: 5 years; Maturity Date: 2028/04/11 Tranche B: 10 years; Maturity Date: 2033/04/11
Guarantor	None	None
Trustee	Hua Nan Commercial Bank Co., Ltd.	Hua Nan Commercial Bank Co., Ltd.
Underwriter (Lead Underwriter)	KGI Securities	KGI Securities
Certifying Attorney	Yicheng United Law Firm	Yicheng United Law Firm
Certifying CPA	Deloitte Taiwan	Deloitte Taiwan
Repayment Method	Principal shall be repaid upon due in one installment	Principal shall be repaid upon due in one installment
Outstanding Principal	NT\$7,500,000,000	NT\$5,300,000,000
Terms of Redemption or Prepayment	None	None
Restrictive Clauses	None	None
Credit Rating Agency Name, Rating Date, Rating of Corporate Bonds	Rating agency: Taiwan Ratings Corporation Rating: TWA- Rating Date: 2021/08/06	Rating agency: Taiwan Ratings Corporation Rating: TWA- Rating Date: 2022/08/09
Additional Rights	Amt. of Converted Common Shares, Global Depository Receipts or other Securities	Not applicable
	Rules for Issuance and Conversion	None
Possible Dilution of Shareholding due to, and Effect on the Current Shareholders' Rights and Interests of, Issuance and Conversion, Rules for Share Swap or Subscription, or the Issuance Terms	None	None
Name of the Custodian Engaged by the Counterparty of Share Swap	None	None

**3. Issuance of Preferred Shares: None.**



#### 4. Issuance of Global Depositary Receipts (GDRs)

Item		Date of Issuance		
		October 3, 1995	November 9, 2010	June 30, 2023
Place of issue and trading		Issued globally and traded on the Luxembourg Stock Exchange		
Total amount		US\$121,800,000	US\$290,313,085	US\$389,100,000
Offer price per unit		US\$12.18	US\$5.38	US\$12.97
Total units issued		10,000,000 units	53,961,540 units	30,000,000 units
Source of underlying security		Issuance of new common shares for cash capital increase	Issuance of new common shares for cash capital increase	Issuance of new common shares for cash capital increase
Underlying security		Common stocks: 100,000,000 shares	Common stocks: 539,615,400 shares	Common stocks: 300,000,000 shares
Rights and obligations of depositary receipt holder		Conducted in accordance with the laws of the Republic of China and with the provisions of the Depositary Agreement. Refer to the Covenants of Depositary Agreement for the key terms and conditions.		
Trustee		None	None	None
Depositary institution:		Deutsche Bank	Citibank	Citibank
Custodial bank		Mega International Commercial Bank	Citibank (Taiwan)	Citibank (Taiwan)
Balance outstanding		21,224 units of global depositary receipts and 212,248 shares of securities represented.		
Distribution of fees incurred from issuance and the outstanding period of the GDRs		1. Issuance fees: The issuing company will be responsible for the entirety of this fee. 2. Fees during outstanding period: The issuing company will be responsible for this fee.		
Covenants of Depositary Agreement and Custodial Agreement		Omitted		
Market price per unit (Unit: US\$)	2024	High	12.48	
		Low	7.23	
		Average	10.59	
	Current year as of March 19, 2025	High	9.05	
		Low	6.63	
		Average	7.76	

**5. Exercise of Employee Stock Option Plan (ESOP) and Restricted Stock: None.**

**6. Mergers, acquisitions or issuance of new shares for acquisition of shares of other companies: None.**

**7. Implementation of capital allocation plan:**

**The program for the use of funds from previous issues has not been completed, or has been completed in the last three years but the benefits of the program have not yet been realized: None.**

## IV. Business Overview

### 1. Business activities

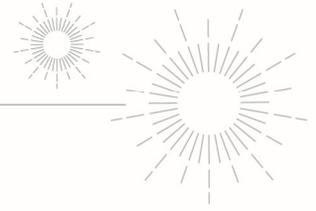
#### (1) Scope of Business

##### 1. Primary business content, primary products and revenue ratio.

Business unit	Business activities	Products	Revenue Ratio	
			The Company and its merged subsidiaries	
			Amount (NT\$ million)	%
Wire and cables	Manufacture and sale of bare copper wire, various electrical wires, cables and related connection materials and accessories, as well as the contracting and execution of high-voltage cable engineering.	Bare copper strips, copper stranded wires, copper cables, power cables, high-voltage connectors and their accessories and telecommunication copper/optical fiber cables and industry power cables.	46,323	25.8
Stainless steel	Forging, processing and selling of stainless steel.	Billets, slabs, hot-rolled coils, cold-rolled coils, wire rods, hot-rolled bars, cold-finished bars, steel ingot, forged bars, seamless pipes and tubes, pierced billets, steel strands, reinforcing steel, and valve steel, machined shaft semi-finished products, and customized engineering components	94,615	52.8
Resources	Production and sales of stainless steel upstream raw material, nickel pig iron, production and sales of nickel matte (the nickel raw materials for batteries), agency sales of stainless steel semi-finished products, procurement, and procurement and hedging of other metal raw materials required for the Company's production	Nickel pig iron, nickel matte, billets, slabs, and HR coils	33,555	18.7
Commercial real estate business	Real estate	Commercial and office buildings leasing and parking space sales	2,223	1.2
Others	Solar power engineering etc.		2,602	1.5

##### 2. New products under development

Business unit	New products under development
Wire and cables	(1) High voltage cables used within large offshore wind turbines (2) Submarine cables for offshore wind sites
Stainless steel	(1) Stainless steel and nickel-based alloys of various types, grades, sizes, conditions and product types. (2) Stainless steel and nickel-based alloys with high intensity, heat resistance, free-machining, soft magnetic property, and value-added. (3) Developing stainless steel and nickel-based alloys for various industrial applications, such as aerospace, oil and gas, nuclear energy, automotive, marine, machinery and equipment, chemical and petrochemical industries, construction, energy, consumer electronics, and medical applications. (4) Stainless steel and nickel-based alloys required for seamless pipe production



## (2) Industry overview

### 1. The current status and development of the industry

#### (1) Wire and Cable Business

According to the statistical forecast report by the International Copper Study Group (ICSG), refined copper production in 2024 is expected to increase by 3.7% year-over-year, with primary production (electrolysis and electrodeposition from ore) increasing by 3.9% and secondary production (from scrap) growing by 3%. The estimated annual output will reach 27.39 million metric tons. The consumption of refined copper in 2024, primarily benefiting from growth in the Mainland China market (3%), is expected to increase by 2.6% year-over-year, with an estimated annual consumption of 27.21 million metric tons, resulting in a supply-demand gap of 180,000 metric tons. Mainland China continues to expand its copper smelting capacity, with refined copper production continuing to grow. Official estimates predict approximately 4.5% growth in refined copper production in 2024.

According to the statistical analysis report published by the International Wrought Copper Council (IWCC), Mainland China is the world's largest copper consumer, with copper rod sales reaching 10.05 million metric tons in 2024, an annual increase of 3.0%. Taiwan's annual copper rod sales, after showing a downward trend for two consecutive years, have now shifted to growth. Sales in the first half of 2024 increased by 12.6% year-over-year, with annual sales estimated at approximately 360,000 metric tons.

The cable market is dominated by procurement from enterprises in the electric power sector, primarily used for transmitting power from power plants to offices or residences. In recent years, the cable industry has benefited from continued investment in new infrastructure, accelerated energy transition, and steady progress in ultra-high voltage construction. According to public data from the Statistics Department of the Ministry of Economic Affairs, Taiwan's domestic sales volume of power cables in 2024 increased by approximately 6.2% year-over-year, showing a continuous growth trend over the past six years. This growth has been supported by Taiwanese businesses returning to Taiwan to invest in plant construction, as well as the recent rise of artificial intelligence and high-performance computing. To meet industrial electricity demand and ensure stable power supply, Taiwan Power Company has continued to promote its resilient power grid plan in addition to its existing long-term power transmission and transformation plan, further stimulating growth in demand for wires and cables.

#### (2) Stainless Steel Business

According to market research firm SMR, global crude stainless steel production in 2024 is estimated to be 67.77 million metric tons, a 5.3% increase from 2023. The largest production region is Mainland China, with crude stainless steel production reaching 41.60 million metric tons, a 4.9% increase from 2023. Indonesia and India are also major growth drivers, with Indonesia's production of 5.40 million metric tons representing a 12.0% growth from 2023, and India's production of 5.30 million metric tons showing a 10.4% growth from 2023. In terms of stainless steel product structure, flat products accounted for 85% of total production in 2024, with hot-rolled products accounting for 19% and cold-rolled for 81%. Long products accounted for 15% of total production, with hot-rolled bars representing 41% of long products, wire rods 33%, and billets 25%.

About 46% of end-use applications for stainless steel are in consumer durable goods, 26% in industrial production (such as machined parts), 18% in structural components, and 10% in transportation. The top five global long product stainless steel companies by production volume are Tsingshan, Jiangsu Delong, Walsin Lihwa, Viraj, and Swiss Steel (according to SMR's 2024 statistical report).

The steel industry faces overcapacity and severe price competition. Some steel mills have chosen to exit, while others have improved operational efficiency through consolidation, restructuring, and eliminating outdated capacity. In recent years, several stainless steel groups have formed internationally (e.g., Tsingshan, Baosteel/Wuhan Iron and Steel/Taiyuan Iron, and Outokumpu), with each group developing



distinct business models. Larger players, such as those in China and Indonesia, who focus on general materials sales, choose to control upstream raw materials to reduce costs; smaller players, on the other hand, opt for the development of high-profit products and application industry.

### (3) Resources Business

Global nickel pig iron production capacity is mainly concentrated in Mainland China and Indonesia. Since 2020, following Indonesia's ban on ore exports, the nickel pig iron industry chain has accelerated its shift from Mainland China to Indonesia, making Indonesia the world's largest nickel pig iron producer. In 2024, the total high nickel pig iron production capacity in Mainland China and Indonesia reached 2.77 million metric tons of nickel, with total production reaching 1.74 million metric tons of nickel. This represents a 2% increase in capacity and a 3% increase in production compared to 2023. Mainland China's total high nickel pig iron production was 260,000 metric tons of nickel, a 15% decrease from 2023, primarily due to uneconomical production that has led to continued decline in overall competitiveness. Indonesia's total high nickel pig iron production was 1.47 million metric tons of nickel, a 7% increase from 2023, with the growth rate slowing due to Indonesian nickel ore policies, declining ore grades, and weather impacts. In 2025, Mainland China's nickel pig iron production is expected to continue shrinking due to uneconomical production, while Indonesia's ore supply is expected to be slightly more abundant than in 2024. Although Indonesia's nickel pig iron production is expected to increase due to plans for a small number of new production lines, attention must still be paid to changes in Indonesia's nickel ore-related policies.

Furthermore, in response to the green energy transformation and flourishing development of the downstream new energy industry chain, large amounts of capital have flowed into Indonesia since 2020. Production capacity for battery-grade nickel intermediate products, such as nickel matte and mixed nickel-cobalt hydroxide precipitate (MHP), began to be released from 2021 and has grown rapidly from 2022 to 2024. In 2024, Indonesia's MHP production reached 310,000 metric tons of nickel, a 97% increase from 2023, while high-grade nickel matte production reached 270,000 metric tons of nickel, a 12% increase from 2023. Indonesia still has plans for substantial nickel intermediate product capacity in the coming years. New capacity is expected to continue coming online in 2025, with the overall industry chain gradually extending downstream, although overall nickel intermediate product output will be affected by the Indonesian government's nickel ore production control policies. In 2024, the global electric vehicle market growth momentum slowed due to the high interest rate environment and elevated global geopolitical risks. In 2025, demand may continue to slow due to high policy uncertainty across countries and ongoing geopolitical instability. After President Trump's inauguration, the United States may tighten subsidy policies for electric vehicles and strengthen controls on Foreign Entities of Concern (FEOC), prompting upstream battery industry chains for electric vehicles sold in the U.S. to actively seek raw materials produced by non-FEOC companies.

### (4) Commercial Real Estate Business

In 2024, Nanjing's office building stock exceeded 5 million square meters, with market demand continuing to recover. The annual net absorption reached 207,000 square meters, a year-over-year increase of 28.6%. In terms of transaction types, in addition to traditional leasing customers, diverse transactions including those from operators and office conversions to commercial purposes also contributed to the annual transaction volume. Industries showing strong growth included telecommunications, media, and technology sectors—primarily focused on chips, big data, and software services—while the financial industry, centered on insurance, banking, and funds, demonstrated strong overall leasing capacity. Active transaction areas were concentrated in the Xinjiekou and Hexi districts.

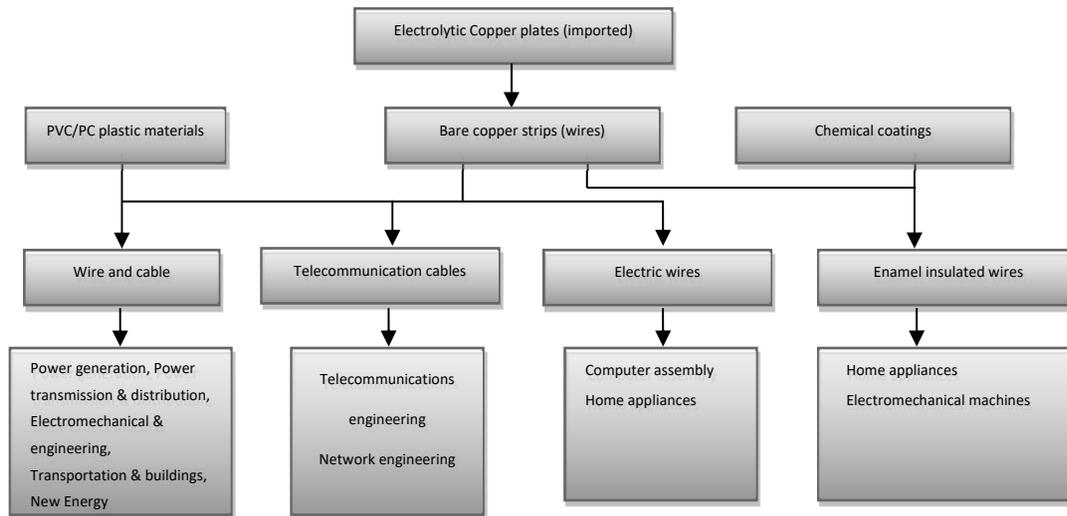
In 2024, Nanjing's retail market total inventory increased to approximately 7.27 million square meters. In the first three quarters, the city achieved total retail sales of consumer goods amounting to RMB 637.775 billion, a year-over-year increase of 3.3%. Driven by economic work conferences, consumer confidence was boosted and demand expanded, promoting the development of retailers in industries such as catering,



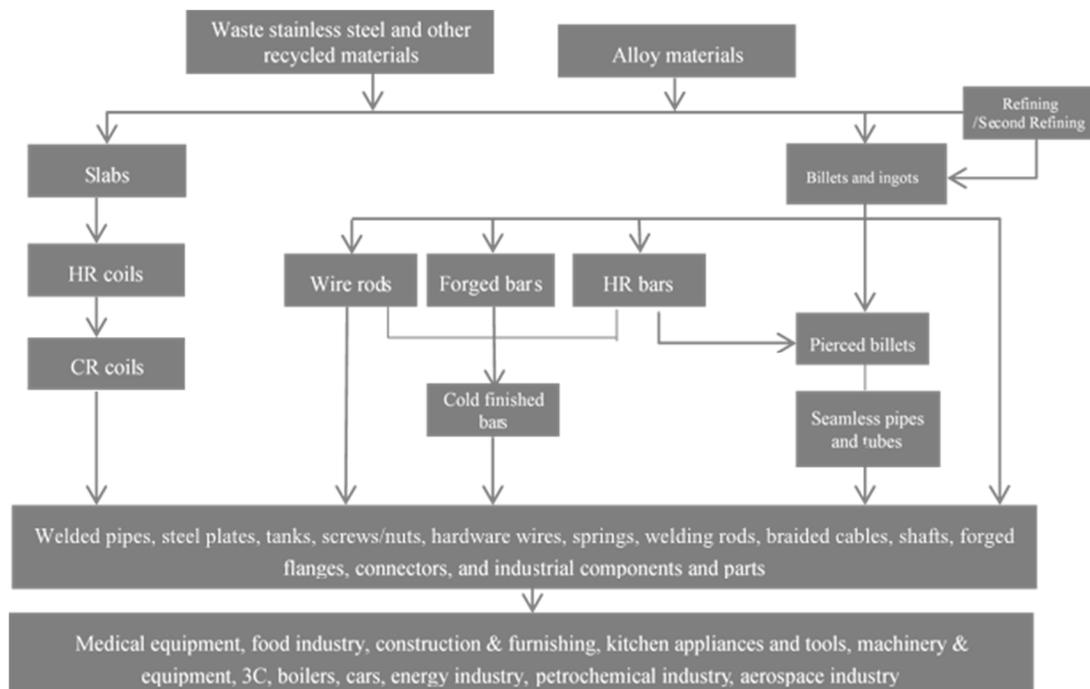
smart home appliances, 3C products, automobiles, sports, and entertainment in Nanjing. Brand merchants across business models continued to expand, with several brands entering the Nanjing market for the first time.

## 2. Relationships with suppliers in the industry's supply chain:

### (1) Wire and Cable Business

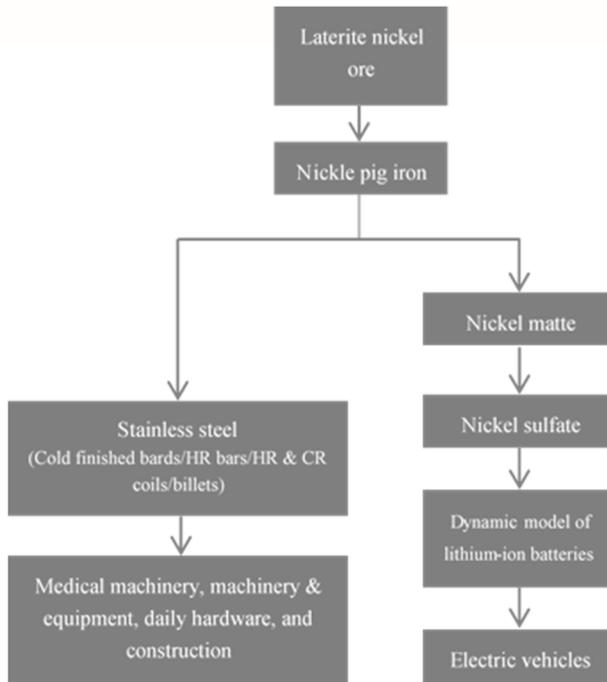


### (2) Stainless Steel Business





(3) Resources Business



3. Product development trends and competition

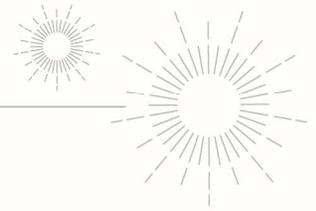
(1) Wire and Cable Business

Development trend: In addition to the traditional construction and infrastructure cables, there are many green energy related cable applications and products that have emerged in response to the global developing trend of net zero transition. For example, in the field of energy creation and transmission, solar power cables that need to prevent UV degradation, wind turbine cables that can withstand harsh environments, and submarine cables that transmit power from offshore wind turbines back to land or transfer power across borders between countries, are all products that are actively developed by major cable manufacturers around the world. In addition, in the area of energy storage and use, the electrification of transport equipment and smart power allocation, cable sets for power replenishment systems, and cables for energy storage equipment are all new products that the wire and cable industry is competing for development.

Competition: From the historical output of Taiwan's power cable market, there is still an oversupply of capacity in the overall cable market and competition is relatively fierce. However, with the expansion of emerging technology applications, increasing industrial electricity demand, the government's acceleration of various energy policies, and the expedited implementation timeline of Taiwan Power Company's resilient power grid plan, new momentum has been added to the industry.

(2) Stainless Steel Business

Development trend: In terms of product development, apart from actively developing nickel-free steel grades, major stainless steel makers are also developing functional stainless steel for specific applications. For example, in response to the demand for automation, the demand for wear-resistant, high-precision and zero-defect materials has increased. In the past, key technologies were held in Japan, Europe and other countries, but Asian steel makers have also continued to invest in research and development in recent years, and to refine their own technological capabilities. With the rising awareness of environmental protection, stainless steel is more widely used in various fields, and there are many cases of replacing carbon steel with stainless steel in the construction, transportation and other industries. In the renewable energy industry, stainless steel components can also be found in solar panels, wind turbines and renewable energy vehicles.



Competition: Indonesian steel mills will dominate the Asian market with the advantage of low-cost raw materials. With the promotion of capability control policy in Mainland China, the steel industry has shifted from volume to value-added, and large-scale steel makers have started to consolidate with the strategy of eliminating the weak and leaving the strong. The rest of the steel makers in Europe, America, Japan, and Korea have focused on niche industrial applications with high certification thresholds to add value to their products through end-use differentiation, specializing in the development of specialty steel applications. In addition, in response to the trend towards net-zero carbon emissions, major European steel makers have begun to focus on providing products with low carbon emissions or more sustainable significance.

### (3) Resources Business

Development trend: Stainless steel plants in Mainland China and Indonesia are expanding their production capacity, and the demand for nickel pig iron and scrap steel will continue to rise, while nickel pig iron in Indonesia has a cost advantage and is economical for downstream steel plants. In the following years, there will still be a few new production lines to be built. In addition, in response to the continuous growth of the new energy industry chain, some of the RKEF (Rotary Kiln Electric Furnace) production lines have started to change their processes in 2022 to make their output more flexible to switch between nickel pig iron and nickel matte; therefore, the "nickel matte - nickel sulfate - pure nickel" process has emerged. Price differentials between different nickel products will make their sales portfolios be more diversified, and the overall nickel market will reach a dynamic balance between supply and demand.

Competition: Indonesia's RKEF production lines have significantly increased since 2021, but after three years of rapid growth, this expansion has slowed. By 2024, Indonesia had nearly 300 RKEF production lines. Subsequently, due to the Indonesian government's regulation of nickel ore supply and restrictions on pyrometallurgical projects, existing production lines are expected to experience reduced capacity growth rates, gradual reductions, and product transformations. Additionally, production lines with higher costs and poor operations may gradually be phased out. Some RKEF production lines began modifying their processes in 2022 to create more flexible output capabilities, allowing them to switch flexibly between nickel pig iron and nickel matte production. However, the overall production capacity now exceeds the demand from both the stainless steel smelting and new energy industry chains.

### (4) Commercial Real Estate Business

Development trend: Nanjing is an important center city in China's eastern region and an international comprehensive transportation hub. In 2024, its regional GDP reached RMB 1.8 trillion, with a total output growth of 4.5%, steadily ranking among the top ten in the country. With its continuous population inflow and strong economic foundation, Nanjing is one of China's core cities for real estate development. The supply of new Grade A office buildings in Nanjing remains abundant, which is favorable for tenant upgrades and expansions. Since the beginning of the year, the financial industry, represented by the insurance sector, has been actively seeking changes. The relocation and upgrade demands of large enterprises continue to expand, with high-standard Grade A office buildings in core urban business districts remaining the most resilient development areas. With the support of various policies, Nanjing's retail market will continue to strengthen its development of first-launch economies, cultivate new consumption modes, create diversified consumption scenarios, upgrade commercial districts, renovate existing commercial properties, and apply digital technologies. Nanjing's retail market will maintain its active momentum and further develop and upgrade.

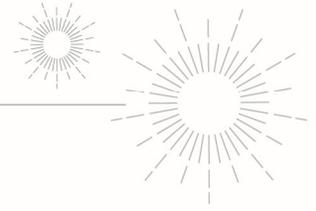
Competition: Competition for Grade A office buildings has intensified in certain areas, with an increasing number of property owners beginning to offer customized renovation leasing solutions, more flexible business terms, more comprehensive business supporting facilities, and more comprehensive soft services. In the retail market, adjustments and renovations of existing projects have become more active, leading to increased differentiation between projects, with mid-to-high-end shopping centers maintaining stronger competitiveness.



(3) Overview of Technology and R&D

1. R&D Expenses and Results

R&D Expenses	From Jan. 1, 2024 to March 19, 2025, the R&D expenses were around NT\$600 million.
<p>(A) Technology Research &amp; Development</p> <ul style="list-style-type: none"> <li>(1) Develop CCS1/CCS2 80A-300A full-series charging gun cable set</li> <li>(2) Develop 14MW offshore wind turbine high-voltage cables</li> <li>(3) Develop spreader basket cables with fiber optic cables</li> <li>(4) Expand the development of the material types, sizes, conditions and product types of stainless steel and nickel-based alloys.</li> <li>(5) Innovative research and development of functional stainless steel with high strength, high heat resistance, and easy turning characteristics to increase added value.</li> <li>(6) Continue to invest in the development of stainless steel for automotive components, aiming at energy conservation, environmental protection and high efficiency to meet market demand.</li> <li>(7) Deepen research on stainless steel for welding, and increase the service life of materials in harsh environments such as high temperature resistance, corrosion resistance and high temperature resistance.</li> <li>(8) Cooperate with domestic universities and research institutions to jointly promote various industry-university cooperation and outsourcing research projects, and expand the depth and breadth of process technology through the combination of theoretical knowledge and practical experience, thereby increasing the capacity of research and development.</li> <li>(9) Laboratory equipment for aerospace materials applications.</li> <li>(10) Special quality inspection techniques.</li> <li>(11) Automated sample processing technology</li> </ul> <p>(B) Intelligent Manufacturing</p> <ul style="list-style-type: none"> <li>(1) Smart Power Consumption: Collect and analyze equipment power consumption data, improve the accuracy of power consumption estimation, and reduce wasted power consumption.</li> <li>(2) Development of Intelligent Crane Automatic Storage System: New intelligent cranes are adopted to establish an automatic transportation and storage system for steel billets, which improves the space utilization rate, assists in optimizing the inventory management of incoming materials in the factories, automatically dispatches shipments and loads materials without interruption, improves production efficiency, avoids human operations, and improves work safety.</li> <li>(3) Establishment of Automated Guided Vehicles (AGV) System: A composite automated guided system is adopted to overcome the outdoor climate, realize outdoor unmanned automatic cross-factory transportation, improve transportation efficiency, and reduce forklift operations and operating manpower.</li> </ul> <p>(C) Energy and Environmental Protection</p> <ul style="list-style-type: none"> <li>(1) Replacing Traditional Preheaters: Replace traditional preheaters with pure oxygen preheaters to reduce fuel consumption, improve combustion efficiency, and reduce greenhouse gas emissions.</li> <li>(2) Slag Recycling: The by-product slag produced by the steelmaking electric furnace can be converted into a variety of high-value recycled products after classification and screening, such as low-carbon concrete, red bricks as building materials, and pervious asphalt.</li> <li>(3) New heat treatment technology: Operating heat treatment furnaces at lower temperatures to reduce greenhouse gas emissions.</li> <li>(4) Green energy production: Promoting green hydrogen projects and using self-producing hydrogen as production fuel <ul style="list-style-type: none"> <li>(1) Rotary kiln system - process optimization: Saving production energy consumption and reducing greenhouse gas emissions</li> <li>(2) Production logistics equipment - replacing petrochemical equipment with electric production equipment: Reducing greenhouse gas emissions during production</li> </ul> </li> </ul>	



2. Present and future R&D projects, as well as the estimated R&D investment expenditure

Plan for the most recent year	Current progress	Mass production completion time	Main reasons that future development will succeed
We plan to invest NT\$2,280,000,000 for R&D.			
Wiring Harness for New Energy Vehicle Lines and Power Supply Systems	Design and Development of Liquid-Cooled Charging Gun Line Set and Cooling System	2025	(1) The only domestic entity with comprehensive dynamic cable development and testing capabilities. (2) Obtaining CCS1/CCS2 full series gun line set VPC/UL/IEC certification and commencing shipments. (3) Possessing independent material development and verification capabilities.
Low Carbon Footprint, Environmentally Friendly Packaging Materials	Completed small batch production testing of recycled materials for packaging	2025	(1) Complete testing facilities to ensure recycled material packaging meets customer requirements. (2) Possessing independent material development and product verification capabilities. (3) Possessing commercial service model and information system customization development capabilities.
High Voltage Cable Development within Wind Turbine Towers	Development of Dropper Cable for Offshore Wind Turbine Towers	2026	(1) The only domestic entity with comprehensive dynamic cable development and testing capabilities. (2) Possessing material evaluation and verification capabilities. (3) Successfully meeting customer shipment requirements for 9.5MW tower internal cables.
Glass-Sealed Alloy (High Chromium Steel) Development	Trial Production Stage	2024 to 2025	Design of alloy element composition, hot rolling, and heat treatment parameter settings.
In-House Development of High Carbon Stainless Steel	Trial Production Stage	2024 to 2025	Design of alloy element composition, hot rolling, and heat treatment parameter settings.
High Cleanliness Precipitation Hardening Stainless Steel Development	Trial Production Stage	2024 to 2025	Design of alloy element composition, hot rolling, and heat treatment parameter settings.
Soft Magnetic Stainless Steel Development	Trial Production Stage	2024 to 2025	Design of alloy element composition, hot rolling, and heat treatment parameter settings.
Iron-Based and Nickel-Based Alloy Development	Trial Production Stage	2025 to 2026	Design of alloy element composition, hot rolling, and heat treatment parameter settings.
Vacuum Melting and Remelting Technology Development for Stainless Steel and Nickel-Based Alloys	Trial Production Stage	2025	Design of alloy element composition, remelting, hot rolling, and heat treatment parameter settings.



Plan for the most recent year	Current progress	Mass production completion time	Main reasons that future development will succeed
Development of Easily Machinable Seamless Stainless Steel Tubes	Trial Production Stage	2025	Design of alloy element composition, hot rolling, and heat treatment parameter settings.
Environmental Monitoring Project	Trial Production Stage	2025	Execution of non-contact multispectral technology using AI and edge computing.
Green Hydrogen Production	In Progress	2025 to 2026	Self-production of green hydrogen.

(4) Business Plan – Long-term and Short-term

1. Wire and Cable Business

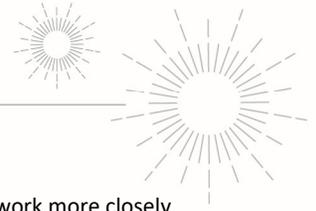
Short-Term: In response to building end-customer demands, we are emerging as a distinctive force in the digital and intelligent transformation landscape. By employing rapid response capabilities and precise service delivery, we accelerate deep supply chain integration, establishing a market position characterized by operational efficiency and creating a win-win-win situation for all stakeholders involved. We also aim to change our operating models and expand our market share, in order to promote sustainable management. We also aim to respond to the government's policy for domestic production of core components for offshore wind power plants, with the goal of exclusively researching and manufacturing cables for offshore wind turbines for 14 MW capacity or above in Taiwan, as well as developing the ability to produce and manufacture submarine cables. Following the global trend of popularizing electric vehicles and speeding up the construction of supporting infrastructure, we are developing wire harnesses for new energy vehicles and power replenishment systems that meet global standards.

Long-Term: We will seize the business opportunities brought by the global smart grid and new energy industries by marching into power transmission markets both home and abroad and expanding our business scope of Energy Solution.

2. Stainless Steel Business

Short-Term: Taiwan: In response to the trend of small amount but diversified products in the high-value market, Walsin has adjusted its direction and gradually built up its product and service capabilities to meet the needs of different customer segments. For the wire rod, we will actively expand niche steel sales portfolio in line with market conditions to expand the volume of orders of favorable steel grades, while continuing the research and development and the capital expenditure to increase the application of new steel types and new industries and stabilize product quality. For cold finished bars, we will focus on the development of direct customer channels in the industry and the expansion of available specifications in order to expand our market share; for plate products, we will use digital analysis to assist in material preparation and production scheduling, so that the delivery time can be close to customer expectations. We will also implement the e-companion system to satisfy our customers' demand for monitoring orders and to enhance our customer retention.

Mainland China: The new intelligent production lines for hot rolled bars/wire rods have entered mass production, which utilize advanced manufacturing process and intelligent production to supply high precision and quality stainless steel products. In this way, we will effectively achieve import substitution, increase our market share, and reach the goal of selling all of the products we produce. We will continue to develop high-value steel grades for hot rolled bars and seamless steel pipes in the hope of increasing value added to our products. For the cold refined rods, we will increase the volume of orders from direct customers and strengthen the collaboration between marketing/technology/business for serving customers, to ensure the completion of



the integrated material application supply chain, so that the upstream and downstream can work more closely together.

Europe: Our Italian subsidiary, Cogne Acciai Speciali (CAS), has advanced its growth strategy based on upstream and downstream vertical integration through the acquisition of Com.Steel Inox (an Italian company active in stainless steel and nickel alloy scrap recycling and processing) and Mannesmann Stainless Tubes (MST), a company with historical prominence in the seamless stainless steel and nickel alloy tube market.

Following the acquisition, MST has restored its historical name "DMV" to reinforce its consistently upheld values of professionalism, excellence, and entrepreneurial spirit. DMV operates five production facilities across Germany, France, Italy, and the United States. CAS will supply the majority of raw materials for DMV's extrusion machines in France and Germany, sourcing these materials from its steel plant in Italy and its Swedish subsidiary (Degerfors Long Products). This acquisition is expected to enhance CAS's steel production capacity utilization and expand Walsin's market share in high-end industries such as aerospace, oil and gas, and energy.

Long-term: Taiwan: We will grasp upstream raw materials to enhance the competitiveness of Walsin's stainless steel products. For bar materials, in addition to maintaining the major customers with high demand, the Company will actively develop new customer bases and expand suitable markets for export. For cold finished bars, in addition to continuing to strengthen the advantages in our integrated production lines, we will increase the quality and output of deep-processed products. For wire rods, the long-term goal is to increase the proportion of niche steel grades in our sales mix. In terms of operations, we are strengthening our competitiveness by accelerating internal process improvement and Industry 4.0 automation projects.

Mainland China: We will focus on certification application markets, such as transportation, petrochemical, boiler, nuclear power, and food, as key development industries, in cooperation with China's nationalization policy and industry development potentials. We will also expand our technical service capacity and market management, hoping to enhance the added value of our products and brands. We will set up distribution centers in major markets to enhance our market penetration in each region through rapid logistics and distribution.

Europe: By establishing a vertically integrated supply chain in Europe with a diverse product portfolio, the Company aims to achieve cost excellence in high-quality stainless steel and nickel alloy products while increasing market share in niche markets and application sectors. Furthermore, the Company is committed to fostering sustainable growth in the European region through operational circularity, reduced dependence on ferro-alloys, and significant investments focused on decarbonization.

### 3. Resources Business

Short-term: PT. Walsin Nickel Industrial Indonesia's nickel pig iron production lines were fully commissioned. We will continue to ensure that those production lines have stable capacity utilization rates and are fully in operation for production, in order to strengthen the stability of upstream raw materials for stainless steel and enhance our competitiveness. In addition, the nickel matte production lines acquired from PT. Sunny Metal Industry in the second half of 2022 were commissioned for trial production at the end of the same year. In the first quarter of 2023, the company commenced full production operations, and in January 2024, we increased our shareholding in PT. Sunny Metal Industry to 79.6%. We have entered the battery nickel supply chain through the nickel matte production line, thereby opening opportunities in the power battery materials market and initiating expansions for new energy.

Regarding our agency services, considering the uncertainty of competing global markets and international political and economic conditions, we continue to negotiate with Indonesian suppliers in order to source competitive raw materials in terms of costs, stable supply, and accurate delivery, to meet the needs of our customers and to strengthen the cooperative relationship between the Taiwanese industry and upstream suppliers, thereby enhancing the competitiveness of Taiwan stainless steel players in the international markets and further increasing the volume of orders received by our agency services. Additionally, with the Indonesian



subsidiary's production lines entering mass production in 2023, the focus is not only on securing raw materials for stainless steel production but also on extending to the new energy industry supply chain, aiming for stable development in nickel pig iron and high-grade nickel matte business.

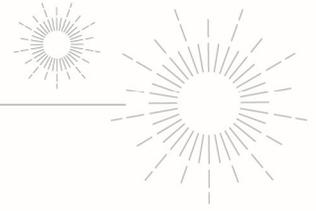
Long-term: In response to climate change and sustainability trends, we continuously monitor environmental policy developments and industry movements. Our primary strategic development directions include positioning within the energy storage industry chain, carbon inventory certification, and developing green carbon reduction projects in accordance with local policies. Regarding our energy storage industry chain positioning, we continue to advance the production and manufacturing of nickel resource products, further extending into the enhancement of power battery material production facilities and market development. Simultaneously, for carbon inventory certification, in addition to working toward obtaining relevant ISO certifications and implementing carbon management in our subsidiaries, we will ensure effective resource utilization. We actively align with international and local environmental policy trends, strategically developing and implementing green carbon reduction projects to create win-win outcomes for both economic and environmental interests.

Regarding our agency service, we will leverage our agency advantage to ensure stable supplies for the demand in the Taiwan stainless steel market, provide a stable source of materials with competitive costs, avoid the risk of price fluctuations and reduce the pressure on inventory capital (i.e., value-added services) to promote the overall effectiveness of the value chain of the stainless steel industry in Taiwan, and strive to achieve the long-term goal of simultaneous growth in the volume of orders received by the agency and the price of the stainless steel industry in Taiwan. We also aim to stabilize sales channels of ferro-nickel and nickel matte to increase additional product diversification of our business. We flexibly adjust our nickel product order acceptance ratio according to market conditions, with a focus on developing markets with high added value.

#### 4. Commercial Real Estate Business

Short-Term: For the second phase of the Company's real estate business, Phase II Lot AB, Building No. 6, the office spaces maintain high occupancy rates and have been operating, with the commercial portion on floors 1-4 continuing to operate as high-end dining establishments, generating stable rental and property management fee income. Building No. 1, which meets International Grade A Office Building Standards, has completed lease agreements for over 30,000 square meters, continuously generating effective rental and property management fee income.

Long-term: Walsin Centro integrates various residential, commercial and office properties with a complementary relationships and we will increase overall brand value and create economies of scale through integrated marketing. High-end residential will bring brand reputation and market influence to the commercial, while high-quality commercial will bring support and services to the office. The landmark Grade A office will further enhance the brand status of the commercial and residential sectors, bringing abundant traffic and consumption to the commercial sector. The maturation of each new industry is consolidating the competitive advantage of the existing industry and enhancing the value of the existing industry. After more than ten years of continuous development, Walsin Centro has become an urban landmark in Nanjing and the Walsin Centro project has become a successful model for commercial development in Nanjing, with its market influence and brand reputation continuing to expand and its commercial and business value continuing to rise.



## 2. Market Analysis and Sales Overview

### (1) Market Analysis

#### 1. Sales region(s) and market share of main products

##### (1) Wire and Cable Business

The Company is focused on the development of the wire and cable business and offers a one-stop comprehensive production series from the upstream bare copper wire, copper rod production, to the research and production of all types of cables such as power cables, communication copper cables, fiber optic cables, industry cables, and submarine cables. The main sales regions include Taiwan and Mainland China. In 2024, the sales of the Company's power cable products was approximately NT\$20.3 billion, and that of bare copper wire was about NT\$22.4 billion. The Company continues to maintain leadership in Taiwan's power cable and copper bar markets.

##### (2) Stainless Steel Business

The Company is a major global stainless steel material company, with stainless steel products such as stainless steel billet, cold- and hot-rolled steel coils, wire rods, cold finished bars, seamless steel pipe and precision roll bonding steel. The main sales regions include Taiwan, Mainland China, Japan, Korea, Southeast Asia, Australia, Europe and North and South America, etc. Our stainless steel wire rod and cold finished bars occupy a significant position on the global market and we offer customers optimal lead times and services with sales offices distributed across the Taiwan Strait, a vertically integrated supply chain and a standardized production process.

For the sales of stainless steel products made by the Company in 2024, its domestic market shares reached 65% (wire rods), 30% (hot-rolled steel coils), 20% (cold-rolled steel coils) and 35% (cold finished bars); its market shares in China were 8% (hot-rolled steel bars) and 13% (cold finished bars); its market shares in Europe were 20% (wire rods) and 7.5% (cold finished bars); the Company's global market shares were 14% (wire rods), 8% (hot-rolled steel coils) and 11% (cold finished bars).

Note: The above market shares are estimated only in respect of the territories to which we sell products and our available specifications.

##### (3) Resources Business

Nickel pig iron produced by PT. Walsin Nickel Industrial Indonesia is the upstream raw material for stainless steel manufacturing, which is mainly supplied to local steel mills in Indonesia for smelting stainless steel. In 2024, nickel pig iron sales reached 36,000 metric tons of nickel (approximately 300,000 metric tons gross weight), achieving full production and sales. PT. Sunny Metal Industry primarily produces nickel matte for downstream battery material manufacturers, while its production lines possess flexibility to produce nickel pig iron depending on market conditions. In 2024, nickel matte sales reached 30,000 metric tons of nickel (approximately 96,000 metric tons gross weight, including 72,000 metric tons of low-grade nickel matte and 24,000 metric tons of high-grade nickel matte), and nickel pig iron sales reached 12,000 metric tons of nickel (approximately 80,000 metric tons gross weight), achieving full production and sales. The Company's 2024 nickel pig iron production accounted for approximately 3.3% of Indonesia's total production, while its nickel matte production accounted for approximately 11.1% of Indonesia's total production..

In terms of agency service, the Company has been acting as an agent for the sales of Indonesia Tsingshan since May 2020. We sell as an agent mainly stainless steel products, such as stainless steel billets, slabs and hot rolled steel coils, to mainly Taiwan customers, with the aim of maintaining the international competitiveness of Taiwan's stainless steel plate products and promoting the overall efficiency of the value chain of the stainless steel industry. The Company's order volumes from 2021 to 2023 consistently exceeded 800,000 metric tons, while 2024's order volume surpassed 1 million metric tons, stably accounting for more than 80% of Taiwan's 300 series hot-rolled stainless steel imports.



### (4) Real Estate Business

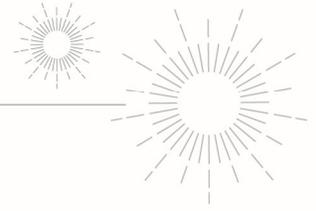
The development scale of Walsin Centro in Nanjing Hexi exceeds 1 million square meters, and the finished residential units and stand-alone office buildings have been sold out. The commercial shopping center has been successfully opened and operated. Currently, the main products are the leasing and operation of Office Building Nos. 1 and 6 and the design and planning of plots in Phase 3. Building No. 1 of Walsin Centro achieved approximately 10,000 square meters of leasing transactions in 2024, representing a 26% market share in the regional market.

## 2. Overview of supply and demand and projected growth

### (1) Wire and Cable Business

According to the global copper production forecast by the International Copper Study Group (ICSG), global copper supply will grow by about 3.5% in 2024. In terms of refined copper production, ICSG expects refined copper production to grow by 1.6% in 2025. In terms of the refined copper consumption, despite a challenging global economic outlook, the anticipated improvement in manufacturing activities, ongoing energy transition, and the development of new semiconductor capacities globally are expected to support the growth in refined copper consumption, with a projected increase of 2.7% in 2025. Development of power grid infrastructure in major countries and the global trend towards clean energy and electric vehicle development are expected to continue to support the long-term growth of copper demand.

Mainland China continues to promote infrastructure construction, with power supply and grid engineering investment growth remaining promising. The State Grid of China has announced that in 2025, it will focus on optimizing the main power grid, reinforcing the distribution network, and supporting high-quality development of new energy sources. It will continue to implement major projects, commence construction on a new batch of key engineering projects, actively expand effective investments, and drive upstream and downstream industry chains. It is estimated that in 2025, State Grid's investment will exceed RMB 650 billion for the first time. Additionally, with the continued expansion of the automotive industry, the penetration rate of new energy vehicles has climbed to new highs, with both production and sales of new energy vehicles showing double-digit growth year-on-year, consistently ranking first globally in both production and sales. This growth trend is expected to continue in 2025. In summary, from the perspective of copper end-product demand, the development of the aforementioned industries should drive copper consumption demand and provide a stable foundation for the production and sales of cable-related products. In 2024, the Bureau of Energy of the Ministry of Economic Affairs published Taiwan's latest national power resource supply and demand report, and planned the long-term power demand and construction blueprint for the next decade. It is estimated that Taiwan's total electricity consumption will grow by 12% to 13% by 2030, in response to the estimated value of Taiwan's economic growth rate, as well as the expansion of the semiconductor industry driven by AI technology and electric vehicle promotion policies. By 2033, the annual average growth rate of Taiwan's national electricity demand is predicted to be 2.8%. The Ministry of Economic Affairs emphasized future construction priorities, including new power generation unit development plans, renewal of power grid substations, and the establishment of energy storage systems to accommodate the high penetration rate of renewable energy, thereby ensuring stable power supply. Taiwan Power Company continues to develop power sources and invest in the power grid to meet the electricity demands arising from economic development and government policies. Fitch expects that Taiwan Power Company's capital expenditure will reach between NT\$222 billion and NT\$276 billion annually from 2024 to 2027, a significant increase compared to the average capital expenditure of the past four years (NT\$160 billion). The surge in Taiwan Power Company's capital expenditure mainly comes from the construction of natural gas and offshore wind power plants, as well as strengthening power grid resilience, which will boost orders and revenue for related businesses, with the wire and cable industry being one of the largest beneficiaries. With demand generated simultaneously by various government plans, future order visibility for cables is promising.



## (2) Stainless Steel Business

The expansion of global stainless steel and crude steel production capacity has reached a plateau. Under the carbon emission control policy in mainland China, factories are replacing old instead of creating new capacity, while European and American steel mills, after years of consolidation, have ceased increasing capacity and shifted their focus to high-end industry applications and nickel-based alloy production. In Indonesia, the pace of capacity investments has slowed down, while stainless steel makers in the rest of the countries around the world will operate only through the development of steelmaking technology, so that the existing capacity may be slightly increased; therefore, we will not see the previous annual growth of capacity in double-digits any longer.

On the demand side, the International Stainless Steel Forum (Worldstainless) estimates that global stainless steel consumption will grow by 3.0% in 2025, maintaining a positive growth rate. However, considering the impact of the current global economic uncertainty, such growth may be very limited. Although the increase or decrease in stainless steel consumption is susceptible to fluctuations due to changes in the current year's economy, the compound annual growth rate of stainless steel consumption during the past 10 years is about 2% to 3%, and we expect this trend to be maintained in the coming years.

The growth of demand also varies depending on the product type. Flat panel products account for more than 80% of the total stainless steel usage and are widely used in various end-use applications, with a high correlation between the increase or decrease in demand and the economic conditions. The application of long strip products are industry-specific; it is expected that the robust development of infrastructure, machinery and equipment, transportation, new energy, and semiconductor in recent years will drive the demand for long strip products, which will increase at a rate faster than the flat panel products in the next few years.

## (3) Resources Business

In 2024, as the growth in global nickel pig iron market supply slowed, the demand side exhibited structural changes. Although Indonesia's nickel pig iron production continues to increase, the growth rate has slowed to approximately 7%, lower than the 19% growth rate in 2023, primarily affected by pressure on nickel ore supply and some production lines shifting towards nickel matte. China's nickel pig iron production continues to decline due to increased production costs and import subsidy-related policies. Despite limited new nickel pig iron capacity in Indonesia and government policy restrictions on RKEF capacity deployment, the supply of Indonesian nickel products exceeds demand. However, nickel pig iron still holds advantages in terms of cost and nickel content, maintaining economic viability for stainless steel production and resilient demand. Meanwhile, fluctuations in scrap steel prices and nickel metal price trends are core factors affecting the economic viability of nickel pig iron. Overall, the cost advantage of nickel pig iron compared to scrap steel will continue to support its dominant position as a raw material for stainless steel smelting, although the market may face more uncertainties due to oversupply of raw materials. In response to the green energy transition and the flourishing development of the downstream new energy industry chain, the production capacity of intermediate nickel products for batteries, including nickel matte, began to be released in 2021 and rapidly increased from 2022 to 2024. In 2024, Indonesia's high nickel matte production reached 270,000 metric tons of nickel, an increase of 12% compared to 2023. Indonesia plans to continue expanding intermediate nickel product capacity in the coming years, with new capacity expected to be commissioned in 2025, and the overall industry chains gradually extending downstream. However, the overall output of intermediate nickel products will be affected by the Indonesian government's policies on nickel ore production control. In terms of our agency services, in 2022, the supply chain anomalies normalized, and the total quantity of 300 series hot rolled stainless steel imported into Taiwan was about 900,000 to 950,000 metric tons in 2023, which is almost the same as the import quantity in 2022. This level of import volume is equivalent to the rigid demand for the Taiwan market. In 2024, due to final judgments on anti-dumping and



anti-subsidy cases from the EU favorable to Taiwanese businesses, which stimulated material preparation demand, the annual order volume exceeded 1 million metric tons. It is estimated that in 2025, Taiwan's imports of stainless steel from Indonesia will return to normal levels.

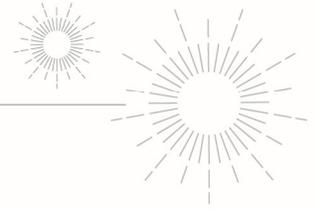
(4) Real Estate Business

Nanjing Jiangyou District is building a Yuantong shopping district centered on the Yuantong subway station to create a "demonstration area of international consumer center city." Yuantong is becoming the business office center with the highest standard of construction and the largest number of new projects in Nanjing, and the position of the Jiangyou District and the business center of Hexi in the urban structure of Nanjing has become more solid. After becoming a financial center, the core area of Yuantong will also become the center of business offices and commercial consumption in Nanjing.

Looking ahead to the development of Walsin Centro, Nos. One and Six Office Buildings continue to operate and have established Walsin's position as the first tier and leading brand in Nanjing's quality business office industry. The arrival of many headquarters-type office enterprises in the future will provide stable rental income and bring sufficient customer flow and stable consumption to the shopping center of One Mall, thus promoting the steady development of the real estate sector.

3. Competitive niche, favorable and unfavorable factors for long-term growth and response measures

Wire and Cable Business	
Competitive Niche	<ul style="list-style-type: none"> <li>(1) We have the advantage of stable internal supply of important raw materials of copper metal and can give full play to the benefits from the upstream and downstream integration.</li> <li>(2) Long-term supply of products and services related to demand for project engineering, accumulating rich supplier experience and having brand advantages.</li> <li>(3) Advantages such as local supply and branding will help to enter the industrial cable field such as solar energy, offshore wind power and port infrastructure.</li> </ul>
Favorable Factors	<ul style="list-style-type: none"> <li>(1) The performance of quality, service and delivery is highly satisfactory to customers and we have brand power in the Taiwanese engineering market.</li> <li>(2) The high-voltage cable demand in the public sector may grow steadily, driven by Taipower's construction initiative to reinforce the resilience of its power grids.</li> <li>(3) Taiwan's economy remains robust, with growing domestic and international tech industry demand driving steady needs for wiring in industrial facilities, office buildings, and residential developments.</li> </ul>
Unfavorable Factors	<ul style="list-style-type: none"> <li>(1) Real estate markets face challenges from tight monetary policy, inflation-driven interest rate hikes, high material costs, and labor shortages. The Central Bank of Taiwan's new selective credit controls implementing anti-speculation measures have made investors cautious. This has created a gap between buyer and seller expectations that requires more time to resolve, leading to more volatile and unpredictable demand patterns.</li> <li>(2) The private sector faces oversupply and price competition.</li> </ul>
Response Measures	<ul style="list-style-type: none"> <li>(1) By researching technological applications and transforming the fundamental nature of services, we provide innovative solutions through high-level intelligence and digitalization. We have established a win-win supply chain management system, strengthened core capabilities, improved operational mechanisms, enhanced efficiency and service capacity, and created differentiated advantages.</li> <li>(2) We will actively cooperate with the government's policy for net zero and carbon reduction by being technology-oriented, and develop industrial cables to enhance the Company's marketing and research and development capabilities. We will also grasp the infrastructure business opportunities such as renewable energy, new energy vehicles and grid renewal and expansion.</li> </ul>



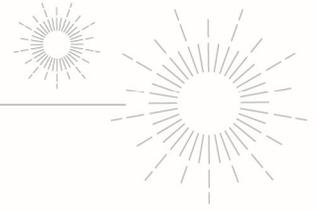
Stainless Steel Business	
Competitive Niche	<ol style="list-style-type: none"> <li>(1) We have production sites in Taiwan, China, Italy, the UK, and Sweden for the long strips, with a stable quality and delivery period, so that we can supply to each market nearby and support each other for any shortage of products.</li> <li>(2) Plate materials have the advantage of short delivery period. We can cooperate with players in ASEAN countries to develop OEM to expand the available specifications.</li> <li>(3) We invest in upstream raw materials by building a nickel pig iron plant in Indonesia to improve the international competitiveness of stainless steel products and increase the hedging capacity for raw materials.</li> <li>(4) Possessing vacuum melting and re-melting technologies and holding a robust market share in high-end markets.</li> </ol>
Favorable Factors	<ol style="list-style-type: none"> <li>(1) Taiwan's cold-rolled steel coils are protected by anti-dumping duties.</li> <li>(2) China's policies have restricted the expansion of crude steel capacity.</li> <li>(3) Trade wars, regional economies, and geopolitics have led to de-globalization/short supply chains, so the industry is paying more attention to local supply sources.</li> <li>(4) The growth potential in high-end markets such as aerospace, oil and gas, and new energy.</li> </ol>
Unfavorable Factors	<ol style="list-style-type: none"> <li>(1) China-based steel manufacturers have set up integrated production lines from nickel raw materials to products in China and Indonesia, significantly cutting production costs and reducing the general supplies market to pure price competition.</li> <li>(2) Global trade protectionism, frequent anti-dumping cases, US and EU steel defense measures and China's and Indonesia's increase in exports affect global steel liquidity and reduce the Company's export volume.</li> <li>(3) Increasing awareness of environmental protection and the initiatives of many countries to impose or propose carbon fees and carbon tariffs will increase the operating costs of, and weaken profit margins of, the steel industry.</li> </ol>
Response Measures	<ol style="list-style-type: none"> <li>(1) In addition to continuing to strengthen the advantages in our integrated production lines, we will gradually develop product specifications and high value-added steel grades, as well as actively expand the sales volume of niche steel and increase the quality of processed products.</li> <li>(2) Maintaining major customers, actively developing new customer bases and expanding suitable markets for export</li> <li>(3) Continuing to improve internal processes and carrying out industrial 4.0 automation projects to improve the efficiency and reducing costs.</li> <li>(4) Utilizing the synergy of horizontal integration among plants, increasing the scale and efficiency of our sales, and positioning ourselves for high-value products, so as to enhance our overall competitiveness.</li> <li>(5) Actively investing in energy-saving and environmental protection equipment and deploying green power industry to enhance our competitiveness in environmental protection costs.</li> <li>(6) Operational vertical integration to control the value chain and cost competitiveness.</li> <li>(7) Through meticulous integration plans, clear communication, diligent work, and seamless team collaboration, maximizing sales and operational synergies.</li> <li>(8) Focusing on ESG sustainable development, actively investing in energy-saving, environmental protection equipment, and expansion into green power, enhancing environmental cost competitiveness. Additionally, actively monitoring the work environment to ensure employee safety and health.</li> </ol>

Resources Business	
Competitive Niche	<ol style="list-style-type: none"> <li>(1) Nickel pig iron and nickel matte production line are located in Indonesia, which is a major producer of nickel ore in the world and has advantages in raw material prices and production costs.</li> <li>(2) The production lines are equipped with its own power plant, which can supply electricity for full production without any issue.</li> </ol>
Favorable Factors	<ol style="list-style-type: none"> <li>(1) With Mainland China's continued shrinking in the nickel pig iron production due to unfavorable production costs, Indonesia nickel pig iron is expected to make up for the</li> </ol>



Resources Business	
	<p>possible production reduction gap in Mainland China. China's abolition of export tax has increased the cost of exports, and our agency service has a cost advantage over the the steel coils produced by Tsingshan Indonesia.</p> <p>(2) The Indonesian government continues to ban the export of nickel ore, and the local raw material has a cost advantage. The Indonesian government may subsequently restrict the issuance of licenses for smelting, which will raise the barrier of entry for later competitors.</p>
Unfavorable Factors	<p>(1) As environmental awareness is increasing, carbon reduction has become a common issue worldwide. Governments and economies around the world continue to adopt policies to strengthen environmental controls and carbon reduction efforts. We expect that related taxes, charges and other expenses will be unavoidable.</p> <p>(2) Indonesian government policies, such as adjustments to laterite nickel ore supply and export regulations, will affect nickel pig iron production, further contributing to market uncertainty.</p>
Response Measures	<p>(1) In addition to stabilizing capacity utilization and refining production plans, the Company has begun conducting a comprehensive carbon footprint inventory and source classification, discussing carbon reduction measures, and preparing for the assessment and execution of carbon reduction benefits in advance.</p> <p>(2) To mitigate issues related to Indonesian nickel ore supply, the Company has adjusted its procurement strategy by diversifying some procurement to Southeast Asian nickel ore. We will continue to monitor the Indonesian domestic nickel ore market closely.</p>

Real Estate Business	
Competitive Niche	<p>(1) Walsin Centro is located in the core area of Nanjing Hexi New City, including office buildings, commercial centers, quality houses and other types of products, with the floors under development reaching more than 1 million square meters; thus, Walsin Centro has become a landmark project in Nanjing, with location, business and scale advantages.</p> <p>(2) Office Building No. 1, in line with the new trend of market demand, widely uses energy-saving and environmentally-friendly new materials and new technologies. We've also paid attention to the humanization of our design and the durability and maintainability of our products from the details. Our products have a competitive edge in that they have passed LEED &amp; WELL double gold international certification.</p> <p>(3) Office Building No.1 has established a leading position for Walsin Centro in Nanjing's high-quality business office industry within three years of entering the market, with its high-quality building image, high-standard operational services, and excellent leasing performance becoming the industry benchmark for the high-end office industry in Nanjing.</p>
Favorable Factors	<p>(1) The economy promoted by the Chinese government has continued to develop for many years. The central city has great ability to promote and control the economy, which makes the high-end office building market stable for a long time, and demand growth can be expected.</p> <p>(2) With the delivery of residential housing in the project, the resident population is growing rapidly; transportation facilities and public ancillary services have been completed, the market is fully mature, and business demand continues to grow steadily.</p> <p>(3) The development of CBD is close to completion, and the further concentrated demand for high-end office buildings in the central area of Hexi will lead that in Nanjing.</p>
Unfavorable Factors	The supply of Grade A office buildings has increased, with government self-built projects being forcefully prioritized for introduction, leading to more severe competition for customer resources and further expanding competition among buildings.
Response Measures	Focusing on and responding in advance the policy trends of government departments governing relevant industries in a timely manner, and timely seizing the best timing for lease and sales according to market changes, in order to expand our client base.



(2) Key applications and production processes of main products

1. Key Applications of Main Products

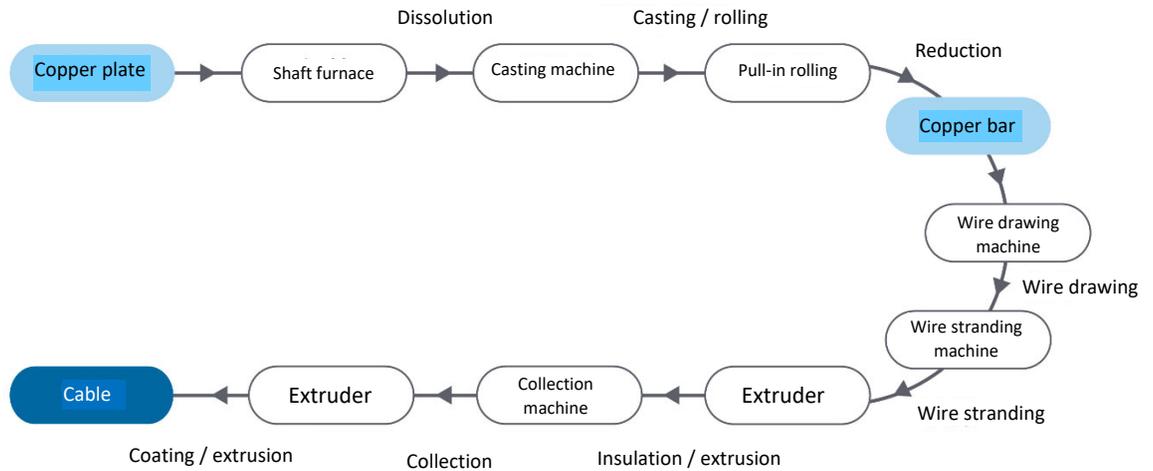
Main Products	Key Applications
Copper material	Wire and cable conductor, home appliances, electrical and electronic devices, transformers, etc.
Power cables	Primarily used for power plants, power transmission and distribution, plant facilities, transportation construction, construction of power transmission lines, etc.
Steel billets	Hot-rolled wire rods, hot-rolled straight rods, flanges, seamless steel pipes, etc.
Flat billet	Hot-rolled steel coils, hot-rolled plates, heavy forgings, etc.
Wire rods	Screws and nuts, springs, welding rods, steel wires, braids and hardware wires, buildings, medical equipment, etc.
Hot-rolled coil (flat panel category)	Chemical tanks, pipes for industry and building and pipes for petrochemical industry
Cold rolled coil (flat panel category)	Building decoration, kitchen utensils, appliances, medical equipment, electronic communications, chemical tanks and steel tubes
Peeled straight rods	Forging materials, turning parts, electric machine accessories, etc.
Cold finish straight rods	Shafts, medical equipment, furniture decoration items, turning parts, electric machine accessories, high-durability industrial components (for automotive, petrochemical, aerospace, energy, and chemical applications), etc.
Stainless steel seamless pipe	Petrochemical heat exchanger; fluid pipe and instrument pipe boiler station pipe; nuclear power station pipe; shipboard fluid pipe and instrument pipe; turning pipe.
Mechanical processing shaft semi-finished products	Aircraft engines, oil and gas mud engines, drill bits, etc.
Engineering components	Customized products
Hot-rolled straight bars	Structural building components (for offshore facilities, power plants, chemical plants, etc.), large fasteners
Nickle pig iron	Our products are mainly supplied to and used by steel mills to smelt stainless steel, and processed into semi-finished stainless steel products such as billets, slabs, HR coils and HR straight bars.
Nickel matte	We supply the product to mainly nickel sulfate factories for processing into nickel sulfate, which can continue to go downstream for the production of electrolytic nickel or ternary cathode materials for batteries.
Real estate	Housing, office buildings and shopping malls



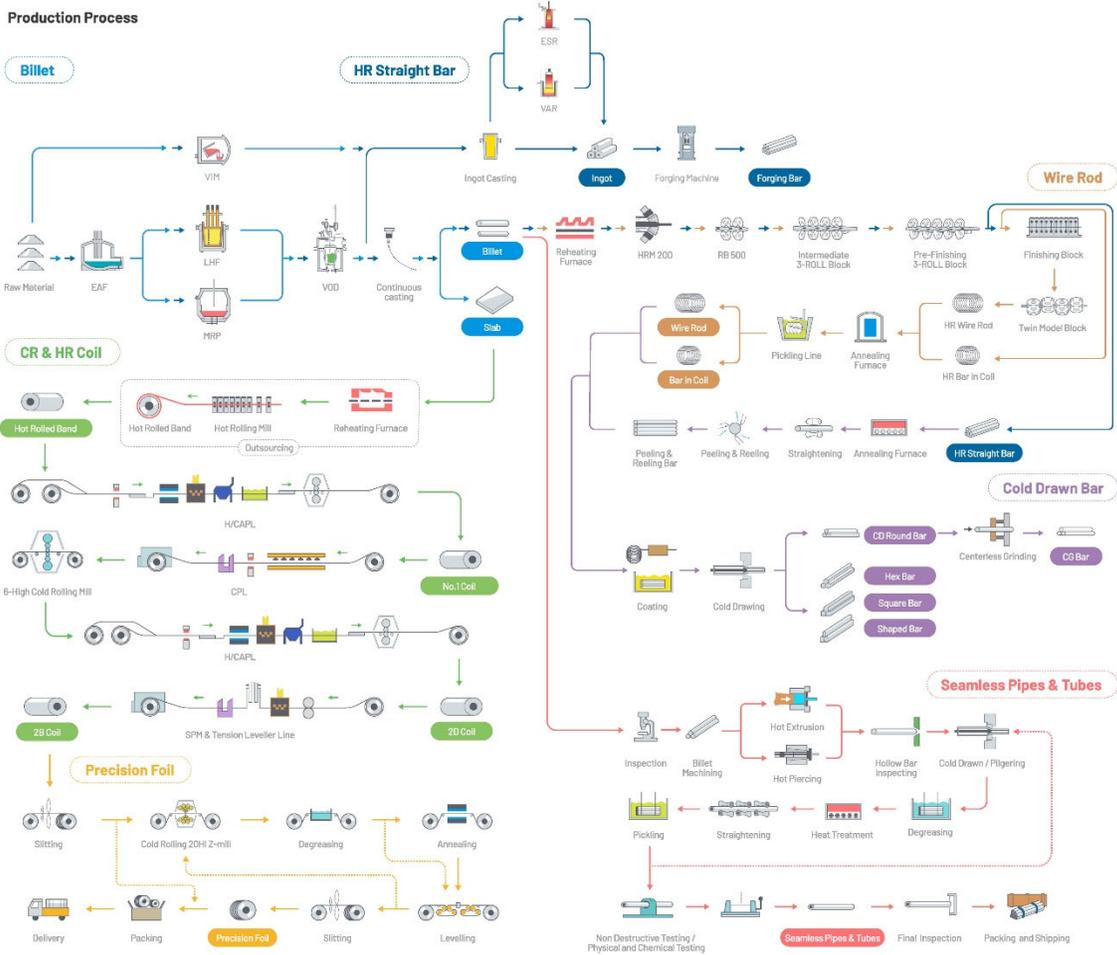
# Business Overview

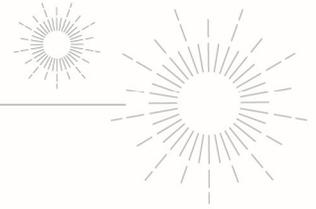
## 2. Production Process

### (1) Wire and Cable Business

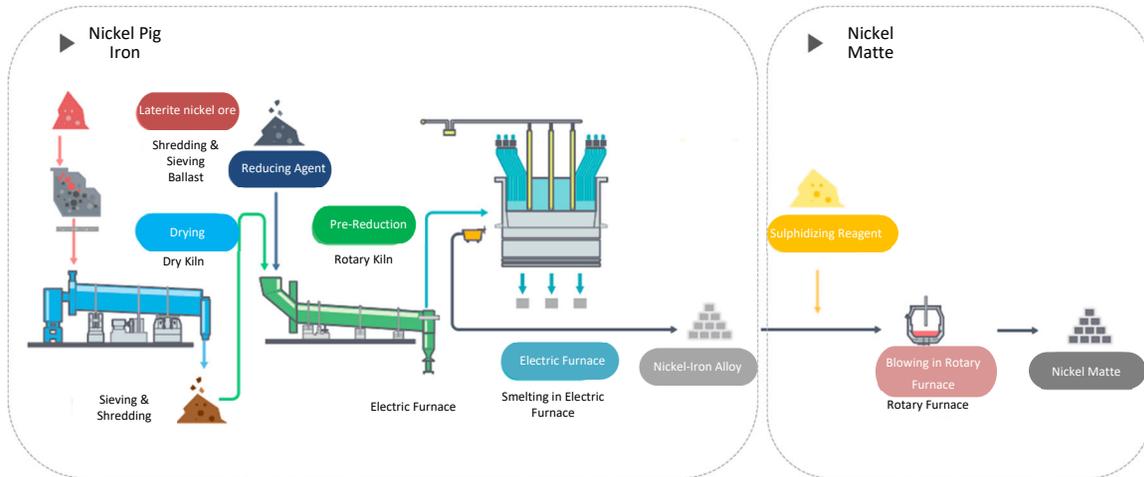


### (2) Stainless Steel Business





(3) Resources Business



(3) Supply Status of Main Raw Materials

Business Unit	Main Raw Materials	Description of Supply Status
Wire and cables	Copper plates	The main sources are Japan, Australia, Chile and Southeast Asia by signing long-term annual contracts, which sources are supplemented by spot purchases. Therefore, the supply is stable.
	Polyethylene	Purchased by quarterly quantity bargaining, mainly imported from Middle East, Europe and Japan.
	Other chemical materials	Adopts monthly/quarterly quantity bargaining method and raw materials should mainly be locally sourced.
Stainless Steel	Pure nickel, high carbon nickel iron, high carbon ferrochrome, stainless steel scraps, grade 1 steel scraps, molybdenum iron, etc.	We seek long-term partnerships with well-established, reputable suppliers and allocate the appropriate proportion of supply sources to diversify risks and enhance the resilience of the supply chain. In addition to being sourced from Taiwan, raw materials are also from Indonesia, Japan, Australia, New Caledonia, South Africa, Europe, United States and China. Among these, CAS has acquired a major supplier of stainless steel scrap, ensuring complete control over its raw material sources.
Resources	Laterite nickel ore	All laterite nickel ore used for nickel pig iron and nickel matte is sourced chiefly from local suppliers in Indonesia, and the overall supply is stable.
Commercial Real Estate	Land	Implement land reserves pursuant to the Company's real estate development strategy and participate in government land auction tenders.
	Construction Projects and Materials	The Company further reduces costs and enhances effectiveness by selecting good quality construction companies and as well as material and equipment suppliers through tenders.
	Retailers	Integrating resources and doing a good job of gathering office demand for high-end enterprises, quality customers and signing contract with merchants according to the Company's project positioning, business objectives and development ideas for the phase 2 of the Office Building No.1, by further leveraging the advantage of high-quality, premium services.



(4) The names, procurement (sales) amounts and ratio of our clients whose total procurement (sales) for any year in the last two years reached 10% or more.

1. Major supplier information for the last two years

Unit: NT\$ thousands

Year	2023				2024			
Item	Name	Amount	Percentage of Total Purchases (%)	Relationship with Issuer	Name	Amount	Percentage of Total Purchases (%)	Relationship with Issuer
	-	-	-	-	Supplier A	22,870,397	15	-
	-	-	-	-	Supplier B	20,919,092	14	Affiliate in the consolidated financial statements
	Other (Note)	156,291,794	100	-	Other (Note)	106,549,974	71	-
	Net Purchases	156,291,794	100	-	Net Purchases	150,339,463	100	-

Reason for the change: In 2024, considering the maximum advantages of strategic partnerships and affiliate collaborations, our procurement ratio from a single vendor reached 10%.

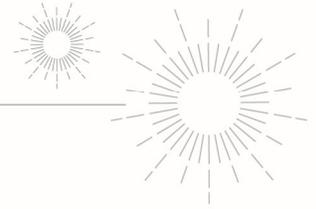
Note: There is no supplier accounting for more than 10% of total amount of purchases.

2. Major customer information for the last two years

Unit: NT\$ thousands

Year	2023				2024			
Item	Name	Amount	Percentage of Net Sales (%)	Relationship with Issuer	Name	Amount	Percentage of Net Sales (%)	Relationship with Issuer
	Net Sales	189,839,626	100	-	Net Sales	179,318,340	100	-

Note: There is no customer accounting for more than 10% of the total sales amount.



### 3. Employee Data

#### (1) Employees of Walsin Lihwa Holdings Limited:

As of March 19, 2025

Year		2023	2024	Current Year as of March 19, 2025
Number of employees		10,508	11,612	11,558
Average age		36.8	36.9	37.0
Average years of service		7.3	7.3	7.3
Education background (%)	Ph.D.	0.3	0.3	0.3
	Master's	6.9	5.8	5.8
	University/College	31.9	35.2	35.3
	High school	43.5	39.7	39.9
	Below high school	17.4	19.0	18.7

Note: Walsin Lihwa Group includes all of Walsin Lihwa's business divisions and subsidiaries.

#### (2) Employees of Walsin Lihwa Corp.:

As of March 19, 2025

Year		2023	2024	Current Year as of March 19, 2025
Number of employees		2,992	2,905	2,866
Average age		39.4	39.8	40.1
Average years of service		9.9	10.4	10.6
Education background (%)	Ph.D.	1.0	1.0	1.0
	Master's	19.8	18.5	18.5
	University/College	42.5	42.5	42.8
	High school	22.5	21.9	22.7
	Below high school	14.2	16.1	15.0



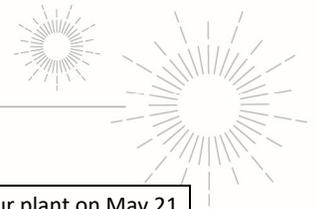
#### 4. Environmental Protection Expenditure Information

- (1) For the most recent year and up to the date of publication of the annual report, the losses suffered by the Company as a result of environmental pollution (including compensations and violations of environmental protection laws and regulations found in environmental protection inspections; the punishment date, the letter number, the legal basis for the punishment, the legal provision and the content of the punishment shall be specified), and the estimated amount of such losses that may occur now and in the future and the countermeasures against them; if they are not reasonably possible to estimate, the facts that they cannot be reasonably estimated should be stated:

Three environment protection-related penalties were imposed on the Yenshui Plant in 2024.

Date of Penalty	March 15, 2024
Penalty Reference Number	Huan-Kong-Gu-Cai-Zi-No. 113030044
Issuing Authority	Environmental Protection Bureau of Tainan City Government
Details of Violation	During inspection of the Metal Surface Cleaning Process (M03) operating permit, authorities examined the P306 discharge pipe's upstream pollution control facilities A304, A305, and A306. While the operating parameters of A304 and A306 control equipment complied with regulatory requirements, the operator disclosed that the A305 washing tower served merely as a backup system for A304 and was not routinely activated. No operational records were maintained for A305, demonstrating ineffective waste gas treatment in contravention of the Air Pollution Control Act.
Remedial Measures	1. Modified washing tower A305 for mist elimination purposes and removed associated chemical pipelines and pumps (with Environmental Protection Bureau's approval). 2. Submitted application for fixed pollution source (M03) permit change to the Environmental Protection Bureau on February 2, currently operating under approved trial status.
Violated Legal Provisions	Paragraph 1, Article 23 of the Air Pollution Control Act, with penalties imposed pursuant to Subparagraph 4, Paragraph 1, Article 62 and Paragraph 1, Article 86 of the same Act
Content of Violated Regulations	Public and private premises shall effectively collect various air pollutants and maintain normal operation of their air pollution control facilities or monitoring equipment; furthermore, the maximum operating capacity of their stationary pollution sources shall not exceed the maximum processing capacity of the air pollution control facilities.
Penalty Amount	NT\$472,800

Date of Penalty	March 15, 2024
Penalty Reference Number	Huan-Kong-Gu-Cai-Zi-No. 113030044
Issuing Authority	Environmental Protection Bureau of Tainan City Government
Details of Violation	With respect to the manufacture of stainless steel billets and related products, which operates under an Electric Arc Furnace Steelmaking Process (M01) permit (Nan-Shi-Huan-Kong-Cao-Zheng-Zi-No. D0085-01), an inspection conducted by the Southern District Environmental Management Center, Environmental Management Administration, Ministry of Environment on December 27, 2023, revealed that the pulse-type bag dust collector's filter bags for the electric arc furnace in the M01 process were replaced on July 28, 2022, and had exceeded one year without subsequent replacement. This constitutes a violation of the operating conditions specified in the stationary pollution source operating permit and contravenes the Air Pollution Control Act.
Remedial Measures	Improvement strategy: An application for modification of the air pollution permit has been submitted to amend the filter bag replacement frequency to once every two years. Additionally, the application proposes that if inspection reveals no damage to the filter bags, immediate replacement should not be required. A subsequent appeal has been filed with the local Environmental Protection Bureau.



	Case closure explanation: Based on the improvement report submitted by our plant on May 21, 2024, and following a verification inspection conducted on May 30, 2024, the Environmental Protection Bureau of Tainan City Government has confirmed that all necessary improvements have been completed and has subsequently closed the case.
Violated Legal Provisions	Violation of Paragraphs 2 and 4, Article 24 of the Air Pollution Control Act and Article 23 of the Stationary Pollution Source Installation, Operating and Fuel Use Permit Management Regulations Amended Clauses (these "Regulations")
Content of Violated Regulations	Public and private premises that simultaneously comply with Articles 2 and 3 shall apply for a fuel use permit concurrently when applying for a stationary pollution source operating permit. Documents or information that are identical need not be submitted repeatedly. Following the installation or modification of the stationary pollution source mentioned in the preceding paragraph, the entity shall submit documentation proving compliance with relevant provisions of these Regulations to apply for and obtain an operating permit from the competent authority of the municipality or county (city), or from an agency commissioned by the central competent authority, and shall operate in accordance with the content of the issued permit.
Penalty Amount	NT\$100,000

Date of Penalty	April 10, 2024
Penalty Reference Number	Huan-Kong-Gu-Cai-Zi-No. 113040054 dated April 10, 2024
Issuing Authority	Environmental Protection Bureau of Tainan City Government
Details of Violation	During an Environmental Impact Assessment committee meeting, the Yenshui Plant reported that the actual sulfur oxide emissions for 2022 were 22.3 metric tons/year, while the permitted emissions for the entire plant were only 11.3 metric tons/year. Verification through the Ministry of Environment's Air Pollution Fee and Emission Declaration Integrated Management System and Fixed Pollution Source Management Information System confirmed the accuracy of this statement. It was determined that both the air pollution fee calculation basis and the operating permit calculation basis were derived from inspection reports. Comparison of these figures indicates that the declared emissions exceed the permitted emissions, with actual SOx emissions not conforming to the SOx emission limits approved in the current permit. This constitutes a clear violation of regulations, resulting in penalties under the Air Pollution Control Act, with relevant documentation available for verification.
Remedial Measures	Completed permit modification
Violated Legal Provisions	Paragraph 1, Article 23 of the Stationary Pollution Source Installation, Operating and Fuel Use Permit Management Regulations Amended Clauses (these "Regulations"); Paragraphs 2 and 4, Article 24 of the Air Pollution Control Act
Content of Violated Regulations	Public and private premises that simultaneously comply with Articles 2 and 3 shall apply for a fuel use permit concurrently when applying for a stationary pollution source operating permit. Documents or information that are identical need not be submitted repeatedly. Following the installation or modification of the stationary pollution source mentioned in the preceding paragraph, the entity shall submit documentation demonstrating compliance with relevant provisions of these Regulations to apply for and obtain an operating permit from the competent authority of the municipality or county (city), or from an agency commissioned by the central competent authority, and shall operate in accordance with the conditions specified in the issued permit.
Penalty Amount	NT\$160,000

Note: The standard for disclosure of major fines is NT\$100,000/RMB22,000

Although our Taiwan plants did not incur any major environmental penalties (defined by the Financial Supervisory Commission as those exceeding NT\$1 million) in 2024, there were three environmental compliance issues, all of which were promptly remediated with enhanced personnel and procedural management. Despite being subject to intensified scrutiny by central and competent authorities as part of the steel and surface treatment industries, the Company experienced no pollution leakages



resulting in production stoppages or community protests, and no wastewater or waste material leakage incidents occurred at any of our plants. Moving forward, we will continue self-monitoring according to our environmental management system framework. Additionally, the Environmental Safety Management Committee will conduct periodic inspections to verify environmental regulatory compliance at all plants and strengthen on-site surveillance to ensure regulatory conformity and prevent pollution incidents.

(2) Future response measures (including improvement measures) and possible expenses:

Despite the large amount of manpower, materials and funding invested in environmental protection to comply with international benchmarks over the years, Walsin Holdings was still fined for pollution. To keep pollution under adequate control, the Company requires factories in Taiwan and overseas to step up self-regulation to avoid human errors and to implement economically feasible environmental management projects. Internal audit and environmental education & training (including regulatory identification) will also be applied to assist in reinforcing self-regulation and horizontal development at various factories. Environmental investment plans and management measures are as follows:

1. Obtained ISO-14001 certification for system management:

In line with international environmental conventions, factories in both Taiwan (Hsinchuang plant 1, Hsinchuang plant 2, Yangmei plant, Taichung plant and Yenshui plant) and mainland China (Shanghai Walsin Lihwa Power Wire & Cable plant, Nanjing plant, Jiangyin plant, Yantai plant and Changshu plant) have all obtained "Environmental Management System" certification. In order to ensure the operational effectiveness of Walsin's environmental management system, the Company hired a professional consulting team in 2017 to instruct 10 domestic and overseas factories to transition to ISO 14001:2015. Basic operation for ISO 45001 was also introduced as a pilot program, as environmental protection and vocational safety & health management system are integrated into a universal operating model across the entire group while on-site guidance is also provided. Consistency in documentation and stability in system operation are required of these factories. Through educational training at various factories, the spirit of the management system is deeply ingrained in actual factory operation after multiple training sessions focusing on topics ranging from regulatory interpretation to actual operation. Furthermore, with a proactive attitude, we will continue to improve our overall environmental protection efforts and vocational safety & health condition. We will strive to enhance environmental performance, reduce environmental loss, improve corporate image and boost our international competitiveness. Walsin has completed the integration and version conversion of its management system at all of its factories at home and abroad in 2018, with the certificates being valid for three years. The relevant certificate documents are placed in the document management section of Walsin Lihwa website and are updated regularly.

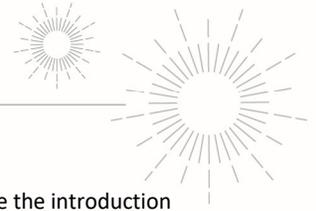
2. Air pollution management:

Comply with the air pollution control laws in Taiwan and in China and apply for permits for fixed (atmospheric) pollution source ranges that are progressively announced. The various plants in Taiwan and in China have obtained operating (emission of pollutants) permits for various manufacturing processes and facilities, reducing atmospheric emissions.

3. Greenhouse gas emission and campaign for reduction:

To counter climate change and global warming, reduction in greenhouse gas emission is a necessary measure. GHGs inventories provide compliance basis for efforts to reduce greenhouse gas emission.

Since 2015, the Company has established the "Safe Environment Information Platform--the ability to conduct GHGs inventories and to calculate carbon emission for products" to collect greenhouse gas emissions at home and abroad. Through continuous review every year and smart system management, the Company keeps optimizing its greenhouse gas emissions. Through the electronic system, we can grasp the current year's quarterly emissions and compare them with the same period last year, and further produce the trend graph for the quarterly meeting of the Environmental, Safety and Health Management Committee to review the carbon emissions regularly, so as to effectively review and manage the Company's carbon emissions. In addition, in order to improve the company-wise operation of the greenhouse gas control system, we also plan to promote the implementation of ISO 14064-1 in each plant. In 2015, our Taichung and Yenshui plants in Taiwan have obtained ISO 14064-1 certification, and the latest certificates and expiration dates are regularly posted on our CSR website every August. Hsinchuang, Yangmei, Taichung, and Yenshui Plants have also obtained the new



version of ISO 14064:2018 certification in 2021, and at the same time, we planned to promote the introduction of ISO 14064-1 in overseas plants and have executed the same and obtained a third-party certification from 2023 to 2024. Furthermore, Walsin continues to monitor developments in carbon emissions trading, the EU Carbon Border Adjustment Mechanism, Taiwan's carbon fee system, and is formulating internal carbon pricing strategies. The Company participates in mainland China's carbon trading market operations to secure future carbon allowances and ensure sustainable business development.

**Safety and Environmental Information Platform**

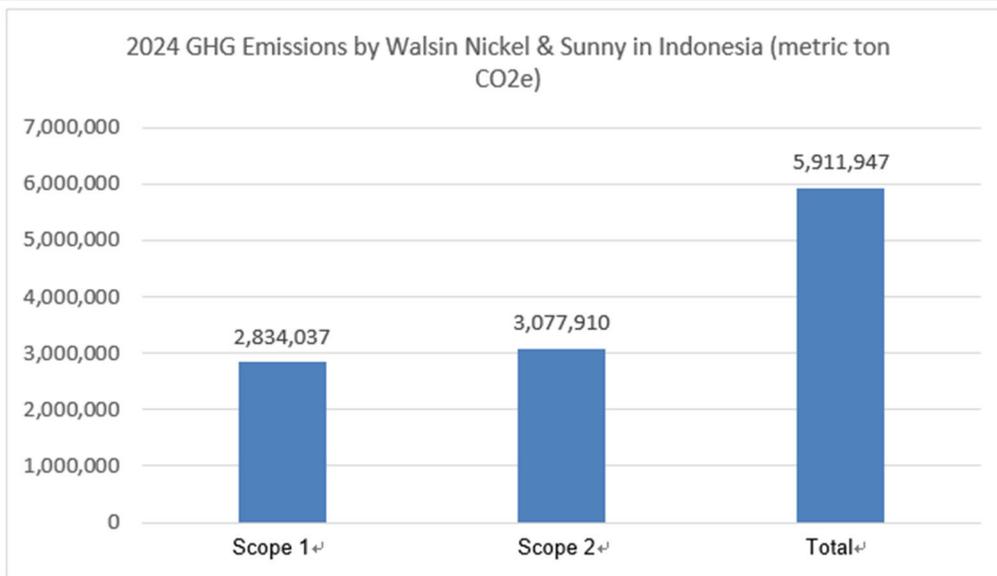
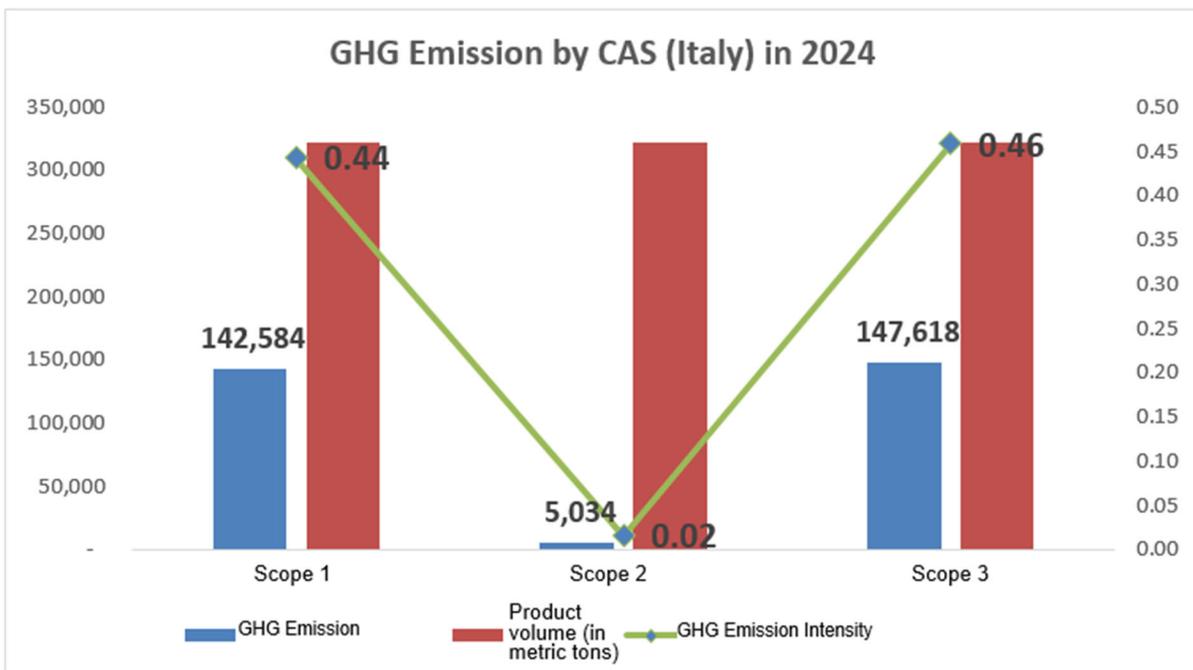
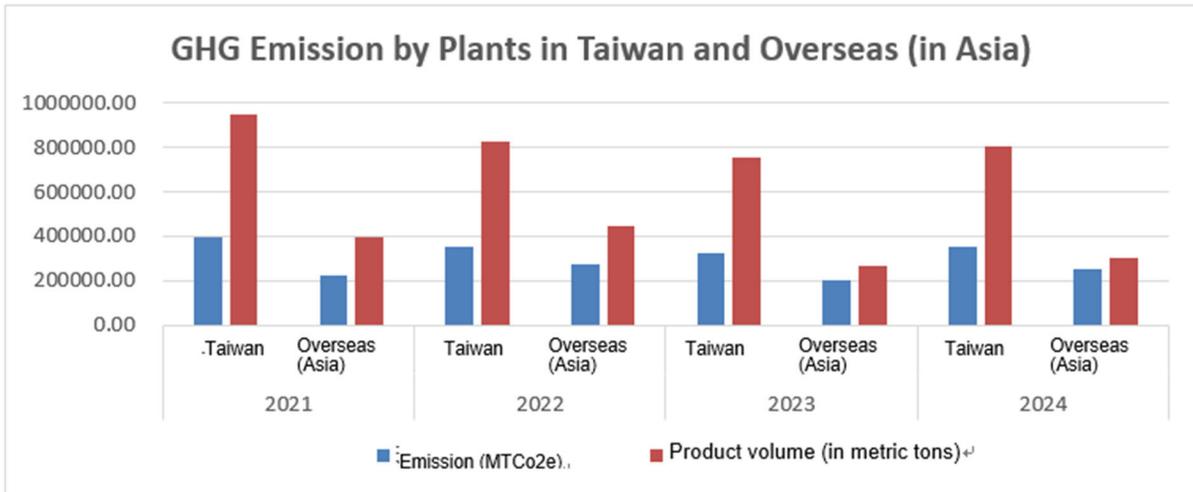
Since 2015, “Safety and Environmental Information Platform - Greenhouse Gas Inventory and Calculation Product Carbon Inventory” has been established and continuously optimized to collect the greenhouse gas emissions of each plant; the Environment, Health and Safety Committee reviews and manages the greenhouse gas emissions on a quarterly basis.

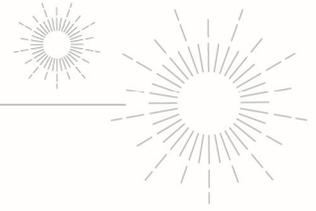
ISO 50001(Energy Management System)	ISO 14064-1 (Greenhouse Gas Verification Standards)	ISO 14067 (International Standards for Product Carbon Footprint)
Since 2018, our Taiwan’s plants and China’s plants have promoted the five-year energy management plan (2022-2027) based on ISO 50001, and an annual dynamic review has been conducted based on the status of each plant. The Company continues to pass its annual ISO 50001 system certification.	Since 2015, we have promoted the introduction of ISO 14064-1 in all plants, and our Taichung Plant and Yenshui Plant have passed ISO 14064-1 certification. In 2020, our Hsinchuang Plant and Yangmei Plant and in 2022, overseas plants introduced the ISO 14064-1:2018 standards to conduct internal greenhouse gas emission inventory; In 2024, our Indonesian plants implemented the ISO 14064-1:2018 standard, conducting internal greenhouse gas emissions inventory that received third-party verification.	In 2024, our plants in Taiwan and China completed the product carbon footprint self-inventory based on ISO 14067:2018. In 2024, the Hsinchuang Plant continued to have two products pass third-party carbon footprint verification.

Carbon Disclosure Schedule Planning		2022	2023	2024	2025	2026	2027
Company-wide Planning & Execution	Inventory	Taiwan, Mainland China, Malaysia	Huatuo Green Resources	Indonesia WNII & Sunrise, CAS Consolidation			
	Assurance	Taiwan	Mainland China, Malaysia	Indonesia WNII & Sunny		CAS (Consolidated)	
Regulatory Requirements	Disclosures		Inventory Data (Stand-alone)	Assurance Data (Stand-alone)	Inventory Data (Consolidated)		Assurance Data (Consolidated)



(1) Greenhouse Gas Value Chain Inventory (GHG Scope 1-2)





(2) Greenhouse Gas Value Chain Inventory (GHG Scope 3)

Walsin Lihwa, in an effort to create a greater impact on climate change and to enhance the highest value of the product value chain, extends its carbon management plan beyond its own operational greenhouse gas emissions. Following the ISO 14064:2018 and GHG Protocol standards, and through third-party verification and disclosure, Walsin Lihwa expands its carbon management plan to include its value chain partners. This identifies the most emission-intensive activities within the value chain as a precise guide for emission reduction strategies, also uncovering more opportunities for transformation. In the action plan for 2024, we have established a low-carbon alliance and promoted a sustainable supply chain, working together with our value chain partners to create a sustainable development business model.

In our 2024 project of Scope 3 greenhouse gas inventory, we adopted materiality assessment criteria, considering factors such as emission volume, improvement potential, and quantification methods. We identified emissions from upstream raw materials of our purchased products and services, upstream emissions from fuel and energy-related activities, and disclosed a total of 12 items in Scope 3/Categories 3 to 4. Walsin Lihwa continues to collaborate with its value chain partners in developing low-carbon products through strategies such as green product design, jointly combating climate change and global warming with its value chain partners.

	GHG Protocol	ISO 14064-1:2018	Emissions from Taiwan Plants (MTCO <sub>2e</sub> )	Overseas Plants (Asia) (MTCO <sub>2e</sub> )
Scope 3	Category 4: Emissions from upstream transportation and distribution	Category 3: Greenhouse gas emissions from transportation	115,679.52	121,420.90
	Category 7: Emissions from employee commuting			
	Category 9: Emissions from downstream transportation and distribution			
	Category 3: Emissions from fuel- and energy-related activities (not covered in Scope 1 or Scope 2)	Category 4: Indirect greenhouse gas emissions from products used by the organization	2,310,042.55	1,254,213.20
	Category 5: Emissions from waste generated in operations			

Note: 1. Scope 1 is direct energy, and Scope 2 and Scope 3 are indirect energy; the sources of greenhouse gas emissions include CO<sub>2</sub>, N<sub>2</sub>O, CH<sub>4</sub>, HFCs, and SF<sub>6</sub>

2. Taiwan: Yangmei Plant, Hsinchuang Plant, Yenshui Plant, and Taichung Plant

3. Overseas (Asia): Jiangyin Alloy, Shanghai Walsin, Yantai Walsin, Changshu Walsin, and Walsin Precision

4. Emission Unit: MTCO<sub>2e</sub>; Intensity Unit: MTCO<sub>2e</sub>/metric tons of product

5. The emission factor is based on the Environmental Protection Administration's announced greenhouse gas emission factor management table version 6.04, with the GWP (Global Warming Potential) values taken from the IPCC 6th Assessment Report (2023). The greenhouse gas compilation method is based on the operational control approach.

6. 2014 is the starting year for the Company's implementation of the energy-saving plan

7. Scope 2 emissions are calculated based on a market-based approach

4. Wastewater treatment:

The wastewater from each of Walsin Lihwa's plants has been properly treated and discharged through wastewater treatment facilities in the plant site and the wastewater quality testing has been regularly conducted to avoid the impact of wastewater discharge on the environment. Management at source is most important in water conservation. Based on water quality characteristics, the treatment procedures were designed and recycling units were installed, so the wastewater has been discharged to nearby rivers according to regulations or piped to recycling units in order to effectively use limited water resources. Each plant site has adjusted equipment and process to reduce water consumption and improve wastewater recycling system, so as to enhance the recycling ratio of the process water.

The average pollutant concentration in wastewater discharged by the factories in 2024 met the effluent criteria. The recycling ratio of Taiwan plants reached 90% and above.

Note: The above figure is sourced from Section 1.3.1 "Use of Water Resources" in our Sustainability Report.

5. Strict control of industrial waste:



The 4Rs (reduce, reuse, recycle and recovery) have constituted the foundation for Walsin's waste production and control. In 2024, for our plants in Taiwan and China, overall waste recycling rate of copper wire, wire and cable and stainless steel reached 94.43%, of which the non-hazardous waste recycling rate was 98.87%; hazardous waste was 86.81%. Except for some of the waste produced by self-recycling and reuse, the rest are entrusted to qualified manufacturers for removal, treatment or reuse. The output of waste in Taiwan and China factories decreased by 9% compared with 2024; for the Taiwan plants, the overall waste recycling rate of harmful waste increased by 1.22% compared with 2024, mainly because all the waste acid from Yenshui Plant was transported to the Taichung Plant for waste acid treatment and reuse and process improvement and adjustment, thereby reducing the dust collection ash and sludge, and the landfill rate of plants in Taiwan stood at <1% target.

Aside from continuing to promote source reduction of waste and recycling of waste in the plant, the Company will, in conjunction with the strength of the supply chains, reduce the amount of raw materials and reduce the harm that production may bring to the environment. The Company has established strict control and auditing mechanisms for waste flow and screening of qualified vendors to ensure that waste flows are proper and legal.

Goals for Waste Management

Unit: Metric ton/1000 metric tons of product

	2024 (Act.)	2025 Goal	2030 Goal
Non-Hazardous Waste Landfill Rate	0.19	0.5	Adopting BACT
Hazardous Waste Landfill Rate	0.07	0.2	

Waste output and disposal by Taiwan and overseas plants in 2024 (Unit: Tonne):

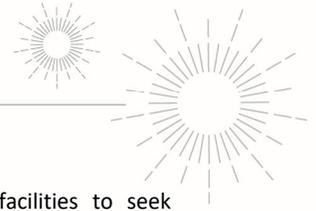
Region	Taiwan			Overseas (China and Malaysia)			Overseas (Europe)		
	Non-hazardous	Hazardous	Total	Non-hazardous	Hazardous	Total	Non-hazardous	Hazardous	Total
Recycling (for reuse)	64,636.61	56,355.73	120,992.33	76,882.19	16,044.62	92,926.81	25,997.00	4,668.00	30,665.00
Incineration	755.17	7.24	762.41	477.34	4,348.01	4,825.35	195.00	138.41	333.41
Burial	37.37	124.61	161.98	268.65	6,380.52	6,649.17	56,850.00	140.00	56,990.00
Other treatment	81.11	-	81.11	1.60	141.16	142.76	293.00	7,277.00	7,570.00
<b>Total</b>	<b>65,510.26</b>	<b>56,487.58</b>	<b>121,997.83</b>	<b>77,629.78</b>	<b>26,914.31</b>	<b>104,544.09</b>	<b>83,335.00</b>	<b>12,223.41</b>	<b>95,558.41</b>
Recycling rate	98.67%	99.77%	99.18%	99.04%	59.61%	88.89%	31.20%	38.19%	32.09%
Incineration rate	1.15%	0.01%	0.62%	0.61%	16.16%	4.62%	0.23%	1.13%	0.35%
Burial rate	0.06%	0.22%	0.13%	0.35%	23.71%	6.36%	68.22%	1.15%	59.64%
Other treatment	0.12%	0.00%	0.07%	0.00%	0.52%	0.14%	0.35%	59.53%	7.92%

Note: 1. Except for the hazardous waste from dust collection by Yenshui Plant, which was recycled in the plant, and the waste acid from Taichung Plant, which was disposed of and recycled in the plant (34190.95 metric tons in total), all hazardous and non-hazardous waste generated by our plants in Taiwan and Asia was disposed of outside of the plants.

2. The total amount of non-hazardous waste recycled in the European plants was 7,713 metric tons, while the remaining hazardous and non-hazardous waste was disposed of outside of the plants.

6. Improving energy use efficiency:

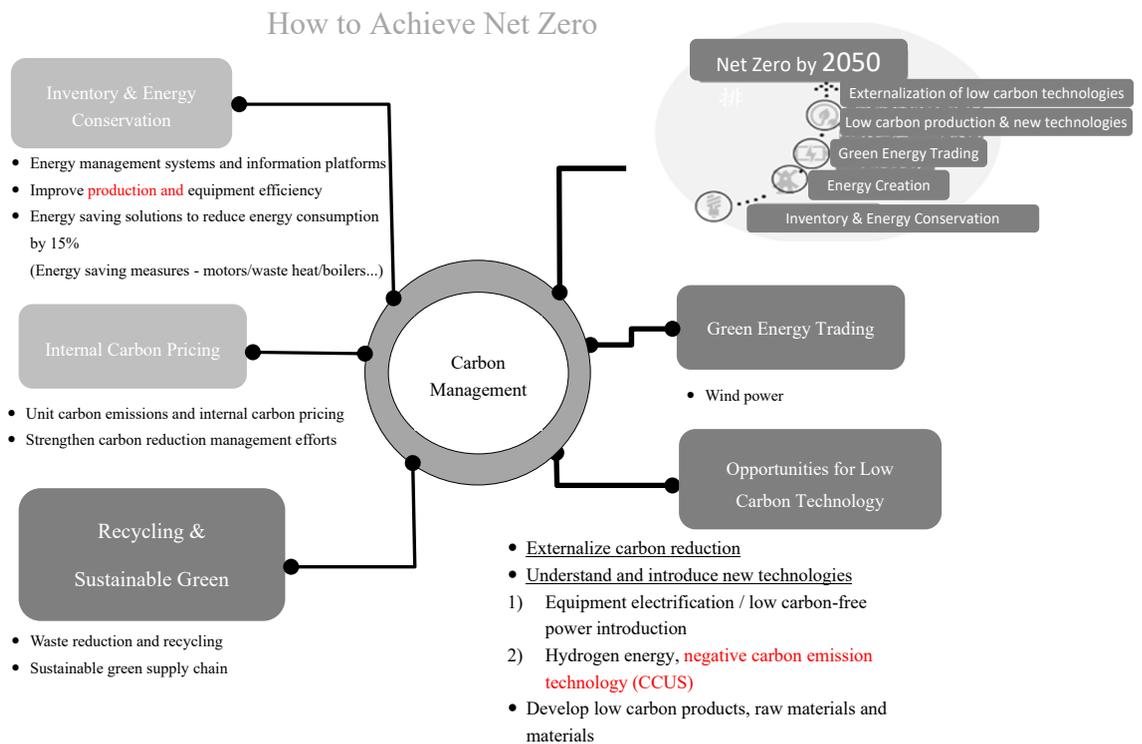
Walsin Lihwa upholds the business philosophy of "Green Manufacturing, Happy Enterprise and Sustainable Management". In addition to committing to quality management, pollution prevention, environmental protection, safety and health, our company adopts "Enhancing energy efficiency and promoting clean energy" as its energy management guidelines to fulfill its social responsibility in energy conservation and carbon reduction. We aggressively incorporate energy-saving equipment, efficient technologies, environment-friendly facilities and environmental protection designs and green process into promoting improvement of energy efficiency at source. In response to the governments' energy policies and measures, we educate our employees



about energy conservation and inventory the energy consumed by equipment and facilities to seek opportunities for improving our energy performance and to also effectively implement our energy saving plans.

7. Energy conservation and carbon reduction:

- 2015: Established energy conservation and carbon reduction management organizations across all plants, setting annual targets and implementing various energy conservation and carbon reduction measures. Regular meetings were conducted to review progress, and an energy management information platform was established for real-time management.
- 2021: Planned and installed 5.5 MWp of renewable energy (solar) for self-generation and consumption. The installation was fully completed in 2024, with grid-connected power generation reaching 6,232,988 kWh.
- 2022: The Environmental, Health and Safety Committee adjusted the five-year energy management plan on a rolling basis, establishing annual targets of 1% electricity savings and 1.5% carbon reduction.
- 2024: All four plants in Taiwan met the Bureau of Energy, Ministry of Economic Affairs' annual electricity saving rate requirement of 1%, achieving an average electricity saving rate of 1.86%. Taiwan and overseas plants (Asia) jointly proposed 105 carbon reduction initiatives, resulting in a total electricity saving rate of 3.14% and a total carbon reduction of 18,886 MTCo2e per year.





Carbon Reduction Results from 2015 to 2024 (Unit: MTCO<sub>2</sub>e)

2024 Energy Saving Plans

Plant	Project Type	Energy-Saving Type	Project Quantity	Energy Savings	Energy Consumption Reduced (in MJ)	Carbon Reduction (MTCO <sub>2</sub> e)	Carbon Reduction Amount
Taiwan	Energy saving in manufacturing processes/offices	Electricity (kWh)	68	7,602	27,372,391	3,781	<b>NTD37,915,776</b>
		Natural gas (in thousand cubic meters)	11	774	29,151,166	1,774	
		Others (in metric tons)	2	10	-	205	
		Subtotal	81	-	56,523,558	5,760	
Overseas (China & Malaysia)	Energy saving in manufacturing processes	Electricity (kWh)	19	12,063	43,435,952	7,635	<b>RMB 19,589,685 (around NT\$88,401,588) MYR 46,719 (around NT\$315,593)</b>
		Natural gas (in thousand cubic meters)	4	2,494	93,931,235	1,309	
		Vapor (in cubic meters)	1	578	1,592,913	136	
		Subtotal	24	-	51,967,338	13,126	
<b>Total: NT\$126,632,957</b>							

8. 2024 Environmental Investments

Walsin actively introduces advanced recycling equipment and combines various management systems and methods to minimize the adverse impact of production activities on the environment, including reducing emissions and improving recycling rates, introducing a complete environmental monitoring system to inventory potential polluted areas, and taking preventive and improvement measures in advance. We spent a total of NT\$680,836,624 on environmental protection equipment and expenses in 2024.

2024 Environmental Investments by Walsin

Category of Environmental Protection Costs	Taiwan		China		Malaysia	
	Amount	%	Amount	%	Amount	%
Environmental Protection Equipment Costs	56,569,000	14%	130,036,811	46%	0	0%
Environmental Protection-Related Management Costs	331,838,373	83%	118,727,128	42%	140,794	44%
Other Environmental Protection-Related Costs	11,844,150	3%	31,502,516	11%	177,852	56%
Subtotal	400,251,523	100%	280,266,455	100%	318,646	100%
Total	<b>680,836,624</b>					

Note: The figures above are sourced from our Sustainability Report 1.2.1 "Environmental and Energy Management Policy"

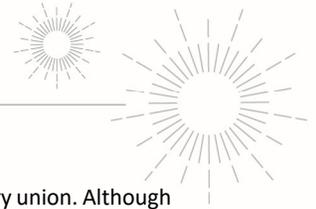
5. Employees-employer relations

(1) Worker-Management Relations and Welfare

The pursuit of excellence, innovation and learning and friendly environment form the basis of sustainable development at Walsin Lihwa. Its respect and attention to "people" is reflected in its human resources management systems and various worker-management relations mechanisms, which are described as follows:

1. Smooth worker-management communication channels

- (1) In 1976 the Company established an industry union to advocate suitable policies and the voice and proposals of workers are communicated using an employer and employee dual-channel communication method.
- (2) The union's negotiation meetings between employer and employee representatives are held each quarter. Union representative conferences are held every year to establish a good bridge of communication between



employers and employees. Walsin has not entered into a group agreement with the industry union. Although the Company has established a union, the Company has not yet entered into a group agreement with it because the union has not requested a group agreement from the Company to date.

(3) The Company publishes the "Walsin People Digital Newsletter" to share information on critical business operations and management. The company has also established an international communication platform to hold online events and opinion surveys.

2. The Company's remuneration policy is planned on the principle of being able to attract and retain talent:

(1) Salary: The Company ensures that its overall remuneration is competitive in the market by referencing market salary surveys and the compensation information among its peers. The Company's remuneration policy considers the following principles:

- A reasonable and competitive overall remuneration based on the market value of each professional function and the employee's contribution to their responsibilities.
- Bonus payments are made in accordance with the Company's operational performance, the achievement of team objectives and the employee's personal contribution and performance.
- Employees are paid and compensated on the basis of their academic experience, technical expertise, professional seniority and personal performance, without discrimination based on gender, race, religion, political affiliation, marital status or union affiliation.
- The starting salary standards for fresh graduates and foreign workers comply with local laws and regulations.
- We create harmonious labor relations within the scope of the law, in accordance with the relevant local laws and regulations.

(2) Bonuses and Rewards: The reward and compensation system offered by the Company is mainly designed to motivate employees who perform well in their work. Performance bonuses and production bonuses are granted based on the Company's operational performance, achievement of team goals and individual performance, and employees are remunerated according to the Company's profitability.

3. We also provide a diverse welfare system that includes the following:

Insurance & Protection	Subsidies	Other Benefits
<ul style="list-style-type: none"> <li>• Labor insurance</li> <li>• Health insurance</li> <li>• Group insurance (life insurance, accidental injury insurance, hospitalization insurance, cancer insurance, etc.)</li> <li>• Overseas Travel and Expatriate Insurance</li> <li>• Regular health checks for all staff</li> <li>• Monthly pension payment</li> <li>• Severance payments, pensions</li> </ul>	<ul style="list-style-type: none"> <li>• Travel Subsidies</li> <li>• Subsidies for club activities</li> <li>• Wedding and Funeral Grant</li> <li>• Maternity benefit</li> <li>• Supervisor's Health Benefits</li> <li>• Hospitalization condolences</li> <li>• Scholarship for Staff and Children</li> <li>• Various interest-free loans (emergency loans, education loans for employees' children, home purchase loans)</li> </ul>	<ul style="list-style-type: none"> <li>• Birthday Gift Vouchers</li> <li>• 3 Festival Gift Money (Voucher)</li> <li>• Labor's Day Souvenirs</li> <li>• Staff dorms (for some factories)</li> <li>• Commuter Bus (Factories)</li> <li>• Provide annual leave of absence on a pro rata basis upon onboarding, which is better than what is provided by law</li> <li>• Organize lectures about health, life, soul, financial management, and travel for colleagues</li> <li>• Discount for employees by signing contracts with vendors</li> <li>• Gold medal for senior staff</li> <li>• Massage and relief services</li> </ul>

4. Under the "Walsin Lihwa Employee Learning and Development System," each employee is incorporated into the Company's operating strategies, policies and target objectives based on his/her capabilities, job performance and career development. This enables employees, job performance and the organization to be fully integrated and to achieve synergies in employee learning and development. The content of the system includes the following:

- (1) Professional talent training in all levels
- (2) Management talent training
- (3) New employee orientation
- (4) Employee general education courses
- (5) Self-motivation course
- (6) Quality and safety awareness course



In 2024, the Company spent a total of NT\$49,000,000 on employee education and training. Details are as follows:

Total training participation	Total training hours	Average training hours per employee
76,099	274,227	24

Training statistics above include data from Taiwan and the subsidiaries in China.

5. Retirement system:

To provide job security to employees, the Company has established a retirement system pursuant to regulatory requirements with specific measures as follow:

- (1) Established a "Pension Oversight Committee" in 1986, whereby workers' pension funds (which account for 2 % of the total salary payments to all old pension scheme employees) are deposited monthly into a pension account at the Bank of Taiwan.
- (2) The Company has commissioned external consultants to prepare a pension fund actuarial report annually since 1994 and set aside a pension reserve fund each month based on the actuarial report in order to satisfy pension applications made by employees eligible for retirement. In 2024, NT\$5,843,000 was set aside for the pension reserve fund.
- (3) In line with the implementation of the new pension system in 2005, the company has continued the issuance of the pension fund to retired employees who have elected to receive the pension under the old system. As for employees adopting the new system, 6% of their salary will be monthly withdrawn as retirement pension and deposited into each employee's personal account at Labor Insurance Bureau. Employees may voluntarily contribute within the 6% to satisfy personal demand in retirement preparation based on personal needs. For the year ended December 31, 2024, the amount of NT\$325,361,000 that should have been appropriated according to the percentage specified in the defined benefit plan was recognized in the consolidated statement of income of the Company.
- (4) According to the revisions of the Labor Standards Act in 2015, the Company assesses the balance in the designated labor pension reserve funds account, calculate required labor pension funds for the laborers who meet the legal retire criteria in the follow following year and make up the difference before the end of March the following year. As of the end of 2024, it was estimated that the balance in the labor pension reserve fund account is sufficient to cover the retirement payments for employees expected to meet the legal retirement conditions in 2025.
- (5) In addition to compliance with the aforementioned retirement regulations and in recognition of the contributions made by retired employees, the company also issues commemorative medals and awards to retired employees. Meanwhile, the Employee Welfare Committee as well as the industry union has also issued retirement souvenirs to fully reflect the company's gratitude towards retired employees.
- (6) For employees in China, the subsidiaries enroll their employees in pension plans as required by law and make monthly contributions to the pension plans according to the local regulations in order to provide adequate retirement protection for the employees.

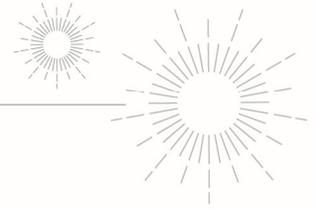
6. Employee Code of Conduct:

To ensure that employees comply with obligations to the Company, customers, competitors and suppliers during business operations, the Company has established an Employee Code of Conduct in order to regulate employee behavior. The highlights of this Code are as follows:

- (1) Obligation to the Company: All Company employees must be dedicated, studious, conform to all rules of the Company and ensure confidentiality.
- (2) Obligation to customers: When conducting business dealings in representation of this Company, the employee's attitude must be humble and without any arrogance or pride lest damaging the Company's image.
- (3) Obligation to competitors: The Company's employees should gather competitor information to serve as a reference for Company strategy in a legal and open manner.
- (4) Obligation to suppliers: Negotiations and transactions with suppliers by employees must uphold the principles of fairness, reasonableness and reciprocity in order to achieve a win-win result.

7. As a guide for employees to follow ethical standards and corporate governance, the Company has established additionally an Employee Code of Ethical Conduct. The highlights of this Code are as follows:

- (1) Prevention of conflicts of interests
- (2) Prevention of opportunities to obtain personal gains
- (3) Duty of confidentiality
- (4) Fair trade
- (5) Protection and appropriate use of Company assets
- (6) Legal compliance
- (7) Prohibition of gifts, bribes or any improper benefits
- (8) Prohibition of external communication of information against the Company



- (9) Equal employment opportunity and prohibition of discrimination
- (10) Health and safety in workplace
- (11) Correctly prepared documents and duty to maintain records
- (12) Respect for intellectual property

8. Atypical Labor Rights Protection:

The Company categorizes the employment of atypical labor into two main types: labor dispatch and labor outsourcing. The management of human rights for atypical labor is conducted in accordance with the Company's internal employment management rules and the systems of labor dispatch and labor outsourcing. In addition to overall benefits, such laborers are entitled to the same employment conditions as formal employees of Walsin, and they also enjoy basic protections such as labor and national healthcare insurance.

Prior to collaborating with labor dispatch or labor outsourcing vendors, the Company first understands their compliance with labor laws, which serves as the basis for evaluating whether to cooperate. Furthermore, given that the Company's contracts are signed on an annual basis, before each annual contract renewal, the Company voluntarily conducts inquiries, audits, or other necessary actions regarding the legality of the labor conditions of dispatched or outsourced laborers, to ensure that cooperating vendors continuously comply with relevant regulations.

(2) Protective measures taken to ensure a safe working environment and maintain employees' personal safety

Walsin Lihwa's ESH and energy policy is "Green Manufacturing, Happy Enterprise and Sustainable Management".

The health and safety system and administrative measures are as follows:

1. To enhance occupational safety and health management (including fire safety management) and fully implement the Occupational Safety and Health Management System (ISO 45001), the application covers all plants in Taiwan (Hsinchuang, Yangmei, Taichung, Yenshui), mainland China plants (Shanghai Walsin, Jiangyin Alloy, Changshu Walsin, Yantai Walsin), Indonesian plants (PT. Walsin Nickel Industrial Indonesia and PT. Sunny Metal Industry), and CSA, encompassing all workers (employees, contractors, and visitors). The overall coverage rate is 83.97% for employees and 98.86% for non-employees (contractors), excluding Taipei headquarters, PT. Walhsu Metal Industry, Nanjing Walsin (Real Estate), and Walsin Precision in Malaysia, which have not yet passed certification. The Company continues to use the PDCA cycle for dynamic review and improvement, management methods for prevention of recurrence, and internal audits and exercise, and to set and track annual occupational safety and health performance indicators, in a view to enhancing workplace safety for colleagues and establishing a comprehensive and friendly workplace. In terms of safety and health performance indicators, this includes proactive indicators such as key system promotion, support from senior management at each plant, and disclosure of management systems; reactive indicators such as work-related accidents and penalties from competent authorities; and indicators such as the frequency and items of general (special) health examinations. In fire safety performance management, each plant is fully staffed with fire management personnel (firefighters/security supervisors/fire equipment area autonomous management personnel), implements fire equipment maintenance management, and regularly conducts full-staff fire escape drills and fire self-defense organization drills.
2. Designated health and safety and environmental management units or staff

Each of Walsin Lihwa's domestic and overseas plants also has its own Occupational Safety and Health Committee (in Taiwan)/Safety Production Committee (in China). Those committees include certain labor representatives to participate in and discuss matters relating to occupational safety and health. The number of labor representatives in the safety and health committees set up in Taiwan factories in accordance with the law are in line with the regulatory requirements. These committees hold meetings every quarter. In addition to the passing down of practical experience and the dissemination of ethical principles in occupational safety, we provide a platform for the exclusive Environmental Safety and Health Committee meeting minutes system and an electronic signature system for quarterly meeting results, and send internal newsletters through the intranet with work-safety-related emails to share our experiences.

Plants	Total General Members	General Members	Labor Representatives	Meetings Times	Labor Percentage
Taiwan	102	68	34	28	33.33%
China	45	41	4	16	8.89%
Malaysia	20	10	10	4	50%
Indonesia	24	16	8	16	33.33%
Italy	68	41	27	53	39.71%

Note 1: All plants in Taiwan have established Occupational Safety and Health Committees (abbreviated as OSH Committees) in accordance with the law, with the number of labor representatives meeting regulatory requirements. Plants in Mainland China, Malaysia, and Indonesia maintain Safety Production Committees.



Note 2: (1) Percentage = Number of labor representatives/Total committee members × 100%.

(2) Taiwan regulations stipulate that labor representatives must constitute at least 1/3 of committee membership; overseas plants have no such requirement.

3. Safe Workplace and Friendly Management

In 2024, there were 109 employee work-related injuries (including 1 fatal injury at PT. Walsin Nickel Industrial Indonesia, but excluding 160 minor injuries). The recordable injury rate was 1.02% (number of work injuries as a proportion of total employees). The overall accident frequency was higher than in 2023. Analysis showed that frontline technical operators still had the highest occurrence rate (85%) (This analysis excludes CAS). The primary injury types were entanglement injuries (20%), followed by cuts (15%) and impact injuries (15%). For non-employees, there were 13 work-related injuries (including 2 fatal injuries, but excluding 13 minor injuries). The primary injury types were impact injuries (31%), followed by falls (23%). All related accident risks and deficiencies have been promptly addressed through hardware protection and management measures. In 2024, there were no incidents of fire or chemical leakage across all subsidiaries of the Company.

The goal of occupational safety management is to deeply instill safety awareness and knowledge in every worker, forming what is known as a "safety culture." This year, Walsin analyzed workplace accident cases from the past five years (Taiwan and Mainland China regions, 198 cases in total) to facilitate departmental proposal systems and self-management activities (team meetings). This initiative encouraged colleagues to improve workplace hardware and operational procedures. The on-site Safe Job Procedure (SJP) involved operational personnel and team members jointly reviewing existing regulations (126 SOPs), followed by discussions to align with and revise SJP and risk assessments for collective compliance. This approach ensures every worker can participate in work safety discussions and guarantees that employees can understand, remember, and follow the procedures. Although overall injuries increased this year, this project has contributed to a downward trend in the second half of the year.

Note 1: Minor injury: refers to the non-temporarily incapacitated state: unable to work on the day of injury, but can resume normal operation the next day.

4. Training on occupational safety and health for workers

In addition to legally mandated training, necessary training is conducted based on departmental operations, on-site job types, and the annual safety training plan requirements of the business unit. Regular training plans are also established for environmental and safety responsibilities, fire escape drills, special operation personnel, and emergency response drills, along with a comprehensive environmental and safety certification system in place to keep track of the certification trends and needs of each site.

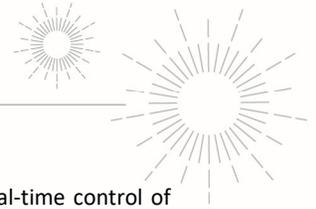
Occupational Safety and Health Educational Training	New Recruit Training	In-Service Personnel Training (internal training)		In-Service Personnel Training (external training, including for license acquisition)		Pre-Site Training for Contractors	
		Number of Persons	Number of Times	Number of Times	Number of Persons	Number of Times	Number of Persons
Plants in Taiwan	487	10,238	473	438	188	530	137
Plants in China	272	15,095	120	441	87	1,917	384
Plants in Malaysia	41	150	16	5	5	0	0
Plants in Indonesia	894	4,403	2,246	117	594	456	482
Plants in Italy	492	8,556	935	886	135	559	160
<b>Subtotal</b>	<b>2,186</b>	<b>38,442</b>	<b>3,790</b>	<b>1,887</b>	<b>1,009</b>	<b>3,462</b>	<b>1,163</b>

5. Optimization of Contractor Management

All Walsin factories in Taiwan and China implemented the "Walsin Lihwa Contractor Management Principles," with all contractors required to sign the "Environmental, Safety, and Health Commitment" and comply with the "Contractor Instructions" (coverage rate of 100%). Regular kickoff meetings and contractor agreement meetings are held, and contractors must undergo relevant contractor training before they can qualify for entry to the site (or the plant). We manage site contractors' entry/exit information through "Contractor Management System." In 2024, there was a cumulative number of contractor entries at 7,822 (calculated by the number of control cards). All plants continue to implement the "Walsin Lihwa Contractor Safety and Health Management Blue Book," "Standardization of Contractor Safety and Health Management Regulations," "Contractor Insurance Standards," and access control, issuing a total of 704 notices for improvement and 131 penalty tickets for violations. In 2024, there were 2 fatal contractor injuries (1 at Yantai plant and 1 at Yenshui plant), 11 contractor injuries (at CAS), 13 minor injuries (5 at Yantai plant, 2 at Yenshui plant, and 6 at CAS), and 3 near-miss incidents (at CAS), with the related deficiencies immediately rectified, and the focus issues have been promoted. No contractor fires occurred in any work environments at Walsin plants in 2024.

6. Compliance with Occupational Safety and Health Regulations

In 2024, there were a total of five significant penalties (with each fine exceeding NT\$700,000) for violations of the Occupational Safety and Health Act in the Taiwan Plants. In the Mainland China, Southeast Asia, and Europe Plants, there were no violations with fines exceeding NT\$100,000. In response to the relevant violations, we will continue to review each accident and penalty event, as well as high-risk hazardous operations and equipment, high-frequency near miss events by focusing on hidden dangers based on projects, and we will,



through information systems, gradually help improve personnel safety awareness, with real-time control of machinery and equipment, (raw) materials and chemicals control, and gradual construction of a regulatory cloud information system, to optimize our occupation, safety, and health management system.

In 2024, the Company did not have any fire, explosion, or chemical leakage. Note: The standard for disclosure of major fines is NT\$100,000/RMB22,000.

7. Establish friendly, safe and healthy workplace through health promotion

(1) **Occupational Safety and Health Activity Highlights**

Employees are the most precious assets of a company, and Walsin Lihwa designs feasible employee health promotion plans every year. The Company conducts health inspections and analysis of results based on risk management, as well as on hazardous operations and special groups of hazardous operations (such as noise, free radiation, dust, high temperature, lead, manganese, nickel, and hexane operations) in the plants, and establishes health protection plans for hazardous operations, to ensure that employees have a good working environment and avoid occupational diseases.

In 2024, through health promotion seminars and activities, efforts were made to enhance employees' health awareness and guide them in changing health behaviors and habits, while acquiring correct health knowledge. In 2024, a total of 151 related health education seminars were conducted, with a cumulative participation of 5,562 individuals. Additionally, 12 female employees received maternal labor health protection.

(2) **Results of Health Promotion Activities**

Health Promotion	Number of Times	Number of Attendees
Health Promotion - Dynamic Activities	31	1,292
Health Issues - Static Lectures	59	1,101
Safety First Aid Education and Training	52	2,614
Blood donation for charity	9	555 (936 bags of blood donated)

(3) **2024 Promotion of Healthy Workplaces**

The Hsinchuang Plant was awarded the 2024 Health Workplace Certification - Health Promotion Mark.

The Taichung Plant received the 2024 Outstanding Health Workplace - Health Management Award from the Health Promotion Administration.

The Yenshui Plant was awarded the 2024 Sports Enterprise Certification by the Sports Administration of the Ministry of Education.

(4) **Specific Measures and Implementation Results for Chronic Disease Prevention (Obesity, Hypertension, Hyperglycemia, and Hyperlipidemia) in 2024**

The Company has implemented the following specific measures to prevent obesity and hypertension, hyperglycemia, and hyperlipidemia among employees: The Company arranges regular health examinations for all employees, achieving a 100% examination rate. For individuals with elevated BMI, abnormal blood pressure, blood sugar, or blood lipids, individual health management files are established. These employees receive one-on-one physician consultations and, when necessary, are referred to professional medical institutions for further treatment. Additionally, the Company invites professional nutritionists to provide health education seminars on healthy eating and organizes activities such as smoking cessation programs, fat and weight reduction initiatives, walking competitions, and core strength building programs.

Through these preventive measures, the overall percentage of employees with blood sugar abnormalities decreased from 24.1% to 19.8%, and the percentage of cholesterol abnormalities decreased by 1.5%. The average satisfaction rate for participation in health promotion activities exceeded 92.5%.

- (3) From the most recent year to the date of publication of this Annual Report, any labor-management disputes and resulting losses suffered by the Company and its countermeasures: None.

## 6. Information Security Management

- (1) Describe the risk management framework for information and communications security, information and communications security policies, specific management plans, and resources devoted to information and communications security management.

Walsin Lihwa's dedicated information security team is committed to strengthening the overall information security protection capability of the enterprise, to enhance the enterprise's information security rating, meet customers' information security requirements, and fulfill the commitment to information security goals for customers, shareholders, and all stakeholders. Walsin Lihwa has strengthened its information security year after year from four aspects: IT governance, personnel/device protection, network/system control, and perimeter defense.



In response to the increasingly severe cybersecurity threats, Walsin has implemented high-standard cybersecurity defense in depth based on the NIST CSF and CISA ZTA frameworks. This approach effectively identifies the information security risks faced by the enterprise and promptly applies effective control measures to reduce information security risks.

We have enhanced the management of high-privilege accounts, host security monitoring and security testing, application security enhancement, external service vulnerability improvement, network security segmentation, introduction of information security monitoring mechanisms (SOC), strengthening cloud information security management, and enhancing colleagues' awareness of information security. Walsin will continue to optimize cybersecurity protection by introducing an integrated cloud and on-premises security management framework, gradually transitioning information systems and backup mechanisms to the cloud. This will enhance operational efficiency and the level of cybersecurity, supporting the realization of the "net-zero carbon emissions" goal.

### 1. Risk management framework for information and communications security

To build a "digitally sustainable" information system architecture and promote the corporate goal of "digital transformation," Walsin Lihwa has promoted an information security strategy plan centered on "strengthening information security resilience" by establishing an overall information security protection platform, perfecting information security technical protection measures, demonstrating proactive defense capabilities, and laying the foundation for digital sustainability, in line with the government's policy goal of "information security equals national security."

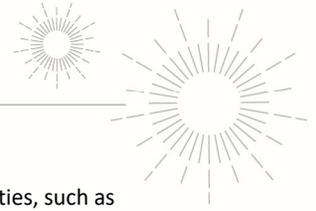
Walsin has established its information security risk management framework with a dedicated information security organization, senior executive participation, and alignment with international information security standards, specifying relevant information security policies and regulations to implement information security management.

- **Dedicated Information Security Organization:** In response to the corporate transformation and enhancement of information security management, Walsin Lihwa has established a dedicated information security organization - "Information Security and System Operation & Management Division" and, in 2022, appointed a Chief Information Security Officer (CISO), an information security manager, and two or more dedicated information security personnel. The division is responsible for formulating information security policies, planning, coordinating and implementing information security protection measures, performing information security risk assessment and management, developing a complete information security plan, and promoting information security management and solutions year by year.
- **Participation of Senior Executives:** The Company has established the IT Steering Committee, which is the information security management and decision-making body for the head office and business units, and is responsible for reviewing and deciding on matters related to information security management. There are also several members on the Board of Directors with backgrounds in information security in the Audit Committee to supervise and review the promotion of information security policies.
- **Implementation of Information Security Management:** In 2022, Walsin Lihwa implemented ISO 27001 Information Security Management System (ISMS) and obtained certification from a third-party certification body to fully manage its information security through PDCA. In 2024, Walsin successfully obtained the new ISO 27001:2022 certification, further strengthening the security protection of threat intelligence, configuration management, and cloud services. We have built up the confidentiality, integrity, and availability of information security management system of our organizations comprehensively, and strengthened our information security management continuously through different management plans in such aspects as prevention beforehand, monitoring during the event, and response after the event.

### 2. Information Security Policies and Goals

The goal of information security at Walsin is to maintain the confidentiality, integrity and availability of sensitive information, such as customer data and business information. Therefore, all of our employees, internal and external information service users and third-party outsourced service providers should work together to follow and achieve the following policies and objectives:

- To protect the Company's confidential information from being accessed, altered, or damaged in an unauthorized way or improperly disclosed, in accordance with various laws and regulations.
- To protect information on the Company's business activities from unauthorized access or disclosure, and to ensure the accuracy of all business information.
- To establish a complete business continuity plan and information security incident management procedures, to ensure that incidents are responded to, controlled and handled properly, and by conducting regular drills, to ensure the continuous operation of information systems or services.
- To handle and protect personal information and intellectual property rights in a prudent manner in accordance with the relevant domestic and foreign regulations in respect of the Personal Information Protection Act and the intellectual property law.
- To perform regular information security compliance audits to review the implementation of the information security management system.
- All employees shall maintain a high level of information security awareness at all times, and supervisors at all levels shall assume ultimate responsibility for information security supervision, management and



training, to achieve the goal of reducing the risk of information use through various activities, such as management review, risk assessment, internal audit, education and training, and information security drills.

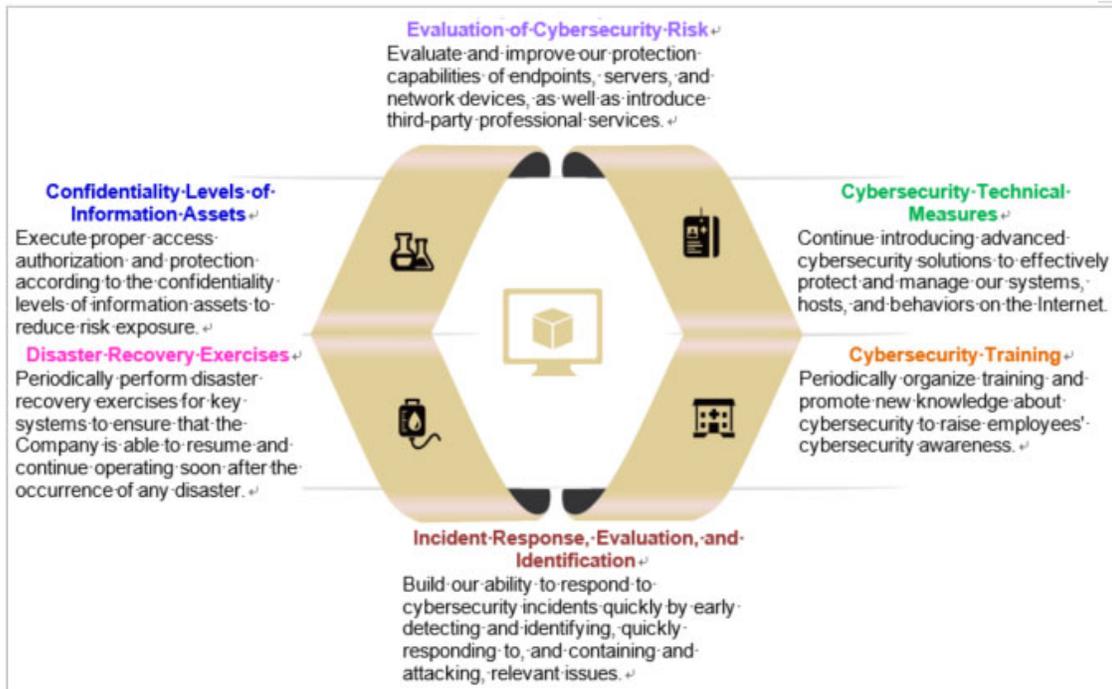
- All staff of the Company shall follow information security policies, management practices and standard procedures, and violations of information security policies and related regulations shall be handled in accordance with relevant laws and regulations or the Company's regulations.

### **3. Construction of the resilience of corporate information security and implementation of information security management**

- We have drafted information security plan to promote information security policy year by year, to introduce information security system and process specification, and to continuously establish complete information security technical protection measures.
- The specific management plan will be gradually achieved in five stages, "Internal and External Segregation", "Physical Fitness", "Insight", "Smart Security", and "Behavior Analysis", with four components, "IT Governance", "Data and Device Protection", "Network and System Control", and "Boundary Defense".
- The specific management plans:
  1. Planning and establishing data protection mechanisms to reduce risk of leaking confidential information.
  2. Continuously introducing advanced information security solutions to effectively protect and manage system, host and network behavior.
  3. Strengthening external information service protection to enhance the ability to block hacker attacks.
  4. Regularly organizing educational training to promote new information security knowledge and to raise employees' awareness of information security.
  5. Regularly conducting disaster preparedness drills for important systems, so that in the event of a disaster, operations may be quickly resumed to ensure the company's operational sustainability.
  6. Improving the protection capability of endpoints, servers and network devices by introducing Endpoint Detection and Response (EDR).
  7. Introduction of information security monitoring mechanisms (SOC) to establish effective real-time incident handling and response capabilities.
  8. Walsin Lihwa introduced the ISO 27001 Information Security Management System (ISMS) in 2022 and obtained certification from a third-party verification institution, thereby implementing information security management with PDCA. We have comprehensively built the confidentiality, integrity, and availability of the organization's information security management system, and according to different management planning in the aspects of prevention, monitoring, and response, in order to assist the enterprise in continuously strengthening information security management.
  9. Strengthening cloud information security management and achieving ESG digital sustainability purposes through ZeroTrust.

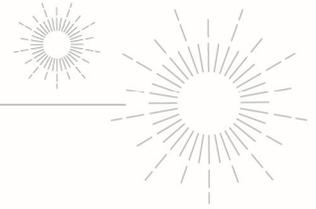


10. Introducing AI automation technology to assist in cybersecurity detection and protection.



4. Investment in cyber security management resources

- The corresponding information security management issues and the resources to be invested are summarized as follows:
  1. Major issue: "Information Security Management" was included as one of the "Major Issues" in the Company's sustainability report for 2024.
  2. Dedicated organization: A dedicated information security organization, "Information Security and System Operation & Maintenance Division," was established and a Chief Information Security Officer (CISO), an information security manager, and two or more dedicated information security personnel were appointed, responsible for drafting and amending information security policies, as well as planning, coordinating, and executing information security protection measures.
  3. Management review: The IT Steering Committee holds at least one management review meeting annually to audit the information security policy and its implementation and execution, in order to ensure the effectiveness and appropriateness of the standardized information security policy in compliance with relevant laws and the requirements of competent authorities.
  4. Information security certification: We pass the ISO27001 Information Security Management System (ISMS) certification annually, while there are no significant deficiencies in our related information security audits.
  5. Stakeholder issues: In 2024, no major cyber security incidents or confidential information leakage occurred, nor did any other event cause losses to the Company and its customers.
  6. Advocacy and training: The Company continues promoting a month-long information security awareness campaign annually, as well as implementing mandatory information security education training courses for all employees. In 2024, the number of participants exceeded 2500. In 2024, 12 email social engineering drills were conducted, with more than 2500 participants, and colleagues who failed the social engineering drills were required to participate in online information security courses and complete the test. Walsin is committed to implementing and executing cybersecurity incident reporting management and drills.
  7. Information security regulations: In addition to revising all information security regulations in 2022, three and 13 information security regulations were revised in 2023 and 2024 respectively to comply with domestic and international legal requirements and respond to changes in the external environment.
  8. Information security testing: Four third-party information security risk testing operations were conducted in 2024.
- (2) In 2024, no major cyber security incidents or confidential information leakage occurred, nor did any other event cause losses to the Company and its customers.



## 7. Material Contracts

### (1) Walsin Lihwa Corporation

Nature of Contract	Parties (Contracting Entity of the Other Party)	Contract Start/End Dates	Main Content	Restrictive Clauses
Loan Agreement	DBS Bank	The agreement was signed on March 23, 2020, with the maturity of the loan falling on April 15, 2025	The loan is a five-year facility in a total amount of USD 300 million.	<ol style="list-style-type: none"> <li>1. Current ratio<math>\geq</math>100%</li> <li>2. Debt ratio<math>\leq</math>120% (Net liabilities/Tangible net worth)</li> <li>3. Interest coverage ratio<math>\geq</math>150%</li> <li>4. Tangible net worth<math>\geq</math> NT\$55 billion</li> </ol>
Guarantee Agreement	Lenders of RMB syndicated term loan: CTBC Bank (Arranger), Mega Bank, First Commercial Bank, and Chang Hwa Bank	The agreement was signed on February 6, 2024, with the maturity of the loan falling on February 7, 2029	The loan is a five-year facility in a total amount of RMB 800 million.	<ol style="list-style-type: none"> <li>1. Current ratio<math>\geq</math>100%</li> <li>2. Debt ratio<math>\leq</math>120% (Net liabilities/Tangible net worth)</li> <li>3. Interest coverage ratio<math>\geq</math>300%</li> <li>4. Tangible net worth<math>\geq</math> NT\$80 billion</li> </ol>
Guarantee Agreement	NT\$ Syndicated Term Loan Bank Syndicate: Mega Bank (Arranger), Taishin International Bank, Chang Hwa Bank, E.SUN Bank, Land Bank of Taiwan, Hua Nan Bank, First Commercial Bank, Taiwan Taiwan Cooperative Bank, Fubon Commercial Bank, and KGI Bank	The agreement was signed on 2024/04/09, with the maturity of the loan falling on 2031/06/04	The loan is a seven-year facility in a total amount of NT\$13.74 billion.	<ol style="list-style-type: none"> <li>1. Current Ratio <math>\geq</math> 100%</li> <li>2. Debt Ratio <math>\leq</math> 120% (Net Debt/Tangible Net Worth)</li> <li>3. Tangible Net Worth <math>\geq</math> NT\$80 billion</li> <li>4. Interest Coverage Ratio <math>\geq</math> 3</li> </ol>
Land Lease Agreement	Taiwan International Ports Corporation, Kaohsiung Port Branch	Effective from March 21, 2022; 20 years after the commencement of operation	<ol style="list-style-type: none"> <li>1. Lease of approximately 18.38 hectares of land in A6 of the first phase of the Kaohsiung Port Intercontinental Container Center;</li> <li>2. The annual rent is NT\$13,971,738, and the annual fixed management fee is NT\$13,971,738.</li> </ol>	No rights under the agreement may be transferred without the consent of the Lessor.
Land Lease Agreement	Taiwan International Ports Corporation, Kaohsiung Port Branch	Effective from November 3, 2023; 20 years from the date of delivery	<ol style="list-style-type: none"> <li>1. Lease of A6 Port for the first phase of the Kaohsiung Port Intercontinental Container Center and the right to use the rear land of approximately 376 hectares;</li> <li>2. The annual rent is NT\$8,150, and the annual fixed management fee is NT\$8.5 million.</li> </ol>	No rights under the agreement may be transferred without the consent of the Lessor.
Equity Trading	CNGR Hong Kong Material Science & Technology Co., Limited	2024/03/29	<ol style="list-style-type: none"> <li>1. Disposition of 20% equity in Singapore Innovation West Mantewe Pte. Ltd.</li> <li>2. Disposition proceeds: USD 58,652,000.</li> </ol>	None.



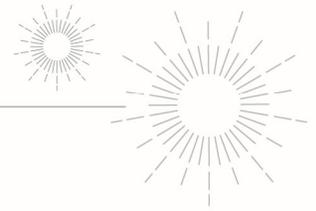
## Business Overview

### (2) Walsin (Nanjing) Development Co., Ltd.

Nature of Contract	Parties (Contracting Entity of the Other Party)	Contract Start/End Dates	Main Content	Restrictive Clauses
Construction Agreement	38 companies, including Nanjing Construction Design Research Institute Co., Ltd.	2022/01/06-2028/06/30	1. Design, consultancy, and construction for Walsin Centro Plot AB, Phases II & III. 2. Cumulative Amount: RMB50,250,000.	None
Operational Property Support Loan Agreement	Industrial and Commercial Bank of China Limited, Nanjing Xinjiekou Sub-branch	2024/12/20 - 2039/12/20	We use Phase II of Project NO.2004G51AB as financing asset to borrow RMB 2 billion from the party for refinancing related party loans, paying project tail payments, and decoration/renovation costs.	None

### (3) Yantai Walsin Stainless Steel Co., Ltd.

Nature of Contract	Parties (Contracting Entity of the Other Party)	Contract Start/End Dates	Main Content	Restrictive Clauses
Sale and Purchase of Real Property	China Merchants Real Estate (Yantai) Co., Ltd.	April 17, 2023	1. Acquisition of real property 2. Amount: Approximately RMB129,765,000	None
Construction Agreement	25 companies, including China Construction Eighth Engineering Division. Corp. Ltd.	2022/01/12-2023/12/31	1. Civil construction for Yantai Plant 2. Cumulative Amount: RMB689,879,000.	None
Loan Agreement	Lenders of RMB syndicated term loan: CTBC Bank (Arranger), Mega Bank, First Commercial Bank, and Chang Hwa Bank	The agreement was signed on February 6, 2024, with the maturity of the loan falling on February 7, 2029	The loan is a five-year facility in a total amount of RMB 800 million.	The total amount of shareholders' equity and the amount borrowed by shareholders or affiliates shall not be less than RMB1.8 billion.
Construction Engineering Contract	Yantai Hongqi Real Estate Co., Ltd.	2025/01/01	1. Yantai Renewable Resources Project Construction 2. Amount approximately RMB3,559,000	None
Construction Engineering EPC Contract	Bomei Intelligent Technology (Shanghai) Co., Ltd.	2025/01/20	1. Yantai Ultra-low Emission Retrofit Project; Amount: RMB213,550,000	None



(4) Dongguan Walsin Wire & Cable Co., Ltd.

Nature of Contract	Parties (Contracting Entity of the Other Party)	Contract Start/End Dates	Main Content	Restrictive Clauses
Equity Trading	Hangzhou Futong Group Co., Ltd.	Obtaining control on February, 2024	1. Dongguan Walsin Wire & Cable Co., Ltd. acquired 60% equity of Hangzhou Walsin Power Cable Co., Ltd. 2. Acquisition Price: Approximately RMB301,864,000.	None

(5) Walsin Energy Cable System Co., Ltd.

Nature of Contract	Parties (Contracting Entity of the Other Party)	Contract Start/End Dates	Main Content	Restrictive Clauses
Joint Venture Agreement	Walsin Lihwa Corporation NKT HV Cables AB	Effective from March 1, 2023	In order to jointly develop the submarine cable business, Walsin Lihwa Corporation and NKT HV Cables AB jointly established Walsin Energy Cable System Co., Ltd.	None
Technical Consulting Agreement and Technology Licensing Agreement	NKT HV Cables AB	Effective from March 1, 2023	In order to jointly develop the submarine cable business, NKT HV Cables AB provides technical consultation and licenses its technology to Walsin Energy Cable System Co., Ltd.	None
Land Sublease Agreement	Walsin Lihwa Corporation	Effective from 5 May 2023, and 20 years from the date of commencement of operation	1. In order to develop the submarine cable business, it subleased to Walsin Lihwa Corporation a total of about 18.38 hectares of the rear land of the first phase of Kaohsiung Intercontinental Container Terminal Project; 2. The annual rent is NT\$13,971,738, and the annual fixed management fee is NT\$13,971,738.	This sublease was carried out with the consent of the Lessor.
Engineering Contract	Chung-Lu Construction Co., Ltd.	2023/09/28 - 2025/11/30	1. Commissioned for civil engineering construction of the plant for the development of submarine cable business. 2. Total Amount of Civil Engineering: NT\$1,159,541,000	None
Construction Agreement	Chung-Lu Construction Co., Ltd.	1. From July 17, 2023 to May 31, 2025	1. In order to develop the submarine cable business, the contractor was commissioned to construct the civil works for the plant. 2. Cumulative amount of civil works: NT\$4,664,625,000	None



## Business Overview

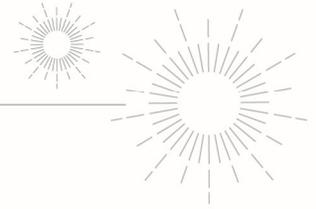
Nature of Contract	Parties (Contracting Entity of the Other Party)	Contract Start/End Dates	Main Content	Restrictive Clauses
Loan Agreement	NT\$ Syndicated Term Loan Banks: Mega Bank (Arranger), Taishin International Bank, Chang Hwa Bank, E.SUN Bank, Land Bank of Taiwan, Hua Nan Bank, First Bank, Taiwan Cooperative Bank, Fubon Commercial Bank, KGI Bank	The agreement was signed on 2024/04/09, with the maturity of the loan falling on 2031/06/04	The loan is a seven-year facility in a total amount of NT\$13,740,000,000.	None

### (6) Borrego Energy, LLC

Nature of Contract	Parties (Contracting Entity of the Other Party)	Contract Start/End Dates	Main Content	Restrictive Clauses
Equity Trading	Anza RE Buyer, LLC	February 24, 2023	<ol style="list-style-type: none"> <li>Borrego Energy, LLC formed a wholly owned subsidiary, Anza RE, LLC, with the business of its solar and energy storage sourcing and trading platform division and completed the disposition of the business of the solar and energy storage sourcing and trading platform division through the sale of its equity interest in Anza RE, LLC.</li> <li>Disposition Price: US\$26,740,000</li> </ol>	None

### (7) Cogne Acciai Speciali S.p.A

Nature of Contract	Parties (Contracting Entity of the Other Party)	Contract Start/End Dates	Main Content	Restrictive Clauses
Equity Trading	Com.Steel S.p.A.	January 26, 2024	<ol style="list-style-type: none"> <li>Cogne Acciai Speciali S.p.A. has acquired 65% of the shares of Com. Steel Inox S.p.A. (based in Italy).</li> <li>Acquisition Price: Up to EUR 28,000,000.</li> </ol>	None
Equity Trading	Mannesmann Stainless Tubes GmbH	2024/02/19	<ol style="list-style-type: none"> <li>Cogne Acciai Speciali S.p.A acquires 100% equity of Mannesmann Stainless Tubes GmbH in Germany.</li> <li>Acquisition Proceeds: Not exceeding EUR135,000,000.</li> </ol>	
Loan Agreement	Citibank N.A.	The agreement was signed on 2024/10/23, with the maturity of the loan falling on 2027/10/23	The loan is a three-year facility in a total amount of EUR130,000,000.	Walsin Europe S.a.r.l uses equivalent USD deposits as security.



(8) PT. WALHSU METAL INDUSTRY

Nature of Contract	Parties (Contracting Entity of the Other Party)	Contract Start/End Dates	Main Content	Restrictive Clauses
Construction Agreement	PT. PERINTIS MAKMUR INDONESIA	June 26, 2023 – September 19, 2024	1. Commissioning of construction on land 2. Amount: US\$37,400,000	None
Buying and Selling of Equipment	Eternal Tsingshan Group Limited	June 26, 2023	1. Procurement of high-grade nickel matte converter equipment. 2. Amount: US\$49,330,000	None

(9) Walsin Lihwa Europe S.a r.l.

Nature of Contract	Parties (Contracting Entity of the Other Party)	Contract Start/End Dates	Main Content	Restrictive Clauses
Equity Trading	The counterparty to the transaction is a natural person and not a related party of the Company; thus, their name is exempt from disclosure.	August 2, 2024	1. Acquisition of 9.79% equity in MEG S.A. 2. Acquisition proceeds: approximately EUR 41.2 million.	None.

(10) MEG S.A.

Nature of Contract	Parties (Contracting Entity of the Other Party)	Contract Start/End Dates	Main Content	Restrictive Clauses
Equity Trading	Eugenio Marzorati, Com.Steel S.p.A., and natural persons who are not related parties of the Company.	August 2, 2024	1. Disposition of 7.6% equity in Cogne Acciai Speciali S.p.A. 2. Disposition proceeds: approximately EUR 41.2 million.	None

(11) DMV

Nature of Contract	Parties (Contracting Entity of the Other Party)	Contract Start/End Dates	Main Content	Restrictive Clauses
Lease Agreement	Dalmine Spa	June 1, 2020 - May 31, 2032	1. Lease of factory and office space. 2. Total rent is EUR 9.2 million.	If DMV does not proceed with termination, the agreement will automatically extend for an additional six years upon expiration.

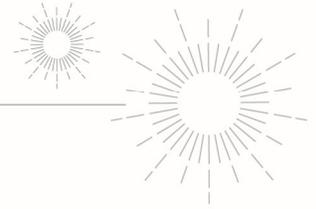
# V Review of Financial Conditions, Financial Performance, and Risk Management

## 1. Financial Status - Consolidated (Based on IFRSs)

Unit: NT\$ Thousands

Items	Year	2023	2024	Difference	
				Amount	%
Current Assets		78,751,988	83,061,819	4,309,831	5.47
Property, Plant and Equipment		78,705,431	84,592,885	5,887,454	7.48
Intangible Assets		12,166,929	12,370,794	203,865	1.68
Other Assets		97,307,411	93,465,527	(3,841,884)	(3.95)
Total Assets		266,931,759	273,491,025	6,559,266	2.46
Current Liabilities		50,759,328	59,759,646	9,000,318	17.73
Non-current Liabilities		61,802,392	66,322,831	4,520,439	7.31
Total Liabilities		112,561,720	126,082,477	13,520,757	12.01
Capital Stock		40,313,329	40,313,329	0	0.00
Capital Surplus		33,624,917	33,592,347	(32,570)	(0.10)
Retained Earnings		60,535,706	58,959,692	(1,576,014)	(2.60)

Note: The reasons, effects and future plans about that changes in assets, liabilities and equity which over 20% or NT\$10 million in last two years: None.



## 2. Financial Performance - Consolidated (Based on IFRSs)

Unit: NT\$ Thousands

Items \ Year	2023	2024	Difference															
			Amount	%														
Operating Revenue	189,839,626	179,318,340	(10,521,286)	(5.54)														
Operating Costs	175,449,858	167,633,649	(7,816,209)	(4.45)														
Gross Profit	14,389,768	11,684,691	(2,705,077)	(18.80)														
Operating Expense	8,253,594	9,516,922	1,263,328	15.31														
Profit from Operations	6,136,174	2,167,769	(3,968,405)	(64.67)														
Non-operating Revenue and Expense	1,197,632	343,222	(854,410)	(71.34)														
Profit before Taxes	7,333,806	2,510,991	(4,822,815)	(65.76)														
Tax Expense	1,471,000	(87,499)	(1,558,499)	(105.95)														
Net Income	5,862,806	2,598,490	(3,264,316)	(55.68)														
<p>I. The variance analysis in last two years:(Variable proportion over 20%)</p> <ol style="list-style-type: none"> <li>1.Non-operating income decrease in 2024 due to due to the recognition of the benefit from the “contingent consideration agreement for the disposal of assets of the US subsidiary” in the year 2022. However, due to the failure to meet the agreed conditions, a loss was recognized.</li> <li>2. The decrease in income tax expenses for 2024 is attributed to lower profits this year influenced by overall market conditions compared to last year.</li> </ol> <p>II. The reason for the changes in business content changes: None.</p> <p>III. The expected sales volume in the next year and its main reason:</p> <ol style="list-style-type: none"> <li>1. Expected sales volume in the next year:           <table style="margin-left: 20px;"> <tr> <td colspan="2">2025(Unit : ton)</td> </tr> <tr> <td>Bare copper wire</td> <td>55,900</td> </tr> <tr> <td>Power line</td> <td>63,344</td> </tr> <tr> <td>Strand</td> <td>723,000</td> </tr> <tr> <td>Stainless steel</td> <td>318,000</td> </tr> <tr> <td>Seamless steel pipe</td> <td>18,000</td> </tr> <tr> <td>Nickel Pig Iron</td> <td>78,440</td> </tr> </table> </li> <li>2. The basis of the expected sales volume and Possible future impact on the Company's financial operations and response plans: see the contents IV. Business Overview</li> </ol>					2025(Unit : ton)		Bare copper wire	55,900	Power line	63,344	Strand	723,000	Stainless steel	318,000	Seamless steel pipe	18,000	Nickel Pig Iron	78,440
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Nickel Pig Iron	78,440																	



### 3. Cash Flow - Consolidated (Based on IFRSs)

(1) Cash flow analysis for the current year:

Unit: NT\$ Thousands

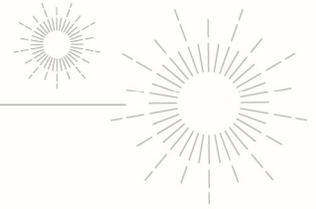
Cash and Cash Equivalents at the beginning of the year	Net Cash flow from Operating Activities	Net Cash flow from Investing Activities	Net Cash flow from Financing Activities	Effects of Exchange Rates Changes	Cash and Cash Equivalents at the ending of the year	Note
16,347,012	1,501,738	(15,434,449)	6,187,819	2,155,297	10,757,417	
Analysis of change in cash flow in the current year: 1..The inflows of net cash generated by operating activities were due to the profit earned. 2.The outflows of net cash used in investing activities were due to the purchase of property, plant, and equipment. 3.The inflows of net cash generated by financing activities were due to the raising of short-term and long-term loans. 4.The outflows of net cash in the year was NT\$ 5,589,595thousand and the ending balance of cash was NT\$ 10,757,417thousand.						

(2) Remedy for cash Deficit and Liquidity Analysis: Not applicable.

(3) Cash flow Analysis for the coming year:

Unit: NT\$ Thousands

Cash and Cash Equivalents at the beginning of the year	Net Cash flow from Operating Activities	Net Cash flow from Investing Activities	Net Cash flow from Financing Activities	Effects of Exchange Rates Changes	Cash and Cash Equivalents at the ending of the year	Note
10,757,417	15,028,842	(20,434,316)	6,905,851	0	12,257,795	
Analysis of change in cash flow for the coming year: 1.The inflows of net cash generated by operating activities due to the anticipated profit generated from core operations. 2.The outflows of net cash used in investing activities due to the strategic project investment, the increase of capital expenditures, renewal of equipment. 3..The inflows of net cash used in financing activities due to an increase in borrowings.						



#### 4. Effect of Major Capital Expenditure on Financial Business Operations:

##### (1) Utilization of Major Capital Expenditures and Sources of Funds:

Unit: NT\$ Million

Project	Source of Funds	Actual or Estimated Completion Date	Investment	Actual or Expected Status of Spending								
				2019	2020	2021	2022	2023	2024	2025	2026	2027
1. HR Coil Project of Yantai Plant	Working Capital	June 2026	9,019	53	594	1,525	3,848	1,048	1,164	719	68	-
2. Cold Finished Bar Project of Yantai Plant	Working Capital	December 2025	3,339	-	-	83	690	1,388	358	820	-	-
3. The establishment of high-efficiency factories	Working Capital	June 2025	5,407	-	17	565	1,410	2,339	689	387	-	-
4. Cable wire project of Walsin Energy	Working Capital	September 2026	18,292	-	-	-	-	1,248	3,412	10,974	2,271	387
5. Nickel matte factory in Indonesia	Working Capital	June 2024	3,077	-	-	-	-	2,228	274	576	-	-

##### (2) Estimated Benefits:

1. The establishment of steel rolling and cold finished factories of Yantai Plant will help expand economies of scale and improve product quality to meet the needs of the customers.
2. Invest in the construction of a nickel pig iron plant and supporting power plants in Indonesia, with a planned monthly output of 3,000 tons of nickel metal, which will enable the company to securely control the supply of upstream raw materials and make profits for the company.
3. Build high-efficiency factories, deepen the integration of manufacturing service value and integrate manufacturing systems through smart manufacturing, advanced warehousing and logistics, and create competitiveness that is difficult to imitate.
4. Walsin Energy Cable System, with its plan to benchmark international submarine cable plants, advanced submarine cable design, manufacturing, testing, and connection technologies, will become a key supplier for offshore wind power plants in Taiwan and the Asia-Pacific region.

#### 5. Investment Policy of the Past Year, Profit/Loss Analysis, Improvement Plan and Investment Plan for the Coming Year:

##### (1) Investment Policy and Profit/Loss in the Past Year:

1. On a consolidated basis, the Company's current key reinvestment areas are DRAM, TFT LCD and passive components.
2. On a consolidated basis, in 2024, the gains for affiliated enterprises recognized by equity method was NT\$814 million, mainly as a result of the recovering memory market demand compared to the previous year, indicating an increased profitability of affiliated enterprises recognized under the equity method compared to 2023.

##### (2) Main Reasons for Profit:

Recognition of the gains from Walsin Technology Corporation and Winbond Electronics Corp.



(3) Investment Plan for the Coming Year:

To continue to focus on upstream and downstream consolidation of core businesses and carefully assess investment plans.

**6. Risk Management and Assessment of the Following Items for the Past Year and the Year to Date:**

(1) Impact of Interest Rate and Exchange Rate Changes and Inflation on the Company's Profit and Countermeasures.

Affected item	Impact	Response measures:
Interest Rate Change	Net interest expense (interest expense less interest income) in 2024 was approximately NT\$1.98 billion, accounting for merely 1.1% of the Company's net operating revenues; therefore, the change in interest rates does not yet have a significant impact on the profit or loss of the Company and its subsidiaries.	The Company will plan and execute plans for funding sources and costs based on business development and needs.
Exchange Rate Change	In 2024, the impact of foreign exchange after hedging operations resulted in approximately NT\$20 million in losses. (This includes foreign exchange profit or loss and the profit or loss from foreign exchange-related derivatives hedging operations.)	Based on foreign currency positions, the Company will utilize market instruments (e.g. forward foreign exchange contracts) for hedging purposes.
Inflation	The Company's products are not for general public consumption therefore inflation has no direct impact on the Company. However, it might raise the Company's demand for working capital.	The Company will strictly control the operating cycle and keep track of the source and use of funds.

(2) Policies of Engaging in High-risk, High-leverage Investments, Lending to Others, Providing Endorsements and Guarantees and Derivatives Transactions, Profit/loss Analysis and Future Countermeasures.

Item	Policy	Major causes of profit or loss	Future response measures
High-risk, High-Leverage Investments	The Company does not engage in any high-risk, high-leverage investment activities.	None	None
Lending to Others	Conducted in accordance with the provisions of the Company's "Management Guidelines on Lending Company Funds to Others"	None	None
Endorsements/ Guarantees	Conducted in accordance with the provisions of the Company's "Management Guidelines on Endorsement/Guarantee"	None	None
Derivative Instrument Transactions	With respect to derivative instruments, the Company has mainly engaged in hedging transactions related to business operations and investment activities (foreign exchange and non-ferrous metals). For non-ferrous metals, the Company may carry out non-hedging transactions based on authorized positions and under risk management control for the purpose of curbing price volatilities in raw materials. The authorization is conducted in accordance with the Company's "Procedure for Derivatives Products Trades."	None	None



- (3) Future R&D Plans and Projected R&D Investments: The research and development plans of each business group have been included in the business activities section of the Business Overview, and these plans have relatively low risks. Please refer to "IV. Business Overview—A. Business Activities— (3) Overview of Technology and R&D".
- (4) Major Changes in Domestic and Foreign Government Policies and Laws and Impact on the Company's Finances and Business: None
- (5) Impact of Recent Technological and Market Changes on the Company's Finances and Business, and Countermeasures:

In order to construct an information system architecture for "digital sustainability" and advance the corporate objective of "digital transformation," Walsin is implementing an information security strategy centered on "enhancing cybersecurity resilience." This involves establishing a comprehensive cybersecurity protection platform and conducting simulation exercises, integrating AI-driven automated detection and prevention technologies to perfect information security technical safeguards. This approach aims to deliver real-time proactive cybersecurity risk defense capabilities, laying the foundation for digital sustainability in alignment with the government's policy objective of "cybersecurity as national security."

In response to increasingly severe cybersecurity threats, Walsin is adopting the NIST Cybersecurity Framework (CSF) and CISA Zero Trust Architecture (ZTA) as foundational structures to implement high-standard, in-depth cybersecurity defenses. This enables the comprehensive and effective identification of information security risks faced by the enterprise, allowing for the immediate application of effective control measures to mitigate information security risks.

We will establish the defensive capability of the defender by using the protection measures corresponding to the "Cyber Kill Chain" model against the attacking tricks and steps of hackers, and set up information security technology products for purposes of inventory, prevention, detection, response and recovery, in order to respond to various information security risks.

- (6) Impact of Change in Corporate Image on Risk Management and Countermeasures: None
- (7) Expected Benefits and Potential Risks of Merger and Acquisition:

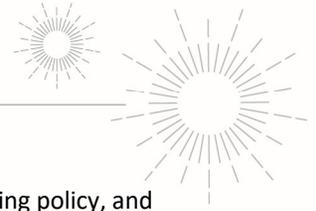
1. On August 11, 2023, during the 3rd meeting of the Board of Directors of the 20th term, the Company resolved that it shall, through its Singapore subsidiary, Walsin Singapore Pte. Ltd., acquire 75% of the shares of Berg Holding Limited (based in Hong Kong), indirectly increasing the Company's comprehensive shareholding in its Indonesian subsidiary, PT. Sunny Metal Industry, to 79.61%, with the transaction completed in January 2024; the acquisition can strengthen our corporate governance, centralizes our management resources, and enhances our investment efficiency.
2. On January 26, 2024, during the 6th meeting of the Board of Directors of the 20th term, the Company resolved that it shall, through its Italian subsidiary, Cogne Acciai Speciali S.p.A., acquire 65% of the shares of Com.Steel Inox S.p.A. (based in Italy). The Company ultimately holds a 45.5% comprehensive shareholding in Com.Steel Inox S.p.A. The transaction was closed in May, 2024. After the acquisition, we can secure key raw materials for our stainless steel processes and establish a knowledge center for our waste stainless steel management.
3. On February 20, 2024, during the 7th meeting of the Board of Directors of the 20th term, the Company resolved that it shall, through its Italian subsidiary, Cogne Acciai Speciali S.p.A., acquire 100% of the shares of Mannesmann Stainless Tubes GmbH (based in Germany). The Company ultimately holds a 70% comprehensive shareholding in Mannesmann Stainless Tubes GmbH. In



November, 2024, the transaction was closed and Mannesmann Stainless Tubes GmbH was renamed "DMV GmbH." After the acquisition, we can integrate the downstream industry chain of stainless steel, enhance utilization of our steel production capacity, and extend our sales network in and tap into high-end markets such as aerospace, oil and gas, and new energy.

- (8) Expected Benefits and Potential Risks of Capacity Expansion: All capacity expansion for plants under Walsin and its group members has to undergo careful assessments. All major capital expenditure has to be submitted to the Board of Directors for review. Hence, investment benefits and potential risks will have been taken into account.
- (9) Risks Associated with Over-concentration in Purchases or Sales and Countermeasures: None
- (10) Impact of Mass Transfer(s) of Equity by or Change of Directors or Shareholders Holding 10% or more Interest on the Company, the Associated Risks and Countermeasures: None.
- (11) Impact of Change of Control on the Company, Associated risks and Countermeasures: None.
- (12) Final and Non-appealable and Pending Material Litigious, Non-litigious or Administrative Legal Proceedings involving the Company, the Directors and the President during the Most Recent Year and up to the Annual Report Publication Date:

Name of Subsidiary	Main Parties Involved in Litigation	Commencement Date of Litigation	Facts at Issue in Litigation	Current Handling
Borrego Energy, LLC	Blue Harvest Solar Park LLC & Timber Road Solar LLC (collectively, "EDPR")	July 28, 2023	1. Borrego initiated arbitration, requesting the other party to pay the costs incurred due to delays in the project and site conditions in winter caused by the change of the order. 2. Amount: Over US\$25 million.	Arbitration is pending
Borrego Energy, LLC (Note 1)	Letts Creek Solar, LLC, Cement City Solar, LLC and Pullman Solar, LLC	May 31, 2024	1. Borrego filed a lawsuit requesting payment for construction costs, change orders, and delay-related fees. 2. Amount: Over USD 15 million.	Litigation in progress
Jiangyin Walsin Steel Cable Co., Ltd. (Note 1)	Shanghai Pujiang Cable Co., Ltd.	September 23, 2023	1. Jiangyin Walsin Steel Cable Co., Ltd. initiated arbitration against Shanghai Pujiang Cable Co., Ltd. requesting payment for goods and overdue interest. 2. Amount: Approximately RMB 43 million.	Jiangyin Walsin Steel Cable Co., Ltd.
Jiangyin Walsin Steel Cable Co., Ltd. (Note 2)	China Railway Major Bridge Engineering Group Co., Ltd.	March 13, 2024	1. Jiangyin Walsin Steel Cable Co., Ltd. filed a lawsuit against China Railway Major Bridge Engineering Group Co., Ltd. requesting payment for goods. 2. Amount: Approximately RMB 24 million.	Settled through mediation, performance of mediation agreement in progress
Jiangyin Walsin Steel Cable Co., Ltd.	Jiangsu Fasten Cable Co., Ltd.	March 21, 2024	1. Jiangyin Walsin Steel Cable Co., Ltd. initiated arbitration against Jiangsu Fasten Cable Co., Ltd. requesting payment for goods. 2. Amount: Approximately RMB 41.96 million.	Settled through mediation, performance of mediation agreement in progress
Yantai Walsin Stainless Steel Co., Ltd.	Shanghai Stoll Bobby Equipment Engineering Co., Ltd. and Bobby Handels GmbH, Company	November 29, 2024	1. Yantai Walsin Stainless Steel Co., Ltd. initiated arbitration requesting Shanghai Stoll Bobby Equipment Engineering Co., Ltd. and Bobby Handels GmbH, Company to jointly bear penalties and compensation for rectification costs and other losses. 2. Amount: Approximately RMB 23.99 million.	Arbitration in progress



Note 1: Expected credit losses have been recognized in accordance with the company's accounting policy, and it is anticipated that there will be no significant impact on shareholders' rights and interests.

Note 2: As the case was settled through mediation, the client is making installment payments as per the mediation agreement, and it is anticipated that there will be no significant impact on shareholders' rights and interests.

(13) Other significant risks and response measures:

1. The Company's KPIs:

(1) Financial indicators: Optimizing financial structure and control of bank financing agreements

Ratio	Formula	Target KPI	2024	2023
Current ratio	Current assets / Current liabilities	$\geq 100\%$	138.93%	155.15%
Debt ratio	Net liabilities (Total liabilities - Cash and cash equivalents) / Tangible assets	$\leq 120\%$	85.40%	67.17%
Interest coverage ratio	(Net income before income tax, depreciation, amortization and interest expense / Current interest expense	$\geq 300\%$	615.45%	832.61%
Tangible net value	Shareholders' equity - Intangible assets	$\geq \text{NT\$}80$ billion	NT\$135 billion	NT\$142.3 billion

(2) Performance indicators: Return on shareholder's equity and earnings before interest, taxes, depreciation and amortization (EBITDA)

Ratio	Formula	2023	2022
Return on Shareholder's Equity	Net Income after tax / Average of total shareholders' equity	1.85%	3.52%
Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA)	Earnings before interest & taxes + depreciation & amortization	NT\$14,142 million	NT\$17,241 million

**7. Other Major Issues: None**

## VI Special Disclosures

**1. Summary of affiliates companies have been filed on the MOPS**

Please refer to the following website:

[https://doc.twse.com.tw/server-java/t57sb01?step=1&colorchg=1&co\\_id=1605&year=&mtype=K&isnew=true](https://doc.twse.com.tw/server-java/t57sb01?step=1&colorchg=1&co_id=1605&year=&mtype=K&isnew=true)

**2. Progress of private placement of securities during the latest year and up to the date of annual report publication: None**

**3. Other supplemental information: None**

**4. Corporate events with material impact on shareholders' rights and interests or stock prices**

Corporate events with material impact on shareholders' rights and interests or stock prices set forth in Subparagraph 2, Paragraph 3, Article 36 of the Securities and Exchange Act during the most recent year and up to the annual report publication date: None.

Walsin Lihwa Corporation

Yu-Lon Chiao