WALSIN LIHWA

2025
Sustainability Report

Driving Forward.
Elevating Value in Motion.

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Message from Chairman



Dear friends,

Looking back at 2025, corporations' operations faced unprecedented challenges due to rising geopolitical risks, accelerated restructuring of supply chains, rapid advancement of artificial intelligence (AI), and energy shortages. Walsin Lihwa has strengthened the response capabilities of its global supply chains through a diversified global portfolio and business allocation, and has participated in the creation of key energy infrastructure. We are also responding to global risks and seizing strategic development opportunities, and are steadily promoting sustainable governance and long-term value creation.

Promoting Co-Research and Co-Creation, Strengthening Global Deployment

Walsin Lihwa attaches great importance to jointly building a more resilient industrial ecosystem alongside our partners. In 2025, we proposed supplier partnerships based on the theme of "Connecting and Empowering to Create the Future Together" in order to establish transparent information and trust interactions through "connecting", thereby promoting a greater focus on the market's demands and the sharing of information. On the other hand, "empowering" is how we provide support to suppliers, helping them enhance their capabilities and innovation. Through joint R&D, process improvements, and technology exchanges, we have expanded our R&D capabilities to specific application areas, thus improving product performance and competitiveness. By jointly discovering further agile cooperation models through partnerships, we can all work together to strengthen the stability and sustainable competitiveness of global supply chains.

Walsin Lihwa has continued to optimize the Company's product structure and high-end market presence. In 2025, we launched a production expansion program for our UK subsidiary SMP, and jointly invested in Advanced Manufacturing Holding Limited (AML). We are also strengthening our stainless steel high-end process technologies and production capacity, and are expanding our supply capacity for key application markets such as aerospace and energy. Moreover, to take advantage of the growth opportunities in the global precision manufacturing market, we launched the new stainless steel cold finished bar brand "Steeval®", with the six major brand commitments of "smart manufacturing, craftsmanship, diversity, trust, service, and co-creation" as the core. We are also promoting the three-pronged strategy "Diversity in Grades, Premium Quality, and Excellent Craftsmanship", focusing on advanced fields such as AI servers, automobiles, robots, consumer electronics, and energy, in order to make materials a key driving force for improving process efficiency and quality. By evolving from merely manufacturing materials to co-research and co-creation with customers, Walsin Lihwa is entering a new era of providing technical service solutions.

Self-sufficiency in Green Energy to Support Energy Transition

In the face of the challenges brought by the restructuring of the global energy sector and the accelerated pace of climate change, it is necessary to ensure a stable, low-carbon, diverse, safe, and resilient energy structure. Walsin Lihwa has many years of experience in the materials and manufacturing sectors, and is fully aware that a stable and reliable energy supply is an essential foundation of national development and industrial operations. Consequently, we have actively pursued energy efficiency improvements, low-carbon processes, and recycling via a sound governance framework and cross-business integration.

Offshore wind power is an important cornerstone of Taiwan's road to net-zero emissions and energy transition, and submarine cables are an indispensable link between wind farms and the national power grid. With a strong foundation in wire and cable technology and manufacturing, Walsin Lihwa has partnered with the Danish company NKT, one of the world's leading marine cable technology companies, to build Taiwan's first submarine cable manufacturing plant in Kaohsiung. The facility will use the industry's highest ESG factory construction standards, and is expected to enter mass production in 2027. Once the plant is capable of independently producing submarine cables, it will immediately be able to support the construction of wind farms, thus reducing the risks from international supply chain fluctuations and long-term dependence on imports. Not only will this strengthen Taiwan's energy security, it will also serve as a cornerstone for further industrial development.

Creating an Inclusive Workplace and Expanding Social Participation

Walsin Lihwa adheres to the Company's core philosophy of being people-oriented, and regards employees as the foundation for the Company's operations and long-term development. We have deepened our industry-academia collaborations, with a focus on forward-looking R&D, international internships, and on-the-job education. We work with colleges and universities to cultivate diverse talent and strengthen the R&D of key technologies, thereby ensuring that employees can have the right environment to shine. We are also actively participating in the "Talent, in Taiwan" movement, creating a diverse, equitable, and inclusive workplace environment based on the five major action indicators of "Diversity and Inclusion, Rewards and Incentives, Physical and Mental Health, Cultivation and Development, and Communication and Experience." The Company attaches great importance to the rights and interests of employees and workplace safety, comprehensively protects labor rights in plants worldwide, and has strengthened overseas communication mechanisms. In 2025, we focused on the Indonesian plants, promoting labor-management dialogue and improving feedback mechanisms, in order to further improve the human rights protection systems. Walsin Lihwa has been recognized as one of the "Best Companies to Work with in Asia" by HRAsia for three consecutive years, and was also awarded the "Diversity, Equity, and Inclusion Award" at the same time, thus fully demonstrating the Company's commitment and substantial achievements in the development of sustainable talent.

Walsin Lihwa has leveraged its influence in the industry and has continued to expand the depth and breadth of the Company's social participation. In 2025, we established the Walsin Lihwa Sustainability Foundation, which focuses on five major directions: recycling, environmental conservation, education and promotion, green living, and social awareness, thereby expanding the Company's long-term commitment to sustainability. The foundation has collaborated with Waltuo Green Resources and National Cheng Kung University to establish the Diverse Materials R&D Center, and began industry-academia collaboration with National Taipei University of Science and Technology, I-Shou University, and the Industrial Technology Research Institute to promote recycling and zero waste. In terms of environmental education, we organized a screening for the film Guardians of our Planet as well as an environmental education experience activity with the Chi Po-Lin Foundation to improve employees' knowledge of climate change and ecological conservation. The Company also invited school teachers and students to industrial sites through an Open Day at the Indonesia Morowali Industrial Park (IMIP), allowing them to learn about industrial manufacturing through first-hand experience and promoting understanding and dialogue between society and the industry. In response to cultural diversity and inclusive values, the Company sponsored Taiwan's first Amis Music Festival, which focused on the culture of Taiwan's indigenous peoples. The Company also used special charity events and the film Snapshots of Growing Up to draw attention to education issues among second-generation immigrants; the film received the Silver Award at the 2025 Taipei Golden Eagle Micro Movie Festival.

Adhering to Ethical Management and Driving a Sustainable Future

Corporate governance and business integrity are the cornerstones of sustainable development. Walsin Lihwa's management team has a diverse range of professional backgrounds, and continues to deepen their insights into ESG, international political and economic trends, and industry trends. Our sustainability performance has received widespread approval from the market and society. In 2025, we were selected for the first time in the S&P Global Sustainability Yearbook. We also won the Top 100 Taiwan Corporate Sustainability Award from the Taiwan Corporate Sustainability Awards (TCSA), were ranked in the top 5% of the Corporate Governance Evaluation for the eighth consecutive year, and were selected as a constituent stock of the FTSE4Good TIP Taiwan ESG Index and TWSE Corporate Governance 100 Index. These accolades demonstrate the Company's overall competitiveness and achievements, growing from receiving national-level corporate governance awards to participating in international-level sustainability ratings.

Looking toward the future, the Company will continue to enhance its competitiveness through more agile decision-making, while realizing the Company's commitment to the environment and society in our operations and actions. With a core focus on customer needs, we will promote technological improvement and quality commitments through our strong execution capacities. Furthermore, with business integrity as the foundation, we will work with employees, supply chain partners, and society to implement the concept of sustainability in our operational management and daily decision-making, while also ensuring our stable operations as well as environmental and social responsibilities, thereby creating reliable and lasting sustainable value for shareholders and society.

Message from CEO and President



Dear friends,

In 2025, Walsin Lihwa continued to follow the Company's existing sustainable development strategy blueprint, focusing on the three major areas of environment, society, and governance, and deeply embedding sustainability concepts in the Company's decision-making and daily operations. In the face of rapidly changing markets and global challenges, the Company actively evaluated the risks and opportunities brought by climate, energy, technology, and social trends, and incorporated them into strategic planning and resource allocation. The Company also strengthened key capabilities such as low-carbon, digitalization, and supply chain partnerships to promote transformation through process improvements and value chain collaborations. Through cross-departmental collaboration and the joint efforts of global partners, Walsin Lihwa has strengthened operational resilience while pursuing the creation of long-term value in technological innovation, energy transition, and social inclusion, thus demonstrating the Company's key role as a corporate citizen in society.

Environmental Sustainability

Extreme weather events were very frequent in 2025, posing great challenges to the operations of Walsin Lihwa as well as other enterprises across Taiwan. This was a reminder to companies that they must strengthen their ability to respond to climate risks, once again highlighting the necessity and urgency of carbon reduction action. Furthermore, global regulations and customer requirements are both growing more stringent, so carbon reduction and energy management have become an important foundation for companies to maintain their competitiveness and value chain partnerships. To realize Walsin Lihwa's vision of Net Zero by 2050, the Company began planning and implementing a Group-wide carbon management pathway in 2021. This involved establishing annual carbon reduction targets, achieving the reduction of GHG emissions by 1.5% at sites worldwide every year, and continuously evaluating the effectiveness of the Company's various strategies. Furthermore, Walsin Lihwa has launched independent emissions reduction plans based on industries in which the Company is active, with the Yenshui Plant and Taichung Plant having received approval from the Energy Administration. In addition to pursuing these carbon reduction targets, the Company is also actively promoting the use of green electricity. Additionally, we are gradually promoting the collection and management of supplier carbon emission data, building a supplier Low Carbon Alliance, sharing the latest global trends, and cooperating with government policies to promote carbon reductions throughout the value chain.

Walsin Lihwa believes that the key to enhancing the competitiveness of the supply chain lies in the optimization of production efficiency and distribution channels. Competitiveness depends not on the efficiency of a single node, but on the overall collaborative performance of the entire value chain. Therefore, the promotion of a sustainable value chain ecosystem must be built on a foundation of joint improvements and collaboration mechanisms with supply chain partners. We have sought out the best cable distribution models by accumulating experience from different construction projects, thereby reducing customer waiting time and energy consumption in the logistics process, while also promoting low-carbon transitions and performance upgrades in supply chains. Higher efficiency in production leads to higher efficiency in all operations. Furthermore, it also reduces energy consumption and carbon emissions during processes, which in turn lowers the damage to the environment. This showcases Walsin Lihwa's strategic thinking when it comes to integrating environmental sustainability into daily operations. Furthermore, Walsin Lihwa has also completed the construction of a submarine cable plant in Kaohsiung, which will support the delivery of energy generated by offshore wind power, forming a synergistic effect with green power development in Taiwan and the upgrade of the Company's products. This is a demonstration of Walsin Lihwa's forward-looking deployment in energy transition and climate action.

Social Sustainability

Walsin Lihwa has always adopted a "people-oriented" core philosophy. We attach importance to the integration of different expertise and backgrounds, and view cross-domain collaboration and inclusion as an important driving force for innovation and growth. By providing diverse avenues for learning and exchanges, we can expand the careers and horizons of our employees, attract professional talent from different fields and locations, continuously optimize our talent management and retention strategies, enhance the Company's overall competitiveness, and leverage the synergies of a multinational group. In a world where work environments are growing more diverse, and in response to the global trend of digital transformation, we are actively promoting the introduction of artificial intelligence (AI) and digital tools, encouraging employees to explore different digital resources. Employees are also actively participating in innovative activities such as generative AI hackathons, because the promotion of digitization must encompass more than the introduction of new tools, it must also include the realization of employees' digital capabilities in their daily process improvements and cross-departmental collaboration, thus improving operational efficiency and management quality. As an international company, Walsin Lihwa is actively fulfilling its corporate social responsibility, strengthening exchanges with local communities, and playing the role of a sustainable member of the global citizenry. In Indonesia, Walsin Lihwa has collaborated with Indonesia Morowali Industrial Park (IMIP), the Bahodopi District Government, and several companies in the IMIP to organize environmental charity activities, working with local communities to together build a sustainable homeland. Walsin Lihwa is committed to creating a friendly environment that takes into account professional achievements as well as quality of life. The Company encourages deeper connections between colleagues through diverse communication platforms and volunteer activities, thereby fulfilling the Company's social responsibility. As for industry-academia collaborations, we have supported the NTU Dean's Award for CoE Graduate Students for six consecutive years, enabling postgraduate students to focus on their research and pursue innovation and breakthroughs. Through this, we promote the sustainable development of talent cultivation and academic research.

Governance Sustainability

Walsin Lihwa started implementing the IFRS Sustainability Disclosure Standards in 2024, and continued to deepen cross-departmental collaborations in 2025 in order to identify and analyze the risks and opportunities related to the IFRS and sustainability. Moreover, the material risks and opportunities identified have been incorporated into the Company's considerations for business strategies and resource allocation, thereby further supporting long-term sustainable development and strategic decisions. This ensures that the Company will remain resilient and forward-looking in a rapidly changing environment. In terms of the market and supply chains, the Company has continued to pay close attention to high-value product opportunities, especially the European high-value-added markets. We are also committed to enhancing the Company's competitiveness and strengthening the implementation and operational efficiency of market channels through diversified global deployment approaches and the introduction of smart manufacturing. Through smart manufacturing, production efficiency is enhanced and waste is reduced in all business areas, and operational and management experience as well as technical expertise from around the world can be integrated. This means that the strengths of different areas can complement each other, thereby enhancing the production resilience and overall operational performance of each plant. At the same time, Walsin Lihwa has strengthened information transparency and communication through supplier conferences and the Procurement Network for suppliers, and promotes upstream and downstream cooperation and cross-industry collaboration to further strengthen connections throughout the overall value chain.

Looking to the future, Walsin Lihwa will continue to promote various developments with a steady and practical attitude, uphold the Company's pursuit of excellence, and focus on business growth, technological innovation, energy efficiency improvement, and social responsibility. In an era of geopolitical chaos, rapid technological changes, and extreme climate conditions, Walsin Lihwa believes that having the courage to take on challenges, strengthening the Company's fundamental capacities, and fully realizing the Company's execution capabilities are crucial to continuing to create outstanding value in the midst of upheavals.

About The Report

Walsin Lihwa Corporation (hereinafter referred to as "Walsin Lihwa," or "the Company"), upholding the principles of openness, transparency, and integrity, has been compiling and publishing sustainability reports since 2014 [Note 1] to disclose non-financial information. This report is the Company's 12th report, continuing to provide stakeholders with more complete and transparent ESG information. Considering that Walsin's business footprint extends across the globe and to ensure effective communication with overseas stakeholders, the Company has simultaneously published an English-language sustainability report since 2017.

Business Scope and Period of Disclosurey

This report discloses Walsin Lihwa's sustainability practices and overall performance from January 1, 2025 to December 31, 2025. Walsin's global operational footprint spans the fields of wire and cable, stainless steel, resources business, and commercial real estate. The disclosure scope of this report focuses primarily on the major operating sites in Taiwan, Mainland China, and Europe, with some content covering Indonesia and other subsidiaries [Note 2]. The disclosed information accounts for over 75.0% of consolidated operating revenue in 2025. Where quantitative information has other meanings in scope, this will be noted.

Reporting Basis and Framework

Basis for Report Preparation

Issuing Body	Standards / Regulations
Global Reporting Initiative (GRI)	GRI Sustainability Reporting Standards (GRI Standards), 2021 version
Taiwan Stock Exchange	Regulations Governing the Preparation and Filing of Sustainability Reports by Listed Companies
Sustainability Accounting Standards Board (SASB)	Electrical & Electronic Equipment Industry Standard and Iron & Steel Producers Industry Standard
Financial Stability Board (FSB)	Task Force on Climate-related Financial Disclosures (TCFD)
International Sustainability Standards Board (ISSB)	Sustainability Disclosure Standards IFRS S1 "General Requirements for Disclosure of Sustainability-related Financial Information" IFRS S2 "Climate-related Disclosures"

Source and Management of Data

The information and data in this report are provided by the various departments of the head office and the plants, compiled and edited by the Sustainability Office, reviewed and revised by the heads of the promotion centers under the Sustainability Development Committee, and then submitted through administrative procedures to the Chief Sustainability Officer, the Sustainability Development Committee, and the Board of Directors for review and approval before publication. Among them, financial reporting information has been verified by accountants; ISO 14001, ISO 14064-1, ISO 14067, ISO 45001, ISO 46001, and ISO 50001 undergo external audits each year. The relevant verification status is as follows:

ISO 14001	Environmental Management System	Plants in Taiwan and Mainland China, Walsin Precision, CAS, Indonesia
ISO 14064-1	Organizational Greenhouse Gas Inventory	Plants in Taiwan and Mainland China, Walsin Precision, Indonesia
ISO 14067	Product Carbon Footprint	3 items at Hsinchuang Plant; 3 items at Yangmei; 2 items at Shanghai Walsin Plant
ISO 45001	Occupational Health and Safety Management System	Plants in Taiwan and Mainland China, Indonesia
ISO 46001	Water Efficiency Management System	Taichung Plant
ISO 50001	Energy Management System	Plants in Taiwan and, in Mainland China, Shanghai Walsin and Yantai Walsin, Indonesia

External Assurance

The non-financial information in this report is prepared in accordance with the Sustainability Reporting Standards (hereinafter referred to as the GRI Standards) issued by the Global Reporting Initiative (hereinafter referred to as GRI), and is disclosed with reference to the standards issued by the Sustainability Accounting Standards

Board (hereinafter referred to as SASB). This report has been verified by an independent third-party impartial body, BSI Taiwan, in accordance with the GRI Standards and the AA1000 Assurance Standard v3 for a Type 2 moderate assurance level of the sustainability report, and in accordance with the SASB Standards for a Type 1 moderate assurance level, confirming that the relevant disclosures comply with the requirements of the GRI and SASB Standards.

At the same time, in accordance with the International Standard on Assurance Engagements 3000 (ISAE 3000 (revised)), a limited assurance level of verification was performed. The relevant verification methods, assurance statements, assurance scope, and conclusions are listed in the appendix of this report for reference.

Publication Schedule

Chinese and English versions of the sustainability report are issued regularly each year and are available for download on the Company's website.

First publication date: Issued in May 2015
Previous edition: Issued in May 2025
Current edition: Issued in May 2026

Reports Over the Years

Contact Information

If you have any suggestions or questions regarding this report, we sincerely welcome you to contact us. Contact details are as follows:

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Company website	www.walsin.com

Note：1.From 2014 to 2020, the report was titled "Corporate Social Responsibility Report."

2.For information on the Italian subsidiary Cogne Acciai Speciali (CAS) and its subsidiaries, please refer to the sustainability report published by CAS and the CAS sustainability webpage.

3.Where the disclosure scope of this report differs from the entities included in the Company's financial statements, this will be noted in the relevant chapters or indicator items.

Company Profile

About Walsin Lihwa

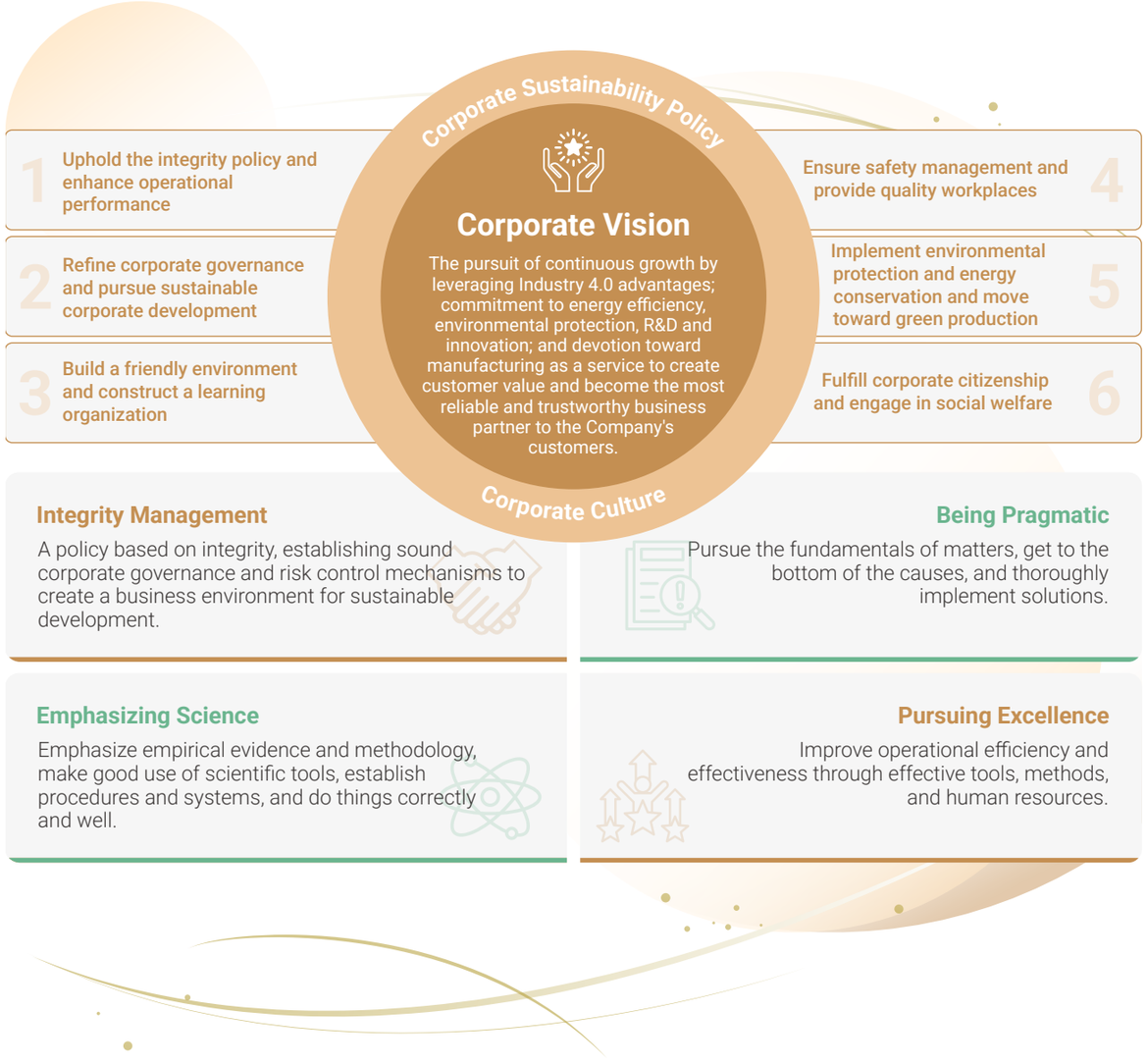
Established in 1966 as a manufacturer of wire and cable at inception, Walsin Lihwa Corporation became listed on the Taiwan Stock Exchange in 1972 and is now a leading company of wires and cables in the Greater China region and a global stainless steel industry leader. The Company has also become an international consortium by successful expansion into real estate, the resources business, renewable energy, and hi-tech industries.

Walsin Lihwa's core businesses include wire and cable, stainless steel, resources, as well as real estate. In the 1980s, Walsin Lihwa commenced investment in semiconductors, electronic components and parts, printed circuit boards, optoelectronics, and finance by establishing Winbond Electronics, Walsin Technology, HannStar Board, and HannStar Display.

For expansion into the market of high-end applications of stainless steel as well as the green energy sector, Walsin Lihwa's Italian subsidiary Cogne Acciai Speciali (CAS) completed its acquisition of Special Melted Products (SMP) and steel-rolling mills from Outokumpu in Europe in 2023, entering the high-end application market. CAS further contributed to the circular economy by completing the acquisition of Italian waste stainless steel recycling company Com.Steel Inox S.p.A (Inox) in 2024, and acquired German seamless pipes and tubes manufacturer DMV GmbH to meet the diverse needs of high-end markets. In 2025, Walsin Lihwa advanced strategic cooperation with Advanced Manufacturing (Sheffield) Ltd (AML) in the UK, deepening its layout in high-grade stainless steel and nickel alloy manufacturing and strengthening its competitive advantage in the aerospace and energy industries. At the end of the same year, Walsin Lihwa launched the brand-new Steeval® cold-finished bar, integrating global resources and taking the cold-finished bar-the core material for precision manufacturing and key components-as the starting point for value innovation, becoming a provider of stainless steel precision manufacturing solutions and bringing an outstanding stainless steel material experience to diverse industrial applications.

In addition, Walsin Energy Cable System Co., Ltd. was established in partnership with Denmark's NKT Group to build Taiwan's first submarine cable plant in the Port of Kaohsiung, introducing world-class quality management systems and low-carbon smart processes. International product certification is expected to be completed in 2026, with formal mass production commencing in 2027, fully supporting domestic offshore wind power project demand and enhancing Taiwan's competitiveness in the international market.

Enjoying ongoing revenue and earnings growth, Walsin Lihwa incorporates ESG into its daily operation to help drive economic, environmental, and social progress and lay a solid foundation for corporate sustainability.



Product Scope and Categories

Revenue Share	Products	Application Fields
27% Wire and Cable Business	• Power cables • Communication cables • Industrial cables • Copper wire rod • Steel wire ropes • Submarine cables(Note)	• Construction • Power transmission • Energy • Infrastructure and public works • Consumer electronics • Green industries • Machinery and equipment • Transportation • Network communications
52% Stainless Steel Business	• Steeval® cold-finished bar • Wire rod • Seamless steel tubes • Hot-rolled bars • Hot/cold-rolled steel coils • Precision rolled sheets • Small billets / slabs / ingots	• Transportation • Machinery and equipment • Petrochemicals • Energy • Household hardware • Consumer electronics • Medical machinery • Construction • Aerospace
18% Resources Business	• Production and sales of nickel pig iron • Production and sales of nickel matte • Agency services	• Stainless steel smelting • Electric vehicle batteries

Note: In September 2023, a submarine cable plant was established in a joint venture with Denmark's NKT Group; it was completed in 2025 and formal mass production is expected in 2027.

Business Locations

The Company's Head Office is located in Taipei, Taiwan, with operating sites spread across Taiwan, Mainland China, Indonesia, Italy, the UK, Germany, Malaysia, the USA, and other regions.



Wire and Cable Business	Hsinchuang, Yangmei, Shanghai, Hangzhou
Stainless Steel Business	Taichung, Yenshui, Yantai, Jiangyin, Changshu, Italy, UK, Germany, Malaysia
Resources Business	Indonesia
Others	*USA, Nanjing

Note: Unless specifically stated, * indicates outside the report boundary.

Walsin Lihwa's Key Development Milestones

1966 - 1986 Foundation for Further Growth

1966 The Company was established in Hsinchuang.

1972 The Company's shares were listed on the Taiwan Stock Exchange.

1987 - 2000 Diversification

1987
- The Yangmei copper wire rod plant was completed.
- Invested in and established Winbond Electronics Corporation, launching high-tech investment, and subsequently established Walsin Technology Corporation, HannStar Board Corporation and HannStar Display Corporation

1992 Established power cable and steel rope plants in Shanghai and Jiangyin, launching investment deployment in Mainland China.

1993 Cooperated with Carpenter Technology Corp. in the U.S. to set up a plant in Yenshui, entering the stainless steel industry.

2001 - 2014 Focus on Core Businesses

2002 The Yenshui specialty steel plant carried out an expansion plan, adding slab steelmaking equipment.

2009 Walsin Lihwa's A6 building in the Xinyi Development Zone was completed, expanding into the commercial real estate field.

2010 Construction began on Nanjing Walsin Centro, launching real estate development in Mainland China.

2013 The Taichung Harbor stainless steel roll plantt officially commenced production.

2015 - Present New Business Development

2015 Established the "Corporate Social Responsibility Committee" [Note] to promote and manage corporate sustainability work

2019 The ONE Mall in Nanjing opened for operation

2020 Established Walsin Nickel Industrial Indonesia, extending into the production and sale of upstream stainless steel raw materials

2022
- Invested in the Italian steel mill CAS, expanding the global stainless steel market
- Invested in PT. Sunny Metal Industry, building a nickel matte plant to enter the nickel-for-battery market
- The Yantai rolling mill was commissioned, marking a milestone toward smart manufacturing

2023 Acquired the UK-based Special Melted Products (SMP) to expand the high-end stainless steel application market; and signed a cooperation agreement with Denmark's NKT to launch the submarine cable business, moving toward a green economy.

2024
- Acquired the Italian scrap stainless steel recycler Com.Steel Inox S.p.A (Inox), advancing the circular economy.
- Acquired the German seamless steel tube manufacturer DMV GmbH to meet the needs of high-end, diversified end markets.

2025
- Jointly invested with UK-based Special Melted Products (SMP) precision processing and manufacturing plant AML, strengthening competitive advantage in the aerospace and energy industries.
- Launched the new cold-finished bar brand Steeval®, creating a milestone of high-end, diversified, customized, and co-created products for Walsin's stainless steel business.
- The Walsin Energy Cable System came into operation, building the first localized submarine cable production base and establishing Taiwan's benchmark position in submarinecable manufacturing.

Note：Renamed the Sustainability Development Committee in 2019

Sustainability Achievements and Honors

Environment

Blue Performance Award (Proper Biru) - PT. Walsin Nickel Industrial Indonesia
Indonesia Ministry of Environment and Forestry (KLHK) Corporate Environmental Management Performance Rating Program (PROPER)

CDP (Carbon Disclosure Project)
"Climate Change" Grade B / "Water Security" Grade B-
Among these, water accounting, opportunity and risk disclosure, and environmental policy items received Grade A; the governance item received Grade A-

Social

Taipei Golden Eagle Micro Movie Festival
Snapshots of Growing Up

Benchmark Award
National Fire Agency "2025 Workplace Fire Safety SDGs Disclosure Enterprise Recognition"

Health Promotion Mark - Taipei Head Office, Hsinchuang Plant, Yenshui Plant
National Fire Agency "2025 Workplace Fire Safety SDGs Disclosure Enterprise Recognition"

Sports Enterprise Certification - Taipei Head Office

"HR Asia" Best Companies to Work for in Asia Award for 3 consecutive years.
Simultaneously awarded the "Diversity, Equity & Inclusion Award"

"1111 Job Bank" Happy Enterprise for 4 consecutive years
Manufacturing Gold Award

Outstanding Employment Performance Enterprise Group
Veterans Affairs Council "Outstanding Enterprise Group for Employment Performance in Counseling Discharged Veterans" award

Governance

Selected for the first time for the S&P Global Sustainability Yearbook
Member of the 2025 S&P Global Sustainability Yearbook

Ranked in the top 5% in the Corporate Governance Evaluation for 8 consecutive years
Ranked in the top 10% tier among non-financial and non-electronics companies with a market capitalization over NT$10 billion

Taipower "Supply Chain ESG Sustainability Review Outstanding Performance Award"

Outstanding Green Procurement Enterprise
Outstanding Private Enterprise and Organization in Green Procurement

TCSA Taiwan Corporate Sustainability Awards
7 consecutive years -
Sustainability Report Award for Traditional Manufacturing - Platinum Award
4 consecutive years -
Top 100 Taiwan Sustainability Model Enterprise Award
3 consecutive years -
Information Security Leadership Award

GCSA Global Corporate Sustainability Awards
3 consecutive years - English Sustainability Report Bronze Award

Constituent stock of the Sustainability Index for 5 consecutive years

Passed TIPS Grade A certification for 4 consecutive years
Taiwan Intellectual Property Management System

Passed ISO 27001:2022 review certification for 4 consecutive years

Environment



"Blue Performance Award" (Proper Biru)

Social



Golden Eagle Micro Movie Festival Silver Award



"HR Asia" Best Companies to Work for in Asia Award



National Fire Agency Benchmark Award



"1111 Job Bank" Happy Enterprise Manufacturing Gold Award



"Veterans Affairs Council" Outstanding Employment Performance Enterprise Group Award

Governance



Taipower "Supply Chain ESG Sustainability Review Outstanding Performance Award"



TCSA & GCSA Trophies



TIPS Grade A Certification Certificate



ISO 27001 Certification Certificate



S&P Global Sustainability Yearbook Member



Outstanding Green Procurement Enterprise

United Nations Sustainable Development Goals (SDGs)

While pursuing sustainable development and vision fulfillment, Walsin Lihwa makes good use of technology to strengthen energy efficiency, environmental protection, and R&D for innovation to create value for customers, achieve common prosperity with society, and support the UN's SDGs. A summary of relevant practices and benefits follows.

Goal	Sub-indicator	Walsin's Practices / Benefits	Corresponding Chapter
 4 Quality Education	4.5 Ensure equal access to all levels of education and vocational training for the vulnerable	• The "Light Up the Corners of Taiwan" program continues to sponsor five rural junior high and elementary schools, providing students with a more complete teaching environment and equipment • The newspaper-reading and after-school tutoring program for junior high and elementary schools supports learning resources for **943** classes across **56** schools, narrowing the urban-rural education gap	2.5.2 Empathy for the Underprivileged 2.5.4 Caring for Ecology
 5 Gender Equality	5.a Undertake reforms to give women equal rights to economic resources	• Improved the substitute and family care mechanisms to enhance women's willingness to remain after parental leave; in 2025, the female return-to-work and retention rate was **100%**	2.3 Talent Incentives and Retention
 7 Affordable and Clean Energy	7.3 Increase energy efficiency 7.a Strengthen renewable energy development	• Implemented **99** carbon reduction measures, reducing carbon emissions by **14,201** metric tons of CO_2e • Clean technology products have completed the delivery of wiring harness assemblies inside **9.5** MW offshore wind turbine towers, and successfully obtained certification from a foreign wind turbine major for high-voltage wiring sets inside **14** MW offshore wind turbine towers. The relevant products were fully shipped in stages according to customer demand in 2025 • In response to electrification and high-power charging demand, the Company continues to invest in R&D of high-current liquid-cooled fast-charging gun cable assemblies and has completed long-duration system integration and durability testing, ensuring that products meet relevant safety standards and regulatory requirements under high-load conditions • Launched an independent R&D program for photovoltaic-dedicated DC cables; the products have been submitted to relevant units for authoritative inspection, strengthening key technical capabilities for clean energy applications	1.2.2 Energy Conservation and Carbon Reduction Management 4.1.2 Clean Technology and High-Value R&D and Investment
 8 Decent Work and Economic Growth	8.2 Pursue industry upgrading to increase product added value	• Promote smart manufacturing, develop high value-added products and high-end application markets, and shift toward manufacturing services	4.1.1 Product and R&D Innov ation
	8.3 Support productive activities, decent job creation, entrepreneurship, creativity, and innovation	• Assist suppliers in understanding sustainable supply chain management mechanisms to jointly enhance industry competitiveness	3.5.1 Sustainable Supply Chain Policy 3.5.2 Supply Chain Management Implementation
	8.5 Achieve full and productive employment, and equal pay for work of equal value 8.7 Take immediate and effective measures to protect labor rights	• Provide fair and reasonable wages and working conditions, eliminate discrimination and ensure equal employment opportunities, prohibit child labor, and prohibit forced labor	2.1 Human Rights and Talent Policy

Goal	Sub-indicator	Walsin's Practices / Benefits	Corresponding Chapter
 9 Industry, Innovation and Infrastructure	9.1 Develop sustainable infrastructure	• Develop and produce clean technology products such as wind power, solar power, EV charging gun cables, and upstream battery raw materials	4.1.2 Clean Technology and High-Value R&D and Investment
	9.2 Promote inclusive and sustainable industrialization	• The Innovation R&D Center is dedicated to sustainable industrial development, promoting green processes and the circular economy through industry-academia collaboration, strengthening technology application, and fostering mutual prosperity between enterprise and the environment	2.2.2 Industry-Academia Collaboration Projects 4.1.2 Clean Technology and High-Value R&D and Investment
	9.4 Adopt clean and environmentally sound technologies and industrial processes	• Improve processes to increase yield and reduce energy consumption, waste, and emissions; promote the regeneration and reuse of waste and wastewater based on the concept of recycling; actively develop green processes and promote source reduction	1.4.2 Waste Management and Resource Recovery 4.2.2 Green Product Life Cycle Assessment
 12 Responsible Consumption and Production	12.2 Achieve the efficient use of natural resources	• The proportion of recycled raw materials (scrap steel) used in stainless steel production was **60.70%** ; the proportion of recycled packaging materials used in wire and cable was **59.63%**	4.2.3 Raw Material Usage
	12.4 Achieve the environmentally sound management of all waste 12.5 Substantially reduce waste generation through prevention, reduction, recycling, and reuse	• The overall waste recycling and reuse rate for copper wire rod, wire and cable, and stainless steel was **92.88%** , and the non-hazardous waste reuse rate was **99.14%**	1.4.2 Waste Management and Resource Recovery
	12.6 Encourage companies to adopt sustainable practices and to integrate sustainability information into their reporting cycle	• Published a sustainability report regularly each year since 2014; published an English-language report since 2017; introduced the Sustainability Accounting Standards Board (SASB) industry standards and the Task Force on Climate-related Financial Disclosures (TCFD) framework since 2020; and introduced the IFRS Sustainability Disclosure Standards since 2024, further enhancing the comparability and decision-usefulness of sustainability information	About The Report 3.1.2 Sustainability Governance
 13 Climate Action	13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters	• Developed solar PV cables, offshore wind turbine DC & HV cables, lightweight port-machinery-dedicated cables, EV charging gun cables, and feeder cables for renewable energy grid connection • Developed stainless steel with high elasticity and tensile strength, high weldability, high strength, high heat resistance, and high corrosion resistance-green products with high external energy-saving and carbon-reduction benefits	4.2.1 Green Product Development
 15 Life on Land	15.4 Ensure the conservation of mountain ecosystems 15.5 Halt the loss of biodiversity	• Held the 2025 Walsin Walk Sustainability Action Program, planting **41** native tree species in the "Qieding Wetland" in southern Taiwan • Supported Walsin Bao Seed Conservation & Breeding Co., Ltd. in promoting a Taiwan tea-family plant variety collection program, and successfully bid for **21.66** hectares of state-owned land in Sanxing Township, Yilan County, where afforestation will be planned according to the principle of matching species to site, generating natural carbon sinks • Continued to promote a contract farming program for Taiwan native organic kiwifruit, working hand in hand with local young farmers to help enhance agricultural resilience	1.5 Ecology and Biodiversity 2.5.4 Caring for Ecology

Goal	Sub-indicator	Walsin's Practices / Benefits	Corresponding Chapter
 16 Peace, Justice and Strong Institutions	16.5 Substantially reduce corruption and bribery in all their forms	• Continued to promote integrity management-related education and training; in 2025, a cumulative total of **2,673** employees in Taiwan and Mainland China completed online refresher training and passed the test • Continued to promote integrity management (including anti-corruption) and compliance through supplier conferences; in 2025, a total of **363** suppliers from Taiwan and Mainland China plants participated	3.3 Business Integrity 3.5.2 Supply Chain Management Implementation
	16.b Promote and enforce non-discriminatory laws and policies	• The Company does not permit any differential treatment or any form of discrimination • Walsin Lihwa Human Rights Policy	2.1 Human Rights and Talent Policy
 17 Partnerships for the Goals	17.17 Social engagement	• Actively participate in social and economic cooperation organizations such as the International Cooperation and Development Fund, the Epoch Foundation, the Cross-Strait Peace Development Foundation, and the Chinese National Association of Industry and Commerce to promote industrial, economic, and technological development	2.5.6 Corporate Citizenship Appendix 6: Participation in External Organizations

Identification, Analysis, and Management of Material Topics

2025 Stakeholder Identification and Material Topics Analysis Process

01 Stakeholder Identification

Collection

Data sources
- Walsin Lihwa employees, sustainability report
- 10 categories of stakeholders
- 19 valid management-level questionnaires

Analysis

The five major principles of AA1000 stakeholder engagement

Responsibility | Influence | Tension | Diverse Perspectives | Dependency

Confirmation

7 categories of key stakeholders Local communities newly added in 2025

02 Material Topics Analysis

Understand the organizational context

Data Sources
- International sustainability standards and norms
- International sustainability ratings
- United Nations Sustainable Development Goals
- Industry trends
- Peer sustainability practices

23 sustainability topics

Identify actual and potential impacts
- Senior management, based on the Double Materiality principle, assesses the positive and negative impacts of sustainability topics on corporate operations and the external economy, environment, and people, as well as the likelihood of impact events occurring
- Key stakeholders assess their level of concern for sustainability topics

21 valid internal impact assessment questionnaires
332 valid key stakeholder questionnaires

Assess the significance of impacts

Prioritize the most significant impacts for reporting

Based on the results of senior management's assessment of sustainability topic impacts, analyze and plot positive and negative material topic matrices, compile the topics with significant positive and negative impacts and the topics of key concern to stakeholders, and establish the annual material sustainability topics by taking the union of these topics

14 material sustainability topics

Determine material topics

The material topic identification results must be reviewed by the Sustainability Development Committee and reported to the Board of Directors to confirm compliance with requirements such as sustainability context and completeness of disclosure, and management guidelines are formulated for each material topic

Stakeholder Engagement

Walsin refers to the five major principles of the AA1000 Stakeholder Engagement Standard SES (Stakeholder Engagement Standard 2015)-Responsibility, Influence, Tension, Diverse Perspectives, and Dependency-to identify and rank the degree of relationship with stakeholders.

For the 2025 stakeholder identification results, 19 senior managers completed the stakeholder identification assessment questionnaire, taking stock of 10 categories of stakeholders and identifying 7 categories of key stakeholders: customers, employees, investors/shareholders, suppliers/contractors/outsourcers, government agencies, banks/correspondent financial institutions, and local communities. Compared with the previous stakeholder identification, local communities were newly added as one of this year's key stakeholder categories. Walsin has now established complete and comprehensive communication channels, accurately grasping the issues and specific opinions of concern to stakeholders and actively responding, reviewing, and improving.

* Stakeholders' key topics of concern in 2025 were: Product Quality and Responsibility, Occupational Safety and Health, Customer Relationship Management, Sustainability Commitment, and Labor-Management Relations *Gold bold text indicates the annual material topics

Customers

Customers are the core of Walsin's efforts to improve products and services; we develop long-term, mutually trusting relationships with customers

Sustainability Issues of Concern*	Engagement Method	Engagement Effectiveness
• Risk Management • Corporate Governance and Regulatory Compliance • Product Quality and Responsibility • Occupational Safety and Health • Customer Relationship Management	• Customer satisfaction surveys • Customer visits and customer service • Exhibitions • Dedicated business contact lines and mailboxes for each business group (Business Contact)	• Customer satisfaction in 2025 was **86.8%**. • Visited customers **5,600** times on a regular/irregular basis; launched the stainless steel cold-finished bar brand "Steeval®" at the end of 2025, and promoted products and enhanced exposure at venues such as the Shanghai Industry Fair and the International AIDC Liquid Cooling Supply Chain Summit. • To gain in-depth understanding of wire and cable customers' feedback on product quality, a total of **84** key customer interviews were held, driving multiple material improvements and new product testing.

Employees

Employees are one of Walsin's most important assets and the driving force for breakthroughs and innovation; the cohesion and support of employees enable Walsin to operate sustainably

Sustainability Issues of Concern*	Engagement Method	Engagement Effectiveness
• Product Quality and Responsibility • Talent Recruitment and Salary & Benefits • Occupational Safety and Health • Labor-Management Relations • **Employee Cultivation and Career Development**	• Regular Occupational Safety and Health Committee meetings • Quarterly labor-management meetings • Employee Welfare Committee and labor union • Grievance hotline and mailbox (Grievance Mailbox)	• **117** Occupational Safety and Health Committee meetings • **20** labor-management meetings • **2** campus recruitment events • Held **5** private screenings of "Guardians Of Our Planet", with over **1,000** person-times of participation. • **123** new-employee cohesion camp activities, with a total of **1,541** participants

Investors / Shareholders

Shareholders are the foundation of Walsin's existence; the shareholders' meeting is the statutory, indispensable highest body that can steer the direction of corporate development

Sustainability Issues of Concern*	Engagement Method	Engagement Effectiveness
• Corporate Governance and Regulatory Compliance • Product Quality and Responsibility • Information Security Management • Occupational Safety and Health • Customer Relationship Management	• Annual general meeting of shareholders and issuance of the annual report • Shareholder hotline and mailbox (Shareholder Relations) • Quarterly investor conferences and institutional investor visits • Investor hotline and mailbox (Investor Relations, Corporate Sustainability Mailbox) • Company website and corporate sustainability website	• **1** annual general meeting of shareholders, **4** investor conferences, and irregular institutional investor visits to communicate market conditions, future trends, growth strategies, and profitability to investors/shareholders.

Suppliers / Contractors / Outsourcers

Suppliers/contractors/outsourcers are Walsin Lihwa's providers of upstream raw materials and services, serving as Walsin Lihwa's backing and key partners

Sustainability Issues of Concern*

- Product Quality and Responsibility
- Brand Management
- Occupational Safety and Health
- Customer Relationship Management
- Labor-Management Relations

Engagement Method

- Visits, on-site audits and assessments
- Annual supplier conference
- Telephone, email, correspondence

Engagement Effectiveness

- In 2025, Walsin Lihwa organized a total of **2** exchange events and on-site visits to suppliers in Taiwan and Mainland China, reviewing the progress of each supplier in sustainable development and promoting the concept of a green supply chain.
- The "Walsin Procurement Portal and Procurement Management Platform" was officially launched, providing a safer, more convenient, and more transparent trading platform, implementing a fair, just, and open competition mechanism, thereby deepening partnership cooperation with suppliers and jointly building an integrity-based procurement and resilient sustainable supply chain.

Banks / Financial Institutions

Provide Walsin Lihwa with financial assistance, mainly focusing on Walsin Lihwa's financial performance and sustainability performance

Sustainability Issues of Concern*

- Operational Performance
- Product Quality and Responsibility
- Energy Management
- Customer Relationship Management
- Sustainability Strategy

Engagement Method

- Annual general meeting of shareholders and issuance of the annual report
- Credit ratings
- Quarterly investor conferences
- Company website and corporate sustainability website
- Investor hotline and mailbox (Investor Relations, Corporate Sustainability Mailbox)

Engagement Effectiveness

To strengthen corporate governance and ESG communication, the Company engages with domestic and foreign institutions to understand and respond to stakeholders' issues of concern:

- **7** bank ESG questionnaires
- **22** statement or joint credit consent responses

Government Agencies

Government agencies are the setters of the highest compliance norms in the economic, environmental, and social dimensions; Walsin's operations are all based on the latest regulations

Sustainability Issues of Concern*

- Green Products / Green Business Development
- Waste and Circular Regeneration
- Occupational Safety and Health
- Human Rights Protection and Diversity & Inclusion
- Sustainability Strategy

Engagement Method

- Participate in various policy and regulatory briefings, coordination meetings, questionnaires, and training courses
- Official correspondence
- Telephone, email, correspondence

Engagement Effectiveness

- In 2025, Walsin Lihwa participated in a total of **6** meetings of environmental protection and occupational safety and health competent authorities, enabling it to comply with the latest regulations and adjust its own sustainable development progress.

Local Communities

The competent authorities of the industrial parks where the operating sites are located and nearby community residents, who are concerned about the impact of Walsin Lihwa's operations on the community environment and life.

Sustainability Issues of Concern*

- Risk Management
- Corporate Governance and Regulatory Compliance
- Product Quality and Responsibility
- Waste and Circular Regeneration
- Social Care and Community Development

Engagement Method

- Project cooperation and visits
- Sponsorship of various charity and education projects
- Volunteer services
- Company website
- Walsin Lihwa Sustainability Foundation official website

Engagement Effectiveness

- Annual feature: Life in Yenshui: Stories from the Community
- In 2025, Taiwan's plants participated in a total of 113 local activities, deepening exchanges with local communities
- Participated in the senior meal service at the Yenshui District community activity center, with volunteers involved in meal preparation and companionship
- Held community care activities ahead of the Lunar New Year, Dragon Boat Festival, and Mid-Autumn Festival, with volunteers visiting elderly people living alone
- The Indonesia IMIP community care initiative covered 12 communities, with a total of 50 volunteers participating and 700 sets of living supplies distributed

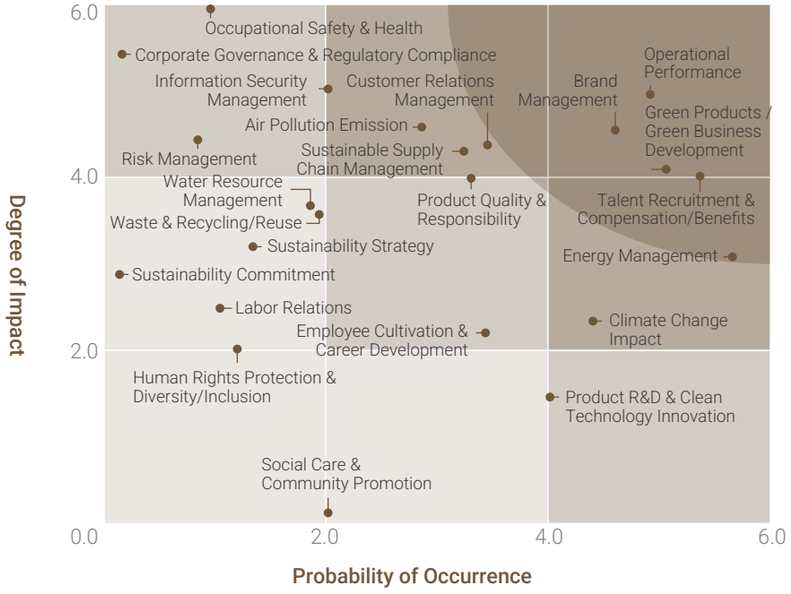
Material Topics Analysis

Walsin Lihwa draws on international sustainability standards and norms (SASB, TCFD, CDP), international sustainability ratings (MSCI, DJSI), the United Nations Sustainable Development Goals (SDGs), and industry trends, and through interactive communication with stakeholders-including assessing peer sustainability practices-refined 23 sustainability topics. To understand the materiality ranking of sustainability topics, Walsin Lihwa, in accordance with the GRI 3 definition of materiality, has senior management-based on the Double Materiality principle-assess the degree of positive and negative impact of Walsin Lihwa on corporate operations and the external economy, environment, and people (including their human rights) across the aforementioned 23 sustainability topics, as well as the likelihood of impact events occurring, generating impact scores. It then plots a material topics matrix based on "the degree of positive and negative impact on the economy, environment, and people" and "the likelihood of impact events occurring," compiles the topics with significant positive and negative impacts and the topics of key concern to stakeholders, and, after review by the Sustainability Development Committee and the formulation of management guidelines for each material topic, reports to the Board of Directors for approval. In 2025, Walsin Lihwa identified 14 material topics, in order of: "Risk Management," "Operational Performance," "Corporate Governance and Regulatory Compliance," "Product Quality and Responsibility," "Talent Recruitment and Salary & Benefits," "Brand Management," "Green Products / Green Business Development," "Information Security Management," "Energy Management," "Waste and Circular Regeneration," "Occupational Safety and Health," "Customer Relationship Management," "Sustainability Commitment," and "Labor-Management Relations." Compared with 2024, "Waste and Circular Regeneration," "Energy Management," and "Brand Management" were newly added. For the aforementioned material topics, the affected parties and boundaries inside and outside the organization were defined and further mapped to specific GRI topics, serving as the main disclosure subjects of this report and disclosing Walsin Lihwa's response strategies and current performance. The above 14 material topics are all controlled by each unit and subsidiary, each risk management unit, and the Audit Office in accordance with the "Three Lines of Defense Mechanism for Enterprise Risk Management." For detailed management procedures and control mechanisms, please refer to 3.4 Risk Management and Regulatory Compliance.

Positive Impact & Probability of Occurrence Matrix



Negative Impact & Likelihood Matrix



Management of Material Topics

Material Topics and Impacts on Walsin Lihwa's Relation Value Chain

+ indicates positive impact − indicates negative impact ● direct impact ○ indirect impact (Note)

Material Topic	Significance to Walsin Lihwa	Corresponding GRI Topic	Significance of Impact	Value Chain Impact Assessment			
				Suppliers / Contractors	The Company	Customers	Corresponding Section
Risk Management	To reduce the impact and influence of internal and external risks, Walsin Lihwa continuously identifies risks, plans response measures, and monitors risks.	GRI 201 Economic Performance	+ Through a sound risk management and tracking system, the financial, reputational, or other negative impacts that the enterprise may face can be reduced, increasing the enterprise's operational resilience. − Without a sound risk control mechanism, major risks may cause financial, reputational, or other negative losses to the enterprise.	○	●	○	3.4 Risk Management and Regulatory Compliance
Business Performance	Walsin Lihwa takes sustainable operations as its goal, refines its industrial strategy with steady steps, provides high-value products, maintains its industry-leading position, and promotes economic development.	GRI 201 Economic Performance	+ Improving productivity can reduce costs and waste and increase operational efficiency and capacity. − Insufficient productivity may cause more costs and waste, leading to revenue losses and an increased environmental burden.		●		3.2 Operational Performance
Corporate Governance and Legal Compliance	Walsin Lihwa values the rights and interests of stakeholders, strengthens the structure and operation of the Board of Directors, enhances information transparency, and implements corporate sustainability standards and measures; it also complies with government regulations, formulating relevant policies and measures in each compliance area and observing them jointly, to avoid the impact of illegal events on the Company's continued operations, finances, and other aspects.	GRI 2-9 Governance Structure and Composition GRI 2-27 Regulatory Compliance GRI 205 Anti-corruption GRI 206 Anti-competitive Behavior	+ Upholding the principle of integrity management, adhering to ethical and conduct guidelines, safeguarding the rights and interests of stakeholders, and maintaining sound corporate governance in compliance with regulations, avoiding the risk of illegality and legal liability, maintaining the enterprise's reputation and image, and enhancing the brand image and credibility in the minds of customers. − Negative impacts on the social environment and on Walsin Lihwa arising from violations of governance, social, and environmental regulations; and if subject to regulatory sanctions, this may cause negative losses to Walsin Lihwa's goodwill, finances, and personnel.	○	●	○	1.4 Air Pollution and Waste Management 2.4 Workplace Safety and Health 3.1 Corporate Governance 3.3 Integrity Management 3.4.3 Regulatory Compliance Appendix 1 GRI 206 Anti-competitive Behavior
Product Quality and Responsibility	As product market development trends evolve, ensure product quality and whether raw materials comply with safety and health standards, in order to meet customer expectations and relevant market norms.	GRI 417 Marketing and Labeling	+ Strict control of product quality, which will not cause harm to the environment or the human body, obtaining international certifications and meeting the expectations of external stakeholders. − The raw materials used in products will cause serious impacts on the environment and the human body, and the Company has no relevant remedial measures.	○	●	●	4.3 Product Quality and Responsibility
Hiring, Salary and Benefit	Walsin Lihwa values employee benefits and treatment and upholds the philosophy of sharing profits with employees. Through regular market salary surveys, it hopes to attract outstanding talent to join Walsin Lihwa's work team by providing employees with market-competitive overall compensation.	GRI 2-7 Employees GRI 401 Employment Relations GRI 404 Training and Education	+ The Company provides a generous reward system and multiple employee benefits and care measures, attracting many outstanding talents to apply proactively, enhancing enterprise competitiveness. − The compensation and benefit systems provided by the enterprise fall below industry levels, failing to attract talent and causing severe labor shortage problems.	○	●		2.3 Talent Motivation and Retention

Material Topic	Significance to Walsin Lihwa	Corresponding GRI Topic	Significance of Impact	Value Chain Impact Assessment			
				Suppliers / Contractors	The Company	Customers	Corresponding Section
Brand Management	Through clear brand positioning and marketing strategies, Walsin Lihwa continuously strengthens brand value, enhances global brand recognition, and strengthens customer stickiness to facilitate business and new market expansion.	GRI 417 Marketing and Labeling	+ Through consistent brand positioning and marketing communication, enhance global brand recognition and customer trust, and strengthen market expansion and long-term competitiveness. − If misleading claims or brand crisis events occur, this will lead to reputational damage and loss of customers, and may face regulatory sanctions and litigation risk.	○	●	●	3.5.3 Customer Service 4.1 Products and R&D Innovation 4.2 Green Products and Operations
Green Products / Green Business Development	Walsin Lihwa adopts the strategy of "continuously developing high-performance green products, moving toward the circular economy and enhancing application-end efficiency, and reducing environmental impact," using a high proportion of "recycled and reusable" raw materials. Its production processes are grounded in "saving energy consumption and reducing carbon emissions," producing high-performance green products that achieve "net-zero practice and sustainable development" to help customers and end users fulfill their commitments to energy efficiency and carbon reduction goals.	GRI 301 Materials GRI 302 Energy GRI 305 Emissions	+ Actively develop green products to help the value chain reduce greenhouse gas emissions, gaining wide market favor. − High product carbon footprint, challenged by the market, with gradually shrinking market share.	○	●	●	4.2 Green Products and Operations
Information Security Management	Walsin Lihwa is committed to strengthening the enterprise's overall information security protection capabilities, enhancing the enterprise's information security rating, meeting customers' information security requirements, and fulfilling its commitment to the information security goals of customers, shareholders, and all stakeholders.	GRI 418 Customer Privacy	+ Implementing information security maintenance, effectively protecting the normal operation of the Company's core systems and strengthening the information security system, protecting the rights and interests of customers. − Failure to implement data and information security management, with business information or customer privacy being leaked, may face customer claims or regulatory penalties, causing damage to the Company's rights, interests, and goodwill; and if internal employees have insufficient information security awareness and there are external hacker attacks and other information security incidents, this causes losses to the Company.		●	○	3.4.2 Information Security
Energy Management	To reduce energy consumption and usage costs and enhance energy management intensity, Walsin Lihwa continues to promote and implement energy conservation and carbon reduction, moving toward green circular production.	GRI 302 Energy	+ Improve the Company's energy use efficiency and implement energy conservation and carbon reduction. − Failure to properly manage the consumption of energy and resources increases operating costs or the risk of operational interruption.	○	●	○	1.2 Energy and Greenhouse Gas Management

Material Topic	Significance to Walsin Lihwa	Corresponding GRI Topic	Significance of Impact	Value Chain Impact Assessment			
				Suppliers / Contractors	The Company	Customers	Corresponding Section
Waste and Circular Regeneration	Walsin Lihwa integrates the concept of circular regeneration into its usage strategy for various raw materials and resources during operations, including consumption status, the current state of resource recycling improvement, and pollution management, promoting the circular use of resources.	GRI 306 Waste	+ Considering product characteristics, increasing the implementation of the circular economy can reduce the generation of waste and reduce environmental impact. − Waste generated during operations, if not handled by compliant environmental contractors in accordance with relevant procedures, may have a negative impact on the environment.	○	●	●	1.4 Air Pollution and Waste Management
Occupational Safety and Health	Establish occupational safety and health management measures and policies, including workplace safety maintenance, occupational disaster risk management, employee health management programs, and health examinations, to enhance the overall safety and health of employees.	GRI 403 Occupational Health and Safety	+ Occupational safety management measures are well planned, with no work injury incidents in recent years, and employees feel secure about the work environment. − The work environment does not take safety protection into consideration, and without relevant education and training, employee work injury accidents occur frequently.	●	●	○	2.4 Workplace Safety and Health
Customer Relationship Management	Walsin Lihwa focuses on customers and industry development, and through continuously optimizing service processes, actively responding to customer needs and feedback, and in-depth collaborative development, is committed to becoming customers' most trusted partner.	GRI 416 Customer Health and Safety GRI 417 Marketing and Labeling GRI 418 Customer Privacy	+ Improved customer satisfaction and increased orders. − Poor service and product quality, with increased customer complaint incidents.		●	●	3.5 Sustainable Supply Chain and Customer Service
Sustainability Commitment	By enhancing organizational capabilities and deepening social participation, Walsin Lihwa is committed to becoming an enterprise that not only pursues growth and profit but also bears corporate citizenship responsibility. Walsin Lihwa embeds sustainable development in the Company's core strategy and daily operations, and upholding the spirit of pursuing excellence, works hand in hand with global partners to contribute to operational growth, technological innovation, environmental protection, and social progress.	GRI 2-22 Statement on Sustainable Development Strategy GRI 2-23 Policy Commitments	+ The Company's senior management makes external sustainability commitments to enhance stakeholder confidence, with a good corporate image. − Without a clear and firm stance on sustainability issues, the Company cannot gain the trust of stakeholders, damaging the corporate image.		●		Message from the Chairman Message from CEO and President Walsin Lihwa's Key Development Milestones 2.1 Human Rights and Talent Strategy 3.3 Integrity Management 3.5 Sustainable Supply Chain and Customer Service
Labor-Management Relations	The rights-and-obligations relationship between labor and management, including two-way labor-management interaction and communication channels, employee satisfaction surveys, and employee grievance mechanisms.	GRI 401 Employment Relations GRI 402 Labor-Management Relations	+ Listen to the voice of employees to achieve good two-way communication, enhancing employee productivity and retention willingness. − Lack of communication channels seriously deprives workers of their rights, triggering employee protests and strikes.	○	●		2.1 Human Rights and Talent Strategy

*Note: Indirect impact: includes impacts that are caused or that occur through business relationships.

Management Approach Table

Material Topic	Management Mechanisms and Purpose	Policy / Commitment / Responsibility	Goals / Resources / Actions / Complaint Mechanisms
Risk Management	• An internal audit system and independent directors are present to ensure the effective operation of internal control and reporting mechanisms. • Related departments carry out risk management work to lower the impact of operational risks.	• Compliance with related laws and regulations. • Operating performance and efficiency. • Reports are reliable, timely, and transparent, and comply with relevant regulations.	• The Chief Audit Executive makes reports at Board of Directors meetings on a regular basis, and makes reports to the Audit Committee and independent directors on the internal audit and control implementation status on at least a quarterly basis.
Business Performance	• Comprehensive strategy development and sound management practices are required to help achieve ongoing, sustainable growth while meeting the expectations of customers, employees, shareholders, and other stakeholders.	• Strategy integration, digital transformation, and core competitiveness enhancement help Walsin Lihwa continue to improve its management performance.	• Shareholder/Investor hotline and mailbox (Shareholder/Investor relations mailbox).

Corporate Governance and Legal Compliance	• Periodic sustainability and corporate governance meetings are conducted to follow up on the implementation status of annual plans, thereby protecting shareholders' rights, treating shareholders equally, strengthening the Board of Directors' structure and operations, increasing information transparency, and fulfilling the Company's social responsibility.
	• Categorization is accomplished based on organizational function and the laws relevant to each function; the Company follows regulatory changes and makes proposals where necessary to revise the Articles of Incorporation or internal regulations.
	• The Business Integrity Center under the Sustainable Development Committee is responsible for the implementation of related policies, regulatory compliance training, and supervision of the audit mechanism.
	• A corporate culture of business integrity is created and sound business development is facilitated.
	• Ongoing optimization of the Company's intellectual property-related regulations and rules is implemented, and the Company has established an intellectual property management system.
		• Corporate governance is a mechanism for guiding and managing the Company to fulfill its responsibilities, protect shareholders' lawful rights, and give consideration to the interests of other stakeholders.
		• Business integrity is an important part of the Company's culture, stressing that all business activities must comply with local laws and regulations.
		• The Company is committed to complying with laws, regulations, and procedures, and has established an emergency reporting system.
			• Internal complaints: Walsin Lihwa has an internal company mailbox and provides employees with easily accessible internal complaint channels.
			• External complaints:
			  • Complaint mailbox (violation of business integrity and sexual harassment)
			  • Corporate sustainability hotline and mailbox (ESG mailbox)
			  • Shareholder/Investor hotline and mailbox (Shareholder/Investor relations mailbox).

Product Quality and Responsibility	• Close attention is paid to the EU's REACH and RoHS Directive as well as lists of new hazardous materials and Substances of Very High Concern, and product inspections by competent authorities on a regular or as-needed basis to fulfill safety and health duties. • Quality management system implementation and optimization to ensure customer satisfaction with product quality.	• The quality of all products complies with domestic and international environmental protection regulations and laws and meets customer needs. • Established solid auditing and certification abilities, utilized internal/external audits and second and third party certifications, such as customer certifications, product certifications, and system certifications, and used the concept of PDCA to constantly improve the Company's quality management system.	Actions: • Customer satisfaction survey • Customer visits Resources and complaint mechanisms: • Contact person hotline and mailbox for each business group (Contact person)

Material Topic	Management Mechanisms and Purpose	Policy / Commitment / Responsibility	Goals / Resources / Actions / Complaint Mechanisms
Hiring, Salary and Benefits	• Walsin Lihwa has referenced the overall salary conditions of the employment market and established a remuneration system based on the salary levels of industry peers, in order to attract and retain talent.	• The Company adheres to the principles of compliance with local laws and regulations, strives to create harmonious labor-management relations under legal requirements, and ensures that the starting salaries of new employees and foreign workers comply with local laws and regulations. • The Company provides reasonable and competitive overall compensation based on the value of every employee's professional competency in the market and the contribution of employee's duties.	• Resources: Company website (Join us) • Actions: Quarterly labor-management meetings • Complaint mechanism: Internal suggestion mailbox
Brand Management	• Based on customer feedback, transform it into the driving force for brand R&D and service improvement to maintain a market-leading position. • Combine ESG performance and continuously reduce the environmental impact of products to enhance the brand's competitiveness and recognition in the international sustainable supply chain.	• Upholding the philosophy of integrity management and the pursuit of excellence, promote the development of the brand "Steeval®," combining smart manufacturing with high-end product positioning, providing products and services that meet international standards, and enhancing brand trust and customer value	• Brand promotion: Using the cold-finished bar as the vehicle, implement the six major value commitments-smart manufacturing, diversified products, high-end grade, trusted certification, diversified services, and collaborative R&D and co-creation-to strengthen brand image and market communication. (Steeval® official website) • Quality optimization: Continuously strengthen quality management and process optimization to ensure that products meet international standards and regulatory requirements • Customer management: Regularly conduct and analyze customer satisfaction surveys to deepen cooperative relationships and technical services and enhance trust and stickiness
Green Product / Green Business Development	• Walsin Lihwa examines and manages the environmental impact of products from the aspects of raw material use, energy use, and greenhouse gas emissions. • Walsin Lihwa develops clean technology and green products, such as wind power and electric vehicles, to help reduce greenhouse gas emissions and air pollution as well as promote green economy development.	• The Company continues to develop high-performance green products to move toward a circular economy and improve application performance in order to reduce its impact on the environment. • The Company continues to evaluate and actively consider participating in international environmental sustainability initiatives, such as the SBTi and EP100.	• Goals: Focus on the future expansion of processes and materials, strive to develop green processes that achieve resource conservation, water conservation, electricity conservation, and energy consumption reduction, and produce high-performance green products for net zero practices and sustainable development. • Complaint mechanism: Complaint mailbox (violation of business integrity and sexual harassment)
Information Security Management	• Information security plans are formulated for year-by-year implementation of the Information Security Policy, information security systems and workflow standards are introduced, and comprehensive information security technologies and relevant protection measures are set up.	• Maintenance of the confidentiality, integrity, and availability of sensitive customer data and business information, and jointly achieving information security goals with the collective efforts of all employees, internal and external information service users, and third-party service providers.	• Walsin Lihwa has implemented the ISO 27001 Information Security Management System and obtained third-party verification, and the commitment to information security is fulfilled using the PDCA cycle. The confidentiality, integrity, and availability of all Company data are secured by a comprehensive information security management system. The Company continues to strengthen information security management by implementing pre-incident prevention, real-time monitoring, and post-incident response, in alignment with the Zero Trust architecture.

Material Topic	Management Mechanisms and Purpose	Policy / Commitment / Responsibility	Goals / Resources / Actions / Complaint Mechanisms
Energy Management	• Walsin Lihwa applies tools such as the ISO 14001 Environmental Management System, the ISO 50001 Energy Management System, and ISO 14064 greenhouse gas emissions inventory, continuously reviewing and improving to reduce energy consumption and usage costs and enhance energy management intensity	• Implement the environmental, safety, and health management policy of "continuously promoting and implementing energy conservation and carbon reduction, moving toward green circular production," set electricity-saving and carbon-reduction targets, and aim to use energy reasonably and efficiently and reduce greenhouse gas emissions to respond to the challenges of climate change	• Obtained management system certifications such as ISO 14001, ISO 50001, and ISO 46001 • Formulate energy and resource reduction targets, promote various energy and resource reduction projects and regularly track performance, and continuously optimize the energy information platform for Taiwan and Mainland China plants
Waste and Resource Recycle	• Promote waste reduction and reuse, strengthen management mechanisms, and enhance resource use efficiency	• Adopt the strategy of "continuously developing high-performance green products, moving toward the circular economy and enhancing application-end efficiency, and reducing environmental impact," integrating the concept of circular regeneration and use into the application of raw materials • Through deepening management, resource integration, technology upgrading, and cultivating environmental R&D/technical talent, achieve the management vision of "energy conservation and emission reduction, resource recycling, and reuse"	• Slag resource recycling and reduction management: Expand channels for the disposal of reduction slag, strengthen slag management to reduce processing costs, and assess the application of low-temperature autoclaving and CLSM (Controlled Low Strength Material) to enhance resource recycling utilization • Establish a regenerated acid recycling system: Establish a regenerated acid recycling model and incorporate it into the reuse product system, strengthen flow control through product registration, and assess the introduction of a waste acid recovery and regeneration system to enhance circular benefits • Promote the application of recycled materials: Promote the high-value reuse of XLPE waste, develop recycled reels and introduce them to production lines and the customer end, and reduce waste and the use of virgin materials through in-process recycling to enhance resource use efficiency
Occupational Safety and Health	• Responsible for the integration and supervision of domestic and overseas plants' occupational safety and health management performances, and gradually establishment a safety culture.	• Green production, happy company, and sustainability policies with commitment to compliance, risk control, pollution prevention, energy saving, waste reduction, and performance enhancement, as well as caring for employee health, building a friendly and supportive work environment, and continuously improving performance in safety and sustainability practices.	• Goals: Effective reward and punishment system implementation to improve environmental protection and occupational safety by strengthening personnel's safety awareness and managers' determination to help decrease occupational accidents. • Actions: Implementation of the ISO 45001 Standard for comprehensive production safety management, including the 5S Workplace Methodology, Total Productive Management (TPM), and Safety Job Procedures (SJP). Safety awareness developed by workers' full participation in their section and shift meetings to achieve zero work injuries, with the TPS lean production system and Kiken Yochi Training (KYT) in conjunction with simplified SJP for muscle memory enhancement to deal with high-risk jobs.

Material Topic	Management Mechanisms and Purpose	Policy / Commitment / Responsibility	Goals / Resources / Actions / Complaint Mechanisms
Customer Relationship Management	• The Company works closely with customers in terms of technology and service through a professional team to resolve customers' pain points. In addition to routine customer visits and material usage assessments, the Company explores specific topics with customers, monitors the progress of new product testing, and conducts technical seminars to discuss key technologies, thereby enhancing the value of its products and services.	• Walsin Lihwa upholds the spirit and philosophy of "focusing on customer and industrial development" as the Company continues to optimize service processes, strengthen customer trust, and jointly drive industry progress with customers with the goal to create a win-win situation.	• Actions: Customer satisfaction survey and visits • Resources and complaint mechanisms: Contact person hotline and mailbox for each business group (Contact person)
Sustainability Commitments	• The Board of Directors is the highest level guidance unit for strategies of Walsin Lihwa, and is responsible for fulfilling the Company's commitment to sustainable development. In addition to guiding management strategies and important action plans, it also monitors the achievement of various goals. The Sustainable Development Committee was established to promote and implement sustainable development, and assist the Board of Directors in continuously monitoring and supervising sustainability issues, ensuring continuous improvement in overall sustainability performance while pursuing corporate growth and profitability.	• Strengthen resource management, decrease environmental impact, and pursue circular economy. • Uphold Walsin Lihwa's concept of full engagement to cultivate top-tier talent and create a happy workplace. • Uphold the corporate culture of business integrity and continue to improve corporate governance. • Strive to develop green processes, technologies, and products to create shared value with customers.	• Goals: Pay attention to the rights and interests of stakeholders, and attach importance to impacts on ESG while pursuing sustainability and growth. • Resources: The Company's ESG website, • Corporate sustainability hotline and mailbox (ESG mailbox)
Labor/ Management Relations	• Through regular labor-management meetings and dedicated complaint channels, the Company promotes communication between management and employees to maintain harmony.	• Uphold Walsin Lihwa's concept of full engagement to cultivate top-tier talent and create a happy workplace.	• Resources: The Company's ESG website • Actions: Quarterly labor-management meetings • Complaint mechanism: Complaint mailbox (violation of business integrity and sexual harassment)

E

ENVIRONMENTAL

1 Climate Action and Environmental Management

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Performance Highlights

- **99** carbon reduction initiatives
  carbon reduction of **14,201** metric tons CO_2e/year
- In 2025, grid-connected power generation at Taiwan plants reached **6,502,868** kWh
  self-generated and purchased green electricity totaled **23,296,570** kWh
- The average electricity savings rate at Taiwan plants was **5.51%**
  exceeding the **1%** electricity savings requirement of the Energy Administration, Ministry of Economic Affairs
- Total water recycling rate [Taiwan and Overseas (Asia)] **> 85%**
- Particulate matter (SOx) emissions decreased by **43.26%**
- Waste recycling and reuse rate of **92.88%** [Taiwan and Overseas (Asia)]
- Non-hazardous waste reuse rate of **99.14%** [Taiwan and Overseas (Asia)]
- Taiwan plants successfully achieved the near-zero landfill target of a landfill rate below **1%**

Air Pollution and Waste Management

Unit: metric tons / thousand metric tons of product

	2025 Actual	Achievement Status	2026 Target	2030 Target
NOx	0.263	√	0.30	0.09
SOx	0.012	√	0.03	0.01
TSP	0.051	√	0.15	0.01
Non-hazardous waste	0.18	√	0.50	BACT
Hazardous waste	0.13	√	0.20	BACT

Note: The 2026 and 2030 targets apply to Taiwan, Mainland China, Malaysia, and Europe.

Sustainability Promotion Strategy

Strengthen energy and resource management, reduce the environmental impact of operations, and move toward a circular economy

Implementation Guidelines

1. Improve resource use efficiency and advance a circular economy of resource recovery and reuse
2. Establish energy management mechanisms, promote energy conservation and carbon reduction, and reduce pollutant emissions

2030 Medium- and Long-Term Targets

1. To achieve the sustainability vision, we will align with international environmental, health, and safety (EHS) indicators and promote intelligent EHS management across pollution prevention, equipment safety, contractors, and daily operations. Through water resource monitoring and strategic water conservation (a 15% reduction by 2030 against the 2014 baseline year), and by seeking collaboration opportunities, we will build an open circular economy system to enhance value
2. Continuously adjust greenhouse gas, energy management, and energy-saving and carbon-reduction strategies; improve energy efficiency by responding to the EP100 initiative; and strategically advance climate change mitigation and adaptation work in accordance with the SBTi science-based carbon reduction pathway

2025 Target	2025 Performance Results	2026 Short-Term Target
Energy Conservation and Emission Reduction • Electricity savings rate of **1%** • Carbon reduction rate of **1.5%**	• Electricity savings rate: **3.07%** [Taiwan 5.51%, Overseas (Asia) 0.78%] • Carbon reduction rate: **2.55%** [Taiwan 3.69%, Overseas (Asia) 1.26%] • Promoted a **5**-year carbon management plan √ Completed company-wide inventory of total carbon emissions and carbon emissions per unit of product √ Promoted green supply chains and low-carbon alliances in Taiwan and Mainland China, obtaining raw material carbon coefficients and developing a low-carbon value chain √ Promoted new energy-saving programs (for related benefits, please refer to 4.2.4 Green Manufacturing Processes) √ Completed the implementation and verification of the **ISO 50001** energy management system at Mainland China plants	• Greenhouse gas management: Set inventory, carbon intensity per unit, and internal carbon pricing as management indicators • Energy management: Establish an energy management system, review key energy indicators, and implement energy-saving management programs in line with cleaner production • Short-term planning for compliant renewable energy installation; long-term planning and assessment of renewable energy procurement • Continue to promote a sustainable green supply chain and low-carbon alliance
Water Resource Management (**15%** reduction in water use by 2030 against the 2014 baseline year) • Water use per unit of product of **14** m³/metric ton • Water balance and adequacy rate of **100%**	• Water use per unit of product: Taiwan **17.58 m³**/metric ton, Overseas (Asia) **2.88 m³**/metric ton, company-wide **13.04 m³**/metric ton • Continuously reviewed water balance diagrams for each plant; completed the establishment of water balance diagrams for Taiwan, Mainland China, and Malaysia plants, with monthly tracking and variance analysis of water use nodes • Set a company-wide management indicator of **14 m³**/metric ton for water use per unit of product • Implemented water-saving programs, such as replacing the internal heat-dissipation media of cooling towers to improve cooling efficiency and prevent splash losses, and recovering condensate from air compressors A/B/C/D	• Continue to track water balance diagram reporting and establish water use trends at water use nodes • Replace the tap water used in acid mist scrubbers and acid tanks with recycled water; recover RO concentrate discharge water for indirect water reuse
Increase Resource Reuse • Slag reuse: **3,000** metric tons/month of oxidizing slag • Waste recycling and reuse rate ≧ **95%**	• Reuse rate of dust collector ash and slag of **100%** • Waste recycling and reuse rate: Taiwan **99.31%**, Overseas (Asia) **88.62%**, total **92.88%** • Establish strategic reuse technology and business models for slag • Increase the volume of waste reuse • Promote programs to reduce the waste landfill rate at each plant	• Source pollution reduction • Develop reuse technologies aligned with business strategy and invest in the circular economy • Use environmental technology projects to address environmental risks and seek resource-recovery business models
Environmental Compliance • Zero shutdowns / fines (reduced to zero year by year)	• Environmental fines: 3 in Taiwan (Yenshui), 0 overseas; 0 for environmental pollution • Improve the environmental management system at plants, enhance the performance of treatment equipment, implement standardized operations, comply with regulatory requirements, and cultivate environmental talent	• Continue to improve the environmental management system at plants, enhance the performance of treatment equipment, implement standardized operations, comply with regulatory requirements, and cultivate environmental talent

1.1 Climate Action

Climate-Related Risks and Opportunities

In 2025, abnormal climate events continued worldwide with increasing frequency: extreme heat, heavy rainfall, and drought conditions intensified, while sea-level rise continued to exceed national projections, underscoring the growing impact of climate change on business operations and value chains. Walsin Lihwa remains actively engaged, deeply aware of the far-reaching effects of climate change on long-term business sustainability. Following the Task Force on Climate-related Financial Disclosures (TCFD) management framework, the Company identifies and evaluates climate change risks and opportunities and their financial impacts across short-, medium-, and long-term scenarios, and advances mitigation and adaptation actions to reduce risk, enhance resilience, and create sustainable development opportunities.

Since 2024, and in accordance with the IFRS Sustainability Disclosure Standards implementation plan approved by the Board of Directors, Walsin Lihwa has undertaken identification of sustainability- and climate-related risks and opportunities using the consolidated financial statements as the reporting boundary, ensuring consistency between sustainability disclosures and financial reporting entities. For related information, please refer to Section 3.1 Corporate Governance.

1.1.1 Climate Governance

Climate Governance and Management Framework

Walsin Lihwa's climate governance and management framework is subject to ultimate oversight by the Board of Directors, which guides management strategy, key action plans, and progress toward targets. The Board has established a Sustainable Development Committee, convened by an independent director, with the Chairman, independent directors, and internal advisors serving as members. The Committee is responsible for formulating the Company's sustainability strategy and vision, advancing sustainability-related work including climate issues, and formally reporting execution results to the Board at least once per year, ensuring Board oversight and decision-making on climate matters. At the operational level, the Sustainability Office is responsible for planning and directing the relevant business units in identifying and managing climate change risks and opportunities for Walsin Lihwa, and regularly reporting to the Sustainable Development Committee on international climate change trends, potential impacts, and the effectiveness of related response measures, ensuring the effective operation and continuous improvement of the climate governance mechanism.

Climate Governance Responsibilities

Board of Directors	• The Board of Directors is Walsin Lihwa's highest decision-making body for climate-related risk management. It is responsible for reviewing overall climate issue management policies and major resolutions, and overseeing the effective operation of climate issue management mechanisms. • The Board reviews climate-related risks and opportunities and incorporates them into annual budgets, business plans, and major capital expenditure proposals, ensuring that climate change issues are closely integrated with the Company's business development.
Sustainable Development Committee	• Reports the results of climate risk and opportunity assessments and related work progress to the Board of Directors annually. • Implements climate issue management policies and major resolutions approved by the Board, and through a dedicated promotion center, carries out actions for climate risk mitigation and opportunity development.
Sustainability Office	• Regularly tracks international climate issue developments and regulations, and raises awareness among employees regarding global risk trends and climate issues. • Responsible for identifying and evaluating climate-related risks and opportunities; regularly convenes cross-departmental climate issue management meetings, mobilizes the risk management group to identify climate-related physical risks, transition risks, and opportunities, formulates corresponding strategies, and regularly tracks progress and targets to continuously strengthen climate risk and opportunity management.

Linkage Between Senior Management Compensation and Sustainability Performance

Walsin Lihwa is committed to linking senior management compensation with the Company's long-term business strategy and sustainable development goals. In addition to existing financial and operational performance indicators, sustainability-related performance across environmental, social, and governance (ESG) dimensions has been incorporated as an important consideration in senior management performance evaluation and compensation decisions.

In the environmental dimension, Walsin Lihwa has incorporated climate management performance into the evaluation scope, including GHG reduction progress, energy use efficiency, the proportion of renewable energy used, and the implementation status of major climate risk and opportunity response measures.

1.1.2 Climate-Related Risk and Opportunity Management

To effectively manage climate change risks and opportunities, the Company's Sustainability Office coordinates the integration of climate-related risks into the Company's overall risk management framework, continuously tracking international climate policy and regulatory developments, the occurrence of extreme weather events, and incorporating estimates of potential financial impacts and related management costs. A rolling review management mechanism is employed to formulate corresponding response strategies, thereby enhancing operational resilience and risk tolerance.

Walsin Lihwa leverages a cross-departmental collaboration mechanism, whereby departments jointly conduct climate risk and opportunity assessments to comprehensively examine the potential impacts of climate issues on operations, supply chains, and asset allocation. Through training and internal communication, employees are briefed on global climate trends and the disclosure requirements of TCFD and IFRS S2, guiding each unit in identifying potential climate risks and opportunities within operational processes and evaluating their likelihood and magnitude of impact.

Following the TCFD framework and IFRS Sustainability Disclosure Standard S2, the Sustainability Office regularly convenes cross-departmental climate issue management meetings. For high-risk and high-impact issues identified, corresponding management decisions are made, and appropriate risk management strategies-including reduction, transfer, acceptance, or control - are adopted to ensure risks are effectively managed.

Climate Risk and Opportunity Identification Process

Hold TCFD Workshop

The Sustainability Office uses scenario simulation analysis and internal/external information to list climate change risk and opportunity factors relevant to business operations.

- **Climate risks**: transition risks (current policies and regulations, technology, market, reputation, litigation) and physical risks (acute, chronic).
- **Climate opportunities**: resource efficiency, energy sources, products and services, markets, resilience.

Compile Identification Results

The Sustainability Office consolidates climate risk and opportunity factors relevant to each business unit.

Climate Change Risk/Opportunity Matrix

Calculates the likelihood and magnitude of impact for climate risks and opportunities. Using weighted ranking by impact and likelihood, the top three issues are designated as material climate risks and opportunities, and a climate change risk and opportunity matrix is prepared accordingly.

Formulate Response Strategies

Each responsible unit prepares response strategies for material climate risks and opportunities.

Calculate Financial Impact

Each responsible unit calculates the financial impact and response costs for climate risks and opportunities.

Set Indicators and Targets

Each responsible unit establishes corresponding indicators and targets to evaluate the implementation of related response strategies.

Policy Execution

The Sustainability Office tracks progress, and the Sustainable Development Committee reports to the Board of Directors annually as a reference for performance tracking.

Assessment Criteria

Risk Likelihood Assessment Dimensions		Opportunity Likelihood Assessment Dimensions	
Past risk occurrence	never occurred; experienced within past 5 years; within past 3 years; within past 1 year	Past opportunity occurrence	never occurred; experienced within past 5 years; within past 3 years; within past 1 year
Future risk timeframe	short-term (2026); medium-term (2027–2031); long-term (2032–2036)	Future opportunity timeframe	short-term (2026); medium-term (2027–2031); long-term (2032–2036)
Future risk likelihood	low (probability < 1/3); medium (1/3 < probability < 1/2); high (probability > 1/2)	Future opportunity likelihood	low (probability < 1/3); medium (1/3 < probability < 1/2); high (probability > 1/2)
Risk Impact Assessment Dimensions		**Opportunity Impact Assessment Dimensions**	
• Operational impact • Reputation impact	• Personnel impact • Early warning • Financial impact scale	• Reputation impact • Financial impact scale	

Risk and Opportunity Scenario Simulation

Walsin Lihwa follows TCFD guidance and references four climate change scenarios to complete the identification of climate-related risks and opportunities.

Climate-Related Risk and Opportunity Type	Scenarios for Assessing Response Strategies	Scenario Description
Transition Risks & Opportunities	• NDC: Republic of China's Nationally Determined Contribution • IEA NZE 2050	• The Republic of China's Nationally Determined Contribution aims to keep global warming within 1.5° C, examining the risks arising from the low-carbon transition faced by companies. • Analysis is conducted using scenarios from the International Energy Agency (IEA) World Energy Outlook (WEO), setting a pathway to stabilize global warming at 1.5° C.
Physical Risks	• IPCC Sixth Assessment Report global warming scenario SSP 3-7.0 • IPCC Sixth Assessment Report global warming scenario SSP 5-8.5	• Based on scenarios from the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report (AR6) published in August 2021, this scenario assesses climate risks that companies may face. SSP3-7.0 is a high-to-intermediate emissions scenario, with GHG emissions projected to peak around 2060. • Under the very high GHG emissions scenario SSP5-8.5, climate change will intensify future changes in average temperature, extreme heat, annual total rainfall, annual maximum daily rainfall intensity, annual maximum consecutive dry days, and the proportion of severe typhoons, potentially impacting the Company's operations and its value chain.

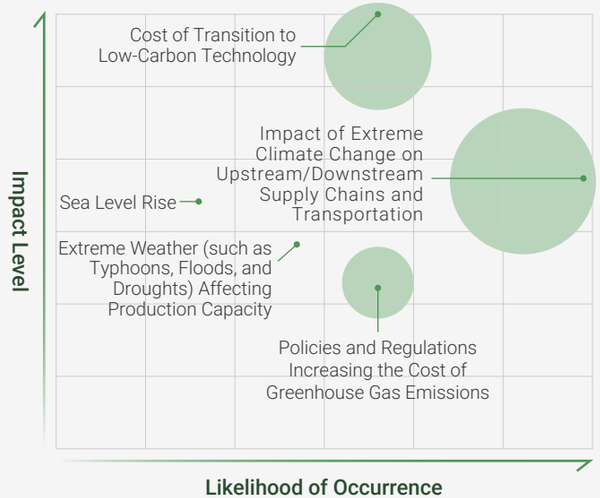
Climate Change Risk and Opportunity Identification Process

Set Climate Change Scenarios	Assess Operational Environment Impacts	Identify Climate Risks and Opportunities
Based on the Company's own operational conditions and locations, four climate change scenarios are established to assess climate-related risks and opportunities.	The Company evaluates the impacts and effects of climate change on its own operating environment and stakeholders, including upstream activities, downstream activities, and customers.	• Using risk and opportunity forms, climate-related risks and opportunities are identified. • Risk and opportunity matrices are established to confirm climate change risks and opportunities.

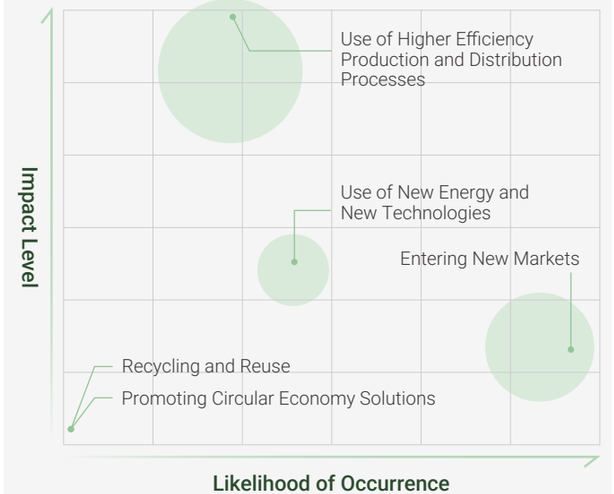
Climate Risk and Opportunity Assessment Results

Following the TCFD framework, Walsin Lihwa identifies climate risks opportunities based on the "likelihood of occurrence" and "magnitude of impact" of each risk or opportunity, has identified three high-risk factors and three high-opportunity factors, producing climate change risk and opportunity matrices.

Climate Risk Matrix



Climate Opportunity Matrix



Moreover, since 2024, Walsin Lihwa has advanced climate issue management in accordance with IFRS S2 requirements, referencing industry disclosure topics from the Sustainability Accounting Standards Board (SASB) standards, TCFD topics disclosed in sustainability reports, and IFRS S2 industry issues, to compile 68 potential risk and opportunity issues relevant to the Company. Each business unit then assessed these issues for likelihood and impact, initially identifying 23 relevant risk and opportunity issues. Combining quantitative and qualitative results, 8 key sustainability- and climate-related risks and opportunities were ultimately selected.

Among these, two climate risks were identified: "Energy Management" and "Extreme Weather Events"; and three climate opportunities: "Entering New Markets", "Supply Chain Management", and "High-Efficiency Production and Distribution Processes".

Summary of Climate Risk Identification

Risk Ranking	Risk Code	Risk Type	Risk Factor	Timing Assessment	Corresponding IFRS S2 Material Issue
1	001	Physical Risk - Acute	Extreme climate events disrupting upstream/downstream supply chains and transportation	Short-term	Extreme Weather Events
2	002	Transition Risk - Technology	Costs of transitioning to low-carbon technology	Medium-term	Energy Management
3	003	Transition Risk - Policy & Regulation	Policies and regulations increasing GHG emission costs	Medium-term	Energy Management

Note：Time horizon definitions - Short-term: 2026; Medium-term: 2027–2031; Long-term: 2032–2036.

Summary of Climate Opportunity Identification

Opportunity Ranking	Opportunity Code	Opportunity Type	Opportunity Factor	Timing Assessment	Corresponding IFRS S2 Material Issue
1	001	Opportunity - Resource Efficiency	Use of higher-efficiency production and distribution processes	Short-term	High-Efficiency Production and Distribution
2	002	Opportunity - Products and Services	Entering new markets	Short-term	Entering New Markets
3	003	Opportunity - Energy Sources	Use of new energy sources and technologies	Short-term	-

Note：Time horizon definitions - Short-term: 2026; Medium-term: 2027–2031; Long-term: 2032–2036.

Potential Impacts and Response Plans for Climate-Related Risks and Opportunities

Physical Risk	Risk Impact and Description	Financial Impact	Response Strategies and Mitigation Plans
Extreme Climate Events Disrupting Upstream/Downstream Supply Chains and Transportation	**Critical Raw Material Supply Disruption:** The increasing frequency of extreme weather impacts the stability of mining and processing of key upstream conductor materials (such as copper sheets and copper rod/wire). If suppliers are unable to deliver in time due to disaster damage, this would trigger chain supply disruptions, resulting in production scheduling delays and product delivery postponements. **Logistics Disruption Leading to Transportation Difficulties:** Extreme weather may damage transportation infrastructure or disrupt shipments. If emergency logistics plans need to be activated or alternative routes sought, this would incur additional transportation costs. **Asset Damage and Production Shutdown:** Extreme weather may damage plant facilities and production equipment, forcing production line shutdowns for repair. Additional time and costs for repairing or replacing equipment will increase operating costs.	Based on historical disaster data and scenario analysis, as climate change intensifies, the severity and frequency of typhoons hitting Taiwan are projected to increase significantly. Assuming cumulative operational disruptions of 6 days per year at all Taiwan facilities due to moderate or stronger typhoons, and considering negative factors including key raw material shortages, logistics disruptions causing delivery delays, and physical damage to plant and equipment, estimated affected revenue (deferred revenue) is approximately NT$1.3317 billion per year, representing approximately 0.764% of annual consolidated revenue.	**Strengthening Supply Chain Resilience:** Implementing supply chain management through supplier evaluation, audits, and guidance; increasing raw material sourcing channels to enhance supply chain resilience. **Optimizing Goods Storage:** Increasing raw material buffer inventory to reduce supply chain interruption risk and ensure production stability; simultaneously optimizing inventory allocation and dispatch through intelligent warehouse management systems to improve inventory turnover. **Strengthening Risk Resistance Capacity:** Purchasing insurance products covering extreme weather and operational interruptions to reduce the potential impact of climate disasters on operations. **2025 Total Investment: Approximately NT$87.58 million**
Transition Risk	**Risk Impact and Description**	**Financial Impact**	**Response Strategies and Mitigation Plans**
Costs of Transitioning to Low-Carbon Technology	**R&D Investment and Technology Transition:** End customers' sustainability standards are increasingly stringent. To ensure product competitiveness, significant resources will need to be invested in low-carbon technology development, increasing R&D costs while also facing uncertainty risks in the early stages of technology transition. **High-Emission Asset Replacement and Production Process Equipment Upgrades:** To reduce product carbon emissions from manufacturing processes, the Company is inventorying and gradually phasing out high-emission process equipment, while simultaneously introducing clean energy equipment or low-carbon technologies, which increases operating costs.	Based on projected national net-zero transition and international green supply chain trends, assuming end-market requirements for low-carbon products become increasingly stringent with significant variability, R&D expenditure is required for process improvement and acceleration of high-emission production equipment replacement. Estimated annual financial impact is NT$154.7 million, representing approximately 0.089% of annual consolidated revenue.	**Proactively Addressing Emerging Market Demand：** Establishing a scanning mechanism for changes in customer product expectations to accurately forecast required technology needs, investing additional resources in R&D, improving product fit with market requirements, and maintaining competitive advantage. **Improving Low-Carbon Technology Research and Production Efficiency:** Enhancing automation technology in plant equipment, using data analysis to precisely understand and accelerate product development and production, and continuously advancing process optimization and improvement. Reducing energy resource consumption, minimizing waste generation, aiming for low product carbon footprint. **2025 Total Investment: Approximately NT$98.5 million**

Transition Risk	Risk Impact and Description	Financial Impact	Response Strategies and Mitigation Plans
Policies and Regulations Increasing GHG Emission Costs	**Increased GHG Emission Costs:** Governments are implementing carbon tax/fee policies based on GHG emissions. The Company's operational sites in various countries are regulated by different authorities; for example, Taiwan officially implemented carbon fees in 2025 - increases in fee rates or adjustments to collection conditions will all increase operating expenses. **Increasingly Stringent Internal Carbon Management Requirements:** To comply with regulatory requirements from various authorities and implement environmental sustainability, more resources are needed for GHG inventory and verification, emission data auditing, low-carbon technology R&D and introduction, as well as carbon management system construction, all of which will increase operating expenses.	Based on increasingly stringent carbon tax regulations in Taiwan, with a carbon fee of NT$300 per metric ton of CO_2 equivalent, while also providing various voluntary reduction plans for companies to apply for, if fees are levied based on actual emissions, the estimated financial impact would be NT$17.2 million, representing approximately 0.010% of consolidated revenue.	**Low-Carbon Technology R&D:** In response to carbon reduction requirements, actively developing low-carbon products including low-carbon raw materials, low-energy production processes, recycled raw material R&D applications, and incorporating extended life cycles into product development considerations. **Improving Production and Energy Use Efficiency:** Building intelligent high-efficiency plants, using low-carbon energy production equipment and consumables, and maintaining higher energy efficiency through production scheduling adjustments, thereby improving production efficiency, reducing energy resource consumption, and lowering operating costs. **Building Renewable Energy Capacity and Purchasing Renewable Energy Certificates:** Adopting a combined self-build and external-purchase energy transition strategy; actively installing renewable energy generation devices at plant sites to enhance energy self-sufficiency and low-carbon power generation capacity; also purchasing renewable energy including solar and wind green power as offsets for GHG emissions. **Participating in Voluntary Reduction Plans:** Actively formulating and promoting reduction plans; setting phased targets in line with national carbon reduction pathways; applying for preferential carbon fee rates; converting regulatory compliance pressure into cost management advantages. **2025 Total Investment: Approximately NT$376.3 million**

Climate Opportunity Financial Impact Assessment and Investment Costs

Climate Opportunity	Opportunity Impact and Description		Strategy Description
Use of Higher-Efficiency Production and Distribution Processes	Building Automated Equipment	Introducing automation equipment and technology to optimize processes, and applying artificial intelligence for real-time monitoring of production lines, precisely adjusting production parameters, reducing energy losses and raw material waste, and lowering operating costs.	**Building High-Efficiency Plants:** Yangmei Plant completed automatic equipment introduction in 2025, including automated warehousing and automated transport systems, reducing manual operations while implementing intelligent operations with real-time recording and retention of product flow information, improving production efficiency and workplace safety. **Building On-Site Renewable Energy Generation Capacity:** Yenshui Plant reduced dependence on traditional energy and energy purchasing costs by installing solar panels, helping improve energy self-sufficiency and reduce carbon emissions. **Strengthening GHG Emission Management:** Regularly evaluating carbon emissions in production and distribution processes; through implementing energy-saving projects such as improving equipment efficiency, optimizing production processes and logistics planning, GHG emissions can be effectively reduced to improve overall operational efficiency. 2025 Cost Investment: Approximately NT$334 million
	Improving Energy Use Efficiency	Replacing traditional process equipment and introducing high-efficiency heating, ventilation and air conditioning (HVAC) systems and energy-saving motor systems to significantly reduce electricity and fuel expenditures. Simultaneously building distributed energy systems at plant sites (such as rooftop solar), reducing dependence on traditional energy supply and lowering operating costs.	
	Implementing Product Carbon Footprint Calculation	Through precise carbon footprint management and development of green products with low-carbon competitiveness, the Company can precisely align with the low-carbon procurement standards of international brand customers, strengthen brand image, and drive revenue growth.	
	Financial Benefits	Walsin Lihwa's introduction of automation and high-efficiency equipment improves production line efficiency, lowers overall operating costs, and is estimated to generate NT$1.409 billion in financial benefits, equivalent to 0.81% of consolidated revenue.	
Entering New Markets	Expanding Industrial Sales Volume	Through proprietary R&D capabilities, actively participating in clean energy markets such as wind power, solar power, and electric vehicles, and engaging with emerging industry supply chains to increase the share of high-value-added product sales.	**Transition Consulting and Technology Co-innovation:** For green transition needs in existing supply chains, providing end-test materials and forward-looking technical support in project form, more precisely identifying component substitution (material switching) opportunities, driving co-growth between customers and the Company, and building a mutually beneficial green value chain. **Marketing and Emerging Market Penetration:** Continuously conducting global industry research, identifying potential green supply chain demand, and proactively developing business opportunities. **Global Business Expansion and Cross-Industry Layout:** Following international industry trends, using M&A or strategic collaboration to accelerate business deployment. For example, through subsidiary CAS to integrate the European stainless steel industry chain, strengthening high-end technological advantages and local supply resilience. Simultaneously, actively entering new energy markets such as electric vehicles, subsea cables, and clean energy, promoting diversified business deployment, and converting climate transition risks into long-term growth drivers for the Group.
	Co-developing and Expanding Markets with Customers	Through technology co-creation, helping customers overcome transition pain points and opening green business areas, thereby strengthening bilateral strategic collaboration resilience and supply chain stickiness, and accelerating entry into new markets.	
Using New Energy Sources and Technologies	Using Renewable Energy to Increase Product Competitiveness	Meeting customer demands for green/low-carbon products, increasing renewable energy use, reducing GHG emissions generated during operations, lowering product carbon footprints, increasing product competitiveness, and growing sales revenue.	**Building On-Site Renewable Energy and Evaluating Diverse Energy Solutions:** Installing solar capacity to increase green power production; simultaneously evaluating feasibility of diverse energy solutions such as wind energy, geothermal, or energy storage systems. **Capital Investment to Maximize Process Energy Efficiency:** Evaluating process waste heat recovery systems to recover waste gas heat energy from heat treatment equipment, for reuse in preheating feedstock or generating electricity.

1.1.3 Climate Issue Response Strategies

To address the risks and opportunities brought by extreme climate, Walsin Lihwa actively undertakes various carbon reduction actions, establishes GHG reduction targets within the Group, and has formed an energy conservation and emission reduction team, building a green and low-carbon operating model. Through continuous technological innovation and R&D, the Company improves green processes and advances green products.

Green Production

Action Plan

With the core strategy of "committed to developing and innovating green technologies, applied to process energy efficiency, product performance, and industrial development" , focusing on future expansion in 'processes and materials,' actively using 'recycled and reusable' green raw materials (such as scrap steel and waste alloys), continuously advancing process improvement and refinement to improve yield rates, effectively reducing electricity consumption, energy use, water consumption, and waste generation, achieving carbon reduction targets. For related content, please refer to Section 4.2 Green Products and Operations.

Renewable Energy & Clean Technology

Action Plan

Actively investing in and establishing diverse renewable energy generation equipment, expanding the introduction of low-carbon alternative energy systems such as solar and hydrogen energy, and increasing the proportion of renewable energy use. For related content, please refer to Section 1.2 Energy and Greenhouse Gas Management.

Smart Manufacturing

Action Plan

Using IoT and equipment monitoring technology to understand production and manufacturing process status, resolving uncertainty between product design and manufacturing, thereby reducing raw material resource use and carbon emissions. For related content, please refer to Section 4.2 Green Products and Operations.

Circular Economy

Action Plan

Promoting circular utilization of waste resources, continuously advancing regenerated acid resource recovery and slag treatment applications; implementing water resource and energy circular use measures such as process and environmental equipment cooling water recycling, reclaimed water reuse, and waste heat recovery. For related content, please refer to Section 4.2 Green Products and Operations.

Green Products

Action Plan

Adopting the strategy of 'continuously developing high-performance green products, moving toward circular economy and improving application-end performance to reduce environmental impact,' developing clean technology products such as 'wind power cables,' 'large machinery lightweight cables,' and 'electric vehicle fast-charging gun cord assemblies,' providing solutions for renewable energy and the electric vehicle industry. For related content, please refer to Section 4.2 Green Products and Operations.

1.1.4 Climate-Related Metrics and Targets

GHG Reduction

Climate change targets and progress toward achieving them: please refer to Section 1.2 Energy and Greenhouse Gas Management.

Green Products

Targets and progress on R&D and applications related to green products, including clean technology product revenue and R&D investment: please refer to Section 4.2 Green Products and Operations.

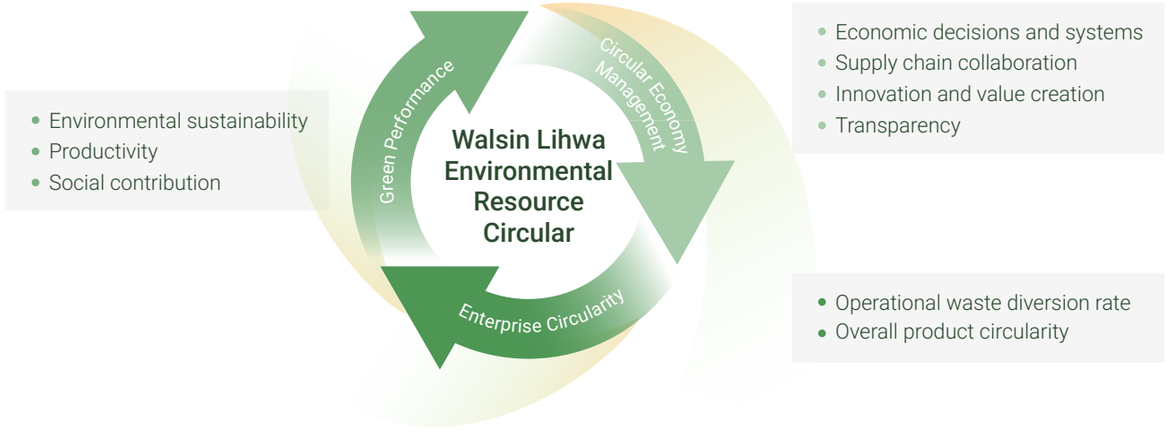
1.2 Energy and Greenhouse Gas Management

1.2.1 Environmental and Energy Management Policy

Walsin Lihwa actively responds to climate change by formulating carbon management, net-zero emissions, and resource circular utilization policies and vision, and through year-on-year increases in hardware and software investments in energy conservation and carbon reduction, resource recycling, and green supply chain management, striving to build a sustainable and environmentally friendly operational system. The framework is as follows:

- **Source Management:** Prioritizing the use of green raw materials (such as scrap metals) and renewable energy (such as solar), and introducing intelligent equipment to improve efficiency and reduce resource waste.
- **Process Control and Pollution/Emission Reduction:** Using chemical energy to replace some electric arc furnace steelmaking electricity, and reducing pollutant emissions through process technology improvements (such as pure oxygen combustion technology and equipment performance optimization).
- **End-of-Life Recovery and Circular Utilization:** Advancing circular utilization of waste resources (such as converting waste plastics into recycled plastic pellets, waste acid recovery and regeneration), and implementing water resource and energy circular utilization measures such as process and environmental equipment cooling water recycling, reclaimed water reuse, waste heat recovery, and slag reuse.

Walsin Lihwa Environmental Resource Circular Diagram



Management Systems and System Implementation

Walsin Lihwa has implemented ISO 14001 Environmental Management System, ISO 50001 Energy Management System, ISO 14064 GHG Inventory, ISO 14067 Product Carbon Footprint, and ISO 46001 Water Resource Efficiency management systems. Through comprehensive environmental management systems, the Company strengthens energy resource management, improves resource utilization efficiency, and reduces the environmental impact of operations, moving toward a circular economy. The scope, verification/certification institutions, and certificates for the environmental sustainability management systems are detailed in the "About This Report" section and on the Company's official website.

Environmental Investment

Walsin Lihwa actively introduces advanced pollution control equipment, combined with multiple management systems and methods, to reduce the adverse environmental impacts of production activities - including reducing emissions and improving recycling rates - builds a complete environmental monitoring system, inventories potential pollution areas, and takes preventive and corrective measures in advance.

2025 Environmental Equipment and Expense Expenditure Approximately NT$ **460** million

Unit: New Taiwan Dollar

Environmental Cost Category	Taiwan	Overseas (Mainland China)	Overseas (Malaysia)
Environmental equipment expenditure	8,600,000	648,375	0
Environmental management-related expenses	287,504,375	115,704,187	198,014
Other environmental expenses	16,332,104	30,773,027	237,958
Total	312,436,479	147,125,589	435,972
Resource efficiency gains (Note)	Please refer to Section 1.2.2 Energy Conservation and Carbon Reduction Management, 2025 Energy Conservation Plans and Results		

Note：Resource efficiency gains encompass: (1) reduction in operating costs from energy- and water-saving equipment investment; (2) reduction in carbon tax costs from carbon reduction results; (3) government energy conservation subsidies and tax credit incentives.

1.2.2 Energy Conservation and Carbon Reduction Management

To achieve Walsin Lihwa's "net-zero carbon emissions" target, the Company uses scientific methods to set reduction targets and take measures, while jointly promoting energy management and carbon management together with the external supply chain.

Walsin Carbon Management Strategy and Progress

1 Introduce Carbon Inventory
GHG Inventory (organizational inventory)

- GHG Inventory (ISO 14064)
- Product Carbon Footprint Inventory (ISO 14067)
- Obtain Third-Party Verification

2 Set Reduction Targets
Setting short-, medium-, and long-term targets

- Confirming reduction targets and scope
- Inventorying energy hotspots and reduction potential (ISO 50001)
- Training carbon reduction talent
- Green supply chain
- Low-carbon alliance

3 Implement Reduction Strategies
Implement and track carbon reduction strategies

- Corporate procurement of green power
- Internal carbon pricing and management strategies
- Low-carbon supply chain strategies
- Replacing energy-saving equipment
- Innovative process optimization
- Using low-carbon fuels

4 Achieve Carbon Neutrality / Net-Zero Emissions
Declaration of Carbon Neutrality

- Purchasing carbon credits or developing carbon capture technology
- Confirming reduction effectiveness

Since 2017, Walsin Lihwa has actively promoted the introduction and optimization of energy management systems, inviting energy consulting firms to assist Taiwan plants in implementing the ISO 50001 energy management system. In 2018, the Company successfully passed ISO 50001 certification, officially obtaining energy management system certification; simultaneously, the mainland China plants (Shanghai Walsin and Yantai Walsin) also passed verification, demonstrating the Company's high emphasis on energy management. In 2019, Walsin Lihwa further extended the energy management mechanism in the spirit of ISO management systems to overseas plants. In 2020, Walsin Lihwa progressively improved GHG management in accordance with ISO 14064-1 standards; Taiwan plants completed full verification, and overseas plants successfully completed the ISO 50001 energy management system platform implementation.

2021
Passed new GHG verification (added Scope 3)

- Taiwan plants fully passed ISO 14064-1:2018 verification
- Overseas plants built ISO 50001 energy management platform

2022

- Suppliers — Green Supply Chain
- Product carbon footprint for each plant

2023

- Overseas plants introduced ISO 14064-1:2018
- Low-Carbon Alliance program launched

2024

- Overseas plants obtained ISO 50001:2018 verification
- CBAM response and introduction
- PT. Walsin Nickel Industrial Indonesia and PT. Sunny Metal Industry conducted GHG inventory; obtained ISO 14064-1:2018 and ISO 14001 verification

2025

- Renewable energy procurement

2030 Low-carbon technology introduction

- Carbon sinks
- Development of other alternative fuels
- Negative-carbon technology
- Full transition to new energy vehicles / electric vehicles

2050 Net-Zero Carbon Emissions

Energy Management

In 2025, energy consumption in order of magnitude was: electricity, natural gas, gasoline, diesel, and purchased steam. Total heat value: 10,449.21 × 10^3 GJ. Energy consumption and heat value proportions by product type are shown in the table below:



Unit: GJ=10^9J

Category		Wire & Cable	Share	Stainless Steel (Asia)	Share	Stainless Steel (Europe)	Share	Total	Share
Indirect Energy	Purchased - Electricity	173.89×10^3	43.47%	2,914.20×10^3	50.38%	1,145.84×10^3	26.87%	4,233.93×10^3	40.52%
	Purchased - Steam	0.00	0.00%	31.66×10^3	0.55%	6.5×10^3	0.15%	38.16×10^3	0.37%
	Self-generated & Purchased Green Power	15.55×10^3	3.89%	68.32×10^3	1.18%	953.32×10^3	22.35%	1,037.18×10^3	9.93%
Direct Energy	Gasoline	0.03×10^3	0.01%	0.00	0.00%	0.15×10^3	0.00%	0.19×10^3	0.00%
	Diesel	4.60×10^3	1.15%	25.43×10^3	0.44%	16.42×10^3	0.38%	46.44×10^3	0.44%
	Fuel Oil	0.00	0.00%	0.00	0.00%	0.33×10^3	0.01%	0.33×10^3	0.00%
	Vehicle Gasoline	0.50×10^3	0.13%	3.28×10^3	0.06%	2.94×10^3	0.07%	6.73×10^3	0.06%
	Vehicle Diesel	0.73×10^3	0.18%	16.74×10^3	0.29%	5.53×10^3	0.13%	23.00×10^3	0.22%
	Liquefied Petroleum Gas (LPG)	0.36×10^3	0.09%	0.00	0.00%	54.11×10^3	1.27%	54.47×10^3	0.52%
	Natural Gas (NG)	202.47×10^3	50.61%	2,724.40×10^3	47.10%	2,079.96×10^3	48.77%	5,006.83×10^3	47.92%
	Acetylene	1.89×10^3	0.47%	0.06×10^3	0.00%	0.00	0.00%	1.95×10^3	0.02%
Total		400.00×10^3	100%	5,784.21×10^3	100%	4,265.10×10^3	100%	10,499.21×10^3	100%

Note:

1. Energy consumption = fuel usage × fuel heat value (based on Bureau of Energy 2023 Manufacturing Sector Audit Annual Report).
2. Disclosure scope: energy consumption statistics for wire and cable products (Hsinchuang Plant, Yangmei Plant, Shanghai Walsin) produced in Taiwan and Asia; stainless steel (Yenshui Plant, Taichung Plant, Yantai Walsin, Changshu Walsin, Jiangyin Alloy, Walsin Precision) and European stainless steel (CAS Group).
3. All energy listed above, except self-generated green power and purchased green power, uses non-renewable energy; total non-renewable energy consumption: 9,420.25×10^3 GJ.
4. 2024 total energy consumption: 10,107.91×10^3 GJ, renewable energy percentage: 10%; 2025 total energy consumption: 10,449.21×10^3 GJ, renewable energy percentage: 9.93%.

Energy Consumption per Unit of Production

Product	2022			2023			2024			2025		
	Total Heat Value (GJ)	Production (MT)	Energy Intensity	Total Heat Value (GJ)	Production (MT)	Energy Intensity	Total Heat Value (GJ)	Production (MT)	Energy Intensity	Total Heat Value (GJ)	Production (MT)	Energy Intensity
Wire & Cable	865,414.55	285,663.60	3.03	612,715.36	175,195.40	3.50	386,493.04	182,144.99	2.12	400,032.05	185,475.05	2.16
Stainless Steel (Asia)	7,515,011.30	988,054.30	7.61	7,472,243.04	851,064.80	8.78	5,325,996.76	825,493.11	6.45	5,784,088.87	855,266.45	6.76
Stainless Steel (Europe)	-	-	-	2,241,149.78	168,889.00	13.27	4,395,417.27	321,983.00	13.65	4,265,096.00	220,100.00	19.38

Note：1. Energy intensity for commercial real estate: total heat value (GJ) / floor area (m^2); for stainless steel and wire & cable: total heat value (GJ) / production (MT).

2. Energy heat values based on the 2014 Energy Statistics Handbook - Energy Product Unit Heat Value Table.

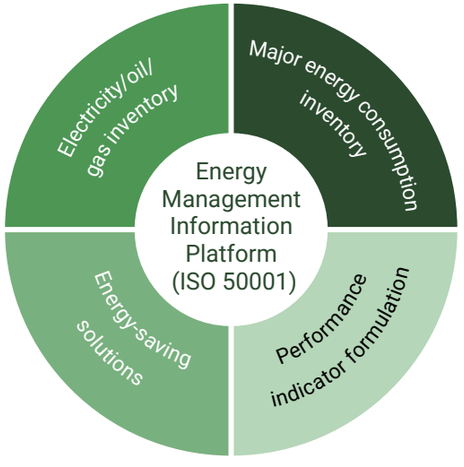
3. GJ = 10^9 joules.

4. Stainless Steel (Europe) data consolidated from 2023 (2023: CAS individual entity; 2024–2025: CAS consolidated entity).

Full-Scale Energy Conservation and Carbon Reduction

In alignment with national energy conservation targets, the Company continues to promote various energy-saving measures and optimizes the energy management information platform while conducting comprehensive inventories. In 2024, all mainland China plants completed third-party verification of the ISO 50001 energy management system, and verification has continued in subsequent years. Through the energy management information platform, key indicators are identified for hotspot analysis to discover energy conservation and carbon reduction opportunities. Furthermore, the Indonesia plant (PT. Walsin Nickel Industrial Indonesia) passed ISO 50001 third-party verification in 2025 - Walsin Lihwa's ISO 50001 coverage rate across all plants now stands at 60%. In 2025, energy intensity per unit of product for Asia-region wire and cable and stainless steel decreased by 1.64% and 4.82% respectively compared to 2024; the 2026 target is set at a 1.5% reduction in energy consumption per unit of product compared to 2025.

Energy Management Information Platform (ISO 50001)



Power Savings Rate

3.07%

Renewable Energy (Solar) Generation

6,502,868 kWh

2015

All plants established energy conservation and carbon reduction management organizations, set annual targets and various measures, held regular review meetings, and built energy management information platforms for real-time management.

2021

Planned and built renewable energy (solar) self-generation capacity of 5.5 MWp, fully installed by 2024.

2022

The Environmental Safety and Health Management Committee performed a rolling update of the five-year energy management plan, setting annual power savings targets of 1% and carbon reduction targets of 1.5%.

2025

- Self-generated power (Wire and Cable Business Group: 4,320,069 kWh / Stainless Steel Business Group: 2,182,799 kWh; total 6,502,868 kWh) + purchased green power (16,793,702 kWh); combined total: 23,296,570 kWh.
- All 4 Taiwan plants met the Ministry of Economic Affairs Bureau of Energy annual power savings rate requirement of 1%, achieving an average rate of 5.51%; Taiwan and overseas plants (Asia) submitted 99 carbon reduction proposals with a total power savings rate of 3.07%, reducing a total of 14,201 MT CO_2e/year.

Net-Zero Carbon Emissions Execution Direction

Carbon Management

Inventory & Energy Conservation
- Energy management systems and information platform
- Improving production and equipment efficiency
- Energy-saving plans to reduce energy consumption by 15%

Energy Creation
- Solar (PV)
- Biomass / hydrogen energy

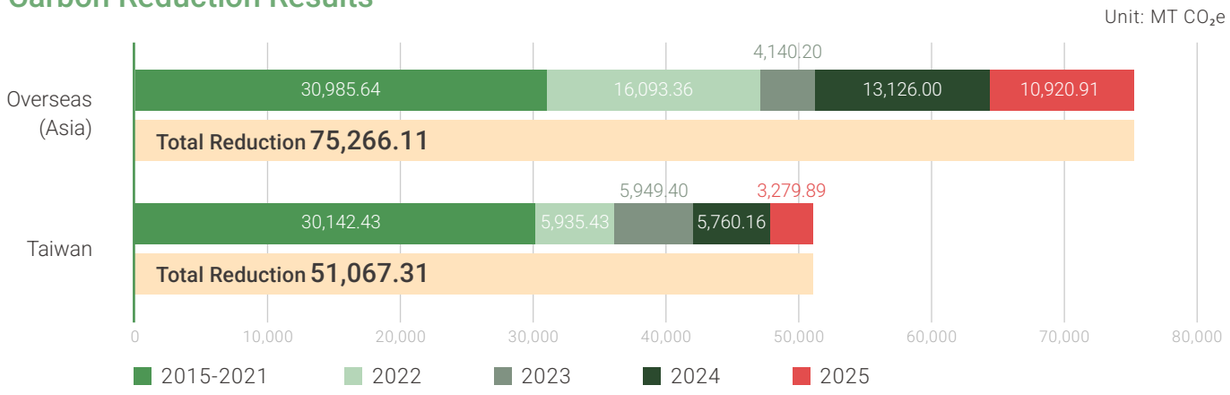
Green Power Procurement / Trading
- Solar power
- Wind power

Internal Carbon Pricing
- Unit carbon emissions and internal carbon pricing
- Strengthening carbon reduction management

Low-Carbon Technology Opportunities
- External carbon reduction;
- understanding and introducing new technologies
  - Equipment electrification / low/zero-carbon power introduction
  - Hydrogen energy, negative-emission technology (CCUS)
- Developing low-carbon products, raw materials, and materials

Resource Recovery & Sustainable Green Supply Chain
- Waste reduction and resource recovery
- Sustainable green supply chain

Carbon Reduction Results



Note：1. Taiwan: Hsinchuang Plant, Yangmei Plant, Taichung Plant, Yenshui Plant.
2. Overseas (Asia): Jiangyin Alloy, Shanghai Walsin, Yantai Walsin, Changshu Walsin, Walsin Precision.

2025 Energy Conservation Plans and Results

Plant Area	Plan Type	Energy Saving Type	No. of Plans	Savings Volume	Energy Reduction (MJ)	Carbon Reduction (MT CO_2e)	Carbon Cost Savings (NTD)
Taiwan	Process Energy Saving / Office Energy Saving	Electricity (thousand kWh)	63	19,441	69,987,632	9,215	31,803,784.22
		Natural Gas (thousand m³)	11	790	29,768,477	1,641	
		Other (MT)	1	17,783	-	65.08	
Taiwan Subtotal			75	38,014	99,756,109	10,921	
Overseas (Asia)	Process Energy Saving	Electricity (thousand kWh)	16	2,024	7,285,574	1,394	22,267,201.84
		Natural Gas (thousand m³)	6	840	31,652,457	1,846	
		Diesel (kL)	1	1.3168	46,296	3.0026	
		Other (m³)	1	160	-	37	
Overseas (Asia) Subtotal			24	3,025	38,984,327	3,280	

Note：1. CO_2 equivalents calculated based on local emission factors for electricity, natural gas, steam, diesel, and other fuels at each plant.
2. Scope 1: natural gas, diesel, other; Scope 2: electricity.
3. Carbon reduction calculations use pre-equipment replacement/update/process adjustment as baseline (calculated scientifically).
4. Energy reduction = savings volume × heat value (based on 2023 Energy Statistics Handbook - Energy Product Unit Heat Value Table).
5. Baseline year is reviewed on a rolling basis; this year's baseline year is 2024, i.e., 10,107.91×10³ GJ (carbon reduction results represent the prior year's results).
6. Disclosure scope: Taiwan - Hsinchuang Plant, Yangmei Plant, Yenshui Plant, Taichung Plant; Overseas (Asia) - Shanghai Walsin, Yantai Walsin, Changshu Walsin, Jiangyin Alloy, Walsin Precision.

Highlights

Outstanding GHG Voluntary Reduction Manufacturer

Walsin Lihwa has long been committed to low-carbon manufacturing. In December 2025, the Company was invited to attend the '2025 Tainan City Outstanding Net-Zero Sustainability Unit Award Ceremony' organized by the Tainan City Government Environmental Protection Bureau, where the Mayor personally presented the award in recognition of the Company's achievements. As a local landmark enterprise, the Company actively participates in the 'Net-Zero Guidance Team' and 'Low-Carbon Homeland Matching' programs, substantively reducing carbon emission intensity through process optimization and energy transition. This award not only highlights Walsin Lihwa's effectiveness in fulfilling its corporate social responsibility (CSR), but also embodies the Company's determination to achieve its '2050 Net-Zero Emissions' target. In the future, Walsin Lihwa will continue to leverage its industry influence, drive green transformation throughout the supply chain, and build a resilient ecosystem for sustainable development.



GHG Emission Inventory (Scope 1 and Scope 2)

Environmental Safety Information Platform: Since 2015, Walsin Lihwa has built and continuously optimized the 'Environmental Safety Information Platform - GHG Inventory and Product Carbon Inventory' to collect GHG emissions from each plant, with the Environmental Safety and Health Management Committee reviewing and managing GHG emissions quarterly.

ISO 50001 Energy management systems

- Since 2018, Taiwan and mainland China plants have advanced the five-year energy management plan (2022–2027) based on ISO 50001, with annual rolling reviews and continuous annual maintenance of ISO 50001 certification.
- In 2025, to expand low-carbon operations scale, the Indonesia plant introduction project was officially launched. Following seed personnel training, energy auditing, and management standardization, external verification was successfully completed in August of the same year.
- From 2026 onwards, the Indonesia plant will also be incorporated into the Environmental Safety Information Platform scope, with standardized management and performance tracking to continuously improve overall energy efficiency and fulfill the Company's carbon reduction commitment

ISO 14064-1 Greenhouse gas verification

- 2015: Taichung Plant and Yenshui Plant passed ISO 14064-1 verification.
- 2020: Hsinchuang Plant and Yangmei Plant.
- 2022: Overseas plants introduced ISO 14064-1:2018 standard for internal GHG emission inventory.
- 2023: Taiwan and overseas plants passed ISO 14064-1:2018 verification.
- 2024: PT. Walsin Nickel Industrial Indonesia and PT. Sunny Metal Industry introduced ISO 14064-1:2018 standard, conducted internal GHG emission inventory, and obtained third-party verification.
- 2025: Hangzhou Walsin introduced ISO 14064-1:2018 standard, conducted internal GHG emission inventory, and obtained third-party verification.

ISO 14067 Greenhouse gases - Carbon footprint of products

2025: Completed product carbon footprint self-inventory for Taiwan and mainland China plants in accordance with ISO 14067:2018, including:

- Hsinchuang Plant: 3 products passed third-party carbon footprint verification, 2 of which maintained ongoing verification.
- Yangmei Plant: 3 products passed third-party carbon footprint verification.
- Shanghai Walsin: 2 products passed third-party carbon footprint verification.
- 2025: Hsinchuang Plant applied for product carbon label.

Company-Wide GHG Disclosure Timeline

		2022	2023	2024	2025	2026	2027
Company Plan & Execution	Inventory	Taiwan, Mainland China, Malaysia	Waltuo Green Resources	Indonesia (PT. Walsin Nickel Industrial Indonesia, PT. Sunny Metal Industry), CAS Consolidated	Hangzhou Walsin		
	Assurance	Taiwan	Mainland China, Malaysia	Indonesia (PT. Walsin Nickel Industrial Indonesia, PT. Sunny Metal Industry)	Hangzhou Walsin		CAS Consolidated, Waltuo Green Resources, Commercial Real Estate
Regulatory Disclosure Requirements			Inventory data (individual entity)	Assurance data (individual entity)	Inventory data (consolidated)		Assurance data (consolidated)

Walsin Lihwa continuously monitors the development of carbon emission trading, the EU Carbon Border Adjustment Mechanism (CBAM), Taiwan's carbon fee, and is formulating internal carbon pricing. The Company participates in mainland China's carbon trading market operations to ensure future carbon quota quantities and the Company's sustainable business development.

Highlights

Coaching Results

2025 Hsinchuang Plant Carbon Label Coaching (Target Product: 300C Conduit Cable)

	2024	2025				
Coaching Timeline	Sep 2024	Jan 2025	Mar 2025	Aug 2025	Oct 2025	Nov 2025
Coaching Steps	Kick-off meeting	Activity data collection	Activity data confirmation	Scenario discussion	Emission calculation	External verification
Coaching Content	First training session	target product: 300C conduit cable	confirmation of input/output activity data and supporting materials	discussion and confirmation of cradle-to-gate lifecycle scenario assumptions	explanation of calculation results and confirmation of product carbon footprint study report/inventory	completion of external audit (ISO 14067 / Ministry of Environment carbon label)

2025 Yangmei Plant Carbon Footprint Coaching (Target Products: 8mm Copper Rod / 2.6mm Copper Wire (Soft) / 2.6mm Copper Wire (Hard))

	2024	2025				
Coaching Timeline	Dec 2024	Feb 2025	Mar 2025	Apr 2025	May 2025	Jun 2025
Coaching Steps	Kick-off meeting	Activity data collection	Activity data confirmation	Emission calculation	External verification	Obtaining TÜV third-party verification certificate
Coaching Content	First training session	target products: 8mm copper rod / 2.6mm copper wire (soft) / 2.6mm copper wire (hard)	confirmation of input/output activity data and supporting materials	explanation of calculation results and confirmation of product carbon footprint study report/inventory	completion of external audit (ISO 14067)	-

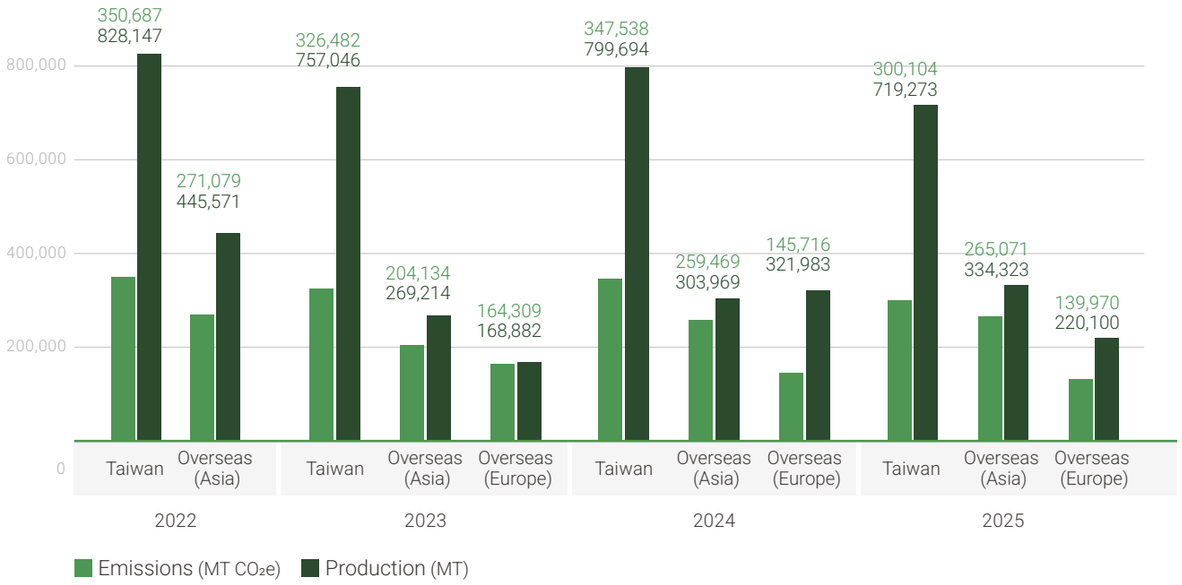
GHG Emissions (Scope 1 and Scope 2)

Since 2014, Walsin Lihwa has promoted GHG emission intensity inventories and various energy reduction plans. In 2025, Taiwan and overseas (Asia) plants are categorized by product type into wire and cable, copper wire/rod, and stainless steel, with emission intensities of 0.392, 0.131, and 0.615 respectively; compared to the base year[Note], these represent increases of 5.86%, decreases of 5.92%, and increases of 3.18% respectively. In terms of total GHG emissions, total emissions from Taiwan and overseas plants decreased by 12.44% and increased by 5.62% respectively compared to 2024, primarily due to company acquisitions and the expansion of disclosure boundaries.

Walsin Lihwa continues to seek various feasible reduction solutions, committing to achieve a 15% reduction in GHG emissions per unit of product compared to 2014 by 2030, striving toward a low-carbon economy.

Note：The Company originally used 2014 as the GHG per-unit-product emission comparison base year. Considering changes in product structure and partial plant asset transfers, the base year has been adjusted to 2020 (Scope 1: 190,381 MT; Scope 2: 402,296 MT).

GHG Emissions



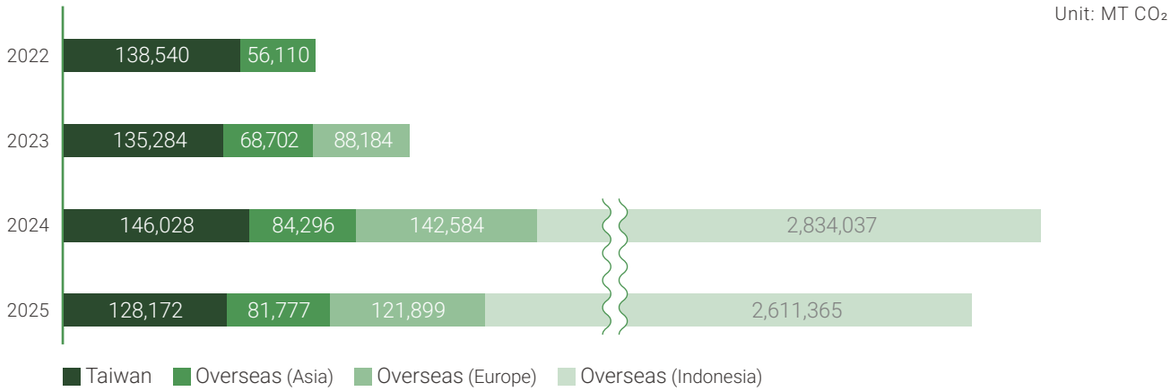
Note：Overseas (Europe): 2023 = CAS individual entity; 2024 = CAS consolidated.

GHG Emission Intensity by Product

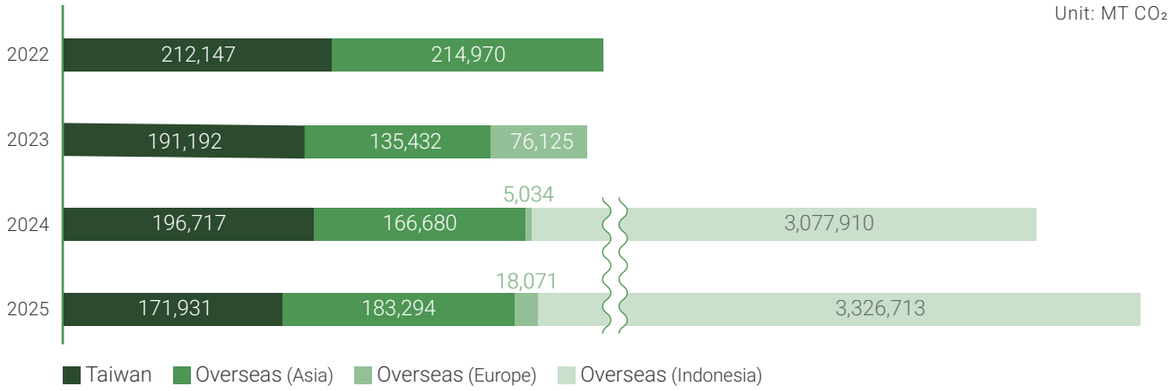


Note：Base year for GHG emission intensity by product type is 2020; that year's values were: Wire & Cable 0.371, Copper Wire/Rod 0.139, Stainless Steel 0.596.

Scope 1: Direct GHG Emissions



Scope 2: Indirect GHG Emissions



Note：1. Scope 1 = direct energy; Scope 2 = indirect energy; GHG emission sources include CO_2, N_2O, CH_4, HFCs, SF_6.
2. Taiwan: Hsinchuang Plant, Yangmei Plant, Yenshui Plant, Taichung Plant.
3. Overseas (Asia): Jiangyin Alloy, Shanghai Walsin, Hangzhou Walsin, Yantai Walsin, Changshu Walsin, Walsin Precision.
4. Overseas (Europe): 2023 = CAS individual entity; 2024–2025 = CAS consolidated.
5. Overseas (Indonesia): 2025 includes PT. Walsin Nickel Industrial Indonesia and PT. Sunny Metal Industry.
6. Emission units: MT CO_2e; intensity units: MT CO_2e / MT product.
7. Emission factors adopted from EPA's published GHG Emission Factors Management Table ver.
6.04; GWP values from IPCC Sixth Assessment Report (2023); GHG compilation method: operational control approach.
8. 2014 is the baseline year for implementing energy-saving plans.
9. Scope 2 emissions calculated based on the location-based method.

Value Chain GHG Inventory (Scope 3)

Walsin Lihwa follows ISO 14064:2018, the GHG Protocol, and third-party verification to identify carbon emission activities in the value chain as a reference for formulating emission reduction strategies. In 2023, the Company established the 'Walsin Lihwa Low-Carbon Alliance' and promoted a sustainable supply chain program, working together with value chain partners to build a sustainable business model.

For 2025 GHG Scope 3 inventory items, Walsin Lihwa applies materiality identification criteria, considering assessment factors such as emission volumes, improvement potential, and quantification methods, to identify upstream raw material purchase emissions, emissions from the disposal and treatment of operationally generated waste, and disclosure of Scope 3 category items.

	GHG Protocol	ISO 14064-1:2018	Taiwan Emissions (MT CO_2e)	Overseas (Asia) Emissions (MT CO_2e)
Scope 3	Category 4: Upstream transportation and distribution emissions	Category 3: Indirect GHG emissions from transportation	141,049.68	70,530.33
	Category 7: Employee commuting emissions			
	Category 9: Downstream transportation and distribution emissions			
	Category 1: Purchased products and services	Category 4: Indirect GHG emissions from products used by the organization	3,509,144.45	1,527,334.90
	Category 5: Emissions from disposal and treatment of waste generated in operations			

Note：1. Taiwan: Hsinchuang Plant, Yangmei Plant, Taichung Plant, Yenshui Plant.
2. Overseas (Asia): Jiangyin Alloy, Shanghai Walsin, Hangzhou Walsin Power Cable & Wire Co., Ltd., Yantai Walsin, Changshu Walsin, Walsin Precision.

Sustainable Green Supply Chain and Walsin Low-Carbon Alliance Promotion

- **Annual tightening of compliance standards for EHS and energy management**
- **Phased expansion of scope toward full coverage of Walsin Lihwa' s sites and supply chain.**

Walsin Lihwa launched the 'Green Supply Chain Initiative' in 2021, adopting a phased strategy to progressively guide supplier transformation. From 2022, the Company formally required the top 20% of suppliers to conduct GHG inventories, subsequently expanding the scope each year. By 2024, the inventory proportion had been raised to the top 40% of suppliers, with the introduction of risk data analysis and energy management system promotion.

In 2025, inventory and verification coaching for the top 60% of suppliers has been completed, with formal emission reduction projects to be launched from 2026, assisting suppliers in setting carbon reduction targets and implementing energy-saving achievements. The ultimate goal is to achieve full coverage of all suppliers by 2040, building a highly resilient net-zero supply chain ecosystem through in-depth environmental and occupational safety and health systems.

1.3 Water Resource Management

1.3.1 Water Resource Utilization

Walsin Water Resource Management Policy

- Source management and source reduction
- Process circular use
- Reclaimed water reuse
- Environmental equipment/utility system cooling water recovery and use

Water Sources and Water Conservation Measures

Walsin Lihwa is committed to the proper management and optimization of water resource circular utilization. The Company conducts water resource risk impact analysis and business continuity planning, establishing a management model of 'source management,' 'source reduction,' and 'circular utilization,' ensuring continued operation of the Company's water systems and proactively formulating water shortage crisis contingency mechanisms. Through the Environmental Safety Database's 'Water Resource Data Platform,' water balance analysis and historical data comparisons are conducted for each plant for management and improvement. In 2025, combined tap water withdrawal for Taiwan and overseas (Asia) plants increased by 6.37% compared to 2024, primarily because Yangmei Plant and Yantai Walsin respectively experienced increased water usage due to plant expansion adaptation and ultra-low emission transformation; Yenshui Plant saw an increase in tap water usage due to suspension of raw water supply. Additionally, the Walsin Lihwa Academy offered water balance online courses to train each plant's ability to identify high water consumption points, refining management from overall control to flow direction management, reducing abnormal water consumption points, and achieving water conservation goals.

To address water scarcity risk, the World Resources Institute (WRI) Aqueduct Water Risk Atlas is used for water risk assessment. The Company's water shortage risk falls broadly in the range of low (<5%) to low-medium (5–25%), with no significant impact on water sources and no material impact on suppliers or stakeholders. Additionally, at the overseas high-risk plant (Yantai Walsin), zero wastewater discharge is also adopted, increasing reclaimed water reuse and reducing dependence on water sources.

Percentage of municipal water withdrawal by each operating location relative to regional supply capacity

Unit: million liters

Region	Plant	Region Water Supply Volume	Plant Tap Water Withdrawal	Plant Tap Water Withdrawal as Percentage of Regional Supply
Taiwan	Hsinchuang Plant	$1.6x10^5$	107	0.0666%
	Yangmei Plant	$3.8x10^5$	59	0.0154%
	Taichung Plant	$6.1x10^5$	330	0.0540%
	Yenshui Plant	$3.5x10^5$	124	0.0353%
Overseas (Asia)	Shanghai Walsin	$1.1x10^7$	7	0.0001%
	Jiangyin Alloy	$5.8x10^7$	21	0.0000%
	Changshu Walsin	$5.8x10^7$	151	0.0003%
	Yantai Walsin	$2.3x10^7$	338	0.0015%
	Walsin Precision	$2.4x10^5$	17	0.0069%

Note：1. Regional water supply volumes for Taiwan plants are from Taiwan Water Corporation 2024 (Year 113) Statistical Yearbook (Hsinchuang Plant - 12th Management Bureau; Yangmei Plant - 2nd Management Bureau; Taichung Plant - 4th Management Bureau; Yenshui Plant - 6th Management Bureau).

2. Regional water supply volumes for overseas (Asia) plants (except Walsin Precision) are from China National Bureau of Statistics 2024 data (Shanghai Walsin - Shanghai Municipality; Jiangyin Alloy - Jiangsu Province; Changshu Walsin - Jiangsu Province; Yantai Walsin - Shandong Province).

3. Regional water supply volume for Walsin Precision (Malaysia) is from Malaysian Department of Statistics, Malacca 2024 Environmental Statistics.

Main Water Source Risk Assessment

Region	Plant	Watershed	Overall Water Risk	Water Scarcity	Groundwater Depletion	Drought Risk	River Flood Risk	Coastal Flood Risk
Taiwan	Hsinchuang Plant	Danshui River	Low-Medium	Low	No significant trend	-	Low-Medium	Medium-High
	Yangmei Plant	Dongshi Creek	Low-Medium	Low	No significant trend	-	Low-Medium	Medium-High
	Taichung Plant	Dajia River	Low-Medium	Low	No significant trend	-	Low-Medium	Medium-High
	Yenshui Plant	Zengwen River	Low-Medium	Low	No significant trend	-	Low-Medium	Medium-High
Overseas (Asia)	Shanghai Walsin	Huwei Lake	High	Low-Medium	Low-Medium	Medium-High	High	Low
	Jiangyin Alloy	Yangtze River Delta	High	Low-Medium	Low-Medium	Medium-High	Medium-High	Medium-High
	Changshu Walsin	Yangtze River Delta	High	Low-Medium	Low-Medium	Medium-High	Medium-High	Medium-High
	Yantai Walsin	Yellow Sea	Extremely High	Extremely High	No significant trend	Medium-High	Low	Medium-High
	Walsin Precision	Geiang	Low-Medium	Low	No significant trend	Medium	Low-Medium	Medium-High
Overseas (Europe)	CAS	Mediterranean	Medium-High	Low-Medium	No significant trend	Medium	Low	Low

Note：1. Taiwan plants assessed by WRI as low water scarcity risk; total water withdrawal in the region is less than 5%, with no significant impact on water sources and no material impact on suppliers or stakeholders.

2. Among overseas (Asia) plants, the primary high water scarcity risk is Yantai Walsin; the plant operates with zero discharge, with process and cooling water fully recycled.

3. Water risk assessment conducted using the World Resources Institute (WRI) Aqueduct Water Risk Atlas.

4. Overseas (Europe) assessed by WRI as low-to-medium water scarcity risk, with no significant impact on water sources and no material impact on suppliers or stakeholders.

Through various water conservation measures including process water recovery and cooling water circulation, Walsin Lihwa reduces water demand. Based on water meter records, in 2025: total water consumption at Taiwan plants reached 12,647.26 million liters; overseas (Asia) plants 925.25 million liters; overseas (Malaysia) 17.28 million liters; overseas (Europe) 13,406.35 million liters. Most of the overseas (Europe) plant's water comes from on-site wells, approved by the competent authority. Compared to 2024, Taiwan total water consumption decreased by 10.11%; overseas (Asia) increased by 5.91%; overseas (Europe) increased by 2.10%. Overall, water consumption differences across plants are not significant; only Taiwan plants saw a decrease in water consumption following a decline in production volume. The withdrawal intensity and withdrawal volume differences between 2024 and 2025 for Taiwan and overseas (Asia) plants are not significant.

Regarding water recycling rates, in 2025 the Taiwan recycling rate decreased slightly by 0.62% compared to 2024 (from 91.23% to 90.66%). However, the overseas (Asia) recycling rate decreased by 22.91% (from 17.16% to 13.23%), primarily because Yantai Walsin's total water usage increased slightly after the ultra-low emission transformation trial run and adaptation, and the recycled water equipment was still in the operational adjustment phase, affecting overall recycling rate performance.

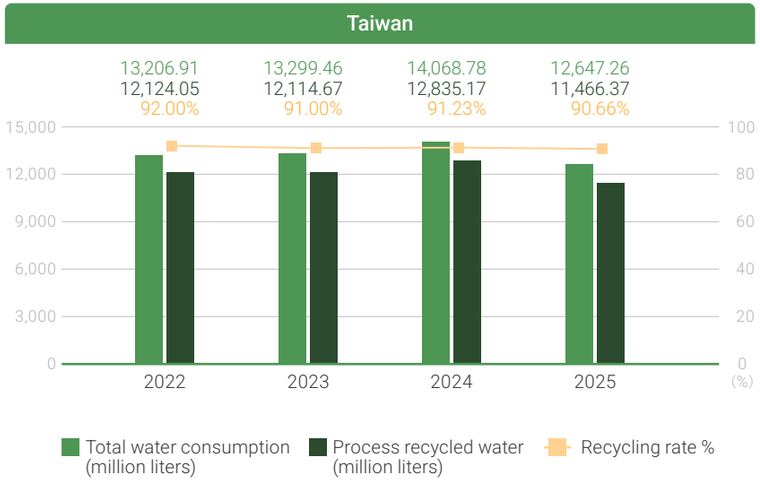
The medium-to-long-term water resource management target is to achieve an annual average water recycling rate of 85% or more across all plants by 2030. In 2025, the combined water recycling rate for Taiwan and mainland China plants was 85.49%, meeting the annual recycled water use target. Among these, Taiwan plants' average recycling rate over the past four years (2022–2025) was 91.20%; Yantai Walsin's 2025 data showed short-term fluctuations due to the ultra-low emission transformation project - once trial operations and system adjustment are completed in 2026, overall recycling performance is expected to further improve.

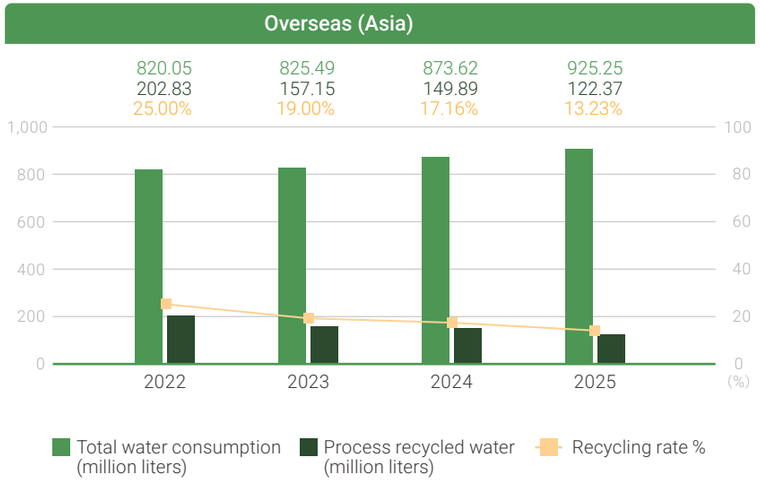
2025 Water Sources and Total Volume by Region

	Taiwan	Overseas (Mainland China)	Overseas (Europe)
Tap water (third-party facility supply)	618.24	533.80	155.27
Groundwater	31.67	0.00	11,936.23
Industrial water (third-party facility supply)	530.98	269.08	1,314.85
Process recycled water	11,466.37	122.37	0.00
Total water consumption	12,647.26	925.25	13,406.35

Note：1. Total water consumption = tap water (third-party facility supply) + groundwater + industrial water (third-party facility supply) + process recycled water.
2. All water quality is freshwater (≤1,000 mg/L total dissolved solids).
3. Taiwan: Hsinchuang Plant, Yangmei Plant, Taichung Plant, Yenshui Plant.
4. Overseas (Asia): Shanghai Walsin, Jiangyin Alloy, Changshu Walsin, Yantai Walsin, Walsin Precision (Malaysia).
5. Overseas (Europe): CAS consolidated entity. Unit: million liters

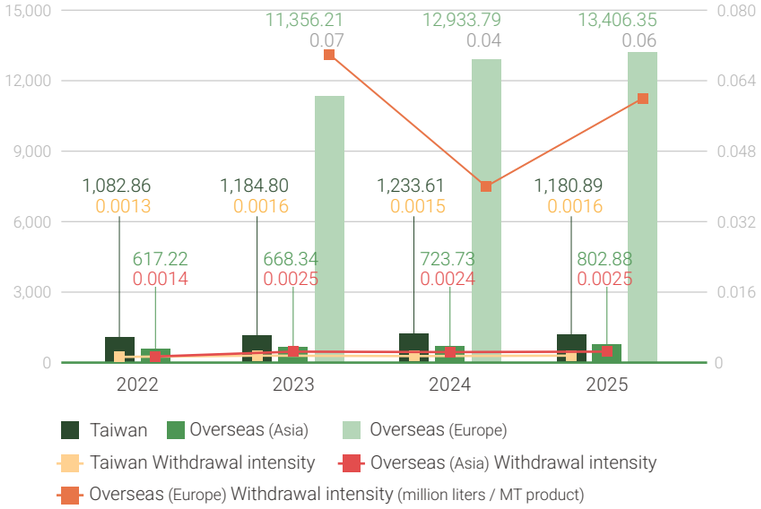
Water Consumption and Recycled Water Volume Trends (million liters)





Note：1. Tap water, industrial water, and groundwater based on water meter records.
2. Recycled water mainly sourced from process recovery and cooling water, recorded by water meter.
3. Total water consumption = tap water + groundwater + industrial water + process recycled water.
4. All water quality is freshwater (≤1,000 mg/L total dissolved solids).
5. Taiwan: Hsinchuang Plant, Yangmei Plant, Taichung Plant, Yenshui Plant.
6. Overseas (Asia): Shanghai Walsin, Jiangyin Alloy, Changshu Walsin, Yantai Walsin, Walsin Precision (Malaysia).
7. Due to operational adjustments, Dongguan Walsin and Jiangyin Walsin ceased production in 2023 and 2024 respectively.

Water Withdrawal and Withdrawal Intensity



1.3.2 Wastewater Treatment and Water Pollution Prevention

Walsin Lihwa has wastewater reduction/emission and circular utilization as core targets of its wastewater management. All plants have comprehensive wastewater treatment facilities to ensure wastewater is properly treated and meets effluent standards before discharge. In addition to daily wastewater sampling and internal testing, third-party institutions are also commissioned for regular water quality testing to ensure discharge water quality meets local regulatory requirements and reduces environmental impact.

In 2025, total wastewater discharge from Taiwan plants reached 381 million liters, a decrease of 6.98% compared to 2024. Overseas (Asia) total discharge was 70 million liters, an increase of 220.57% compared to 2024, primarily because Dongguan Walsin ceased production in 2024, and Yantai Walsin commenced formal mass production after plant expansion in 2025. Following ultra-low emission transformation, trial operations and adaptation increased total water usage and the recycled water equipment was still in the operational adjustment phase, leading to increased wastewater discharge compared to 2024. Overseas (Europe) total wastewater discharge was 10,039.8 million liters.

The discharge intensity and discharge volume for Taiwan and overseas (Asia) plants show no significant difference between 2024 and 2025; overseas (Europe) plant discharge intensity and volume are 0.06 million liters/MT and 3,366.6 million liters respectively.

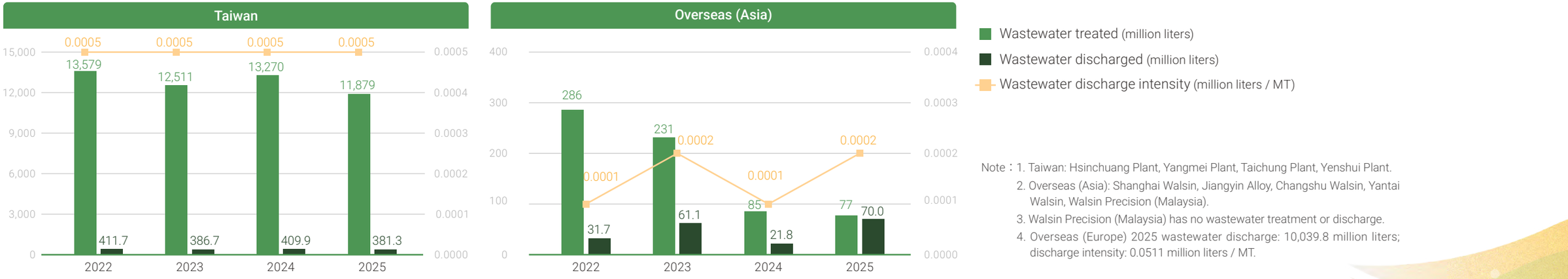
Discharge Water Quality Concentration in 2025

Unit: mg/L

Region	Taiwan				
Plant	Item	BOD	COD	Suspended Solids	Discharge Destination
Hsinchuang Plant	Measured water quality concentration	<1~12.4	ND~21.3	<1.25	Dahan River
	Regulatory effluent standard	30	100	30	
Yangmei Plant	Measured water quality concentration	Not regulated	6~21.9	<2.5~9.0	Shezi Creek
	Regulatory effluent standard	-	100	30	
Taichung Plant	Measured water quality concentration	1.4~31.2	ND~65.6	1.6~10	Industrial zone managed treatment
	Managed treatment standard	250	450	250	
Yenshui Plant	Measured water quality concentration	Not regulated	20.6~41.7	<2.5~6.6	Jishui River
	Regulatory effluent standard	-	100	30	

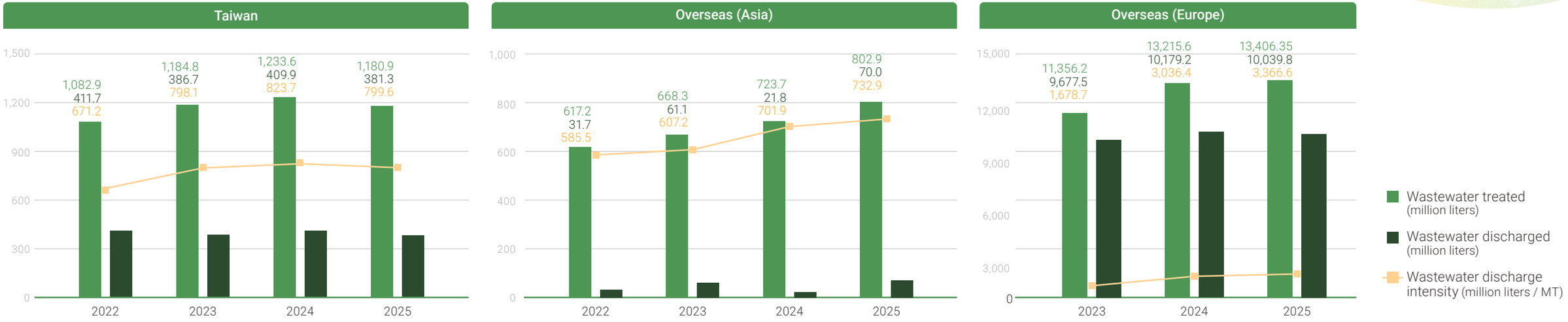
Region	Overseas (Mainland China)				
Plant	Item	BOD	COD	Suspended Solids	Discharge Destination
Shanghai Walsin	Measured water quality concentration	Not regulated	27~37	12~14	-
	Regulatory effluent standard	-	500	400	
Jiangyin Alloy	Measured water quality concentration	Not regulated	Not regulated	Not regulated	-
	Regulatory effluent standard	-	-	-	
Changshu Walsin	Measured water quality concentration	Not regulated	18~38	Not regulated	-
	Managed treatment standard	-	500	-	
Yantai Walsin	Measured water quality concentration	8.7~14.3	Steelmaking: 28~44 / Rolling: 20.3~46.7	Steelmaking: 16~27 / Rolling: 8~20	-
	Regulatory effluent standard	350	Steelmaking: 500 / Rolling: 200	Steelmaking: 400 / Rolling: 100	

Wastewater Discharge Intensity



Note：1. Taiwan: Hsinchuang Plant, Yangmei Plant, Taichung Plant, Yenshui Plant.
2. Overseas (Asia): Shanghai Walsin, Jiangyin Alloy, Changshu Walsin, Yantai Walsin, Walsin Precision (Malaysia).
3. Walsin Precision (Malaysia) has no wastewater treatment or discharge.
4. Overseas (Europe) 2025 wastewater discharge: 10,039.8 million liters; discharge intensity: 0.0511 million liters / MT.

Water Withdrawal, Discharge, and Consumption (million liters)



Note：1. Taiwan: Hsinchuang Plant, Yangmei Plant, Taichung Plant, Yenshui Plant; Overseas (Asia): Jiangyin Alloy, Shanghai Walsin, Yantai Walsin, Changshu Walsin, Walsin Precision (Malaysia); Overseas (Europe): 2023 = CAS individual entity, 2024 = CAS consolidated.
2. Walsin Precision (Malaysia) has no wastewater treatment or discharge.
3. Purchased water withdrawal = tap water (third-party facility supply) + groundwater + industrial water (third-party facility supply).
4. Water consumed = purchased water withdrawal – wastewater discharged.
5. Overseas (Europe) withdrawal calculation: withdrawal = tap water (third-party facility supply) + groundwater + industrial water (third-party facility supply); all water quality is freshwater (≤1,000 mg/L total dissolved solids).

1.4 Air Pollution and Waste Management

1.4.1 Air Pollution Prevention

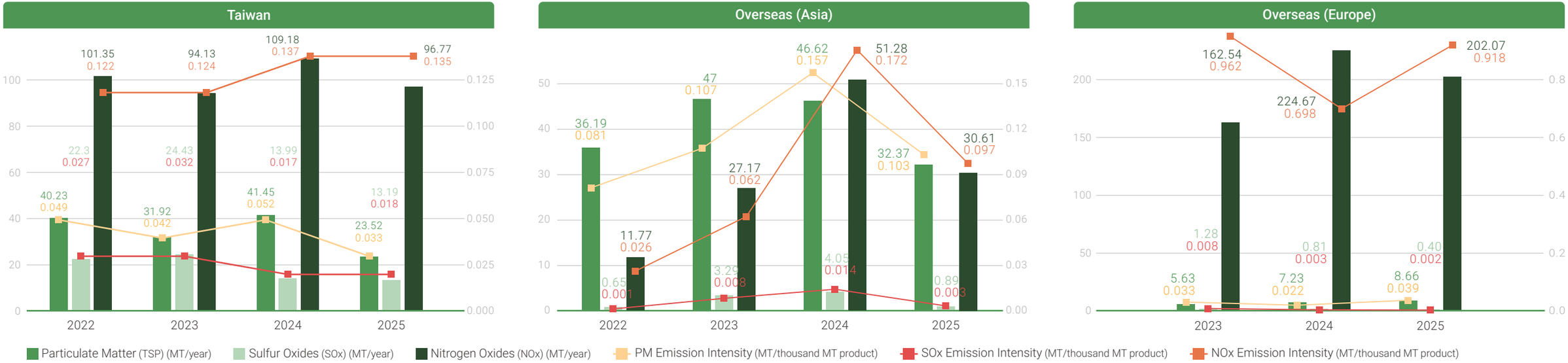
To implement pollution control, the Company uses the best process technologies and air pollution control facilities. At the plant construction stage, air pollution control facilities are designed using Best Available Control Technology (BACT). During production and operation, the best air pollution control equipment is used to reduce exhaust emissions.

The Company requires all plants to strictly comply with environmental regulations, ensure air pollutant emissions meet standards, and continuously promote emission reduction measures. Regulated air pollutants include nitrogen oxides (NOx), sulfur oxides (SOx), particulate matter (PM), and volatile organic compounds (VOCs). In 2025, changes in air pollutant emissions from Taiwan plants were as follows: PM decreased by 43.26% compared to 2024; SOx decreased by 5.72%; NOx decreased by 11.37%; VOCs decreased by 18.56%. For overseas (mainland China), both SOx and NOx decreased compared to the prior year, mainly because overseas (Italy) is now disclosed independently due to different regulatory requirements. Among the various pollutants, non-exhaust VOCs are not regulated by competent authorities due to industry characteristics and therefore do not require numerical testing. All other emission concentrations in 2025 were well below regulatory standards.

Emission Concentration and Regulatory Standard Values

Region	Plant	NOx (ppm)	Standard value (ppm)	SOx (ppm)	Standard value (ppm)	Particulate Matter (mg/Nm³)	Standard Value (mg/Nm³)
Taiwan	Hsinchuang Plant	Coefficient method	-	Not regulated	-	Coefficient method	-
	Yangmei Plant	9~10	150	4	100	25~36	100
	Taichung Plant (other stacks)	71~78	150	1~4	100	1~39	100
	Taichung Plant (Stack P007)	-	-	-	-	1	50
	Taichung Plant (Stack P004)	31~38	250	-	-	-	-
	Yenshui Plant	14~18.35	150	1~4.27	100	0.43~0.45	15
Overseas (Mainland China)	Shanghai Walsin	Not regulated	-	Not regulated	-	Not regulated	-
	Jiangyin Alloy	0~4	150	0	50	3.2~19.3	20
	Changshu Walsin	1.5~144	200	1.5~25	100	0.5~5.1	15
	Yantai Walsin	0~121	150	0~4.33	50	1~9.57	10

Total Air Pollutant Emissions and Emission Intensity



Note：1. Taiwan: Hsinchuang Plant, Yangmei Plant, Taichung Plant, Yenshui Plant.

2. Overseas (Mainland China): Jiangyin Alloy, Shanghai Walsin, Yantai Walsin, Changshu Walsin in 2022, 2023, and 2025; 2024 includes Overseas (Europe).

3. Overseas (Europe): 2024 included in Overseas (Mainland China); 2025 disclosed independently.

4. Emission factors based on emission factors by industry category and process procedures published by the Environmental Protection Administration.

5. All testing reports are commissioned to testing units certified by the Environmental Protection Administration.

6. Walsin Precision's manufacturing characteristics are low-pollution processing operations; under current regulations, no production chimneys are required. As there are no registered fixed air pollution sources at the site, no relevant emission data is generated.

1.4.2 Waste Management and Resource Recovery

Walsin Lihwa Waste Management and Circular Economy Program

Management Policy and Audit Mechanism

Walsin Lihwa uses the 4R principles (Reduce, Reuse, Recycle, Recovery) as the foundation for waste management. The Company has established a comprehensive waste audit mechanism, regularly conducting composition inventories and analyses of fly ash, sludge, and waste acid generated by stainless steel and wire and cable manufacturing processes, thereby identifying resource recovery opportunities and monitoring generation hotspots, ensuring transparent and compliant flow management from source to end.

Waste Management Targets

Unit: MT / thousand MT product

	2025 Actual	2026 Target	2030 Target
Non-hazardous waste landfill	0.18	0.5	Apply Best Available Control Technology (BACT)
Hazardous waste landfill	0.13	0.2	

2025 Performance Results

In 2025, the Company continued to advance and achieve significant results in waste reduction and resource circulation:

- **Reduction performance**：Total waste generation at Taiwan and mainland China plants decreased by 6.81% compared to the prior year.
- **Circular utilization**：The overall recycling and reuse rate for copper wire/rod, wire and cable, and stainless steel products reached 92.88%. Among these, the non-hazardous waste reuse rate performed excellently at 99.14%; the hazardous waste reuse rate was 76.48% (excluding European CAS)
- **Near-zero landfill target**：The overall reuse rate at Taiwan plants improved by 0.13% compared to 2024, achieving the sustainability target of a landfill rate below 1%.

Action Plans and Innovative R&D Investment

The Company continues to invest in innovative R&D and process optimization to convert waste into usable resources. Key actions include:

- **Cross-site resource collaboration**: Yenshui Plant transfers all waste acid to Taichung Plant for treatment and reuse, implementing internal resource closed-loop management.
- **Source reduction engineering**: Through technology improvements and process adjustments, effectively reducing fly ash and sludge generation, and working with the supply chain to promote raw material reduction programs to reduce the environmental footprint of production.
- **Talent development and training**: Regularly offering waste reduction education and training for employees, strengthening frontline personnel's awareness and execution capability for waste sorting and recycling.

The Company has deeply integrated waste management into the ISO 14001 Environmental Management System to ensure safe disposal processes:

- **Stringent vendor screening:** Establishing a supplier audit mechanism with regular on-site inspections to ensure that outsourced treatment procedures are 100% regulatory compliant.
- **Aligning with international benchmarks:** Given that Taiwan plants have achieved an extremely low landfill rate, Walsin Lihwa plans to introduce UL 2799 (Zero Waste to Landfill) third-party verification in the future, using international authoritative standards to strengthen the credibility of Walsin Lihwa's circular economy practices.

Total Waste Volume (2025)

Unit: MT

Region	Taiwan			Overseas (Asia)			Overseas (Europe)			Company-Wide		
Disposal Method	Non-Hazardous	Hazardous	Total	Non-Hazardous	Hazardous	Total	Non-Hazardous	Hazardous	Total	Non-Hazardous	Hazardous	Total
Recycling (Reuse)	71,699.54	31,609.56	103,309.10	79,699.11	13,059	92,757.85	13,296.00	5,877.00	19,173.00	164,694.65	50,545.30	215,239.95
Incineration	550.75	4.16	554.91	623.96	4,330.96	4,954.92	117.00	159.00	276.00	1,291.71	4,494.12	5,785.83
Landfill	6.45	95.66	102.11	72.73	9,090.12	9,162.85	55,560.00	539.00	56,099.00	55,639.18	9,724.78	65,363.96
Other Disposal	51.91	9.63	61.54	-	204.54	204.54	8.00	8,030.00	8,038.00	59.91	8,244.17	8,304.08
Total	72,308.65	31,719.01	104,027.66	80,395.80	26,684.36	107,080.16	68,981.00	14,605.00	83,586.00	221,685.45	73,008.37	294,693.82

Note：1. For Taiwan and Asia regions, except for Yenshui Plant's fly ash hazardous waste processed in-furnace on-site, and Taichung Plant's and Yantai Walsin's waste acid processed and recovered on-site (combined total of 48,720.89 MT), all other hazardous and non-hazardous waste is processed off-site.
2. European region on-site non-hazardous waste self-treated and recovered: 1,050 MT; all other hazardous and non-hazardous waste is processed off-site.

Historical Waste Disposal Trends

Unit: MT

Item	2022		2023			2024			2025		
	Taiwan	Overseas (Asia)	Taiwan	Overseas (Asia)	Overseas (Europe)	Taiwan	Overseas (Asia)	Overseas (Europe)	Taiwan	Overseas (Asia)	Overseas (Europe)
Total Waste Volume (MT)	158,345	75,912	173,661	74,515	83,490	121,998	104,544	125,545	104,028	107,080	83,586
Production Volume (MT)	828,147	445,571	757,046	269,214	168,889	799,694	303,959	321,983	719,273	334,323	220,100
Intensity (MT waste / MT product)	0.19	0.17	0.23	0.28	0.49	0.15	0.34	0.39	0.14	0.32	0.38
Recycling Rate	97.98%	90.10%	97.20%	90.10%	24.52%	99.18%	88.89%	48.45%	99.31%	86.62%	22.94%
Incineration Rate	0.41%	8.09%	0.60%	8.09%	0.00%	0.62%	4.80%	0.22%	0.53%	4.63%	0.33%
Landfill Rate	0.16%	0.98%	0.02%	0.98%	67.78%	0.13%	6.17%	45.37%	0.10%	8.56%	67.12%
Other Disposal	1.46%	0.83%	2.18%	0.83%	7.69%	0.07%	0.14%	5.96%	0.06%	0.19%	9.62%

Note：Taiwan - Hsinchuang Plant, Yangmei Plant, Taichung Plant, Yenshui Plant; Overseas (Asia) - Shanghai Walsin, Yantai Walsin, Changshu Walsin, Jiangyin Alloy, Walsin Precision; Overseas (Europe) - CAS.

Environmental Regulatory Compliance

Regulatory Compliance

In 2025, the Company did not incur any material environmental penalty cases meeting the FSC regulatory threshold (NT$1 million or above); however, 2 environmental deficiencies were identified, all of which were immediately rectified, with operating procedures and personnel management further strengthened. Although the steel and surface treatment industries are priority inspection targets of central and competent authorities, none of the Company's plants experienced any wastewater or waste leakage incidents in 2025, nor any production shutdowns or resident protests caused by pollution leakage. In the future, the Company will continue to conduct self-management under the environmental management system framework, with the Environmental Safety and Health Management Committee conducting irregular audits of environmental regulatory compliance at each plant, strengthening on-site inspections to ensure compliance and effectively prevent pollution.

2025 Environmental Deficiencies

Penalty Date	December 10, 2025
Authority	Environmental Protection Bureau of Tainan City Government
Penalty Description	An on-site audit found non-conformance with the issued operating permit.
Response Measures	Established a unit inventory and inspection system, conducted a comprehensive inventory of all air noise operating permits at the plant, and submitted post-inventory revisions.
Penalty Amount	NT$300 thousand
Penalty Date	August 11, 2025
Authority	Environmental Protection Bureau of Tainan City Government
Penalty Description	Yenshui Plant received a demerit for deficiencies in dust suppression and vehicle wash facilities, in violation of the Air Pollution Control Act.
Response Measures	Immediately rectified and strengthened the maintenance plan.
Penalty Amount	NT$150 thousand

1.5 Ecology and Biodiversity

Ecological protection is an important issue for corporate sustainable development. During plant site selection, construction, and operations, Walsin Lihwa follows environmental impact assessment procedures and related environmental regulations, and continuously examines the impacts of land use, water resource management, and emission control on the ecological environment, progressively reducing impacts on ecology and species diversity.

In 2025, the Company completed a protected area inventory for major manufacturing sites, confirming that core plant areas are not located within national parks or legally designated nature reserves. No material biodiversity-related penalty events occurred during the year.

In terms of governance, ecology and nature issues have been listed as regular discussion items of the Sustainable Development Committee, with research underway to incorporate them into the natural-related risk oversight mechanism. The Sustainability Office coordinates the advancement of related actions and management planning, and regularly reports implementation status to the Board of Directors. In the future, Walsin Lihwa will reference the TNFD (Taskforce on Nature-related Financial Disclosures) development trends to continuously strengthen natural risk identification and management capabilities, progressively improving natural-related management mechanisms.

Nature Co-existence Strategy and Management Direction

Walsin Lihwa upholds the core principle of 'reducing negative impacts on the natural environment and creating positive ecological value' in promoting biodiversity-related actions, and through cross-disciplinary collaboration connecting academic institutions, non-profit organizations, and local communities, jointly enhances ecosystem resilience.

Current key action directions include:

- Supporting conservation of important habitats and native species
- Promoting land-friendly use and sustainable agricultural models
- Facilitating native plant germplasm preservation and restoration
- Raising awareness of natural issues among employees and stakeholders

Through the above actions, the Company progressively establishes a foundation for long-term corporate responsibility and management for the natural environment.

Promoting Wetland-Friendly Cultivation to Protect Key Species Habitats

Walsin Lihwa continues to support the pheasant-tailed jacana ecological restoration program in the Guantian area of Tainan, assisting in the promotion of water chestnut friendly cultivation models and improving agricultural management to reduce the disruption of wetland ecology and water bird breeding by agricultural activities.

The pheasant-tailed jacana (Hydrophasianus chirurgus) is a second-level protected bird species in Taiwan, primarily relying on floating aquatic plants in paddy fields or ponds for breeding. The current Taiwan population mainly inhabits artificial wetlands such as water chestnut fields and wild lotus fields, with the largest population located in the Guantian area of Tainan. In the past, population numbers significantly declined due to habitat development and pesticide use. Through multi-party collaboration to promote friendly farming, a 2024 survey in Tainan recorded 3,030 pheasant-tailed jacanas, showing that ecological restoration results are progressively materializing.

In 2025, the program further introduced soil testing and fertility analysis mechanisms, combining precision fertilization and cultivation process adjustments, and strengthening scientific agricultural management models through farmer exchange meetings and field diagnostics. This year, non-quicklime management practices were established, helping farmers improve soil conditions before planting and reducing traditional quicklime use to lower potential impacts on jacana chicks. A total of 10 farmers participated, with a trial area of approximately 2.25 hectares, progressively forming a reference model for friendly cultivation management.

In addition, bird species such as pied avocets, black-winged stilts, and common moorhens were observed using the farmland as habitat, indicating that a balance between agricultural production and ecological conservation can be achieved through management practices.



Native Plant Restoration and Natural Carbon Sink Actions

To strengthen the resilience of Taiwan's forest ecosystems and enhance natural carbon sink capacity, in 2018, Winbond Electronics, Walsin Lihwa, and other Group companies jointly established 'Huabao Seed Conservation and Breeding Co., Ltd.,' dedicated to promoting Taiwan forest germplasm collection and native plant restoration.

Huabao cooperates with National Chung Hsing University's Institute of Circular Economy Research. In terms of seed conservation and breeding operations, a seedling greenhouse has been established in Baoshan, Hsinchu for cultivating native seedlings applicable to afforestation, restoration, environmental education, and conservation promotion, progressively establishing a foundation for germplasm preservation and propagation of Taiwan's indigenous tree species.

Phase 1 collection of 24 Taiwan Theaceae species was completed in 2023. From 2024 to 2025, cultivation technology optimization and related facility construction continued to strengthen germplasm preservation and seedling cultivation capabilities. Currently, the 'Baoshan Campus' has completed Phase 1 construction, building a germplasm conservation greenhouse and seedling operation space with remote control systems, and progressively transferring germplasm and seedlings originally stored at National Chung Hsing University's Huisun Agricultural and Forestry Farm as the basis for subsequent practical conservation and breeding operations.

In terms of afforestation and carbon sink promotion, in 2024 Huabao successfully won a bid for national land to introduce the natural carbon sink industry under the National Property Administration, obtaining the right to newly plant trees on 21.52 hectares of national land in Sanxing Township, Yilan County, advancing new afforestation and GHG voluntary reduction projects in accordance with relevant regulations. In accordance with National Property Administration requirements, new afforestation will adopt the 'appropriate species for appropriate sites' principle using native tree species, planting 1,800 to 2,000 seedlings per hectare, and continuing to advance afforestation and ecological improvement operations at the 'Sanxing Forest Area.'

For areas that were formerly abandoned quarry sites affected by invasive species and environmental impacts, through systematic afforestation and ecological improvement in collaboration with National Ilan University, unmanned aerial vehicle (UAV) remote sensing and other technologies are introduced to establish forest survey and monitoring mechanisms. Technology assists in forest land management and monitoring, progressively forming an intelligent forestry management model, continuously improving carbon sink benefits and stabilizing the value of the ecological environment.

According to data publicly disclosed by competent authorities, during the maximum 60-year lease period, the project is expected to accumulate approximately 17,000 MT of carbon sinks, with an annual average of 10 to 30 MT of carbon sink benefits per hectare. Actual reduction credits are still subject to subsequent project applications and verification results. This action not only responds to climate change carbon reduction needs, but also promotes forest structural restoration and maintenance of ecological diversity through afforestation with native species.

Through native plant germplasm conservation, nursery cultivation, and afforestation restoration actions, Walsin Lihwa incorporates natural carbon sinks and biodiversity management into long-term planning, progressively strengthening the foundation of natural capital management.

Strengthening Awareness of Nature, Deepening Organizational Engagement

Walsin Lihwa strengthens employee and stakeholder understanding of and engagement with natural issues through environmental education activities (for related information, please refer to Section 2.5.4 Ecological Care), progressively enhancing the organization's focus on biodiversity issues.



2 Friendly Workplace and Social Care

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2.5 Social Engagement 94

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SOCIAL

Targets

- Company-wide Frequency-Severity Index (FSI) ≦ **0.4**
- Serious incidents involving outsourced contractors (cases): **0**
- Work with enterprises, academic institutions, and local communities to build an inclusive collaboration platform and jointly create a future of harmony and friendliness between people and nature.

Performance Highlights

Talent Development and Friendly Workplace

- Women account for about **20.0%** of management; continue to promote a diverse and inclusive workplace
- Total training hours **>218,000** hours; investment **>NT$64** million
- Online learning platform training hours **>49,000** hours; continue to promote digital learning
- Human rights-related training **>5,900** hours, strengthening awareness and implementation of human rights issues
- No strikes, work stoppages, or related incidents throughout the year
- Held **159** health promotion and health education activities, with a total of **>5,000** participant-times

Employer Brand and External Recognition

- Received the HR Asia Best Companies to Work for in Asia Award for **3** consecutive years and was honored with the Diversity, Equity, and Inclusion Award
- Received the 1111 Job Bank Happy Enterprise Manufacturing Gold Award for **4** consecutive years

Social Engagement and Sustainability Impact

- Total social engagement investment of **NT$61.19** million
- Established the Walsin Lihwa Sustainability Foundation, investing **NT$21.5** million
- Invested approximately **NT$200** million in industry-academia collaboration and outsourced research projects
- The short film "Snapshots of Growing Up" won the **Silver Award** at the Golden Eagle Micro Movie Festival

Employee Relations

Sustainability Promotion Strategy

Implement Walsin Lihwa's philosophy of "full participation" to cultivate top-tier talent and create a happy workplace

Implementation Guidelines

Create a happy workplace, enhance labor-management harmony, and increase employee identification and cohesion; strengthen talent cultivation and competency development planning to help employees learn, grow, and achieve self-fulfillment

2030 Medium- and Long-Term Targets

Commit to creating a work environment that fosters employee participation, enhance identification with and cohesion toward the company and departments, facilitate the transfer of experience between veteran and new employees, and strengthen talent cultivation, competency, and diverse career development

2025 Target	2025 Performance Results	2026 Short-Term Target
Build a Friendly Environment and Promote Labor-Management Harmony		
• **Environment-friendly**: Each plant continued to promote environment-friendly measures. The Taipei headquarters implemented an environmental inspection app to automate the reporting and approval process • **Communication-friendly**: Continued to care for new employees and designed team-building activities to enhance employees' sense of psychological safety; held regular labor-management meetings to promote good communication and collaboration	• **Environment-friendly:** Across **9** plants in Taiwan and Mainland China, completed **54** facility upgrades and improvements covering environment, equipment, and catering, continuously enhancing the quality of the work environment • **Communication-friendly:** Each plant in Taiwan held quarterly labor-management meetings to strengthen labor-management communication mechanisms and promote organizational collaboration. • **New employee care:** Held more than **60** new employee care activities throughout the year and **2** new employee forums to facilitate the integration of new employees and cross-departmental exchange	Continue to build a friendly work environment and harmonious labor-management relations; through plant facility optimization and strengthened communication mechanisms (such as Town Halls and EIP upgrades), enhance employee engagement, information transparency, and organizational trust
Value Employee Care and Enhance Employee Identification		
• **Life care:** Held cultural festival activities for domestic and foreign employees and migrant workers to promote diverse exchange • **Physical and mental care and a happy workplace:** Through health promotion lectures, club activities, parental care, expatriate care, physical and mental well-being seminars, and charity blood donation drives, combined with health promotion programs such as weight-loss competitions, enhance employee well-being and engagement and build a healthy, friendly work environment • **Employee needs-oriented:** Continuously strengthen employee needs feedback mechanisms, using employee satisfaction and engagement surveys as a basis for system optimization and measure adjustment to improve the appropriateness of policies and management actions	• **Life care:** Each plant held festival activities and daily care measures, provided heat-relief measures according to climate conditions, planned migrant worker care activities, and provided cooling equipment for high-temperature operations, continuously enhancing employees' work comfort and sense of being cared for • **Physical and mental care and a happy workplace:** Implemented a health management system and plant platform; held **116** health promotion activities throughout the year with a cumulative **3,099** participant-times; held an additional 34 diverse health and awareness activities with a cumulative **1,423** participant-times; and held **9** blood donation drives with a cumulative **570** participants donating **952** bags of blood, continuously enhancing employees' physical and mental health and engagement • **Employee needs-oriented:** Conducted an employee engagement survey (**85%** response rate) and, based on the results, promoted communication enhancement and system optimization measures to continuously improve employee experience and organizational effectiveness	Continue to promote employee care and health promotion mechanisms; through festival activities, sports and health lectures, blood donation drives, cross-generational exchange, and new employee care measures, facilitate employee exchange and integration and enhance employees' physical and mental health, engagement, organizational cohesion, and cultural identification.

2025 Target	2025 Performance Results	2026 Short-Term Target
Pass On Corporate Culture and Encourage Employee Participation		
• **Caring about employee well-being:** Through employee care activities, demonstrate care for employees with concrete actions to enhance the work experience and overall well-being • **Creating a supportive work environment:** Through book clubs, plant exchange sessions, and annual lectures, promote knowledge exchange and learning development and strengthen organizational capabilities and teamwork • **Group co-learning:** Promote group co-learning mechanisms, pass on corporate values and culture, and facilitate the exchange of functional expertise and financial knowledge to enhance cross-unit learning and growth.	• **Caring about Employee Well-Being** Held a total of **5** stress-relief and wellness activities throughout the year with a cumulative participation of about **180** participant-times, enhancing employees' physical and mental relaxation and overall well-being. • **Creating a Supportive Work Environment** Held a total of **2** exchange and learning activities throughout the year with a cumulative **44** participant-times, promoting employee interaction and strengthening an organizational atmosphere of support • **Group Co-Learning** Held **2** group co-learning courses throughout the year, promoting cross-unit knowledge exchange and shared growth.	Focus on the inheritance of corporate culture and employee participation; through planning family day activities at each plant and promoting group co-learning and employee care mechanisms, strengthen organizational connection and identification and continuously enhance employee well-being and cohesion.
Promote the application of scientific methods to enhance the management capabilities of front-line and reserve managers; cultivate employees' systematic thinking and professional knowledge, and through knowledge accumulation and experience transfer, help new employees integrate and learn more quickly.		
• **Implementing manager training and talent development:** Through front-line manager training, results presentations, and the 70/20/10 training framework, promote digital learning and learning platform optimization to strengthen management capabilities and experience transfer. • **Strengthening communication and learning mechanisms:** Through cross-generational communication courses and a required-course mechanism, enhance employees' communication skills and learning effectiveness and promote organizational development and knowledge exchange. • **Optimizing new employee training and integration mechanisms:** By optimizing the content and process of new employee training, help new employees integrate into the organization more quickly and improve learning efficiency and workplace adaptation. • **Building a diverse and inclusive workplace:** Through unconscious bias education and the promotion of multiculturalism, create a diverse, equitable, and inclusive workplace environment	• **Implementing manager training and talent development:** Promoted front-line manager training, with **74** people completing the training, and held manager capability development courses (such as effective coaching and feedback, and situational leadership), with **46** participants; also promoted the introductory "PLC Expert Training" course, with 4 sessions and 223 participant-times throughout the year; in addition, simultaneously strengthened workplace DEI management and anti-bullying and anti-discrimination practices. • Promoted diverse talent cultivation mechanisms and trained **6** Indonesian employees as seed instructors; supported all **23** employees in the fifth EMBA cohort in passing their thesis defenses, continuously strengthening organizational talent development. • Strengthening communication and learning mechanisms: Promoted micro-learning and cross-generational communication courses with a cumulative participation of more than **9,800** participant-times, and combined them with a required-course mechanism to enhance employees' communication skills and learning effectiveness. • Optimizing new employee training and integration mechanisms: By continuously optimizing new employee training content and learning mechanisms, strengthen knowledge transfer and experience accumulation to help new employees integrate into the organization more quickly and improve learning effectiveness • Building a diverse and inclusive workplace: Held training on DEI, human rights, and international regulations to enhance awareness of workplace diversity and overseas management capabilities, with cumulative participation of **72** participant-times in related courses throughout the year.	Continue to strengthen employees' communication and workplace interaction skills; through training such as crucial conversations, coaching-style interaction, and advanced courses (such as situational leadership, and effective coaching and performance feedback), enhance the quality of communication and collaboration effectiveness and promote talent development and overall organizational execution.

Workplace Safety

Sustainability Promotion Strategy

Treat employee safety and health as the top priority, establish comprehensive policies and standards, and implement them at each plant

Implementation Guidelines

Safeguard worker safety and health and build a reassuring workplace environment

For the 2026 short-term targets and the 2030 medium- and long-term targets

please refer to 2.4 Workplace Safety and Health

Social Engagement

Sustainability Promotion Strategy
Promote local shared progress and inclusion and deepen social impact

Implementation Guidelines
Promote and deepen the four major dimensions of "Corporate Citizenship," "Care for the Disadvantaged," "Environmental Conservation," and "Community Development"

2030 Medium- and Long-Term Targets
Strengthen the integration of public welfare themes with the core business

2025 Target	2025 Performance Results	2026 Short-Term Target
Corporate Citizenship Carry out 15 cultural, educational, ESG, and economic support programs	• Completed 16 programs, covering support for Taiwan original arts and culture groups, the Ministry of Labor skills competition, the Taiwan Corporate Sustainability Training Center, and industry-academia collaboration with various colleges and universities	• Continue to support domestic arts and culture development, children's art, and traditional opera • Continue industry-academia collaboration with National Taiwan University, National Cheng Kung University, Chung Yuan Christian University, and other institutions • Continue to sponsor and participate in ESG, economic, and industry exchange activities
Care for the Disadvantaged Carry out 3 support programs and complete 1 film	• Completed 3 programs, including support for the Saisiyat folk song troupe, the Shuangxi High School film course, and "Light up the Corners Throughout Taiwan", and produced 1 public welfare film and a digital feature	• Collaborate with the Thousand Hands Children and Youth Care Association to promote public welfare programs. • Phase II of the 5-year "Light up the Corners Throughout Taiwan" program, supporting remote schools in developing distinctive physical education and music education • Sponsor child welfare/elderly care institutions, continue public welfare procurement, and support local small farmers and social enterprises
Environmental Conservation Carry out 3 programs and hold 6 to 8 activities	• Carried out 3 programs covering seed conservation and breeding, carbon sinks, and small-farmer contract farming, and held 8 environmental conservation-related activities	• Support Walsin Technology in promoting seed conservation and breeding and carbon sink programs • Promote small-farmer contract farming adoption, food and agriculture education, and awareness lectures
Community Development Carry out 2 programs, hold 2 volunteer activities, and promote 12 environmental improvements	• Completed 2 children's education programs (the Mandarin and bilingual newspaper-reading program reached 25,370 students), 2 newspaper-reading volunteer activities, and promoted 12 community environmental improvements	• Continue to promote newspaper-reading and tutoring programs for junior high and elementary schools and reading volunteer activities, and promote development of the communities around plants

2.1 Human Rights and Talent Policy

2.1.1 Human Rights Policy

Walsin Lihwa adheres to the laws and regulations of all jurisdictions worldwide, and is committed to upholding the fundamental human rights of employees, protecting their legitimate rights and interests. The Company supports and complies with the following (including but not limited to) internationally recognized human rights conventions and human rights protection principles, treating and respecting all employees fairly, reasonably, and amicably-including regular employees, temporary workers, foreign migrant workers, interns, and contract employees-and extends this spirit to business partners.

The Company's Human Rights Policy is overseen and implemented by the Sustainable Development Committee and management. Its scope encompasses the Company, its domestic and overseas subsidiaries, joint ventures, and other affiliated group entities over which it exercises substantive control, as well as stakeholders including suppliers, contractors, and partners (customers and communities). The Company strives to eliminate any human rights violations; maintains diverse, open, and two-way communication channels to listen to stakeholder feedback; regularly discloses information on its official website and in its Sustainability Report; and, upon onboarding new employees, provides briefings on the content of the Human Rights Policy to ensure employees understand the Group's implementation of human rights principles. Please refer to the Company website for relevant objectives, actions, and implementation measures.

Universal Declaration of Human Rights (UDHR)

United Nations Global Compact (UNGC)

ILO Declaration on Fundamental Principles and Rights at Work

United Nations Guiding Principles on Business and Human Rights (UNGPs)

UN Declaration on the Rights of Indigenous Peoples



2.1.2 Key Human Rights Issues and Mitigation Measures

Walsin Lihwa has always respected and supported the labor standards set forth in the UN Universal Declaration of Human Rights, the UN Global Compact, and ILO Conventions, and is committed to ensuring that every member within and outside the Company receives equal and dignified treatment. The Company's human rights management process includes establishing human rights policies, formulating mitigation and remediation action strategies, conducting human rights education and training, and operating grievance mechanisms. The following are other human rights issues of concern to the Company and the corresponding mitigation measures:

Key Issues	Target Theme	Risk Assessment	Stakeholders	Mitigation / Remediation Measures	Performance in This Year
Safe and Healthy Work Environment	Maternal Employee Health Protection Program	Assessment based on work environment and hazard evaluation forms	Female Employees	1. Work adjustments based on risk communication and identification; 2. Provision of lactation rooms and dedicated parking spaces	Protection measures for 4 employees ongoing in 2025. Progress tracked per occupational physician visit frequency, with regular monitoring of pre-, during-, and post-pregnancy status; regular progress reports at safety committee meetings.
	Prevention Plan for Workplace Illegal Infringement	Employee Self-Reporting	Employees	1. Open grievance channel; employees may access reporting methods on the official website at: opinion@walsin.com 2. Project manager initiates investigation and implements response measures	No relevant incidents
	Workplace Environment Monitoring	Bi-annual employee workplace environment sampling, monitoring, and improvement	Employees	Tracked in accordance with government regulations and standards	No workplace environment monitoring exceeded standards
Prohibition of Forced Labor	Discouraging Overtime, Respecting Employee Rest Time	HR regularly tracks overtime hours	Employees	Discourage overtime through labor-management meetings and company quarterly meetings	Maintained within acceptable levels according to peak and off-peak production seasons; well-controlled
	Overload Hazard Risk Assessment	Employee overload risk level 3 ratio: 1.5% [Note]	Employees	1. Formulate overload hazard prevention plan and record assessment results; 2. Conduct health counseling and education, work adjustments, and track improvement outcomes.	No relevant incidents
Prohibition of Child Labor	Supplier Business Management Commitment Letter: Signing of Human Rights and Environmental Sustainability Commitment	Consolidated into supplier evaluation standards for audit	Employees Suppliers	Age verification for 15 years and above conducted in accordance with the law during recruitment.	No relevant incidents
Elimination of Discrimination	Attention to the spirit and development of international "Modern Slavery Laws"	Investigate whether migrant workers face unequal treatment in living and working conditions	Migrant Workers	Foreign workers enjoy the same benefits as formal employees.	No relevant incidents
Freedom of Association and Collective Bargaining	Ensuring Union and Labor-Management Meeting Operations	Safeguard secure and open employee grievance channels; regularly conduct employee satisfaction surveys	Employees	Monthly union board and supervisory committee meetings are held to discuss employee-related issues, with company representatives attending for communication	Employees are fully protected by the union

Note：Management plan coverage includes all factory sites in Taiwan.

Human Rights Training

In 2025, human rights-related education and training was conducted for internal employees, covering the Workplace Friendliness Advocacy series, Personal Data Protection Act, Unlawful Workplace Infringement, and Human Rights Education and Training for management. A total of 2,141 person-times participated, with 5,915 hours of participation (4 courses). Human rights policy was also promoted at the supplier conference.

Human Rights Commitments and Protections

Walsin Lihwa protects employee human rights through the union and labor-management meeting system. The proportion of eligible employees covered by union protection is 100%. Suppliers are bound by the Supplier Business Management Commitment Letter.

Human Rights Protection for Non-Standard Workers

Walsin Lihwa's employment of non-standard workers is mainly divided into two categories: labor dispatch and labor outsourcing. The Company manages the human rights of non-standard workers through its internal employment management regulations and labor dispatch and labor outsourcing systems. Before cooperating with dispatch agencies, the Company first understands their labor law compliance status as a basis for evaluating whether to approve the cooperation. In addition to overall welfare benefits, such workers also enjoy the same employment conditions as Walsin Lihwa's regular employees, as well as basic protections such as labor and health insurance.

Labor Union and Labor-Management Communication Channels

Walsin Lihwa established its union in November 1976, with the aim of improving labor conditions and facilitating the free flow of communication between labor and management. All company policy advocacy and employee feedback and suggestions are handled through direct and two-way communication mechanisms between both parties. An annual union representative conference is held each year, and quarterly union representative labor-management coordination meetings are held regularly to discuss various employee-related issues, with company representatives attending to communicate. Currently, a union office is set up at each plant site, allowing employees to communicate and exchange views with union representatives at any time; regular forums are also held, at which the union's board and supervisory committee members can communicate directly with senior management. An Outstanding Worker Selection and Commendation event is held annually; in 2025, 68 outstanding workers were selected. Walsin Lihwa also provides various grievance channels. In addition to regular quarterly collective bargaining meetings, ad hoc meetings are held as needed, serving as an important channel for employee communication of rights and interests, ensuring that labor-management interaction is normalized. Discussion items at collective bargaining meetings include employee turnover, company business development and talent development needs, compensation and benefits, work environment, and grievance matters. All of the Company's operating activities and major operational changes affecting employees are handled in accordance with relevant provisions of the Labor Standards Act; employees may protect their rights and interests through the Company's systems, and may also relay their views to collective bargaining representatives to safeguard their rights and interests and maintain a good interactive relationship between labor and management.

Walsin Lihwa has not signed a collective agreement with a labor union. Although the Company has established a labor union, the union has not yet submitted a request to the Company to negotiate a collective agreement, and therefore no collective agreement has been signed.

Walsin Lihwa Union Overview

Labor Union established in 1976

- Annual general assembly of member representatives held each year; union board and supervisory committee re-elected every four years
- Quarterly union and board/supervisory committee meetings held to discuss employee-related issues
- Regular forums held

100% of eligible employees in Taiwan are covered by union protection;

union members

Taiwan	77%
Mainland China	87%

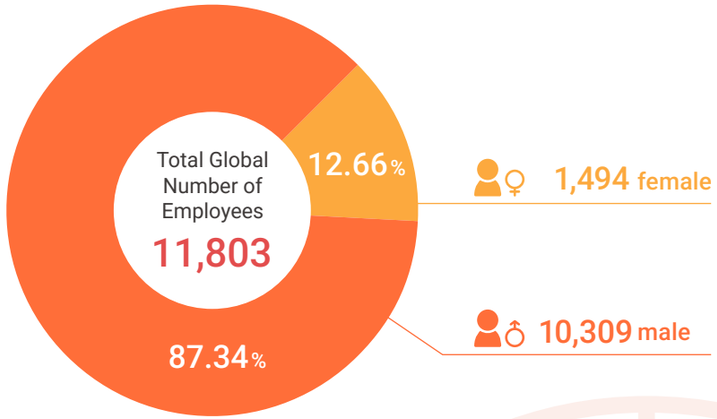
Labor Representative Proportion on Labor-Management Meeting and OHS Committee

Labor-Management Meeting	50%
Occupational Safety and Health Committee	36%

2.1.3 Human Resources Policy and Workforce Structure

Global Talent Distribution

Walsin Lihwa continues to recruit diverse global talent. In line with its global operations and expanding business footprint, the Company implements its corporate vision and extends the Walsin Lihwa brand value through planned investment cooperation and strategic partnerships. In 2025, Walsin Lihwa's total global workforce reached 11,803 employees. By employment contract type, regular employees totaled 11,131 (9,688 male, 1,443 female), contract employees accounted for 5.64% (616 male, 50 female), and zero-hour contract employees accounted for 0.05% (5 male, 1 female). Regular employees represent multiple nationalities, reflecting Walsin Lihwa's diverse talent structure. As the Company continues to expand its domestic and overseas operations, the total global workforce has shown a steady growth trend.



Global Employee Type Distribution

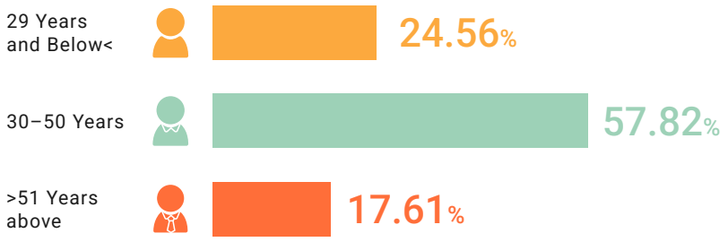
Data as of 2025/12/31; Unit: Number of Employees

Work Region		Taiwan	Mainland China	Indonesia	Malaysia	Europe	Total
Gender	Male	2,623	2,106	2,851	118	2,611	10,309
	Female	420	457	255	25	337	1,494
Position Type	Non-Management	2,650	2,208	2,783	120	2,197	9,958
	Junior Management	201	173	297	15	538	1,224
	Middle Management	111	140	18	6	136	411
	Senior Management	81	42	8	2	77	210
Employment Type	Regular Hired Employees	2,600	2,474	3,082	115	2860	11,131
	Contract Employees	438	89	24	28	87	666
	Zero-Hour Contract Employees	5	0	0	0	1	6
Total		3,043	2,563	3,106	143	2,948	11,803

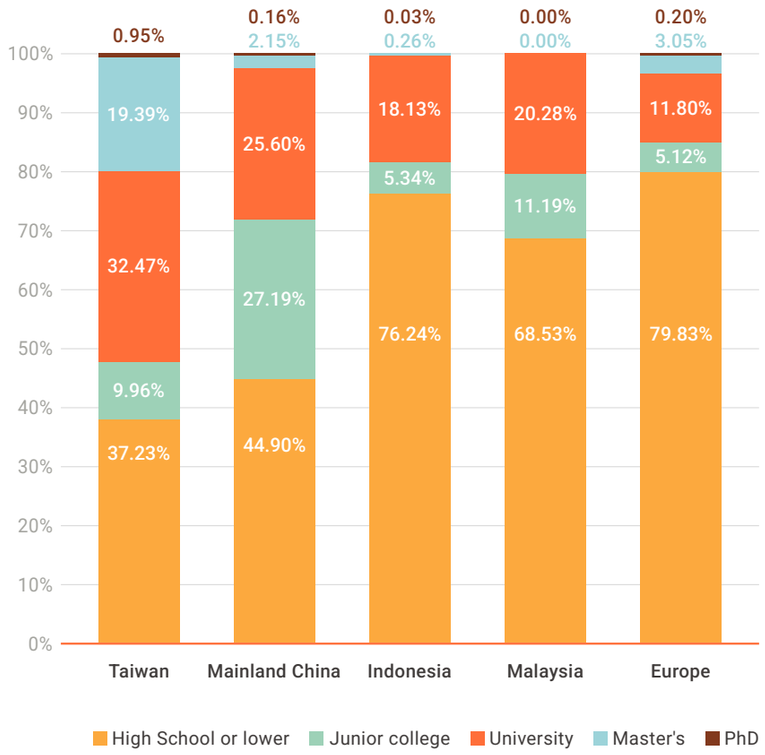
Note:

1. 2025 global employee disclosure scope: (Taiwan) The Taipei Head Office, Yangmei Plant, Hsinchuang Plant, YenshuiPlant, Taichung Plant, Walsin Energy Cable Systems; (Mainland China) Walsin China Investment, Shanghai Walsin, Yantai Walsin, Changshu Walsin, Jiangyin Walsin, Jiangyin Walsin (Specialty Alloy Materials), Nanjing Walsin (Real Estate), Nanjing Property Management, Hangzhou Futong, Hangzhou Walsin ; Yantai Walsin; (Malaysia) Walsin Precision Technology; (Indonesia) PT. Walsin Lippo, PT. Walsin Nickel Industrial , PT. Sunny Metal Industry, PT. Indonesia Tsingshan Stainless Steel (ITSS) ; (Europe) Cogne Acciai Speciali (CAS).
2. Contract Employees include foreign migrant workers among Taiwan direct employees.
3. Non-employee (contractor) workers entering plants in 2025: Taiwan region 6,434 persons, Mainland China region 2,528 persons, Europe 378 persons.
4. Number of dispatched workers in 2025: Mainland China region 98 persons, comprising factory production line employees, mall sales staff, and administrative staff; no dispatched workers in other regions.
5. Among permanently employed employees, because labor laws at overseas plant locations differ from Taiwan, local workers in labor relationships with fixed terms must periodically renew their labor contracts; upon expiry of the agreed period, an open-ended contract is signed. Regardless of the type of contract signed, they remain regular employees of Walsin Lihwa.
6. The Company has no part-time employees.
7. Junior Management refers to stock-level and above up to section-level; Middle Management refers to division-manager-level; Senior Management refers to department-level and above.

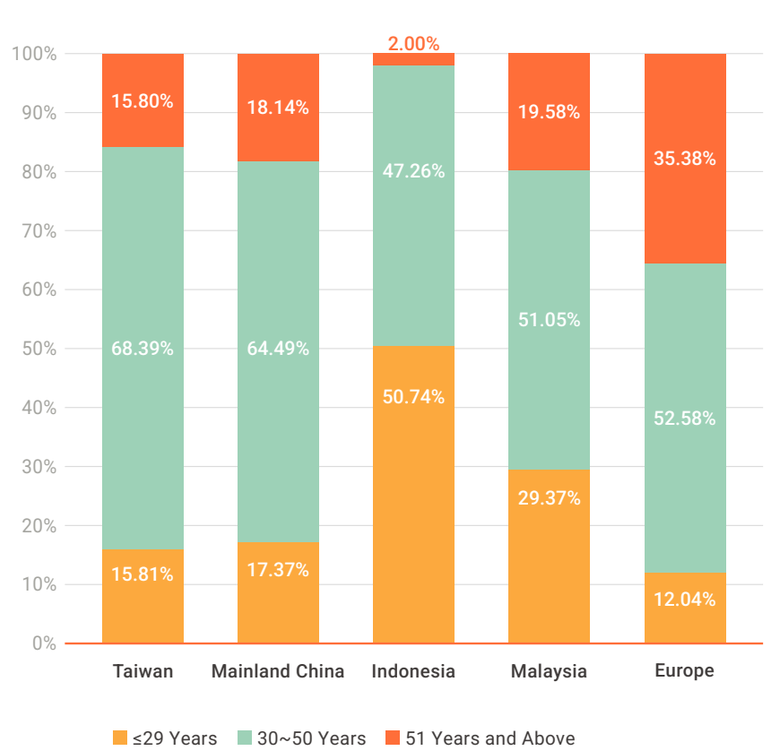
Global Employee Age Distribution



Global Employee Education Distribution



Global Employee Age Proportion



Management and General Staff Structure

Walsin Lihwa's primary business is wire and cable and stainless steel manufacturing, which are technology and labor intensive industries. Since front-line production operations involve equipment operation and relatively high physical demands, male employees are the primary workforce for on-site operations, resulting in a relatively higher proportion of male employees. In terms of age structure, management-level employees are mainly between the ages of 30 and 50, with extensive industry experience and management background; general staff are likewise mainly between the ages of 30 and 50, providing a stable core workforce with a solid professional foundation and steadiness in technology transfer and core business execution. In terms of educational background, most management personnel hold university or master's degrees, while on-site operational employees are primarily composed of those with a high school education or below.

Global Employee Education and Position

Unit: Headcount

Education Level		High School or Lower	Junior College	University	Master's	PhD	Total
Taiwan	Non-Management	1,122	256	868	385	19	2,650
	Junior Management	11	26	76	87	1	201
	Middle Management	0	15	32	62	2	111
	Senior Management	0	6	12	56	7	81
Mainland China	Non-Management	1,109	608	454	37	0	2,208
	Junior Management	29	47	94	3	0	173
	Middle Management	5	37	87	10	1	140
	Senior Management	8	5	21	5	3	42
Indonesia	Non-Management	2,156	134	488	5	0	2,783
	Junior Management	204	27	64	2	0	297
	Middle Management	8	5	4	1	0	18
	Senior Management	0	0	7	0	1	8
Malaysia	Non-Management	93	9	18	0	0	120
	Junior Management	4	5	6	0	0	15
	Middle Management	1	1	4	0	0	6
	Senior Management	0	1	1	0	0	2
Europe	Non-Management	1,993	91	89	24	0	2,197
	Junior Management	315	42	160	19	2	538
	Middle Management	34	9	63	29	1	136
	Senior Management	11	9	36	18	3	77
Total		7103	1,333	2,584	743	40	11,803

Global Employee Age and Position

Unit: Headcount

Age		≤29 Years	30–50 Years	51 Years and Above	Total
Taiwan	Non-Management	474	1,833	343	2,650
	Junior Management	7	152	42	201
	Middle Management	0	64	47	111
	Senior Management	0	32	49	81
Mainland China	Non-Management	435	1,368	405	2,208
	Junior Management	7	148	18	173
	Middle Management	3	118	19	140
	Senior Management	0	19	23	42
Indonesia	Non-Management	1,515	1,230	38	2,783
	Junior Management	60	220	17	297
	Middle Management	0	16	2	18
	Senior Management	1	2	5	8
Malaysia	Non-Management	42	60	18	120
	Junior Management	0	8	7	15
	Middle Management	0	5	1	6
	Senior Management	0	0	2	2
Europe	Non-Management	296	1,132	769	2,197
	Junior Management	54	308	176	538
	Middle Management	5	77	54	136
	Senior Management	0	33	44	77
Total		2,899	6,825	2,079	11,803

Recruitment and Retention Status

Number of New Employees

Adhering to the talent philosophy of "hiring based on merit and matching the right person to the right role", Walsin Lihwa firmly believes that employees are the Company's most important asset. Through sound organizational management systems and fair and transparent recruitment channels, the Company consistently implements talent recruitment and development. To support its global expansion and maintain competitive advantages, 1,686 new employees were hired in 2025 to meet the Company's overall operational needs and promote employment development opportunities. Walsin Lihwa's total number of employees grew from 11,612 in 2024 to 11,803 in 2025; among new employees by age, employees aged 29 years and below accounted for the majority, indicating that the new generation is driving innovation and organizational vitality at Walsin Lihwa. Furthermore, as the Company continues to expand its operations, although the total number of new employees in 2025 was lower than in 2024, the total global workforce still showed positive growth.

Annual Overview of Global New Employees

Category		2024		2025	
		Number of Employees	Hire Rate	Number of Employees	Hire Rate
By Gender	Female	251	2.16%	226	1.91%
	Male	1,992	17.15%	1,460	12.37%
By Age	≤29 Years	1,331	11.46%	961	8.14%
	30–50 Years	844	7.27%	651	5.52%
	≥51 Years	68	0.59%	74	0.63%
By Management Level	Non-Management	2,142	18.45%	1,588	13.45%
	Junior Management	55	0.47%	38	0.32%
	Middle Management	29	0.25%	29	0.25%
	Senior Management	17	0.15%	31	0.26%
By Region	Taiwan	450	3.88%	457	3.87%
	Mainland China	668	5.75%	371	3.14%
	Indonesia	804	6.92%	589	4.99%
	Malaysia	41	0.35%	28	0.24%
	Europe	280	2.41%	241	2.04%

Hire Rate = Number of new employees in current year / Total employees at year-end

Departures Employees / Number of Employees

Over the past 10 years, Walsin Lihwa's voluntary resignation rate has remained below 15%, demonstrating the Company's concrete effectiveness in talent retention and organizational stability. When an employee submits a resignation request, the human resources department will jointly confirm with the department manager and conduct an exit interview to understand the reasons for leaving and provide necessary employee care. Based on analysis, compared to last year, departing employees were predominantly male, with the primary reason for departure being other development opportunities. Additionally, the Company will evaluate potential internal transfer opportunities based on the employee's expertise and wishes. For involuntarily separated employees, in addition to handling redundancy notifications and paying statutory severance in accordance with labor regulations and issuing involuntary separation certificates, the Company also provides assistance and support during the severance process, including referrals to other internal positions or job opportunities at affiliated enterprises, career counseling, and assistance with applications to public employment service agencies for relevant unemployment benefits, to help employees smoothly navigate career transitions.

Annual Overview of Global Departing Employees

Category		2024		2025	
		Number of Employees	Turnover Rate	Number of Employees	Turnover Rate
By Gender	Female	269	2.32%	239	2.02%
	Male	1,810	15.59%	1,704	14.44%
By Age	≤29 Years	1,074	9.25%	837	7.09%
	30–50 Years	831	7.16%	899	7.62%
	≥51 Years	174	1.50%	207	1.75%
By Management Level	Non-Management	1,979	17.04%	1,806	15.30%
	Junior Management	49	0.42%	82	0.69%
	Middle Management	35	0.30%	32	0.27%
	Senior Management	16	0.14%	23	0.19%
By Region	Taiwan	426	3.67%	444	3.76%
	Mainland China	644	5.55%	483	4.09%
	Indonesia	782	6.73%	697	5.91%
	Malaysia	36	0.31%	30	0.25%
	Europe	191	1.64%	289	2.45%

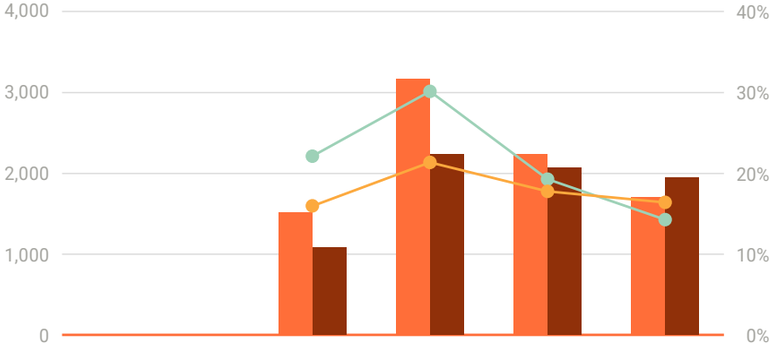
Turnover Rate = Number of departures in current year / Total employees at year-end

Employee Turnover Rate by Region

Employee Turnover Rate by Region	2022	2023	2024	2025
Taiwan	13.6%	13.5%	14.2%	14.59%
Mainland China	21.5%	30.1%	24%	18.85%
Indonesia	12.6%	27.6%	20.9%	22.44%
Malaysia	12.8%	17.1%	24.8%	20.98%
Europe	--	6.5%	9.4%	9.80%

Note：Regional Turnover Rate = Number of regional departures in current year / Total regional employees at year-end

New Recruits and Employee Turnover Rate



	2022	2023	2024	2025
Number of New Employees	1,531	3,166	2,243	1,686
Number of Employee Turnover	1,105	2,248	2,079	1,943
New Employees Proportion	22.2%	30.4%	19.3%	14.3%
Employee Turnover Proportion	16.0%	21.6%	17.9%	16.5%

2.1.4 Embracing Diversity, Building Inclusion, Upholding Equality – Workforce Diversity Indicators

In recent years, as Walsin Lihwa has steadily expanded its global business footprint, diverse employment and attracting outstanding talent have become important talent policies for the Company. The Company firmly believes that diversity is a key element of sustainable corporate success; regardless of gender, nationality, race, skin color, age, religious background, social status, or language, every employee can fully demonstrate their unique values and talents at Walsin Lihwa. The Company treats every employee fairly, complying with labor-related laws and regulations while also providing competitive compensation and benefits that exceed the requirements of the Labor Standards Act. At the same time, the Company values placing the right person in the right role, encourages innovation, provides challenging tasks and personal growth opportunities, and allows employees to pursue career achievements while also maintaining work-life balance with institutional support.

Walsin Lihwa strictly complies with applicable laws and regulations at all operating locations, and pursues diversity and inclusion in the workplace. The Company strictly prohibits the employment of child labor and does not employ employees under the age of 16. The Company upholds the principle of equal employment for all, providing fair job opportunities and treatment, and encourages employees to maximize their potential. Although constrained by the nature of the industry, the proportion of female employees on production lines is relatively low; however, at the Taipei Head Office, female employees account for more than 50% of the workforce, and females account for 43% of management positions, demonstrating the Company's ongoing promotion of gender diversity and inclusion across different job levels. The total global workforce in 2025 was 11,803 employees, of whom female employees accounted for 13.2%. Walsin Lihwa also values the contributions of senior personnel; in 2025, 14 employees in Taiwan and Mainland China were rehired after retirement, accounting for 0.25% of Walsin Lihwa's total workforce. The Company also employs persons with disabilities in accordance with the People with Disabilities Rights Protection Act; 35 employees with disabilities are employed in Taiwan. The Company does not allow an employee's physical disability to affect their employment rights, practicing a diverse, equal, and inclusive employment policy.

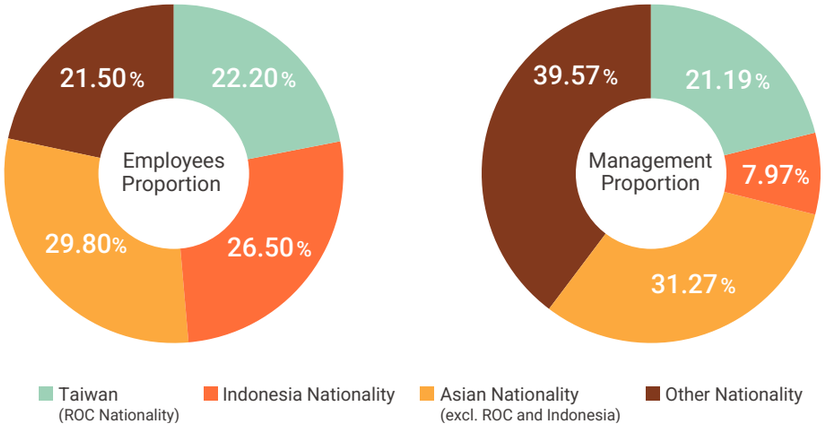
As the Company deepens its global footprint, it deeply recognizes the diverse perspectives and innovative momentum brought by different countries and cultures. The Company not only actively recruits talent from around the world, but also encourages employees to engage in cross-cultural dialogue and collaboration, working together toward a more diverse and inclusive corporate culture. The key workforce diversity indicators for 2025 are as follows:

Female Management Status

Item	Proportion	Item	Proportion
Female Employee Proportion (%)	12.66%	Female Junior Management Proportion	19.04%
Female Management Proportion	19.62%	Female Middle Management Proportion	20.19%
Female Proportion in Sales/Business Roles	39.61%	Female Senior Management Proportion	21.90%
Female Proportion in Engineering Roles	27.27%	-	

Note: 1. Management refers to section-level (inclusive) and above management
2. Junior Management refers to stock-level and above up to section-level management roles.
3. Middle Management refers to division-manager-level management roles.
4. Senior Management refers to department-level and above management roles.
5. Data on female proportions in sales/business and engineering roles covers Taiwan and Mainland China plants.

Employee Nationality Diversity



Employee Count by Age

Gender	29 Years and Below	30–50 Years	51 Years and Above	Total	Proportion
Female	338	931	225	1,494	12.66%
Male	2,561	5,894	1,854	10,309	87.34%

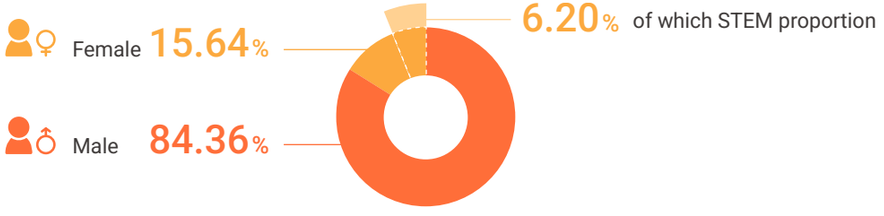
Employee Count by Level and Gender

Level	Female		Male		Total	
	Number of Employees	Proportion	Number of Employees	Proportion	Number of Employees	Proportion
Management	362	3.07%	1,483	12.56%	1,845	15.63%
Non-Management	1,132	9.59%	8,826	74.78%	9958	84.37%
Total	1,494	12.66%	10,309	87.34%	11,803	100%

Employee Count by Level and Age

Level	29 Years and Below		30–50 Years		51 Years and Above		Total	
	Number of Employees	Percentage	Number of Employees	Percentage	Number of Employees	Percentage	Number of Employees	Percentage
Management	137	1.16%	1,202	10.18%	506	4.29%	1,845	15.63%
Non-Management	2,762	23.40%	5,623	47.64%	1,573	13.33%	9,958	84.37%
Total	2,899	24.56%	6,825	57.82%	2,079	17.62%	11,803	100%

Female Employee Ratio in STEM Positions in Taiwan and Mainland China



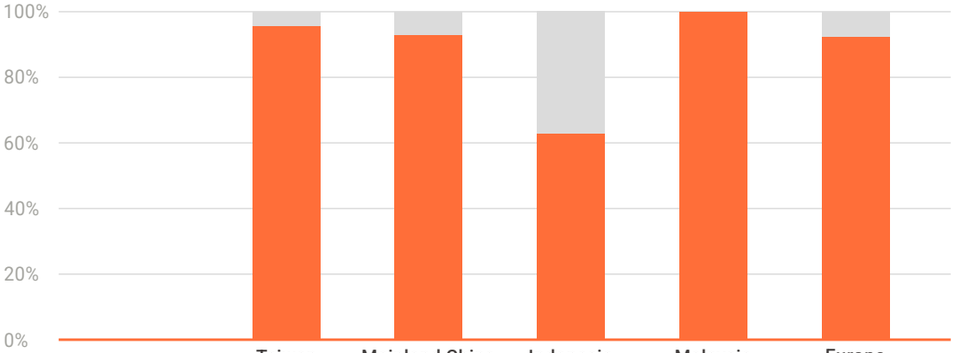
Proportion of Local Residents Employed as Management

Walsin Lihwa adopts the principle of employing local employees in each region. This not only helps effectively manage local business operations and enhance the Company's operational stability, but also meets local economic development needs, improving local employment rates and living standards. In Indonesia, as the Company has employees of diverse nationalities, the management team reflects an international composition not dominated by any single nationality, resulting in a relatively lower proportion of local residents in management positions. In other regions such as Taiwan, Mainland China, Malaysia, and Europe, the proportion of local employees serving as senior management is above 75%.

Management vs. Non-Management Number of Employees by Region

Level	Taiwan	Mainland China	Indonesia	Malaysia	Europe	Total
Management	393	355	323	23	751	1,845
Non-Management	2,650	2,208	2,783	120	2,197	9,958
Total	3,043	2,563	3,106	143	2,948	11,803

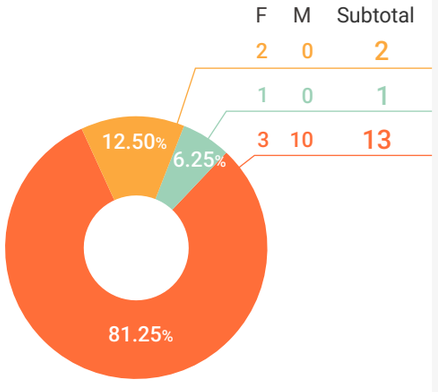
Proportion of Senior Management Employed from Local Residents



	Taiwan	Mainland China	Indonesia	Malaysia	Europe
Senior Management / Number of Employees	81	42	8	2	77
Senior Management Who Are Local Employees (%)	95.06%	92.86%	62.50%	100.00%	92.21%

Note：1. "Local" refers to the country where the organization's operations are located; proportion is calculated based on whether the employee's nationality matches the local country.
2. "Management" refers to stock-level and above management roles; "Senior Management" refers to division-level and above management roles.

Proportion of Members in Governance Bodies



	F	M	Subtotal
≤29 Years	2	0	2
30–50 Years	1	0	1
51 Years and Above	3	10	13

	Subtotal	Proportion
Female	6	37.50 %
Male	10	62.50 %
Subtotal	16	100 %

Human Rights Due Diligence

Walsin Lihwa attaches great importance to human rights protection and the management of related issues. To deepen mechanisms for human rights risk identification and management, the Company plans to initiate human rights due diligence in 2026. The Company will develop a human rights due diligence process in compliance with international human rights standards and relevant regulatory requirements, covering mechanisms for the identification and assessment of human rights issues, risk prevention and mitigation measures, implementation tracking, and information disclosure, to manage human rights risks in operations and the supply chain. This human rights due diligence will initially focus on employees in Taiwan and Tier-1 suppliers as the applicable scope, serving as the foundation for phased implementation. To strengthen stakeholder communication and enhance information transparency, the Company will subsequently disclose significant human rights issues and related mitigation and remediation measures, and report implementation results on the Company's website and in relevant reports.

Highlights

Advancing Gender Equality and Inclusion

Cogne Acciai Speciali S.p.A. (CAS) Journey Toward UNI PdR 125:2022 Certification

Cogne Acciai Speciali S.p.A. (CAS), an important subsidiary in Walsin Lihwa's European operations, places gender equality and inclusion at the heart of its organizational culture. CAS continues to build a workplace where employees are valued, heard, and empowered to realize their potential. On July 11, 2025, CAS obtained UNI PdR 125:2022 Gender Equality Certification, marking an important milestone in its journey to advance gender equality and inclusion. This achievement also demonstrates that these principles have been translated into concrete and sustainable management actions.

The UNI PdR 125:2022 standard covers six key areas: organizational culture and strategy, governance, career development, pay equity, parental support, and inclusive communication. It provides companies with a clear framework for advancing gender equality. By adopting this standard, CAS has continued to strengthen an inclusive culture within the organization in an institutionalized manner, embedding equality and inclusion into daily management and talent development. Operating in a traditional industry, CAS uses standardized management practices to deepen the values of equality and inclusion within its organizational culture, gradually reshaping the long-standing perception of the sector as male-dominated. At the same time, it places skills and experience at the center of talent development, breaking down gender-based assumptions so that every employee's professional value and growth potential can be recognized and supported along a fair development path.



This certification was achieved through the joint efforts of departments and functions across the Company. Through internal audits, data collection and analysis, and employee feedback, CAS gained a clearer understanding of employees' experiences, the challenges they face, and their expectations for the future. These insights have helped the Company continue strengthening its human resources management practices and building a more inclusive and supportive workplace.

Concrete results have gradually emerged from these efforts, including:

- **Women in Management:** Women account for 17% of CAS's management positions, placing the Company among the leading performers in the steel industry in terms of women's participation in decision-making roles.
- **Family Support:** Through its employee benefits system, CAS provides practical support tools to help employees balance work and family life.
- **Training and Inclusion:** Through dedicated courses and action plans, CAS continues to foster a workplace culture built on respect, and collaboration.

Behind every figure and indicator is the ongoing journey of employees as they continue to grow, learn, and contribute to the Company's development. This is the core value of gender equality: creating opportunities for development, strengthening organizational cohesion, and enabling sustainable and shared growth.

This certification is only one important milestone. The Company's commitment to gender equality and inclusion will continue to be embedded in its daily operations. Looking ahead, CAS will continue to monitor key performance indicators, identify areas for improvement, and implement concrete actions, including:

- **Updating its gender equality plan**
- **Promoting women's empowerment initiatives, including mentoring programs and career development support**
- **Expanding inclusion and support measures for all employees**



It should be noted that the UNI PdR 125:2022 certification was obtained by CAS. Nevertheless, gender equality and inclusion are also core values shared across Walsin Lihwa, continuously guiding the Group in building a fair, inclusive, and sustainable workplace.

2.2 Talent Development and Empowerment

2.2.1 Training Indicators and Outcomes

Average Training Hours per Person

By Gender	Male	31.66	Total Hours 218,306 hours
	Female	31.78	Average Training Hours 18 hours
By Level	Management	Junior 38	Total Cost NT$ 64,560,000
		Middle 31	
		Senior 49	Average Training Cost NT$ 5,449
	Non-Management	29	

Note: 1. Scope of training disclosure: (Taiwan region) Taipei Head Office, Yangmei Plant, Hsinchuang Plant, Yenshui Plant, Taichung Plant, Walsin Energy Cable Systems; (Mainland China region) Walsin China Investment, Dongguan Walsin, Shanghai Walsin, Yantai Walsin, Changshu Walsin, Jiangyin Walsin, Jiangyin Walsin (Specialty Alloy Materials), Nanjing Property Management, Hangzhou Walsin; (Malaysia) Walsin Precision Technology; (Indonesia) PT. Walsin Lippo; (Europe) Cogne Acciai Speciali (CAS).

2. Junior management refers to section-level and above up to unit-level management; middle management refers to division-level management; senior management refers to department-level and above management.

In the talent development system, Walsin provides comprehensive and diverse training methods tailored to different competency needs, in order to meet employees' various career development requirements. The Company has invested substantial resources in education and training, with dedicated teams responsible for planning and executing annual training programs.

The Company actively encourages employees to develop self-directed learning habits. In addition to the various learning roadmaps built into the Walsin Lihwa Academy, in 2025 the Company introduced "Micro-Learning" [Note], sharing articles monthly around four core themes-Insight, Leadership, Competitiveness, and Soft Skills. This initiative not only encourages employees to seize learning opportunities in spare moments but also provides channels for accessing real-time information to keep pace with global trends and enhance work skills.

In parallel, courses aligned with key organizational priorities-including corporate transformation, business deployment, talent development, and organizational culture-were designed to cover areas such as legal compliance, corporate governance, information security, technology application, project management, leadership, and foreign language learning. In 2025, training hours conducted through the Walsin Lihwa Academy online platform reached 49,020 hours; total education and training hours amounted to 218,306 hours, with an average of 18 hours per person; total education and training investment exceeded NT$ 64.56 million.

Note：Micro-Learning refers to short, topic-focused learning units that help employees learn in real time during spare moments, reinforcing knowledge retention and practical application.

Annual Material Topics and Training Courses

Unit: Hours

Sustainability Topic	Course Name	Total Participants	Total Participation Hours
Corporate Governance and Regulatory Compliance	TIPS+ Intellectual Property, Confidential Document Protection & Work Application, Personal Data Protection Act	12,407	14,490
Operational Performance	Anti-mix Training, In-service Training on Ionizing Radiation, Power BI Advanced Course, Practical Workshop, Desktop Operation Training		
Risk Management	Insider Trading, Raw Material Procurement Process and Contract Performance Legal Risks		
Information Security Management	Employee Information Security Standards & Promotion, Social Engineering (Multiple Sessions)		
Energy Management	In-service Safety, Environmental & Energy Education and Training		
Customer Relationship Management	TIER - International Economic Situation Report		
Sustainability Commitment	ESG Courses - Climate Change & Sustainable Management, Corporate Sustainability & Personal Business		
Workplace Safety and Health	Workplace Environment Safety Course, Workplace Unlawful Infringement, First Aid Personnel Safety and Health Training		
Product Quality and Responsibility	Audit and Quality Control Training Series		
Labor-Management Relations	Workplace Friendliness Advocacy Series, Human Rights Training		

Return on Human Capital Investment

Item / Year	2022	2023	2024	2025
Operating Revenue	180,400,719	189,839,626	179,318,340	174,242,895
Pre-tax Net Income	23,402,013	7,438,398	2,510,991	1,631,367
Employee Salary and Benefit Expenses	9,040,000	10,413,459	11,236,366	13,196,644
Return on Human Capital Investment[Note]	2.05	1.60	1.20	1.00
Number of Employees	9,624	10,428	11,612	11,803
Total Operating Expenses	170,902,005	183,598,860	177,037,517	174,224,044
Operating Income	9,498,714	6,240,766	2,280,823	18,851

Note: Return on Human Capital Investment = [Revenue - (Total Operating Expenses - Salary & Benefit Expenses)] / Salary & Benefit Expenses

Employee Training Programs

Development Program	Benefit Description	Outcomes
Annual Online Courses	Course content focuses on key themes such as corporate transformation, business deployment, talent development, and organizational culture, incorporating diverse curricula covering core areas including legal compliance, corporate governance, information security, technology application, and project management.	This program applies to all employees. In 2025, 896 employees completed the mandatory courses, a decrease of approximately 49.29% compared to 2024, as 2025 training focus shifted toward management competency and key talent capability development. For general staff, the emphasis was placed on regulatory compliance and basic general knowledge courses, resulting in a downward trend in total mandatory course hours compared to recent years.
TWI Lean Production	Through internal instructors and practical case studies, supervisors at Walsin learn production line operations and problem-solving approaches, enabling them to deeply experience the core values of management through learning and apply them in actual work to continuously drive team innovation and progress.	A total of 74 persons were trained in 2025.
Foreign Talent Adaptation Assistance Program	This program encourages foreign migrant workers to remain and develop in Taiwan, assisting them in obtaining licenses such as overhead crane and forklift operator certifications while providing relevant language training.	In 2025, the program assisted a total of 27 foreign migrant workers in obtaining professional licenses, with annual total expenditure of NT$ 530,630. The Company continues to provide Mandarin language courses for foreign migrant workers to help them adapt more quickly to work and daily life.

2.2.2 Industry-Academia Collaboration Programs

In 2025, Walsin continued to deepen industry-academia collaboration, focusing on innovative R&D, providing internship resources, and supporting in-service education. By partnering with universities and colleges to cultivate talent and strengthen technological innovation, the Company demonstrates its commitment to sustainable development and social responsibility. Walsin will continue to integrate corporate and academic resources to develop diverse talent, drive technological innovation, and fulfill its sustainable development commitments.

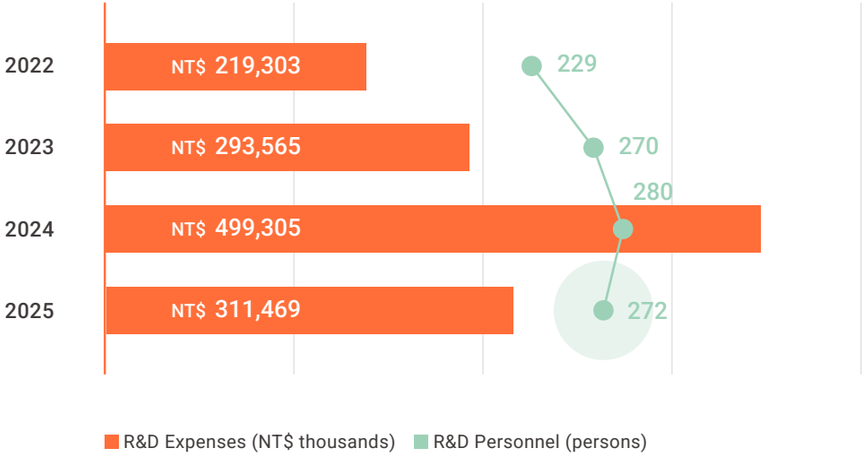
In-service Further Education – Continuous Learning through Academic Resources

The Company encourages employees to pursue continuous education and fully sponsors employees to attend the National Taiwan University doctoral program in metal materials research and Chung Yuan Christian University EMBA in-service programs. In 2025, 4 employees are enrolled in the doctoral program, and 23 fifth-cohort EMBA students passed their thesis oral examinations and obtained master's degrees. The students apply their learning in the workplace, injecting innovative momentum in metal materials, and enhancing decision-making and management effectiveness, embodying the spirit of "learning by doing".

International Interns – Cultivating Future Corporate Talent

In response to Walsin's international business expansion, the Company participated in NTU's international internship program for the second consecutive year, recruiting interns to work at the Taiwan headquarters and overseas plants. This promotes cross-cultural communication and ESG engagement, helping young talent broaden their international perspectives and deepen their understanding of corporate culture. Interns participate in data analysis, training planning, on-site observation, and community activities, injecting fresh vitality into the Company.

R&D and Technology Capability Enhancement



Industry-Academia Collaboration and Outsourced Research Projects

Walsin collaborates with domestic and international universities and research institutions on multiple industry-academia cooperation and outsourced research projects, deepening and expanding products and technologies, planning technology roadmaps, and integrating theoretical knowledge with practical experience to expand the depth and breadth of process technology and enhance R&D capability.

In 2025, Walsin collaborated with 11 universities and colleges, driving technological breakthroughs, product development, and waste recycling, combining theory and practice to strengthen new product R&D and accelerate the resolution of technical bottlenecks. The number of participants exceeded 100 person-times, with total project value of approximately NT$ 200 million, continuously enhancing R&D capability and production efficiency, injecting innovative momentum into environmental sustainability. The Company also supported the NTU College of Engineering Research Dean's Award for the fourth consecutive year, recognizing outstanding graduate students and their advisors for research excellence. Additionally, through the Walsin NTU College of Engineering Innovation R&D Center established four years ago, the fourth technical exchange poster competition was held, covering themes of smart manufacturing, metal materials, and net-zero carbon emissions, encouraging enterprises and academia to jointly explore application scenarios and spark innovative ideas.

Collaboration Project	Collaborating Partner	Beneficiaries			Collaboration Content
		University Professors	University Students	Walsin Research Staff	
University Innovation R&D Center	National Taiwan University	●	●	●	Accelerate Product Development / Expand Industrial Applications
Industry-Academia Research Projects	11 Domestic Universities	●	●	●	Resolve Development Bottlenecks / Process Simulation and Analysis
Research Institutes	3 Domestic Research Institutes			●	Deepen Technology Refinement / Strengthen Technical Breakthroughs

Industry-Academia Collaboration and Outsourced Research Projects

103 Participants

Approximately NT$ **200** million in total project expenses

Key Collaboration Projects

	Collaboration Theme	Collaboration Content
1	Walsin Low-Carbon Promotion Plan	A two-year plan to reduce carbon emissions by 20,000 tons of CO_2e through process and utility equipment at Walsin's Yenshui Plant, with 10 companies invited to join the green supply chain to drive the industry toward green transformation.
2	High-Pressure Hydrogen High-Strength Stainless Steel Process and Testing	Implementation includes research on hydrogen-use stainless steel alloy melting and trial production, S209 stainless steel bar hydrogen-use property testing and third-party verification, and process simulation, trial manufacturing, welding characterization, hydrogen energy testing, and third-party verification of stainless steel fittings.
3	Stainless Steel Cold Precision Bars and Alloy Forged Bars Core Competitiveness Upgrade Plan	To optimize the production of stainless steel cold precision bars and alloy forged bars, deepen direct customer management, and link to the precision machining ecosystem. Focusing on Walsin Lihwa's commercial-grade stainless steel cold precision bars, special-grade stainless steel cold precision bars, and special alloy bars as the main product scope, the project selects high-potential end-use product groups, establishes a supply chain ecosystem alliance platform to form a market expansion cooperation framework, jointly promoting upgrading and transformation to enhance industry competitiveness.
4	Application of Stainless Steel Slag for Carbon Capture and Storage: Using SRF Fluidized Bed System as Example	Research on using reduction slag as fluidized bed material for carbon dioxide adsorption and carbon capture.
5	Surface Crack Formation Mechanism and Control in Stainless Steel Bars	Through this research project, the core technology for Yantai bar rolling is deepened, establishing standards and methods for bar smelting and rolling processes, thereby optimizing the bar product process to achieve the goals of improved quality and reduced costs.
6	Pickling Process Research for Stainless Steel Wire and Bar	Research into pre-pickling and pickling process parameters for steel grades proposed by Walsin, identifying optimal pickling process parameters applicable to pilot or production trials. Assistance is provided in establishing a pickling laboratory, including inspection items and equipment configuration to support new steel grade process testing. Technical training for engineers on pickling processes and testing procedures is also provided.
7	Characteristic Study of Hydrogen-Use Materials in Hydrogen-Charging Environment	Research on the mechanical properties and hydrogen trapping behavior of S209 stainless steel hydrogen-use material in hydrogen environments, investigating the effects of alloy composition and process conditions on hydrogen embrittlement resistance. The first year focuses on the effects of aluminum and tin content to establish optimal alloy design principles; the second year explores the effects of hot rolling and cold drawing processes on hydrogen embrittlement behavior. Research findings will provide alloy and process design guidelines for S209 stainless steel and elucidate its hydrogen embrittlement resistance mechanism.
8	Stainless Steel 631 Trial Casting Development and Formability Testing	Kilogram-scale alloy trial production and analysis, Gleeble testing and research, and wire forming simulation, mass production trial manufacturing, and property analysis.
9	Development of Mass-Production Process Technology and Secondary Processing Parameters for High-Strength Corrosion-Resistant Stainless Steel	Stainless steel wire and bar heat treatment process design and microstructure analysis, mechanical property measurement; stainless steel polarization curve experiments, corrosion resistance measurement and comparison; spring and gear heat treatment process experiments, spring fatigue property measurement, and coordination with suppliers for testing assistance.
10	Industry Survey on Supply and Demand for Walsin Lihwa's Advanced Stainless Steel Applications in Semiconductor and Drone Sectors	Market demand survey for stainless steel tube and valve components in the semiconductor sector and for stainless steel applications in brushless motors in the drone sector.

2.3 Talent Incentives and Retention

Incentive Compensation System

Walsin values employee welfare and upholds the principle of profit-sharing with employees. Through regular market salary surveys, the Company aims to attract outstanding talent to join Walsin by offering competitive overall compensation and benefits packages. The Company's compensation policy is formulated based on the following principles:

- Compliance with relevant local laws and regulations to foster harmonious labor-management relations within the legal framework.
- Starting salary standards for new graduates and foreign workers comply with local legal requirements.
- Reasonable and competitive overall compensation is provided based on the market value of each professional function and the employee's responsibilities and contributions.
- Bonuses are distributed based on the Company's operational performance, team goal achievement, and individual employee contributions and performance.
- Employee salaries and compensation are determined based on academic and professional background, professional knowledge and technical competence, professional experience, and individual performance, without discrimination based on gender, race, religion, political affiliation, marital status, or union membership.
- Annual salary adjustment planning is conducted based on the Company's profitability and market salary survey comparison results.
- Annual promotion or transfer planning is conducted based on employees' performance and development potential, organizational needs, employee suitability, and career development intentions.

Compensation Disparities

Male-to-Female Ratio of Basic Salary and Annual Compensation by Employee Level

Level \ Region	–	Taiwan		Mainland China	
	Female	Fixed Salary	Annual Compensation	Fixed Salary	Annual Compensation
Senior Management	1	0.99	0.93	0.66	0.67
Middle Management	1	0.96	0.96	0.91	0.91
Junior Management	1	1.01	0.99	1.03	1.05
Non-Management (Professional)	1	1.07	1.05	1.09	1.10
Non-Management (Operator)	1	1.09	0.98	1.05	1.00

Note 1: Scope of compensation system disclosure: (Taiwan) Taipei Head Office, Yangmei Plant, Hsinchuang Plant, Yenshui Plant, Taichung Plant, and Walsin Energy Cable Systems; (China) Walsin China Investment, Shanghai Walsin, Yantai Walsin, Changshu Walsin, Jiangyin Walsin, Jiangyin Walsin (Specialty Alloy Materials), Nanjing Walsin (Real Estate), Nanjing Property Management, Hangzhou Futong, and Hangzhou Walsin.

2. Male-to-female ratio of basic salary and annual compensation, with female employees as the reference group (Female = 1).
3. Senior management refers to department-level and above; middle management refers to division-level management; junior management refers to section-level and above up to unit-level management; non-management (operator level) refers to production line workers
4. Fixed Salary: monthly salary for employees in service in December of the year, including base salary and fixed monthly allowances; Annual Compensation: fixed salary and variable bonuses, including monthly bonuses (estimated annual amount derived from actual disbursements divided by actual months) and annual bonuses (year-end, performance, and remuneration – actual values)

Number of Full-Time Non-Manager Employees in Taiwan and Year-over-Year Difference in Average and Median Salaries

Unit: NT$ thousands

Year	Male			Female			Total		
	Full-time Employees	Average Salary	Median Salary	Full-time Employees	Average Salary	Median Salary	Full-time Employees	Average Salary	Median Salary
2025	2,380	1,076	929	356	1,328	1,111	2,736	1,108	945
2024	2,402	1,078	899	364	1,337	1,107	2,766	1,112	921
Difference	(22)	(2)	30	(8)	(9)	4	(30)	(3)	24

"Non-manager" refers to those excluding "managers", consistent with the scope of managers reported by the Company and disclosed in the annual general meeting report.

Performance Measurement and Executive Compensation

Item	Implementation Method
Linkage between Performance Measurement and Variable Compensation	Walsin Lihwa actively implements performance management and development. At the beginning of each year, each department sets organizational goals based on the Company's strategy. These goals are cascaded downward, and supervisors communicate work objectives with employees to establish annual work targets, action plans, and development plans. Continuous communication, feedback, and progress tracking are conducted throughout the goal execution process. The Company mandates two performance reviews per year, during which supervisors at all levels conduct performance interviews and assessments with employees. To enhance the comprehensiveness, fairness, and objectivity of performance reviews, employees may invite supervisors from other departments and peers to provide work performance feedback. By aggregating multi-perspective and multi-dimensional assessment input, this approach not only more accurately reflects employees' actual performance in daily work and cross-departmental collaboration, but also helps promote self-awareness and professional growth, serving as an important reference for subsequent performance improvement and talent development. Performance evaluation criteria are as follows: **General employees** • Outcome review • Competency review **Senior management** • Outcome review • management review: including policy planning, management capability, managerial competence, and sustainability  Variable compensation is awarded based on the above performance measurement results, applicable to 100% of full-time employees.
Executive Compensation	To ensure that executive performance is closely linked to corporate strategy and operational outcomes, the Company has established the "Executive Performance Evaluation and Compensation Management Regulations", which include executive performance evaluation and compensation policies and standards. These are reviewed by the Compensation Committee and submitted to the Board of Directors for resolution. Executive compensation includes fixed salary and variable bonuses. Fixed salary is determined by comprehensively considering factors such as corporate business strategy, profitability, executive professional competence, scope of responsibilities, and market compensation levels. Variable bonuses are issued based on individual performance evaluation results, overall corporate operating performance, and linkage to future operational risks. Bonuses already paid or yet to be paid may be adjusted, reduced, or withheld based on material risk events that could affect corporate reputation, internal management failures, or employee misconduct. The system includes a Clawback Policy to ensure best practices in corporate governance.

Retirement Benefit System

Walsin complies with relevant retirement regulations and systems in each jurisdiction to safeguard employees' retirement rights, ensuring that all employees can enjoy a secure life after retirement. For employee retirement or termination of employment, the Company provides legally compliant transition assistance. A consultant re-employment system is in place for key senior management upon retirement to mitigate the impact on the individual and on Company management.

Defined Contribution Plan

The retirement system applicable to Taiwan region employees under the "Labor Pension Act" is a government-managed defined contribution retirement plan, with 6% of monthly salary contributed to the individual accounts at the Bureau of Labor Insurance.

Subsidiaries in Mainland China, in accordance with local government regulations, contribute pension insurance funds monthly at a specified percentage (13%~18%) of total employee salaries to the relevant government authorities, deposited in individual accounts for each employee. Retirement wages are managed by the local social insurance center where the subsidiary is located, with retirement pay provided according to local regulations. Employees who reach the statutory retirement age and have accumulated at least 15 years of contribution are entitled to basic pension insurance benefits.

Subsidiaries in Malaysia, in accordance with Malaysian government regulations, contribute 12%~13% of employee salaries monthly to the Employees Provident Fund (EPF), providing protection for old-age retirement.

The amounts required to be contributed under the defined contribution plan for fiscal years 2024 and 2025 have been recognized in the consolidated statements of comprehensive income, with expenses of NT$ 325,361 thousand and NT$ 379,389 thousand respectively.

Defined Benefit Plan

The retirement system for Taiwan region employees under the "Labor Standards Act" is a government-managed defined benefit retirement plan. Retirement payments are calculated based on years of service and the average monthly salary for the six months prior to the approved retirement date.

The Company contributes 2% of the total monthly salary of all employees retaining seniority under the old system to a retirement fund, deposited under the name of the Labor Retirement Reserve Supervision Committee in a dedicated account at Taiwan Bank. Before the end of the fiscal year, if the estimated balance in the dedicated account is insufficient to cover estimated retirement payments for employees expected to become eligible for retirement in the following year, the shortfall shall be contributed in a lump sum before the end of March of the following year. The defined benefit plan amounts recorded in the consolidated balance sheets for fiscal years 2024 and 2025 are as follows:

Unit: NT$ thousands

	December 31, 2024	December 31, 2025
Present Value of Defined Benefit Obligation	2,109,947	1,956,234
Fair Value of Plan Assets	(1,115,666)	(1,079,870)
Net Defined Benefit Liability	994,281	876,364

Childbirth Encouragement

In accordance with the "Labor Standards Act", Walsin does not terminate employment contracts during maternity leave. Female employees are provided with 56 days of maternity leave before and after childbirth. Employees may apply for 7 days of paternity leave when accompanying their spouse for prenatal checkups or childbirth, with regular wages paid during paternity leave. For employees requiring infant care, the Company also complies with the "Act of Gender Equality in Employment", allowing employees with at least six months of service who need to care for children under three years of age to apply for unpaid parental leave.

There were 55 newborns in 2024 and 37 newborns in 2025, with a birth rate of 2.7%, a slight decrease from the previous year. In 2025, 126 employees were eligible to apply for unpaid parental leave, of whom 22 applied; the return rate was 77.27% and the retention rate was 91%. Some employees who did not return were primarily due to continuing family care needs. For returning employees, the Company arranges return-to-work matters in advance, including internal departmental training to help shorten the adjustment period and enable them to re-familiarize with work content efficiently and return to the workplace smoothly.

Parental Leave Applications Statistics (Taiwan Region)

Statistical Item	Gender		Total
	Male	Female	
2025 Eligible for Parental Leave[Note]	151	21	172
2025 Parental Leave Applications	19	4	23
2025 Due to Return from Parental Leave (A)	17	5	22
2025 Returned from Parental Leave as Expected (B)	12	5	17
Parental Leave Return Rate (B/A) x 100%	70.59%	100.00%	77.27%
2024 Returned from Parental Leave (C)	8	3	11
2024 Returnees Still Employed for Full Year in 2025 (D)	7	3	10
Parental Leave Retention Rate (D/C) x 100%	87.50%	100.00%	90.91%

Note：Employees who applied for maternity leave or paternity leave between 2023/01/01 and 2025/12/31 and were still employed on 2025/12/31.

Minimum Notice Period for Operational Changes

For major operational changes affecting employee rights and related response measures, the Company communicates through trade unions or labor-management meetings before implementation, and provides advance notice to affected employees in accordance with legal requirements. In addition, the Company provides supporting measures such as assisting with transfers to other internal units or providing employees with relevant information to assist in applying for government subsidies. In the Taiwan region, for example, the Company provides advance notice of 10 to 30 days depending on the employee's years of service, as required by the "Labor Standards Act".

Employee Opinion Survey

Since 2023, the employee opinion survey has been conducted every two years. In 2025, the Company commissioned a third-party professional institution to conduct an anonymous employee engagement survey, ensuring employees can express their opinions freely. This survey covered professional-level employees at Taipei Headquarters and all Taiwan plants, with a coverage rate of 85%. The survey covered employee experience dimensions including engagement, satisfaction, work environment, management support, communication and collaboration, and career development, aiming to understand employees' expectations and actual feelings about the workplace as an important reference for the Company's continuous improvement.

Survey results indicate that as the organization's business scope continues to expand, professional specialization within each unit deepens, and the frequency of cross-domain, cross-departmental, and even cross-cultural collaboration increases accordingly. Achieving effective communication and strengthening psychological safety are the most critical goals requiring reinforcement. Based on the survey results and analysis findings, the following improvement plans are proposed:

Designing Training Programs Tailored to Different Job Categories

For management-level employees, the focus is on strengthening performance feedback and people-management capabilities. Starting in 2025, core management training programs such as effective coaching and feedback and situational leadership have been progressively introduced. For professional-level employees, the focus is on "effective expression of perspectives", through presentation skills courses offered at the Walsin Lihwa Academy and the hosting of a "Storytelling Competition", encouraging employees to share daily work in a relaxed and engaging manner to enhance cross-departmental understanding and exchange.

Providing Onboarding Support for New Employees

Based on onboarding-related feedback from the survey, starting from 2026, the Company is planning various forms of organizational support mechanisms for new employees. The HR project team will undertake overall planning, using lively and engaging interaction methods to help new employees familiarize themselves with the Company's business philosophy and industry trends, enhance cross-departmental understanding, and increase their sense of identification and belonging. The Company will also continue to help employees deepen their communication skills and improve work efficiency and psychological safety.

Optimizing the Performance Feedback Mechanism

Regarding the twice-yearly performance feedback mechanism, to improve the fairness and objectivity of performance assessments, the system now allows employees to invite supervisors from other departments and peers to provide work performance feedback. By aggregating multi-perspective and multi-dimensional assessment input, this approach more accurately reflects employees' actual performance in daily work and cross-departmental collaboration, and also helps promote self-awareness and professional growth.

This is the first time Walsin has encouraged employees to express their genuine opinions anonymously. The HR department has been communicating with key units in succession based on survey results, continuing to assist in formulating improvement plans and ensuring the implementation of follow-up tracking mechanisms, committed to creating a more diverse, inclusive, passionate, and vibrant workplace environment

2.4 Workplace Safety and Health



OHS Vision

Safe and Healthy

0 Work Injuries

2.4.1 Occupational Safety and Health Policy and Philosophy

Walsin Lihwa upholds its core objectives of "green manufacturing, happy enterprise, and sustainable management". Under the direction of the EHS Management Promotion Center (formerly the EHS Management Committee), and in accordance with the Occupational Safety and Health Act (with the Work Safety Law applicable in Mainland China), the Company has established and implemented an occupational safety and health management system.

It is committed to providing a safe and healthy working environment, reducing and eliminating OHS risks, and ensuring employee occupational safety. The Promotion Center regularly reviews the implementation status of OHS plans at each plant, investigates safety incidents, conducts root cause analysis, and formulates preventive measures to continuously improve safety management effectiveness.

EHS Management Promotion Center Management Policy (2025-2026)

Strategic Pillar	Management Focus	Implementation Approaches (Company-Wide / Plant)	Corresponding ESG/GRI Management Logic
Safety Culture	All-Employee Participation and Prevention Culture	Section Safety Meetings, Safety Education and Training, Safety Promotion, Zero-Accident Culture Drive	GRI 403-5 Education and Training, GRI 403-9 Injury Prevention
	Systematic Risk Management	HIRARC Hazard Identification, SJP Job Safety Analysis, KYT Pointing-and-Calling	GRI 403-2 Hazard Identification
	Operation and Equipment Safety	5S[Note] Environmental Safety, TPM Equipment Safety	ISO 45001 8.1 Operational Control
	Contractor Safety Management	Optimization of Contractor Management System, Introduction of Systematic Management Platform	GRI 403-7 Contractors
	Healthy Workplace	Health Promotion Activities, Occupational Disease Monitoring, Four Key Programs (Overwork / Musculoskeletal / Maternity / Unlawful Infringement)	GRI 403-3 Occupational Health
EHS Intelligent Management	Real-Time Risk Monitoring	EHS Information Integration Platform, Real-Time Monitoring	GRI 403-1 Management System
	Data Governance	Risk Analysis and Business Continuity Management	ISO 45001 PDCA
EHS Talent Development	Professional Talent Cultivation	Building an EHS Talent Pool	GRI 403-5 Capability Building
	Organizational Capability Enhancement	Cross-Plant Integration Project Talent Development	ESG Governance Capability

Note: Sort, Set in Order, Shine, Standardize, Sustain.

Workplace Safety Objectives

Indicator	2025 Target	2025 Performance	2026 Target	Medium- and Long-Term Target
• Company-Wide Employee Incident Count • Company-Wide Employees Disabling Injury Frequency Rate (FR)	• Serious Accidents: 0 • FR ≦ 1.8	• Serious Accidents: 2 Note 1 • Minor-and-above incidents: 347 Note 2 (Minor injuries: 233; accidents: 114) • FR=5.54 (excl. CAS: FR=2.5)	• Serious Accidents: 0 • FR ≦ 1.8	• Serious Accidents: 0 • FR reduced by 10% annually
• Company-Wide Employee Frequency-Severity Index (FSI)	• FSI ≦ 0.4	• FSI=1.034 (excl. CAS: FSI=0.585)	• Company-WideEmployeesFSI ≦ 0.4	• FSI reduced by 10% annually • Challenge target: FSI ≤ 0.4
• Company-Wide Contractor Disabling Injury Frequency Rate (FR)	• Serious Accidents: 0	• FR=10.18 Note 3 (excl. CAS: FR=4.41)	• Serious Accidents: 0 • FR ≦ 0.09	• Serious Accidents: 0 • FR reduced by 10% annually

Note: 1. Serious accidents refer to fatalities within the plant, other injuries from which workers cannot recover (e.g., amputation), or conditions from which workers cannot recover to their pre-injury health status within 6 months.

2. Minor-and-above incidents include recordable accidents at the plant including work injuries with minor injuries (lost time of 1 day or less); work injuries refer to accidents with lost days of 1 day or more.

3. The overall contractor Disabling Injury Frequency Rate (FR) targets non-employee workers as the analysis subjects. Since the workplaces of such workers after recovery are uncertain, actual lost workdays cannot be tallied; the investigation occurrence frequency rate is used as the basis.

4. This disclosure covers Taiwan (Taipei Head Office, Hsinchuang Plant, Yangmei Plant, Taichung Plant, Yenshui Plant), Mainland China plants (Shanghai Walsin, Hangzhou Walsin, Jiangyin Walsin (Specialty Alloy Materials), Changshu Walsin, Yantai Walsin), PT. Walsin Nickel Industrial, Walsin Precision Technology, and Europe Cogne Acciai Speciali (CAS).

5. The 2025 disclosure scope excludes PT. Sunny Metal Industry and Walsin Everising Specialty Steel Indonesia. PT. Sunny Metal Industry is currently confirming statistical baselines with the IWIP industrial park due to personnel deployment characteristics, so 2025 GRI 403 indicators cannot be disclosed; Walsin Everising Specialty Steel Indonesia is excluded as it ceased production from Q2 2025.

6. FSI accident events do not include minor injuries (lost days less than 1 day) or commuting traffic accidents outside the plant. 7. As the Company's operational scope adjusts, annual targets will be adjusted on a rolling basis.

Occupational Safety and Health Management System (Including Fire Safety Management)

To enhance occupational safety and health management (including fire safety management) and comprehensively implement the Occupational Safety and Health Management System (ISO 45001), coverage extends to workers (employees, contractors, and visitors) at all Taiwan plants (Hsinchuang, Yangmei, Taichung, Yenshui), Mainland China plants (Shanghai Walsin, Hangzhou Walsin, Jiangyin Walsin (Specialty Alloy Materials), Changshu Walsin, Yantai Walsin), the Indonesia plant (PT. Walsin Nickel Industrial), and CAS-affiliated facilities. Coverage encompasses 8,444 employees (including contract employees) and 9,160 non-employees (contractors/resident outsourcing), representing an overall site coverage rate of 86% for employees and 99% for non-employees (contractors). (Taipei Head Office, Nanjing Walsin (Real Estate), and Walsin Precision Technology have not yet applied for certification.)

All Group operating sites, regardless of whether they hold ISO 45001 certification, implement occupational safety and health management under the same management framework, strengthen worker participation and consultation communication, and promote dynamic review, improvement, and recurrence prevention through the PDCA cycle. Combined with annual projects, internal audits, drills, and performance indicator tracking, workplace safety is continuously improved. This year, the target of reducing the number of disabling injuries by more than 10% compared to the previous year has been achieved. The Company manages safety performance through dual active and passive indicators, including system promotion, senior management support, work injury accidents and regulatory inspection results, as well as general and special health examinations and other health management indicators. Meanwhile, each plant deploys sufficient fire safety management personnel as required, implements regular fire equipment maintenance and self-inspections, and regularly conducts company-wide fire evacuation and fire self-defense brigade drills to strengthen fire prevention and emergency response capabilities.

Worker Participation, Consultation, and Communication on Occupational Safety and Health

Walsin Lihwa has established a formal and diverse worker participation and communication mechanism to ensure that employees and contractors can exercise meaningful influence in occupational safety and health management:

OHS Committee Participation

Each plant has established an Occupational Safety and Health Committee, with worker representative ratios meeting regulatory requirements (36% in Taiwan; no mandatory requirement in overseas plants). Regular meetings are held to discuss regulatory compliance, risk assessment, incident review, and improvement measures.

Board of Directors / Sustainable Development Committee

To strengthen the governance of OHS issues, the Company has designated occupational safety performance as a senior management oversight item and reports quarterly to the Board of Directors or Sustainable Development Committee, closely linking OHS management with major operational decisions to ensure continuous monitoring and improvement of safety performance at the highest governance level.

Consultation and Communication Platforms

Through section meetings, shift handover meetings, EHS committees, contractor coordination meetings, occupational accident review committees, and health risk prevention committees, channels are provided for employees and contractors to voice their opinions in real time, and improvement proposals are incorporated into the management system.

Information Transparency and Feedback

All meeting minutes and safety promotion messages are disseminated through internal announcements, email, and on-site visual management methods, ensuring real-time availability of information and two-way communication.

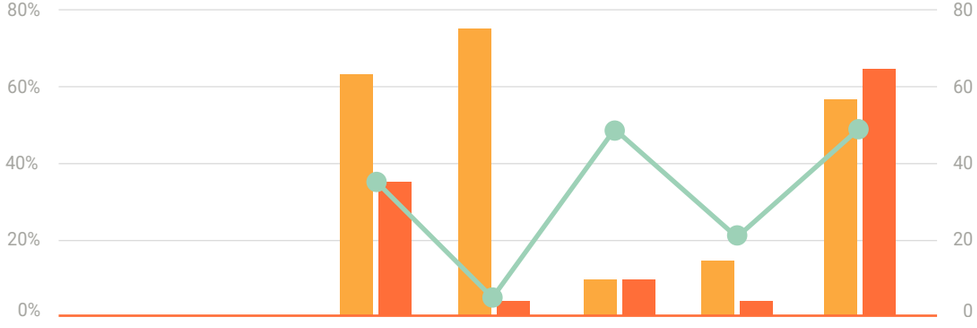
Ad-Hoc Periodic Inspections and Hazard Reporting Mechanism and Reporting Mechanism

During daily inspections, when supervisors and employees discover immediately dangerous situations, they follow the procedure to initiate reporting and immediately stop operations, while guiding on-site personnel to retreat to safe areas. Work may only resume after the risk has been eliminated. This mechanism strengthens on-site autonomous safety capability and helps prevent accidents and reduce operational risks.

Occupational Safety and Health Committee

All Group plants have established dedicated safety and health units with sufficient full-time personnel, and have formed Occupational Safety and Health Committees (TW) / Work Safety Committees (CN) and EHS Management Committees. Worker representative ratios all meet regulatory requirements, and regular meetings are held to discuss occupational safety, health, and environmental matters. Taiwan plants regularly convene safety and health committee meetings and complete statutory records. An EHS meeting records and electronic approval platform has also been established, and various resolutions and safety information are shared via the intranet and email to strengthen communication and management implementation.

Worker Representative Ratio and Meeting Overview



	Taiwan	Mainland China	Malaysia	Indonesia	CAS
General Members	64	76	10	15	57
Worker Representatives	36	4	10	4	66
Total Members (persons)	100	80	20	19	123
Worker Ratio	36%	5%	50%	21%	53%
Number of Meetings	28	27	4	12	76

Note：1. Taiwan plants have established safety and health committees (abbreviated as "safety committees") as required by law, and the number of worker representatives meets regulatory requirements. Mainland China, Malaysia, and Indonesia plants operate under work safety committees.

2. Ratio = number of worker representatives / total committee members × 100%. Taiwan regulations require the worker representative ratio to be at least 1/3; no such requirement exists overseas.

2.4.2 Work Environment Safety

Safety Culture

Hazard Identification and Risk Assessment

Walsin Lihwa promotes hazard identification and risk assessment through a systematic process. Safe Job Procedures (SJP) use the Risk Matrix method, while machinery and equipment are analyzed using the LEC method (Graham method) to ensure consistency in operational and equipment risk management. In 2025, Taiwan plants identified 15,902 hazard risks, including 214 fire and explosion risks and 2,367 Level-3-and-above risks; Mainland China plants identified 3,011 hazard risks, of which 98 were fire and explosion risks and 1,677 were Level-3-and-above risks. In overseas locations, although not yet fully incorporated into the Group database, Indonesia has reported 347 items and CAS has reported 2,420 risk data items. For Level-3-and-above risks, the Company takes corresponding measures based on severity. High and critical risks (Level 4–5) require immediate or time-bound risk reduction actions, and operations may not begin or continue before improvement is completed; moderate risks (Level 3) are subject to continuous strengthening of improvement and control mechanisms to progressively reduce the risk ratio and ensure overall operational safety.

Walsin Lihwa strengthens Group safety resilience through systematic risk management and incident investigation systems. In 2025, an analysis was conducted on medium- and high-risk items and PPE usage and compliance in the Asian region from 2020–2024, and 41 safety educational videos were produced for promotion at each factory site to improve employees' safety awareness of "understanding, remembering, and being able to do". The Company also assisted each factory in aligning annual safety policies with performance indicators such as FR/FSI, and reviewed SOP/SJP implementation for 141 occupational accident cases to strengthen organizational implementation capability. All workplace safety incidents require immediate notification and investigation. Including a 1-hour action notification, system notification within 8 hours, preliminary investigation within 3 days, and case closure within 7 days. Event & Causal Factor Chart (ECFC) and Why Tree (causal tree analysis) are used for root cause analysis to clearly distinguish deficiencies at the operational, management, and decision-making levels and propose corrective and preventive measures. With the continued deepening of education and training, behavioral observation, and multi-level safety inspection mechanisms, Walsin Lihwa's overall Frequency-Severity Indicator (FSI) in 2025, while still below the annual policy target (0.4), has shown significant improvement compared to 2024, demonstrating that the Group's risk control and accident prevention measures are progressively taking effect.

Performance Results

Year	Region	Disabling Injuries (persons)	Lost Workdays (days)	Fatality Rate	FR	LTIFR	FSI
2023	Taiwan Employees	12	371	0	1.85	1.85	0.325
	Mainland China Employees	25	2,121	0	4.03	4.03	1.173
	Group-Wide (excl. CAS)	39	2,900	0	2.28	2.28	0.622
2024	Taiwan Employees	20	729	0	3.08	3.08	0.588
	Mainland China Employees	34	1,993	0	5.75	5.75	1.391
	Group-Wide (excl. CAS)	62	8,910	0.05	3.08	3.03	1.166
2025	Taiwan Employees	12	301	0	1.91	1.91	0.302
	Mainland China Employees	23	1,516	0	3.78	3.78	0.972
	Group-Wide (excl. CAS)	40	2,189	0	2.50	2.50	0.585

Note：1. Fatality Rate: number of fatalities caused by occupational injuries × 1,000,000 ÷ total working hours

2. Disabling Injury Frequency Rate (FR): the number of disabling injuries (including fatalities) per million working hours; formula = (disabling injuries + fatalities) × 1,000,000 ÷ working hours

3. Lost Time Injury Frequency Rate (LTIFR): measures the frequency of lost-time injuries (disabling injuries) per million working hours; Formula = Lost-Time Injuries × 1,000,000 ÷ Working Hours

4. SR (Severity Rate) = lost workdays / total working hours × 1,000,000

5. FSI (Frequency-Severity Index) = (FR × SR / 1,000)^(1/2)

Education, Training, and Advocacy

Walsin Lihwa plants plan annual education and training according to the actual operational needs of each unit, covering new employee safety education, initial license training, refresher training, high-risk task training, contractor induction training, and more. Previous accident cases, operational risks, and management system audit results are also incorporated into training arrangements. Training frequency and target audience are planned according to job nature and license renewal cycles, with multilingual training provided when necessary.

For fire and emergency response training, regular fire safety lectures, fire evacuation drills, and emergency response training are conducted. Response procedures are strengthened according to the characteristics of each site, ensuring employees are familiar with fire handling, reporting, evacuation routes, and equipment operation. Some plants also produce scenario-based instructional videos as part of annual disaster-reduction projects to improve employees' ability to identify fire risks and their hands-on proficiency. All training costs are fully borne by the Company.

Occupational Safety and Health Education and Training

	New Employee Training	On-the-Job Training (Internal)		On-the-Job Training (External, incl. Certification)		Non-Employee Worker Training (incl. Contractors)	
Region	Person-Times	Person-Times	Sessions	Person-Times	Sessions	Person-Times	Sessions
Taiwan	329	12,955	842	334	139	993	181
Mainland China	332	14,810	151	780	165	2,258	330
Malaysia	0	598	43	30	8	0	0
Indonesia	113	3,246	86	219	39	0	0
CAS	708	4,069	628	1,458	250	68	33
Total	1,482	35,678	1,750	2,821	601	3,319	544

Note 1: Project types include additional specialized courses added by each plant according to its needs.

Fire and Explosion Prevention

Walsin Lihwa plants conduct annual self-inventories of chemical substances in use, maintain a comprehensive chemical inventory, and manage Safety Data Sheets (SDS) and GHS (Globally Harmonized System) labeling in accordance with regulations to ensure accurate disclosure of hazard information.

Safety equipment within plants, such as fire suppression systems, is also regularly inspected and replaced when abnormal, ensuring proper equipment functionality. No fire accidents resulting in casualties occurred in 2025.

Occupational Injuries and Occupational Diseases

Walsin Lihwa plants have dedicated points of contact for medical, occupational safety and health, and human resources, and collaborate with various departments to promote worker health protection and promotion measures. Regular health examinations are also provided to employees, and through autonomous management controls, it is ensured that employees and workers do not engage in unsuitable tasks, thereby reducing health risks. Over the past nine years, Walsin has had no occupational disease fatalities, nor any confirmed occupational disease cases diagnosed by occupational medicine specialists, demonstrating the Company's effectiveness in occupational health management.

Highlights

Highlights of External Engagement Outcomes

Walsin Lihwa Actively Promotes Workplace Fire Safety, with Key Achievements Including:

Walsin Lihwa received the Benchmark Award in the annual Workplace Fire Safety SDGs Disclosure Evaluation organized by Taiwan's National Fire Agency, Ministry of the Interior, in recognition of the Company's proactive disclosure of its fire risk management practices. At the same time, Walsin Lihwa enhanced its emergency evacuation assembly and roll-call procedures by introducing a smart QR code roll-call system, enabling real-time tracking of evacuation headcounts and evacuation time. This innovative approach further strengthens stakeholder trust and enhances the Company's organizational resilience in disaster prevention.



Natural Gas Explosion-Prevention and Operational Resilience Enhancement Project

To reduce the potential operational impacts and occupational safety risks associated with the use of natural gas, the Company introduced the international explosion protection safety concept under IEC 60079 at four sites in Taiwan. Through the Natural Gas Hazardous Area Classification Project, the Company adopted a systematic approach to strengthen risk governance and enhance the resilience of equipment management.

Risk Identification and Institutionalized Governance

The project is implemented in two phases

Hazardous area classification and risk assessment were conducted to comprehensively identify potential natural gas leakage sources, complete risk grading, and inventory risk points.

Equipment and management improvements were carried out by establishing an inventory of explosion-proof equipment and a lifecycle management system. Equipment distance abnormalities and medium- to low-risk cases were also incorporated into ongoing tracking.

Engineering Improvement and Management Enhancement

Through the PDCA management mechanism and systematic inspections, the Company enhanced its natural gas management capabilities by:

1. strengthening inspections of explosion-proof equipment, gas detection, and ventilation management;
2. implementing ongoing equipment upgrades and relocation to reduce the risk of natural gas leakage and explosion; and
3. establishing consistent governance practices across sites to improve the transparency of risk information.

Implementation Results

1. All four plants have fully completed natural gas hazardous area classification.
2. Established a lifecycle management system for explosion-proof equipment.
3. Inventoried: More than 1,900 risk points; Planned: 566 improvement measures
4. High-risk equipment exposure rate reduced by 15–20%. ⬇
5. Gas detection and ventilation systems upgraded to reduce the probability of leakage and explosion scenarios.
6. Rolling management: Improvement tracking completion rate at each plant reached 78–86%

By combining engineering management with institutionalized governance, the project strengthens energy use safety, reduces the risk of major accidents, and enhances the Company's overall governance capability in occupational safety and operational resilience.

Plant	Natural Gas Equipment Used	Leakage Risk Points (locations)	Low-Risk Equipment Count	Medium-Risk Equipment Count	High-Risk Equipment Count	Electrical Equipment Inventory in Zone (items)
Hsinchuang	2	9	2	0	0	22
Yangmei	3	66	3	0	0	18
Taichung	8	547	7	1	0	66
Yenshui	22	1,365	10	5	7	1,116

On-Site Occupational Injuries and Main Injury Types

In 2025, there were 114 employee work injury accidents (0 fatalities; an additional 233 minor injuries are not included in the statistics). The recordable accident rate for employees was 1.16% (i.e., the number of work injury accident persons as a proportion of the total number of employees). Analysis shows that the main accident type was caught/entangled injuries at 16.67%, followed by cut/abrasion injuries at 14.91%, injuries caused by improper body movement at 14.04%, and falls from height at 11.4%. In terms of accident subjects (excluding CAS), the majority were frontline technical operation personnel, accounting for 92.5% of the total.

There were 20 non-employee work injury accidents (0 fatalities, excluding 17 minor injuries). The main accident type was falls from height at 25%, followed by struck-by and cut/abrasion injuries, both at 20%. All related accident risks and deficiencies have been promptly rectified through hardware protection and management measures. No fire or chemical spill incidents occurred in 2025.

Employee Workplace Injury Accident Types						
Accident Type	Taiwan	Mainland China	Malaysia	Indonesia	CAS	Total %
Falls from Height / Rolling	0	1	0	0	12	11.40%
Slip and Fall	2	4	0	0	4	8.77%
Collision	0	2	0	0	1	2.63%
Flying Objects	0	2	0	1	2	4.39%
Collapse / Cave-in	1	0	0	0	0	0.88%
Struck by Object	0	2	0	0	7	7.89%
Caught / Entangled	5	8	1	1	4	16.67%
Cut / Abrasion	1	0	2	0	14	14.91%
Stepping on Object	0	0	0	0	3	2.63%
Drowning	0	0	0	0	0	0.00%
Contact with Extreme Temperatures	0	1	0	0	1	1.75%
Contact with Hazardous Substances	0	0	0	0	2	1.75%
Electrocution	0	0	0	0	1	0.88%
Explosion	0	0	0	0	0	0.00%
Object Fracture	0	0	0	0	2	1.75%
Fire	0	0	0	0	1	0.88%
Improper Movement / Ergonomic Injury	3	1	0	0	12	14.04%
Other	0	1	0	0	5	5.26%
Unclassifiable	0	0	0	0	0	0.00%
Traffic Accident	0	1	0	0	3	3.51%
Total	12	23	3	2	74	100.00%

Non-Employee Workplace Injury Accident Types						
Accident Type	Taiwan	Mainland China	Malaysia	Indonesia	CAS	Total %
Falls from Height / Rolling	2	1	0	0	2	25.00%
Slip and Fall	0	0	0	0	1	5.00%
Collision	0	0	0	0	0	0.00%
Flying Objects	0	0	0	0	0	0.00%
Collapse / Cave-in	0	0	0	0	0	0.00%
Struck by Object	0	1	0	0	3	20.00%
Caught / Entangled	0	1	0	0	0	5.00%
Cut / Abrasion	0	1	0	0	3	20.00%
Stepping on Object	0	0	0	0	0	0.00%
Drowning	0	0	0	0	0	0.00%
Contact with Extreme Temperatures	0	0	0	0	0	0.00%
Contact with Hazardous Substances	0	0	0	0	0	0.00%
Electrocution	0	0	0	0	0	0.00%
Explosion	0	0	0	0	0	0.00%
Object Fracture	0	0	0	0	0	0.00%
Fire	0	0	0	0	0	0.00%
Improper Movement / Ergonomic Injury	0	0	0	0	1	5.00%
Other	0	0	0	0	4	20.00%
Unclassifiable	0	0	0	0	0	0.00%
Traffic Accident	0	0	0	0	0	0.00%
Total	2	4	0	0	14	100.00%

On-Site Occupational Injury Statistics

Year	Employees							Non-Employees						
	Total Working Hours	Fatalities		Serious Occupational Injuries		Recordable Occupational Injuries		LTIFR	Total Working Hours	Fatalities		Serious Occupational Injuries		Recordable Occupational Injuries		LTIFR
		Persons	Rate	Persons	Rate	Persons	Rate			Persons	Rate	Persons	Rate	Persons	Rate	
2022	15,798,983.40	0	0.00	1	0.06	51	3.23	3.23	1,772,632.70	0	0.00	0	0.00	0	0.00	0.00
2023	18,936,620.50	0	0.00	4	0.21	57	3.01	3.01	1,962,465.70	0	0.00	0	0.00	18	9.17	9.17
2024	23,665,125.10	1	0.04	1	0.04	109	4.61	4.56	1,575,357.96	2	1.27	0	0.00	13	8.25	6.98
2025	20,583,171.05	0	0.00	2	0.10	114	5.54	5.54	1,963,600.68	0	0.00	0	0.00	20	10.19	10.19

Note: 1. Fatality rate from occupational injuries = number of fatalities / actual working hours × 1,000,000
2. Rate of serious occupational injuries (excluding fatalities) = number of workers on work-injury leave exceeding 6 months / actual working hours × 1,000,000
3. Rate of recordable occupational injuries = total work injuries (including fatalities) / actual working hours × 1,000,000 = FR
4. Actual working hours = scheduled working hours + overtime hours – all leave hours
5. 2025 Occupational accident statistical analysis data: "Days" refers to calendar days, and "lost workdays" are counted starting from the day after the accident. Recordable occupational injury counts exclude traffic accidents during commuting and minor injuries (lost working hours less than 1 day)
6. LTIFR (Lost Time Injury Frequency Rate) = number of lost-time injuries (disabling injuries, excluding fatalities) × 1,000,000 ÷ working hours

Occupational Safety and Health Regulatory Compliance

In 2025, there were 4 penalty incidents involving violations of occupational safety and health regulations in Taiwan(with total fines of NT$ 600,000),and 1 penalty incident in China (Mainland) involving violation of work safety regulations (with a total fine of RMB 25,000). In response to all regulatory violations, the Company has incident and penalty review mechanisms were initiated, and improvement plans were proposed and fully completed, including:

- **Focus on high-risk hazardous operations and equipment:** targeted project improvements for high-risk processes and equipment.
- **Reduce high-frequency near-miss incidents and hidden hazards:** strengthen on-site safety management through risk identification and preventive measures.
- **Introduce information-based management:** progressively build an intelligent OHS system to improve regulatory compliance efficiency and optimize the OHS management system.
- **Strengthen safety awareness and real-time monitoring:** enhance employee safety education, and use systems to monitor machinery and equipment status and control raw materials and chemicals in real time.

Plant	Reason	Regulation Violated	Corrective Actions Taken	Fine Amount
Taiwan Yenshui Plant	Occupational Accident	Occupational Safety and Health Act, Article 6, Paragraph 1	Use handheld straightening machines and fixtures to adjust bar stock, reducing rebound risk.	NT$ 100,000
			Strengthen operational protective facilities to enhance personnel safety; install safety harness anchor points and require workers to correctly attach fall-prevention devices.	NT$ 150,000
			Arrange professional license refresher training for relevant personnel and maintain overall validity through roster management; comprehensively review safety protection of lifting equipment and hoisted objects (use qualified lifting equipment). Strengthen employee training and reinforce operational safety supervision responsibilities; assign on-site safety personnel to assist in supervision.	NT$ 150,000
			Overhead crane entry/exit railings have been redesigned as movable gate systems, and crane access stairs have been added for safe personnel passage; the crane entry/exit traffic flow has been re-evaluated and the position and dimensions of access points have been adjusted to reduce traffic risks.	NT$ 200,000
Mainland China Yantai Plant	Violation of Work Safety Law	Work Safety Law of the People's Republic of China, Articles 5 and 94	All job safety responsibilities have been comprehensively revised and corrective actions tracked to completion; verification by the regulatory authority has been passed and the relevant fines have been paid.	RMB 25,000

2.4.3 Contractor Management and Oversight

Walsin has fully implemented the Walsin Lihwa Contractor Management Principles across all factories in Taiwan and Mainland China. Through institutionalized, standardized, and digitalized control processes, contractor work safety and operational risk management have been strengthened. All contractors must complete the signing of the Environmental Safety and Health (ESH) commitment letter and receive necessary training before entering the site, achieving a 100% compliance and adherence rate. The contractor management system is used to control entry/exit and record abnormalities, enhancing management transparency and real-time monitoring.

Contractor Management Statistics (2025)

Non-Employee Workers (including Contractors)	Number of Contractors (persons)	Number of Occupational Injuries Involving Contractors	Number of False Alarms Involving Contractors	Number of Deficiencies Involving Contractors	Penalty Cases	Penalty Amount
Taiwan Region	6,434	2	0	456	21	NT$ 653,500
Mainland China Region	2,470	4	0	59	93	RMB 99,338
CSA Region (Self-Reported)	238	14	17	5	2	Not yet tallied [Note]

Note：1. CSA has not yet been incorporated into the Group's contractor management system; its data are estimated from self-reported feedback, and contractor penalty amounts have not been tallied.
2. Malaysia, Indonesia, and certain regions not managed by the Group are currently not included in the Walsin Group Contractor Management System for unified maintenance and are therefore excluded from the overall statistics.
3. Company official website "Contractor OHS Management Page"：https://www.walsin.com/contractor-management.

2025 Contractor Management Performance in Taiwan and Mainland China: In Taiwan, a total of 6,434 control permits were issued for contractor site access, with 2 occupational injuries, 456 non-conformities, and 21 penalty notices recorded, resulting in total fines of NT$ 653,500. In Mainland China, a total of 2,470 control permits were issued, with 4 occupational injuries, 59 non-conformities, and 93 penalty notices recorded, resulting in total fines of RMB 99,338.

The Company also promotes the Contractor OSH Management Guidelines, standardized operations, and insurance systems, supplemented by kick-off meetings, coordination meetings, and on-site audits, ensuring contractor work safety requirements are fulfilled. All identified non-conformities throughout the year were corrected, and targeted awareness campaigns were conducted for related issues. During 2025, no fire incidents (or fire alarms) or major accidents occurred during contractor operations within Walsin facilities.

2.4.4 Key Occupational Safety and Health Activities

Walsin Lihwa designs feasible employee health promotion plans each year. Based on risk management and on-site hazardous operations, special operation surveillance groups (noise, ionizing radiation, dust, high temperature, lead, manganese, nickel, n-hexane, vinyl chloride operations) are identified for health checkups and result analysis. Health protection plans for hazardous operations are established to ensure a good working environment and prevent occupational diseases. The 2025 follow-up results showed no work-related health abnormalities.

In 2025, through health promotion lectures and activities, employees' health awareness was raised, guiding employees to change health behaviors and habits and acquire correct health knowledge. In 2025, a total of 159 health education sessions were held with 5,092 participants, and 10 female employees received maternal health protection measures.

Taiwan Region

2,720	current employees undergoing health management
291	new employees undergoing health management
1,125	workers involved in tasks with special health hazard

Health Promotion Lectures and Activities

In 2025, a total of 159 health education sessions were held with 5,092 participants.

Health Promotion – Physical Activities	41 sessions / 1,925 participants
Health Topics – Lectures	75 sessions / 1,174 participants
Safety & First Aid Training	34 sessions / 1,423 participants
Blood Donation Drive	9 sessions / 570 participants (952 bags of blood)

Outstanding Achievements in Healthy Workplace Promotion

- 2025 Self-Assessment for Workplace Health Promotion Passed: The Taipei Head Office, Hsinchuang Plant, Yangmei Plant, Taichung Plant, Yenshui Plant
- The Taipei Head Office received the 2025 Sports Enterprise Certification from the Sports Administration, Ministry of Sports
- Hsinchuang Plant received the 2025 Safe Premises Certification
- Hsinchuang Plant received the 2025 New Taipei City Age-Friendly Workplace Certification for Middle-Aged and Senior Workers – Bronze Level

2.5 Social Engagement

2.5.1 Walsin Lihwa Sustainability Foundation

To continue Walsin Lihwa's sustained investment in the field of sustainable development and concretely demonstrate practical actions in environmental conservation, social care, and resource stewardship, the Company officially established the Walsin Lihwa Sustainability Foundation in June 2025, inheriting Walsin's long-term commitment to ESG and corporate social responsibility. Walsin has always believed that sustainability is not just a strategy or plan, but a practical attitude that needs to be continuously embodied in daily operations and social participation. Through the foundation's operations, it is hoped that this belief will be transformed into a longer-term, stable, and socially perceptible positive impact.

Since the second half of 2025, the Foundation has integrated Walsin's existing resources and, through a more dedicated and systematic operational mechanism, continuously deepened the breadth and impact of its actions. We are committed to conveying social mindfulness, promoting environmental education, and practicing green living, hoping to drive positive social change through long-term and stable actions, gradually realizing the sustainable blueprint of co-prosperity with society.

Walsin Lihwa Sustainability Foundation

2.5.2 Social Engagement Policy

Walsin Lihwa regards corporate sustainable development as the Company's core value. In addition to pursuing business growth, it adheres to the philosophy of "advancing and integrating with local communities", implementing this across four dimensions: "Care for the Disadvantaged", "Environmental Conservation", "Community Development", and "Corporate Citizenship". Through diverse activities and joint participation with the Walsin Lihwa Sustainability Foundation, more employees are encouraged to empathize with disadvantaged groups and engage in corporate citizenship and social development issues, extending influence from factory neighborhoods outward to contribute to the positive and balanced development of society.

Walsin Lihwa Social Care Dimensions, Initiatives, Target Recipients, and Cooperating Units

NT$ million

Corporate Citizenship 22.96

Initiatives

- Supporting NTU Innovation Research Center and industry-academia collaboration
- Supporting Taiwan original arts groups and local arts development
- Factories in Europe and Asia actively participating in social, economic cooperation, and ESG organizations

Target Recipients or Partners

- Non-profit organizations
- Educational and research institutions at all levels
- Students
- Arts groups and sports organizations

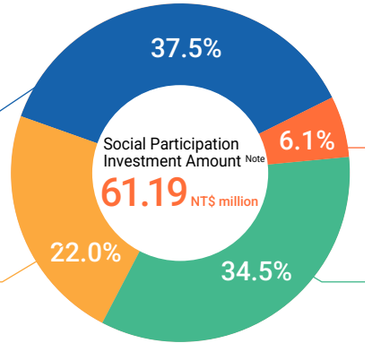
Care for the Underprivileged 3.70

Initiatives

- "Light up the Corners Throughout Taiwan" Program-Supporting schools in developing distinctive education
- Cooperation with Thousand Hands Association for children and youth care
- One Mall public welfare activities
- Sponsoring child welfare and elderly support institutions

Target Recipients or Partners

- Rural and remote area students
- Disadvantaged groups
- Non-profit social welfare organizations
- General public



Community Outreach 13.45

Initiatives

- Sponsoring the Indonesia IMIP Sustainable Development Foundation to promote education, culture, sports, rural infrastructure, environmental protection and healthcare
- Elementary and middle school newspaper reading and tutoring programs
- Beautifying neighborhood environment
- Participating in community welfare, cultural and folk activities

Target Recipients or Partners

- County/city environmental agencies, district offices, neighborhood offices, police and fire departments; Community development associations and folk culture organizations; Residents of communities near factory sites, disadvantaged groups; Local farmers and social enterprises
- Community development associations and folk culture organizations
- Disadvantaged groups
- Local farmers and social enterprises

Environmental Conservation 21.08

Initiatives

- Taiwan organic kiwifruit contract farming program
- Promotion of Taiwan native plant germplasm conservation and carbon sink program
- Advocacy of vegetarian diet, food-agriculture education, and ecological and environmental protection concepts

Target Recipients or Partners

- Young farmers, Academic research institutions, General public
- Academic and research institutions
- General public

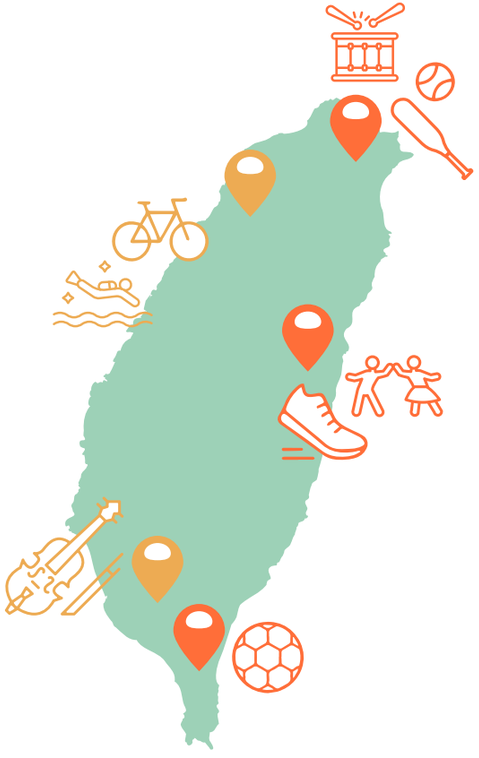
Note：The above includes direct investment amounts from Taiwan, Mainland China, Indonesia, and European factories, as well as contract farming, industry-academia collaboration, public welfare films, and digital features. It excludes material donations, agricultural product purchases, and volunteer contributions.

2.5.3 Empathizing with the Underprivileged

A progressive society requires balanced improvement across all dimensions. Walsin Lihwa and the Walsin Lihwa Sustainability Foundation start by caring about the quality and opportunities of education for Underprivileged children, hoping to sow seeds of hope for the future development of society. The Company continues to promote the "Light up the Corners Throughout Taiwan" program and sponsors Taiwan institutions supporting Underprivileged children and the elderly. In Mainland China, Nanjing One Mall regularly holds various public welfare activities each year.

"Light up the Corners Throughout Taiwan" Program

Walsin launched the "Lighting Up the Corners of Taiwan" donation program at its 50th anniversary celebration at the end of 2016. It has continuously helped five rural elementary and junior high schools in Taiwan, providing students with a better teaching environment and equipment, developing distinctive sports and music education programs. The Company hopes to fulfill its corporate social responsibility and give back to society, continuously conveying warm support and light so that more people can feel warmth and light up every corner of Taiwan.



Yilan – Datong Elementary School

Baseball, Percussion

Many players of Datong Elementary School's baseball team come from Atayal tribal communities. In 2025, they participated in the Yilan Elementary and Junior High School League, the National Indigenous Sports Games, and the Indigenous Baseball Association Care Cup, winning third place in the 2025 National "Baoerfu Cup". The percussion ensemble won excellence awards in the Yilan County Student Music Competition and also performed in the Arts Education Joint Exhibition, tribal caroling, and the school's Christmas music concert.



Hsinchu – Guangwu Junior High School

River Tracing, Mountaineering, Snorkeling, Cycling

Guangwu Junior High School held outdoor experience courses in 2025, including Green Island exploration, river tracing, cycling around the island, and mountain climbing on Hehuanshan. Students actively participated in various courses combining AI technology, historical culture, natural ecology, and bicycle maintenance knowledge, while continuously training physical fitness. Additionally, senior students returned as leaders, cultivating leadership skills by assisting junior students; students supported and learned from each other in natural environments, gradually discovering their strengths and developing diverse capabilities.



Hualien – Huaren Junior High School

Youth Baseball, Soccer, Dance, Percussion, Athletics

The athletics team had outstanding performance in 2025, winning first place in the 400-meter relay and third place in the 110-meter hurdles at the International Youth Games. In domestic competitions, they also won 1 silver and 2 bronze medals at the 2025 National Indigenous Peoples Sports Games. The baseball team won first place at the county-level selection competition of the "Xie Guocheng Cup" and placed fifth in the national competition, the "Lide Cup National Youth Baseball Championship". The soccer team won third place in the B division of the soccer league. The dance team won 3 first-excellence awards and earned qualification for the national competition. Among them, the indigenous dance team represented Hualien at the Indigenous Games and won second place nationally. The percussion ensemble won the top honor in Hualien County.



"Light up the Corners Throughout Taiwan" Public Welfare Documentary Series No. 6

Pingtung – Taiwu Elementary School

Violin, Piano

Taiwu Elementary School selects students interested in music to participate in violin and piano clubs, hoping to cultivate their concentration and learning abilities and discover their latent talents. In 2025, students performed at important school events including the school anniversary, Mother's Day, and Christmas, not only boosting learning motivation and confidence but also demonstrating the results of arts education. In addition, students participated in the Pingtung County preliminary round of the National Student Music Competition, winning Grade A honors in violin, viola, and piano solo categories, fully demonstrating the effects of long-term cultivation.



Pingtung – Gaoshi Elementary School

Ancient ballads troupe, soccer, judo

Gaoshi Elementary School achieved significant results across various areas in 2025. In track and field, students won second place in the county for both boys' and girls' speed walking at the Pingtung County Elementary and Junior High School Combined Sports Meet, and first place at the Pingtung County Sports Games; and won third place in the girls' group at the all-around event. At the Pingtung County Track and Field Regional Competition, they won first place the boys' long jump. In soccer, they won the championship in the Universalization Soccer fifth-grade group competition. The traditional song team won an excellence award in the Pingtung County "Austronesian Harmony" traditional song competition and was invited to perform at the closing ceremony of the 2025 World Indigenous Peoples' Games, demonstrating rich cultural depth and diverse learning achievements.



Care for the Underprivileged

Walsin Lihwa and its employees have long cared for the lives and education of underprivileged children. In 2025, a total of NT$ 1.6 million was sponsored to 12 child and elderly support institutions, including Taiwan World Vision, Taiwan Fund for Children and Families (TFCF), Lotus Heart Garden Social Welfare Charitable Foundation, and Chinese Child and Adolescent Care Association.

Walsin Lihwa Partners with Local Businesses – Conveying Warmth with Taiwan Fund for Children and Families (TFCF) through Family Reunion Dinner

Partnering with Tainan local businesses, Walsin Lihwa organized a reunion dinner event on the eve of Chinese New Year 2025, inviting 80 parent-child pairs from the Northern Tainan TFCF to celebrate the holiday in advance. Each family received carefully prepared New Year gifts and red envelopes during the event. Through the warm and joyful activities, Walsin Liwha hope participating families feel the festive atmosphere and embrace coming Lunar New Year.



Walsin Lihwa Partners with Huashan Foundation – Delivering Warmth to Solitary Elders on Chinese New Year, Dragon Boat Festival, and Mid-Autumn Festival

On the eve of Chinese New Year, Dragon Boat Festival, and Mid-Autumn Festival, Volunteers from Walsin Lihwa Yenshui Plant partnered with the Huashan Foundation to visit solitary elders in the Yenshui area, delivering festival supplies in person and conveying warmth and blessings. This action is not just a material donation, but a sharing of heartfelt care, letting the elderly experience the care and support of society on the eve of the holiday.

They delivered seasonal supplies and food to the elders' homes, carefully explained the preparation methods, and help to measure blood pressure, making the elders feel well-cared for.





Highlights

Bringing Hearts Closer Through a Shared Meal: Walsin Lihwa's Volunteer Meal-Sharing Activity for Elderly Residents in Yenshui

" For elderly people whose children live far away, sharing a meal is not just about having a full belly; it is a rare and cherished moment of companionship in their daily lives."

"Hi there", "How have you been feeling lately?" "You look very energetic today!"

Warm greetings echoed at the entrance of the community activity center. Walsin Lihwa and community volunteers welcomed the elderly residents with smiles as they took their seats, ready to begin a lunch gathering filled with warmth, care, and familiar companionship. In the neighborhoods surrounding Yenshui, local communities have long recognized the challenges many elderly residents face in preparing their daily meals. To support them, the "Senior Meal Service" has been carried out on a long-term basis, providing hot and nutritionally balanced meals at the activity center five days a week. The program brings neighbors together to share meals, companionship, and a sense of community.

Beyond providing financial support, Walsin Lihwa also stepped into the community as corporate volunteers, working alongside local residents to prepare and serve meals. Through hands-on participation, Walsin Lihwa brought warmth to everyday life, turning a simple shared meal into a meaningful connection between hearts. Early in the morning, volunteers from Walsin Lihwa's Yenshui Plant began preparing the meals. Wearing aprons and headscarves, they carefully washed and chopped vegetables, cooked the dishes, and portioned out each serving. Every home-style dish reflected their care and dedication. By lunchtime, the aroma of freshly prepared food filled the room. Volunteers thoughtfully helped elderly residents collect their meals, chatted with them, and asked about their daily lives. As the seniors carried their trays and packed lunch boxes to take home, the space came alive with laughter, conversation, the comforting scent of food, and a strong sense of warmth and community.

Walsin Lihwa has long cared deeply about local social well-being. By taking part in community-based elderly care and meal services through concrete action, the Company continues to bring its warmth into every corner of the community. We believe a hot meal does more than nourish the body; it conveys care, companionship, and connection. Looking ahead, Walsin Lihwa will continue to join hands with local partners and reach more places in need, allowing warmth to become one of the deepest connections within the community.





One Mall 2025 Annual Public Welfare Activities

One Mall is a comprehensive shopping center operated by Walsin Lihwa in Nanjing. Since 2015, it has continued to invest in social welfare and community development, planning various care activities each year. In 2025, a total of 4 events were held with approximately 2,000 participants.

February

International Rare Disease Day - Jiangsu Awareness Week

During the International Rare Disease Day Jiangsu Awareness Week, the "Seeing the One in Ten Thousand" charity bazaar brought together more than 100 families. The event helped build a closer connection between people affected by rare diseases and the broader community.



March

Nanjing Adoption Day - Pet Movie Screening

In celebration of World Puppy Day jointly with Nanjing Adoption Day on March 23, Walsin Lihwa host a special movie screening of I Will Be Fine for pets and their owners. Approximately 80 participants attended the screening.



July

Everything Comes Full Circle - Family Second-Hand Market

During the summer holiday, Walsin Lihwa worked with nearby communities to organize the "Everything Comes Full Circle" Family Second-hand Market. Over the two-day event, approximately 60 families took part. Through professional guidance and engaging activities, children learned about nature and environmental protection in a fun and relaxed setting, growing into "nature advocates" within their families and communities.



November

Low-Carbon Environmental Carnival

Centered on everyday low-carbon practices, the Low-Carbon Environmental Carnival featured nine immersive experience zones, including green mobility, the Clean Plate Campaign, and waste sorting. By turning environmental knowledge into interactive experiences, the event attracted more than 1,200 participants.



2.5.4 Caring for Ecology

Eco-Friendly Farming – Supporting Local Agriculture

Since 2021, Walsin has implemented a contract farming program for Taiwan-native organic kiwifruit, partnering with local young farmers to engage in sustainable cultivation through environmentally friendly farming practices. Through a contract adoption mechanism, the program supports farmers in maintaining stable production while jointly sharing climate-related risks. In response to challenges such as the aging agricultural workforce, competition from imported agricultural products, and the impacts of extreme climate events, the Walsin Lihwa Sustainability Foundation has established long-term partnerships with farmers to help strengthen agricultural resilience and put sustainability concepts into concrete action. By showcasing the outcomes of these agricultural initiatives, the program promotes environmentally friendly practices and support for local agriculture, fostering sustainable development in which businesses, society, and the land can thrive together in harmony.

Thank you for Walsin Lihwa's companionship, facing together the climate change and the storms of every year. In the future, we will continue to work hand in hand on environmental sustainability and biodiversity, creating a win-win Taiwan agriculture.

Young farmers, Academic research institutions, General public



2025 Walsin Lihwa Walk for Wellness: Growing a Healthy Forest

The Walsin Lihwa Sustainability Foundation was established in June 2025, marking an important milestone in the Company's sustainability journey. To encourage employees to take part in sustainability efforts firsthand, the Foundation launched the 2025 Walsin Lihwa Walk for Sustainability Action Plan, integrating wellness into everyday life and turning each step into a meaningful act of sustainability.

Combining physical activity, engagement, and environmental action, the program encouraged employees to build healthier habits through daily movement while raising awareness of environmental and social issues. Over the course of 31 days, these collective efforts were translated into tangible impact: 41 native trees were planted at Qieding Wetland, an important wetland ecosystem in southern Taiwan, reflecting Walsin Lihwa’s commitment to protecting the natural environment.

Tree Planting Coordinates: 22° 52'51.1"N 120° 11'34.2"E





I hope that our children will inherit cleaner oceans in the future. By taking part in Walsin Lihwa's beach cleanup initiatives, we can learn together with the next generation how to protect marine ecosystems and contribute to the goal of net-zero carbon emissions. This is also how we help ensure Walsin Lihwa's long-term sustainability.

Rolling Mill Instrumentation and Electrical Section, Yenshui | Chao-Kai Chuang

I hope that every young tree we plant can help ease global warming, and that people's lives will continue to move toward a more nature-friendly way of living.

Industrial Engineering Office, Yenshui | Chung-Hao Huang

As climate change becomes increasingly severe, every effort to reduce carbon emissions matters. Each of us is part of the Earth, and each of us has the power to drive change. We may not be able to change the world overnight, but we can start by changing ourselves. A small step toward energy conservation and carbon reduction can become a major step toward a sustainable future. Reducing our carbon footprint is not only for ourselves, but also for the next generation. Let us work together and take concrete action to protect this beautiful blue planet-not just today, but every day. Change begins now, and hope is created by us.

Intelligent Applications Department, Yantai | Chia-Hao Tu

I am grateful for this activity, which taught me to find a better rhythm for my steps amid the busyness of life. It also reminded me to cherish the sunshine on clear days, and on rainy days, to count the raindrops and convince myself that even walking to the breakfast shop counts as an achievement.

Quality Management Section, Yenshui | Lien-Hung Weng

Starting today, I am willing to use one less sheet of paper and one less plastic bag each day, while sharing more smiles and gratitude.

President's Office, Hsinchuang | Yung-Chen Lin

GO Green! Walsin Lihwa Green Life – Vegetarian Day × Green Market × Green Handcraft

November 25 marks International Vegetarian Day. To celebrate the occasion, Walsin Lihwa organized Walsin Lihwa Green Living Day, a series of activities designed to encourage employees to experience the benefits of healthy eating and sustainable living.

Vegetarian Day activities were held across Walsin Lihwa's sites in Taiwan. At the same time, the Taipei headquarters hosted an Organic Market, inviting local small-scale farmers and artisan brands to offer fresh fruits and vegetables as well as specialty agricultural products. A Green Food DIY Workshop was also held, where employees learned to make shan-su pearls, an Indigenous edible fern, while gaining a deeper understanding of Indigenous ingredients and culture.

Through these activities, employees were able not only to enjoy healthier meals and purchase trusted, locally sourced ingredients, but also to take part in hands-on environmental and cultural experiences. The initiative brought the idea of green living into everyday life-through every meal and every interaction.





Environmental Education Lectures



In 2024, Walsin Lihwa sponsored the first "Seeing the Environment Living Festival" organized by the Chi Po-lin Foundation. Through visual storytelling and arts performances, the festival documented environmental change and promoted the beauty of sustainable living through action. In 2025, the Company further extended this engagement through an internal lecture inspired by the original vision behind the documentary Beyond Beauty: Taiwan from Above. The lecture shared Director Chi Po-lin's deep care for Taiwan's land and his sense of mission, while using extensive aerial footage to guide 154 participating employees in understanding Taiwan's current environmental conditions and challenges from a different perspective.

Through these images, participants saw not only lush green rice fields, snow-capped Mount Jade, and deep blue seas, but also bare yellow-brown mountainsides left behind by human development and natural disasters, gray concrete wave breakers and roads, and coastlines fragmented by ports. Together, these scenes revealed the growth and transformation of the island of Taiwan. Environmental education is concerned not only with the land itself, but also with the impact of human activity on the environment. When we take the time to truly observe and reflect, each of us can find our own meaningful way to care for the land.

On May 22, the International Day for Biological Diversity, Walsin Lihwa invited its long-term organic contract farming partner, Jianghao Farm, to share the story of kiwi cultivation and the rich natural ecosystem within its orchard with 124 employees who attended the lecture. The speaker explained that kiwifruit is not only highly nutritious, but also a deep-rooted crop that helps support soil and water conservation. At the same time, its cultivation is facing growing challenges amid climate change.

The farm owner also brought the orchard’ s diverse plant and animal life vividly to life, jokingly describing the land as "nature's buffet," where a wide variety of species coexist freely. Although some of these species may affect crop yields, the farm remains committed to operating in a land-friendly and organic manner. Through this approach, it puts the idea of living in harmony with the environment into practice and contributes to the protection of biodiversity.



To deepen employees' understanding of nature conservation and ecological sustainability, Walsin Lihwa organized a screening and sharing session for the documentary The Hidden Life of Trees as part of its annual sustainability initiatives. The documentary was viewed online by a cumulative total of 1,098 participants. Centered on the symbiotic relationship between trees and ecosystems, the film highlights the vital role of forests in climate regulation, biodiversity, and environmental resilience, encouraging participants to reconsider the connection between people and nature from both scientific and humanistic perspectives.
Through the screening and follow-up discussions, Walsin Lihwa further strengthened internal consensus on environmental protection and reinforced the foundation for its continued action in nature conservation and sustainable development.

Environmental Cinema



Where Understanding Begins, Hope Takes Root Private Screening of Guardians Of Our Planet

The Walsin Lihwa Sustainability Foundation organized five private screenings of Save Our Planet across Taiwan, along with meet-and-greet sessions with the director. Held from northern to southern Taiwan, the events brought together partners and members of the public who share a concern for environmental and sustainability issues, attracting a total of 1,082 participants. Through the documentary's powerful visual storytelling and first-hand insights from the filmmaker, audiences gained a deeper understanding of the far-reaching impacts of climate change on global ecosystems, biodiversity, and human life, prompting greater awareness and reflection on environmental issues.

The initiative went beyond the screening itself. Through post-screening discussions and exchanges, participants were encouraged to reflect on the roles and responsibilities of individuals and businesses in advancing sustainable development. By starting with a deeper understanding of the issues, the events helped build momentum for change. Through visual education and dialogue, the Foundation hopes to deepen public understanding of environmental challenges, turn inspiration into action, and allow the hope of protecting the planet to continue taking root in the hearts of every participant.

Deepening Local Roots and Care for the Land Private Screenings of Where the Bees Belong, The Elimination, and Solar Power Revelation



The Walsin Lihwa Sustainability Foundation partnered with the Chi Po-lin Foundation to host private screenings of three documentaries focused on local ecological issues in Taiwan: Where the Bees Belong, "The Elimination", and "Solar Power Revelation"-The screenings attracted a total of 150 participants. Through visual storytelling, the films invited audiences to reflect on the relationship between human activities and the natural environment, while deepening their understanding of contemporary ecological challenges.

The three documentaries approach environmental issues from different perspectives, covering themes related to biodiversity conservation and energy transition. Where the Bees Belong and The Elimination use indicator species such as bees and frogs as entry points to show how habitat degradation can trigger cascading impacts across ecosystems, underscoring the urgency of species conservation. Solar Power Revelation, meanwhile, focuses on the environmental impacts that may arise during the development of renewable energy, encouraging audiences to consider how environmental protection and development can be balanced in the process of energy transition.

2.5.5 Community Outreach

Walsin Lihwa and Walsin Lihwa Sustainability Foundation continuously monitor and assess the social and environmental risks/opportunities faced by communities in the areas where the company's plants are located. By supporting local culture and community events, as well as providing care for vulnerable community members, the company effectively utilizes plant resources to foster neighborhood development. The initiatives undertaken are as follows:

Newspaper Reading Education and Bilingual Reading Program

Walsin has long collaborated with the Mandarin Daily News to sponsor newspaper reading education programs for elementary schools in counties and cities where Taiwan plants are located. Teachers lead students in learning about newspaper content while expanding their horizons through interactive discussions. In addition, the Walsin Lihwa Sustainability Foundation has partnered with PSA Charitable Foundation and the Mandarin Daily News to jointly advance a bilingual reading and newspaper education program for junior high school students. Through the bilingual Chinese-English content in the Mandarin Daily News's Youth Journal', the program helps students improve their listening, speaking, reading, and writing skills in both Chinese and English, and fosters their interest in reading and international affairs.

2025 Number of Schools Participating in Elementary and Junior High School Newspaper Reading Education Program

Region	Number of Schools	Number of Classes	Number of Students
New Taipei City	2	3	64
Taoyuan City	4 Bilingual 13	4 Bilingual 26	80 731
Taichung City	1	2	51
Tainan City	8	65	868
Kaohsiung City	1 Bilingual 27	1 Bilingual 842	27 23,549
Total	Newspaper Reading 56 Schools	Newspaper Reading 943 Classes	25,370 Students

Newspaper Reading

Mandarin

16 schools,75 classes

1,090 students

Bilingual

40 schools, 868 classes

24,280 students

Total of 1.1 million in sponsorship

Reading Volunteer Program

In April and November 2025, approximately 30 Walsin volunteers visited Yuejin Elementary School in Yenshui District, Tainan City, and Xinghua Elementary School in Hsinchuang District, New Taipei City, to hold a newspaper reading challenge for students. The activity incorporated a series of interactive stations covering mathematics, Mandarin, social studies, environmentally friendly stainless steel tableware, electrical safety, and everyday knowledge. Guided attentively by the volunteers, the children completed each challenge with enthusiasm.

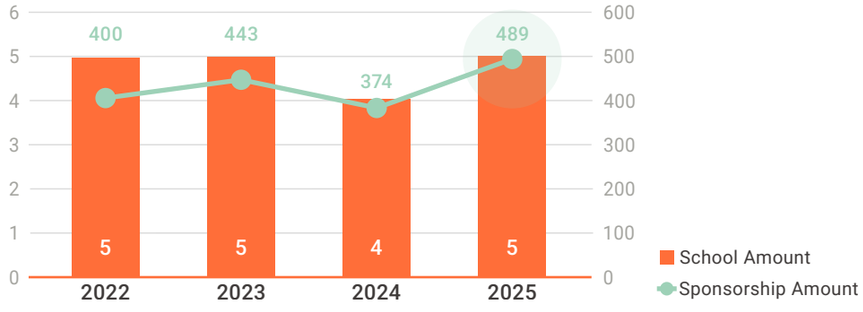
At the end of the activity, the students eagerly shared what they had learned and expressed their appreciation to the volunteers for the meaningful and engaging experience. Through the challenge-based reading games, the program not only sparked students' interest in reading, but also planted the seeds of curiosity and opened a door for them to explore the wider world.



Schoolwork Guidance Plan for Elementary Schools

Walsin Lihwa also continues to sponsor tutoring programs for elementary school students at 5 schools in the Yenshui area, helping to narrow the urban-rural education gap.

Results of Elementary Schoolwork Guidance Plan in Yenshui Area



NT$ 488,756 in funding for the Schoolwork Guidance Plan

Helped Make Neighborhoods More Beautiful

The Walsin Lihwa Sustainability Foundation works in collaboration with Taiwan's plant locations — including the Taipei Head Office, the Hsinchuang plant in New Taipei City, the Yangmei plant in Taoyuan City, the Taichung plant, and the Yenshui plant in Tainan City. In addition to supporting local community cleanup and disinfection efforts and providing care for environmental volunteer teams, the Foundation continues to give back to the community by adopting and maintaining nearby roads, drainage channels, and parks for cleaning, greening, and beautification, thereby providing residents with a high-quality living environment.

Neighborhood Beautification

NT$ 1,587,280





Taipei Headquarters	Walsin Lihwa has adopted the sidewalks and green belts around Songzhi Park, an effort that earned the Company recognition from the Taipei City Government as a model adopter of green resources and trees.
Hsinchuang Plant	Walsin Lihwa continues to care for the triangular green space near the plant, while regularly pruning and maintaining trees along the plant's perimeter.
Yangmei Plant	Since 2015, Walsin Lihwa has maintained the landscape green space at the intersection of Gaoshi Road and Meigao Road and conducted monthly cleanup activities along Gaoshi Road, earning recognition from the Yangmei District Office.
Taichung Plant	Walsin Lihwa maintains the pedestrian walkway, green belts, vegetation, and street trees along Jingsan Road near the plant. Since 2018, the Company has supported the Taichung City Government's Air Quality Purification Zone initiative by adopting areas along the Dongfeng Green Bikeway and Phase I and Phase II of Liyuan Park in Taiping District. In 2025, its adoption efforts were recognized with an "Excellent" rating from the Ministry of Environment for Liyuan Park Phase II, and "Outstanding" and "Excellent" ratings from the Taichung City Environmental Protection Bureau for Liyuan Park Phase I and the Dongfeng Green Bikeway, respectively.
Yenshui Plant	Since 2014, Walsin Lihwa has maintained roadside trees and cleanliness along County Road South 80, carried out drainage channel maintenance and dredging on the north side of County Road South 74, and helped care for three nearby community parks. The Company was recognized by the Tainan City Government as an outstanding corporate adopter for street washing and cleaning.

Participating in Local Activities

In 2025, Walsin Lihwa's sites across Taiwan continued to strengthen their ties with local communities by participating in and supporting 113 local cultural events, social care initiatives, and community engagement programs. From traditional celebrations such as the Lantern Festival, Dragon Boat Festival, and Mid-Autumn Festival to programs supporting children and families in need, elderly care, police and firefighter appreciation, and community environmental education, these efforts reflect the Company's ongoing commitment to giving back to society and contributing meaningfully to the communities where it operates.

Supporting Local Farmers and Social Enterprises in Taiwan

Guided by the idea of "buying directly from small-scale farmers," the Walsin Lihwa Employee Welfare Committee selects natural and healthy agricultural products each year as holiday gifts for employees. In 2025, for the Lunar New Year, Dragon Boat Festival, and Mid-Autumn Festival, the Committee sourced festive gifts from local small-scale farmers and beekeepers in Taiwan, turning employee welfare initiatives into meaningful support for local agriculture and rural communities.

Life in Yenshui: Stories from the Community Annual ESG Feature: A Sustainable Promise with Yenshui

Highlights

Yenshui, Tainan, best known for its Beehive Fireworks Festival, was once Taiwan's fourth-largest city. In its heyday, Yuejin Harbor bustled with ships and merchants, and the town prospered as a vibrant center of trade. Over time, however, as waterways silted up and rail transport emerged, the harbor gradually lost its function, and the town's former glory began to fade. Yet Yenshui did not fall silent. Instead, it found a new way to define its own vitality. Here, a company is more than just a company; it is also a trusted neighbor to the community. With its plant located in Yenshui, Walsin Lihwa has become part of this ongoing story, contributing its corporate influence to cultural preservation, neighborhood care, environmental protection, and local employment. Working hand in hand with local residents, Walsin Lihwa helps bring history and modern life together, allowing culture and the environment to move forward side by side as the century-old town continues to write its next chapter.

Digital Feature

Public Interest Video



Walsin Nickel and IMIP Collaborate to Support Community Neighborhoods

Walsin Nickel continues to deepen its philanthropic partnership with the IMIP Sustainability Foundation, channeling resources through the Foundation into five key areas: education, healthcare, environment, economy, and socio-cultural development, thereby fulfilling its commitment to supporting fundamental human rights and social development in local communities.

In terms of education and the economy, in addition to supporting the inauguration of IMIP's primary and secondary schools, kindergartens, and the Metal Polytechnic College -- providing approximately 2,000 student places -- the company has also responded to the 'Collaborative Education Empowerment' initiative by funding scholarships and strengthening teacher training. At the same time, by supporting women's skills training and purchasing handmade products, the company helps enhance women's economic independence, creates local employment opportunities for women, and upholds the principles of gender equality and non-discrimination.

In terms of healthcare and environmental health, the company is fully committed to the 'Healthy Community Movement,' with the goal of promoting community health and quality of life and responding to residents' healthcare rights. Given the characteristics of the tropical region, large-scale environmental disinfection is conducted to prevent infectious diseases, and free health examinations and blood donation drives are organized to improve residents' health literacy and access to medical care. The company also promotes 'Clean and Healthy Lifestyle' education and helps improve community sanitation facilities, optimizing residents' living environments at the source and reducing potential environmental risks to the community.

Furthermore, Walsin Nickel actively supports the industrial park open day activities, serving as a model factory. Under the theme 'Explore the IMIP World,' the company invites teachers and students from neighboring elementary schools to visit the park, where through on-site tours and interactive experiences they learn about modern industry's practical efforts in energy transition, environmental protection, and safety management. This demonstrates the company's emphasis on community communication and educational exchange with local stakeholders.

Looking ahead, Walsin Nickel will continue to partner with the IMIP Sustainability Foundation through long-term community engagement and philanthropic cooperation to promote inclusive growth and community prosperity, fulfilling the company's responsibility for human rights and sustainable development.

Indonesia Morowali Industrial Park (IMIP) Community Care Initiative



Walsin Nickel's presence in Indonesia is not only focused on industrial development, but also on caring for the communities surrounding its operations. In January 2025, Walsin Nickel participated in a community care initiative organized by the Indonesia Morowali Industrial Park (IMIP) ESG Foundation. The initiative provided support to elderly residents, single-parent families, low-income households, and orphanages across 12 communities near the industrial park. More than 50 volunteers took part, distributing 700 care packages to local residents. On the day of the event, volunteers visited Siumbatu Village, Dampala Village, and Lele Village, where they engaged with residents to better understand local living conditions. They also distributed daily necessities such as rice, cooking oil, salt, and sugar, delivering the Company's care directly into the hands of community members. The visits also provided an opportunity to listen to community feedback, helping Walsin Nickel plan support measures that are better aligned with local needs and can contribute to improving residents' quality of life. Looking ahead, Walsin Lihwa will continue to uphold its people-oriented philosophy and work together with IMIP to promote more public welfare initiatives. Through these efforts, the Company hopes to improve the living environment of neighboring communities, deepen its local connections, and carry forward its care and commitment as it grows together with the community.

Walsin Nickel Support World Cleanup Day Partnering with Local Community to Build a Sustainable Home



In support of World Cleanup Day, Walsin Nickel Industries Indonesia (WNII) joined hands with Indonesia Morowali Industrial Park (IMIP), the Bahodopi Town Government, and several companies within the industrial park to take part in an environmental public welfare activity on September 21, 2025. More than 700 volunteers participated enthusiastically in the event, including government representatives, industrial park partners, and local community members. Working in groups, the volunteers cleaned streets, waterways, and public spaces, while also sorting and recycling waste. Their collective efforts helped refresh the surrounding villages and, through hands-on participation, raised environmental awareness and encouraged greener everyday habits. Walsin Nickel will continue to work closely with local governments and communities to help build a cleaner, healthier, and more livable home for all.

Opening of IMIP Polytechnic of Metal Industry and Junior High School Further Strengthening the Local Education System

On July 31, 2025, the IMIP Foundation, together with the local government, held the opening ceremony for the IMIP Polytechnic of Metal Industry and a junior high school. Representatives from Walsin Nickel Industries Indonesia (WNII) attended the ceremony to witness this important milestone in local education. The IMIP Polytechnic of Metal Industry has enrolled approximately 500 students and currently offers specialized programs in mineral chemical technology, mechanical automation technology, and electrical engineering installation. The school is dedicated to cultivating the skilled talent needed by local industries. The newly completed IMIP Junior High School can accommodate 360 students and is equipped with comprehensive facilities, including classrooms, laboratories, a library, sports grounds, a prayer room, and a cafeteria. Modern teaching equipment such as computers and projectors has also been installed to provide students with a diverse and supportive learning environment. Looking ahead, Walsin Nickel will continue to work with the local government and members of the IMIP Foundation to further strengthen the education system in communities surrounding the industrial park. In addition to existing kindergartens, elementary schools, junior high schools, and vocational institutions, plans are also underway to establish a senior high school, forming a complete education pathway. Through these efforts, Walsin Nickel hopes to deepen the connection between industrial park companies and local communities, create more opportunities for learning, growth, and development, and enhance the competitiveness and economic vitality of the local community.

Highlights

Walsin Nickel Participates in IMIP Foundation Donation Program for Orphanage, Sharing Love and Hope

Walsin Nickel Industries Indonesia (WNII) participated in a donation program organized by the IMIP Foundation at the Lami Lu Orphanage in Central Sulawesi, Indonesia, on July 28, 2025, marking the launch of the "Cuti Kasih Sayang" program. Through the initiative, learning supplies such as school bags, books, and stationery were donated to 210 children at the orphanage. The children were also invited to write "hope cards," sharing their dreams and aspirations for the future. Based on the messages written on these cards, the Foundation will further plan appropriate educational support. This special arrangement represented more than material assistance. It was also a warm gesture of encouragement, inspiring children to dream boldly and believe in their future.

The IMIP Foundation's "Cuti Kasih Sayang" program will continue to be expanded across Central Sulawesi. Over the next year, the program is expected to mobilize more than 1,000 volunteers and support 2,000 children. Beyond donating supplies, the initiative aims to build children's confidence and support their positive development through meaningful interaction and companionship. By participating in this program, Walsin Nickel demonstrated its care and responsibility toward local communities, continuing to support the education of disadvantaged children through concrete action and working with partners to help safeguard their future.





2.5.6 Corporate Citizenship

Promoting Industrial, Economic, Technological and ESG Development

As part of its commitment to corporate citizenship, Walsin Lihwa actively supports social development as well as economic and trade cooperation by participating in various social and economic cooperation organizations. These include the Chinese International Economic Cooperation Association, the Epoch Foundation, the Cross-Strait Peace and Development Foundation, the Chinese National Association of Industry and Commerce, the Third Wednesday Club, the Cross-Straits Common Market Foundation, the Cross-Strait CEO Summit, the Taiwan Academy of Corporate Sustainability, and the CommonWealth Sustainability Club. Through these engagements, the Company contributes to the promotion of related initiatives across industry, the economy, technology, and ESG.

Supporting Industry-Academia Collaboration

Walsin Lihwa continues to collaborate with domestic academic and research institutions, including National Taiwan University, National Tsing Hua University, National Cheng Kung University, National Taipei University of Technology, National Yunlin University of Science and Technology, Chung Yuan Christian University, the Industrial Technology Research Institute, and the Metal Industries Research and Development Centre. The collaboration covers areas including product innovation and development, production management, and EMBA programs, combining corporate needs with academic research capabilities to cultivate corporate talent and enhance product added value and management service performance.

Donating Advanced Ultrasound Equipment to Fu Jen Catholic University Hospital to Support Critical Care

Walsin Lihwa assisted Fu Jen Catholic University Hospital in acquiring a 'transesophageal echocardiography' device, which can provide rapid and precise cardiac imaging when patients are unconscious, have unstable blood pressure, or are intubated, helping clinical teams make immediate decisions and seize the critical window for rescue. This equipment not only enhances the hospital's immediate response capability in critical and acute care diagnostics, but also provides valuable teaching resources for medical students and resident physicians.

The Chairwoman of the Walsin Lihwa Sustainability Foundation, Ms. Chiao Yu-hui, stated: 'Health is the foundation of a sustainable society. We hope this initiative will inspire more enterprises to pay attention to grassroots healthcare, allowing love and hope to continue to be carried forward on the medical frontline.' During the donation ceremony, Fu Jen Catholic University Hospital also presented a silver medal and a letter of appreciation from the Ministry of Education to express its recognition.

Sponsoring Wire Materials for the Ministry of Labor's "National Skills Competition"

The Ministry of Labor holds the 'National Skills Competition' annually, providing a professional stage for top performers in various occupational categories to compete together, and selecting technically outstanding young competitors to represent the country in international skills competitions. In 2025, Walsin Lihwa sponsored special-specification wire materials for the Industrial Control (Industrial Wiring) category of the 55th National and Asian Skills Competitions, supporting vocational training and technical education development.

Sponsoring Hsinchuang Elementary School Handball Team for International Competition

The company has long been committed to the education and sports development of school children in communities near its plants. It sponsored the handball team of Hsinchuang Elementary School, located adjacent to the plant, to travel to Denmark to participate in the 2025 Generation Handball International Age-Group Handball Championship, providing students with the opportunity to participate in international competitions, accumulate relevant experience, and broaden their international horizons.

Walsin Lihwa Joins Earth Hour to Support Climate Action

At 8:30 PM on March 22, 2025, Walsin Lihwa's headquarters building joined more than 18,000 landmarks around the world in supporting Earth Hour by switching off its lights for one hour. Through this action, the Company demonstrated its support for energy conservation and carbon reduction while raising awareness of climate change. Earth Hour is the world's largest annual sustainability and energy-saving movement. Since 2012, the Walsin Lihwa Xinyi Building has participated in the initiative by turning off its lights for one hour, calling on everyone to recognize their ability and responsibility to help create change. By starting with energy conservation and carbon reduction in daily life, Walsin Lihwa hopes to encourage collective action to protect the environment and contribute to a more sustainable planet.

Supporting Original Performing Arts Groups in Taiwan

Highlights

FOCA Circus × Lin Hwai-min × Jimmy

Walsin Lihwa Sponsors Taiwan's First Tent-Based Resident Show, Jimmy Boy's 100 Acts of Courage

Walsin Lihwa supports original performing arts groups in Taiwan and sponsored FOCASA Circus's Jimmy Boy's 100 Acts of Courage, Taiwan's first tent-based resident show. Employees from across Taiwan were invited to attend the performance with their families. More than 500 employees, relatives, and friends from northern, central, and southern Taiwan came together to experience a magical world inspired by Jimmy Liao's classic picture book and reimagined by master choreographer Lin Hwai-min.

Where Art and Family Come Together

On the day of the event, participants gathered on the lawn of the outdoor park, enjoying family-friendly activities in a colorful and playful setting filled with laughter and warmth. This arts and cultural experience not only brought employees and their families closer together, but also reflected Walsin Lihwa's care for employees and its commitment to enhancing quality of life. Each family left with meaningful moments and treasured memories.



Sponsorship Amount

NT$ 1,000,000

#Sponsored Group - FOCASA Circus
#Performance Venue: Lawn beside Shuijiaoshe Cultural Park

Amis Music Festival

Walsin Lihwa × Amis Music Festival: Supporting Cultural Diversity and Indigenous Arts Through Action

To foster cultural inclusion and support Indigenous culture, Walsin Lihwa has actively promoted related cultural initiatives in recent years. In 2025, the Company sponsored the Amis Music Festival, Taiwan's first music festival centered on Indigenous culture, demonstrating its continued commitment to cultural diversity and inclusion.

The Amis Music Festival was co-founded in 2013 by Amis musician Suming and the Dulan community. Entering its seventh edition in 2025, the festival adopted the theme of "Resilience.' Through traditional music and dance, ancient chants, new-generation music, a handicraft market, and cultural experience activities, the festival brought together the deep connections among land, daily life, and culture. Through concrete action, Walsin Lihwa supports the preservation and transmission of culture and continues to contribute to the development of Taiwan's multicultural landscape. Looking ahead, the Company will further deepen its commitment to cultural inclusion, working with society to see, hear, and experience the beauty of the island's diverse cultures.



Sponsorship Amount

NT$ 500,000

#Sponsored Group - Mita Idea
#Performance Venue : Dulan Cape, Taitung

Highlights

Supporting Taiwan's Original Arts and Culture Groups

Sponsoring Renovation of Yenshui Wumiao Temple in Tainan City

Yuegang Wumiao Temple in Yenshui District, Tainan, was founded during the Kangxi reign of the Qing dynasty. It is an important local center of worship and a treasured cultural heritage site. The Yenshui Beehive Fireworks Festival, organized by the temple, is widely recognized as one of the world's top ten celebrations and carries deep religious, historical, and cultural significance. In recent years, safety concerns have emerged regarding the temple's structure. To protect the cultural value of this historic building, carry forward local traditions, and preserve valuable folk cultural heritage, Yuegang Wumiao Temple launched a restoration project for its front hall. Guided by its commitment to supporting the sustainability of local culture, Walsin Lihwa sponsored and participated in the restoration project. Through its involvement, the Company hopes to help restore the historic site to its former glory and ensure that local culture continues to be passed down for generations to come.



Sponsorship Amount
NT$ 300,000

#Sponsored Organization: Yuegang Wumiao Temple, Yenshui District, Tainan

Traditional Peking Opera 'Mei School Private Tutor' Inheritance Program and 'Republic Trilogy' Drama Production Incubation

Traditional opera serves as a bridge through which contemporary audiences can understand the past. It is also a performing art that is difficult to preserve in its entirety. To support cultural inheritance, Walsin Lihwa sponsored the Mei School Private Studio heritage program, the planning of the Republic Trilogy theatrical works, and related audiovisual production and publication projects organized by the Wei Haimin Peking Opera Arts and Culture Foundation. Through this support, Walsin Lihwa helps preserve the traditions of Peking opera and enables more people to appreciate the beauty of traditional opera arts.



Sponsorship Amount
NT$ 200,000

#Sponsored Organization: Wei Haimin Peking Opera Arts and Culture Foundation

Sponsoring the Chi Po-lin Foundation's Seeing the Environment Living Festival

Walsin Lihwa has long supported environmental protection and sustainable development. In 2025, the Company sponsored the second Seeing the Environment Living Festival organized by the Chi Po-lin Foundation. Centered on the theme of "Witnessing Through Images, Protecting Through Action," the festival encouraged the public to pay closer attention to issues related to the land, ecology, and culture through environmental documentary screenings and discussions, a green market, local music, choir performances, and live band performances. The event was held on December 26 at Huashan 1914 Creative Park in Taipei. Eight documentaries covering ecological and cultural themes were screened, with post-screening discussions held to deepen environmental dialogue and help sustainability values take root more broadly. Among the featured films was The Choice of Kiwifruit, sponsored by Walsin Lihwa, which presented the true stories of farmers practicing land-friendly agriculture and echoed the Company's actions in support of nature-friendly farming and local sustainable production.



Sponsorship Amount
NT$ 950,000

#Sponsored Organization: Chi Po-lin Foundation
#Event Venue: Huashan 1914 Creative Park

Sponsoring the Production and Promotion of a CD Featuring Traditional Saisiyat Songs by Wufeng Elementary School

Walsin Lihwa has long supported the Indigenous Traditional Songs Club at Wufeng Elementary School in Hsinchu County. Known for performing traditional Atayal and Saisiyat songs, the club not only integrates Indigenous language and cultural learning into the school curriculum, but also plays an important role in preserving Saisiyat songs that are gradually fading from everyday life.



To create a lasting record of this valuable Saisiyat-language song tradition, Wufeng Elementary School proposed a traditional songs CD production project. Walsin Lihwa responded proactively by supporting the production, promotion, and sharing of the CD. Through the recording, release, and promotion of these songs, the Company hopes to help more people appreciate the cultural depth of Taiwan's Indigenous peoples and further promote the understanding, inheritance, and continuity of diverse cultures.

Sponsorship Amount
NT$ 50,000

#Sponsored Group: Indigenous Traditional Songs Club, Wufeng Elementary School, Hsinchu County

G GOVERNANCE

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Performance Highlights

In 2025, there were no incidents related to violations of business ethics, such as bribery and corruption, money laundering, anti-competitive behavior, violations of the Company Act, insider trading violations, conflicts of interest, discrimination and harassment, or breaches of personal data privacy

Cumulative number of people completing integrity management and legal compliance training and refresher courses **> 2,600**

Ranked in the top **5%** of the Corporate Governance Evaluation for **8** consecutive years; ranked in the top **10%** among non-financial, non-electronics companies with a market capitalization of over **NT$10** billion

Continued to be selected as a constituent of the FTSE4Good TIP Taiwan ESG Index

Selected as a member of the 2025 S&P Global Sustainability Yearbook

Passed the Grade A recertification of the Taiwan Intellectual Property Management System

Passed **ISO 27001** information security recertification

In 2025, conducted a cumulative **12** email social engineering drills, each with **> 2,900** participants

>96% of key and new suppliers signed the Supplier's Undertaking letter; **100%** of significant suppliers completed the self-assessment form

Board Composition

Independent directors 7 — 64%

independent directors 4 — 36%

Board diversity:

Board members come from the management team, managers in related industries, and professionals with expertise in finance, business, and accounting. By integrating diverse perspectives and starting from the viewpoint of stakeholders, the Board enhances the level of corporate governance and corporate value.

Title	Name	Gender	Age	Industry Experience					Professional Competencies							
				Energy & Environment	M&A & Investment	Finance & Law	Information Technology	Stainless Steel	Business Management	Leadership & Decision-Making	Marketing	International Trade	Risk Management	ESG	Finance, Accounting & Law	Professional Certifications
Chairman	Yu-Lon Chiao	Male	61–70 years	√	√			√	√	√	√			√	√	
Vice Chairman	Shyi-Chin Wang	Male	61–70 years	√	√		√	√	√	√	√			√		
Director	Yu-Cheng Chiao	Male	61–70 years	√	√		√	√	√	√				√	√	
Director	Yu-Heng Chiao	Male	61–70 years				√	√	√	√				√	√	
Director	Yu-Chi Chiao	Male	61–70 years		√		√		√	√	√	√		√		
Director	Andrew Hsia	Male	71–80 years		√				√	√		√		√	√	
Director	Wen-Chien Hsieh	Female	61–70 years			√			√	√		√		√	√	√
Independent Director	Ming-Ling Hsueh	Male	61–70 years		√	√	√		√	√		√	√	√	√	√
Independent Director	Fu-Hsiung Hu	Male	61–70 years		√	√	√		√	√		√	√	√		
Independent Director	Tyzz-Jiun Duh	Male	61–70 years	√	√	√	√		√	√		√	√	√		
Independent Director	Wei-Chuan Gau	Male	61–70 years		√		√		√	√		√	√	√	√	√

Integrity Management

Sustainability Promotion Strategy

Upholding a corporate culture of integrity management, continuously refine corporate governance, strengthen legal compliance and risk management, and enhance stakeholders' trust in and support for Walsin Lihwa

Implementation Guidelines

Promote integrity and legal compliance awareness and training, improve integrity management rules and systems, implement integrity management and establish anti-bribery management mechanisms, and identify high-risk business activities involving integrity violations at each plant and establish preventive measures

2030 Medium- and Long-Term Targets

Continue to deepen training on integrity management and legal compliance to enhance employees' awareness of compliance, integrity values, and risk sensitivity. Combined with institutionalized risk assessment and management mechanisms, strengthen corporate governance operations and ensure operations comply with laws and regulations, thereby shaping a sound and sustainable corporate culture of integrity and aligning with international best practices in integrity management and corporate governance

2025 Target

- **Strengthen risk management**
  Continue to promote education on contract confidentiality, intellectual property protection, and anti-money laundering, and enhance compliance awareness through the signing of integrity declarations. Optimize credit and collection management mechanisms and regularly monitor plant risks; complete the establishment of a database of relatives within the second degree of kinship; conduct dishonesty risk assessments to identify and prevent potential risks in advance, ensuring stable and transparent operations
- **Enhance transfer pricing transparency**
  Strengthen intra-group transfer pricing compliance audits, optimize related-party transaction statements of subsidiaries, ensure the implementation of internal management measures, and strengthen financial transparency and compliance
- **Align with international sustainability standards**
  Improve corporate governance, risk management, and third-party certification mechanisms, enhance information disclosure transparency, deepen supply chain management and stakeholder communication, achieve environmental, social, and governance targets, and strengthen corporate resilience and commitment to responsibility

2025 Performance Results

- **Execution of Dishonesty Risk Assessment**
  - Completed the establishment of preventive measures for dishonesty risk assessment
  - Completed audits of the implementation of the Integrity Management Code at a total of 5 plants
  - Strengthened the rules on accepting gifts and reissued the announcement
  - Completed the revision of integrity-related rules for Hangzhou Walsin (to align with post-merger management system integration)
- **Addition of Rules and Regulations**
  - Revised the "Personal Data Protection Management Measures"
  - Added the "Company Consumer and Customer Service Management Policy and Complaint Procedures"
- **Continued to provide integrity management and legal compliance training to all employees, directors and managers, and suppliers; the cumulative number of people completing the courses is as follows:**
  - **Target - All Employees**
    Integrity management (including anti-corruption): **2,673** people
  - **Target - Directors / Managers**
    Material information and insider trading awareness & building a friendly workplace (including sexual harassment prevention): **21** people
  - **Target - Suppliers**
    Conducted integrity management awareness at supplier conferences in Taiwan & Mainland China; participating suppliers: **363**
- **Platform / Database Establishment**
  - Completed the establishment of the Integrity Management Promotion Center and the legal compliance regulations platform.
  - Completed the establishment of the intellectual property management platform (Stainless Steel business group).
- Completed TIPS recertification and maintained the highest Grade A level.
- Completed the optimization of related-party transaction statements of subsidiaries, improving accounting accuracy and efficiency.
- Provide regular monthly reports on regulatory changes and sustainability trends to directors.
- Completed the establishment of a company-wide system for conflict-of-interest avoidance involving relatives within the second degree of kinship.

2026 Short-Term Target

- **Building an Integrity Culture and Professional Capabilities**
  - Continue to promote training on integrity management (including anti-corruption), contract confidentiality, intellectual property, and anti-money laundering to enhance employees' compliance and integrity awareness .
  - Promote practical exchange related to integrity management and optimization of management operations to strengthen professional capabilities in integrity management.
- **System Establishment and Risk Management**
  - Establish and optimize mechanisms for updating and tracking legal compliance regulations to improve compliance management efficiency .
  - Promote related management processes and systematized operations (such as R&D and collaboration project management) to strengthen management effectiveness .
  - Review and optimize the dishonesty risk assessment mechanism, continuously monitor operational risks, and ensure the effective implementation of preventive measures.
- **Governance Transparency and Information Disclosure**
  - Strengthen intra-group transfer pricing compliance audits and optimize the management and statement mechanisms for related-party transactions of subsidiaries .
  - Ensure the implementation of internal management measures and enhance financial transparency and compliance .
  - Strengthen the quality of information disclosure and continuously improve performance in international sustainability ratings.

Sustainable Supply Chain

Sustainability Promotion Strategy
Fully implement and strengthen supplier sustainability management and grow stronger together with partners

Implementation Guidelines
Effectively implement supplier management mechanisms to build a sustainable supply chain

2030 Medium- and Long-Term Targets
Continue to promote on-site supply chain sustainability reviews and risk assessments, and on this basis require and guide suppliers to improve high-risk items; incorporate supplier sustainability assessment into supplier selection criteria, and hold regular supplier conferences to communicate important management policies and issues

2025 Target	2025 Performance Results	2026 Short-Term Target

• Continue to hold in-person supplier conferences (**1** meeting each in Taiwan and Mainland China), and for the first time added an outstanding supplier recognition event at the Taiwan conference
• Conducted on-site and follow-up guidance for **8** high-risk significant suppliers and made ad hoc visits to **75** suppliers
• Developed alternative sources for **46** key raw material items and **160** new suppliers
• Completed the establishment of the Walsin Procurement Walsin Procurement Portal
	• **Significant supplier Visits, On-Site Audits, and Guidance**
	  ◦ Completed risk tracking of **34** significant suppliers
	  ◦ Completed guidance on improvement measures for **8** high-risk significant suppliers
	• **Supply Chain Risk Regulation**
	  ◦ Developed alternative material sources for **60** material items
	  ◦ A total of **403** new suppliers developed and transacted with
	• Completed the establishment of the Walsin Procurement Portal and Procurement Management Platform and continue to optimize it to build an honest and transparent procurement environment
	• Completed a total of **15** procurement risk monitoring cases
	• Completed carbon data collection from **132** companies and continue to promote carbon reduction program guidance to suppliers and collect related data
	• Held **2** in-person supplier conferences (**1** meeting each in Taiwan and Mainland China), and at the Taiwan conference completed the first outstanding supplier selection and recognition mechanism and held an awards ceremony
	• Made ad hoc visits to a total of **116** important vendors
		• **Building a Resilient Supply Chain**
		  ◦ Optimize the Walsin Procurement Portal system and, at the same time, assess the feasibility of rolling it out to other plants in Mainland China to enhance procurement management efficiency and overall system integration
		  ◦ Continue to expand diverse sources of supply and strengthen the stable supply capacity of raw materials
		  ◦ Continue to develop alternative materials and new suppliers to reduce supply risk
		• **Deepening Supplier Partnerships**
		  ◦ Continue to promote supplier exchange and communication mechanisms to strengthen cooperative relationships
		  ◦ Continue to strengthen the promotion of integrity management and sustainability concepts to enhance suppliers' awareness and engagement
		  ◦ Make ad hoc visits to important suppliers to understand operational risks and promote cooperation
		• **Promoting Sustainable Supply Chain Management**
		  ◦ Implement on-site supplier visits and guidance mechanisms to improve the quality of supply chain management
		  ◦ Work with environmental and safety units to promote low-carbon procurement and carbon emissions management
		  ◦ Continue to improve supply chain sustainability performance and refine performance in domestic and international ratings
		  ◦ Continue to optimize supply chain management policies and system integration to enhance overall management effectiveness

Customer Service

Sustainability Promotion Strategy

Putting customers at the center, continue to promote product innovation and service optimization; by combining digitalization with operational refinement, enhance product quality and service efficiency and strengthen customer satisfaction and long-term cooperative relationships

Implementation Guidelines

1. The Wire and Cable business group develops intelligent logistics mechanisms and builds new types of service models to enhance supply efficiency and meet customers' diverse needs
2. Guided by customer needs and industry development trends, the Stainless Steel business group continues to optimize service processes and product applications, enhance customer trust, and establish mutually beneficial, win-win cooperative relationships with customers

2030 Medium- and Long-Term Targets

1. The Wire and Cable business group continues to optimize service processes and customer experience, enhance service quality, and expand its customer base, and strengthens channel operation efficiency and service capabilities through customer training
2. The Stainless Steel business group continues to enhance service value, strengthen long-term cooperative relationships with customers, and help customers advance industrial application upgrades and transformation to jointly create sustainable development value

	2025 Target	2025 Performance Results	2026 Short-Term Target

Wire and Cable	• Optimize the user interface of the supply chain collaboration platform, enhance user experience, and increase the number of companies using the collaboration platform
	• Implement new customer relationship management features on the customer service platform in phases
		• **Effectiveness of the new service model**
		  ◦ Market penetration continued to increase, growing **67%** year over year
		  ◦ Established a market database and completed customer relationship maps and analysis of tenders and wire usage rhythms for multiple customers
		  ◦ Continue to enhance centralized cutting service capacity and strengthen service stability and supply capability
		  ◦ Introduced an ordering system under the new service model to optimize the ordering process and improve operational efficiency
		• **Dealer collaborative interaction platform (Customer Service Network 2.0)**
		  ◦ Completed API integration of key systems to strengthen cross-system integration and functional linkage
		  ◦ Completed customer part number matching to improve data consistency and the foundation for platform applications
		• **Completed the first-phase implementation and launch of the CRM system to strengthen the foundation for customer data integration and management**
			• Continue to expand the features of the CRM and the dealer collaborative interaction platform (Customer Service Network 2.0), integrate customer and channel information, and strengthen management consistency
			• Promote the integration of customer purchasing, sales, and inventory information and an automatic replenishment mechanism for safety stock to optimize channel operation processes
			• Expand value-added service differentiation and, through the collaborative interaction platform, promote customer training and guidance to enhance the level of operations and service

Stainless Steel	Expand the proportion of niche products and, through localized services and digital integration, enhance customer competitiveness	• Obtained certifications for multiple application-oriented steel grades and product items in the Taiwan, Mainland China, and overseas markets, continuously expanding the scope of market applications • Held a total of **37** technical seminars and provided technical support through the Walsin product expert service team, helping customers solve application problems and enhancing service value • Introduced an automatic order review function for quality assurance, effectively reducing manual workload by **47%** and improving operational efficiency and quality • Advanced second-phase testing of the CRM system, expected to formally launch in the first quarter of 2026 to strengthen customer relationship management and service quality	• **High-value products and market expansion:** Continue to expand high-value products and new application fields, deepen the cultivation of industrial customers, and enhance product added value and market competitiveness • **Low-carbon products and sustainability promotion:** Continue to promote the development and sale of low-carbon products and, combined with supply chain carbon reduction actions, enhance the sustainability value of products • **Technical service and corporate visibility:** Through technical exchange and participation in domestic and international exhibitions, enhance technical service capacity and brand exposure and strengthen market influence

3.1 Corporate Governance

3.1.1 Governance and Operations

Walsin Lihwa upholds operational transparency and places high value on shareholder rights, firmly believing that a sound and effective Board of Directors forms the cornerstone of good corporate governance. To put this principle into practice, the Board has established four functional committees—the Audit Committee, the Remuneration Committee, the Sustainable Development Committee, and the Nomination Committee—to support the fulfillment of its oversight responsibilities. These committees formulate and review relevant policies and systems, ensure that related matters are advanced and implemented, and report their execution status and resolutions to the Board on a regular basis, thereby strengthening the Board's operations. In addition, to enhance the Board's effectiveness, Walsin Lihwa has designated a Chief Corporate Governance Officer, with Vice President Lo, Hueiping dedicated to advancing corporate governance affairs and ensuring that the Board operates in a compliant and transparent manner. Through legal compliance guidance and support for directors' duties, the Company ensures that its corporate governance mechanisms align with international standards.

In accordance with the Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies, all directors completed at least 6 hours of continuing education in 2025, for a total of 175.5 hours and a completion rate of 100%. To respond to key trends such as sustainable development and digital transformation, the directors' continuing education focused on two main themes: sustainability governance and digital development. In the area of sustainable development, directors actively participated in courses on sustainable finance, climate change, carbon credit markets, and energy transition—including the 2025 Cathay Sustainable Finance and Climate Change Summit, International Development Trends in Carbon Credit Trading, and Beneath the Wave—Energy Infrastructure Driving Sustainable Transformation. Sustainability-related courses totaled 48 hours in 2025, accounting for 27.4% of total continuing education hours. In the area of digital transformation, directors continued to enhance their knowledge and capabilities on topics such as smart manufacturing, artificial intelligence, and data governance, completing courses covering Digital Manufacturing Development Strategy, Practical Insights into the Latest Developments in Artificial Intelligence and Risk Management Frameworks, and Value Creation through Digital Transformation—Leading Change through Data and Unlocking Opportunities for AI Industrialization. Digital development-related courses totaled 59 hours in 2025, accounting for 33.6% of total continuing education hours.

Company website - "Governance" page

For details on corporate governance, please refer to Chapter 3, "Governance" of the Company's 2025 Sustainability Report.

Governance Framework and Operations

Functional Committee	% Independent Directors	Key Responsibilities	Meetings (2025)	Attendance (2025)
Audit Committee	100%	Assists the Board in decision-making and oversees the fair presentation of the Company's financial statements; the appointment (or dismissal), independence, and performance of the certified public accountants; internal control; legal compliance; and risk management.	7	100%
Remuneration Committee	100%	Establishes and periodically reviews the policies, systems, standards, and structures for the performance evaluation and remuneration of directors and managerial officers; and periodically evaluates and determines the remuneration of directors and managerial officers.	3	100%
Sustainable Development Committee	66.7%	Formulates corporate sustainability-related policies, strategies, goals, and management guidelines; reviews the annual plans of each promotion center; and supervises and tracks their execution progress, results, and related matters, reporting to the Board on a regular basis. It also monitors the material topics of concern to stakeholders, oversees communication plans, approves the content of the sustainability report, and—in accordance with the enterprise risk management framework—identifies sustainability-related risks and opportunities and regularly monitors and controls various key risks.	5	96.7%
Nomination Committee	80%	Assists the Board in establishing and identifying candidates for Board members and senior managerial officers and their independence criteria; formulates and periodically reviews continuing education and succession plans; and ensures that the Company operates in compliance with the Corporate Governance Best Practice Principles.	3	100%

Note: The reporting period for operational status is January 1, 2025 to December 31, 2025.

Board of Directors

The Board of Directors serves as Walsin Lihwa's highest governance body and decision-making center, responsible for overseeing the Company's overall business management. The Company convened its Annual General Meeting of Shareholders on May 19, 2023, at which the 20th-term directors (including independent directors) were elected for a three-year term effective from the date of election. In accordance with Article 14 of the Articles of Incorporation, the Board comprises 9 to 11 directors, including at least 3 independent directors. Walsin Lihwa's Board is composed of industry leaders and financial and accounting experts; the current term consists of 11 directors. To strengthen Board independence, the number of independent director seats exceeds the statutory minimum, accounting for 36% of all directors. As of December 2025, all of the Company's independent directors comply with the relevant regulations governing independent directors issued by the Securities and Futures Bureau of the Financial Supervisory Commission, and none of the circumstances specified in Paragraphs 3 and 4 of Article 26-3 of the Securities and Exchange Act exist among the directors or between directors and independent directors, thereby ensuring the independence of the Board. The Board convenes at least once each quarter; to effectively implement independent oversight and checks-and-balances mechanisms, all proposals are deliberated by the Board, and material resolutions are disclosed on the Company's website in real time to ensure information transparency.



Operations of the 20th Board of Directors in 2025

Number of meetings	6
Attendance rate	90.9%

Conflict-of-Interest Recusal Mechanism of Directors

Walsin Lihwa has established the Ethical Conduct Guidelines for Directors of the Board and Managerial Officers, strictly adhering to the principles of conflict-of-interest avoidance and anti-corruption, and follows the procedures set forth in the Board of Directors Meeting Regulations. When a proposal involves a matter for which a director—or the juristic person the director represents—must recuse themselves under the aforementioned regulations, or when a director's own interests may harm the Company's interests, the director must recuse themselves and may not participate in the discussion or voting, nor exercise voting rights on behalf of other directors. The names of the directors concerned, a description of the key matters, and the recusal circumstances are all recorded in the meeting minutes to safeguard the best interests of the Company and its stakeholders.

Nomination and Election of Directors

Walsin Lihwa has established the Nomination Committee Charter and the Procedures for Election of Directors, which clearly define the nomination, qualification requirements, evaluation criteria, and election procedures for Director candidates. The Nomination Committee is responsible for submitting the list of candidates to the Board; after the Board carefully evaluates their qualifications, the election is conducted in accordance with relevant laws and regulations and directors are elected by vote at the shareholders' meeting. When nominating independent directors, particular attention is paid to the candidates' experience, expertise, integrity, and the legal compliance of their concurrent positions, ensuring conformity with the Securities and Exchange Act, the Regulations Governing the Appointment of Independent Directors and Compliance Matters for Public Companies, and the requirements of the competent authority. Walsin Lihwa adopts a candidate nomination system and cumulative voting, under which shareholders elect directors from the slate of candidates; the acceptance of nominations and the announcement procedures are handled in accordance with the relevant provisions of the Company Act and the Securities and Exchange Act. In addition, shareholders holding 1% or more of the Company's total issued shares may submit a list of director candidates in writing, ensuring shareholder participation in the nomination process. Independent and non-independent directors are elected jointly, with the number of seats calculated separately. Walsin Lihwa's Board sets a target of women directors comprising one-third of its composition, in order to promote Board diversity and governance quality..

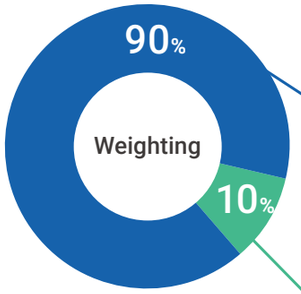
Board Diversity

Walsin Lihwa has established the Principles for the Selection of Board Members and Managerial Officers and the Guidelines for Their Continuing Education and Succession Plans to achieve diversity in the professional knowledge, experience, and gender of Board members, as well as independence. Going forward, in response to the Company's development strategy and changes in the internal and external environment, the Company will continue to invite suitable candidates to join the Board in line with these objectives, thereby strengthening the Board's balance. The 20th-term Board in 2025 comprises 11 directors: Chairman Mr. Chiao, Yu-Lon; Vice Chairman Mr. Wang, Shyi-Chin; Mr. Chiao, Yu-Cheng; Mr. Chiao, Yu-Heng; Mr. Chiao, Yu-Chi; Mr. Hsia, Andrew; Ms. Hsieh, Wen-Chien; and four independent directors: Mr. Hsueh, Ming-Ling; Mr. Hu, Fu-Hsiung; Mr. Duh, Tyzz-Jiun; and Mr. Gau, Wey-Chuan. The Board is composed of members of the management team, managers from related industries, and professionals with backgrounds in finance, business, and accounting. Drawing on their diverse fields and work experience, Board members effectively fulfill their functions, which include establishing and maintaining the Company's vision and values, helping to advance corporate governance and strengthen business management, and supervising and evaluating the implementation of management's policies and business plans. The Board is responsible for the Company's overall operating conditions across the economic, environmental, and social dimensions and, from the perspective of stakeholders, works to enhance the standard of corporate governance and corporate value. For information on directors' education and professional backgrounds,terms of office, concurrent positions, qualifications, independence, Board diversity, sustainability training, and continuing education, please refer to the Company's Annual Report and official website.

Performance Evaluation and Compensation

In accordance with the Regulations Governing Board Performance Evaluation, Walsin Lihwa engaged the Taiwan Corporate Governance Association - an independent institution with no business relationship with the Company - to conduct Board effectiveness evaluations in 2018, 2021, and 2024. Through the review by this professional institution and the guidance and exchange provided by its assessors, the Company obtained objective evaluation results and recommendations, which serve as a reference for continuously optimizing the Board's functions and the quality of its proceedings. The performance evaluations of the Board and each functional committee for 2025 have been completed and were reported to the Board on January 23, 2026; detailed results are available on the Company's official website. In accordance with the Regulations Governing the Payment of Remuneration to Directors and Functional Committee Members, the Remuneration Committee—based on the results of directors' performance evaluations and taking into account the Company's business strategy, profitability, future development, industry environment, and risk factors, and weighing each director's level of participation in and contribution to the Company's operations—proposes remuneration recommendations for execution upon Board approval.

In addition, the Company will evaluate incorporating a director shareholding policy into its considerations in the future. The remuneration policy for the President, Vice Presidents, and managerial officers of equivalent rank is formulated in accordance with the Regulations Governing Performance Evaluation and Remuneration Management for Managerial Officers, with reference to the Company's business strategy, profitability, individual performance, and market pay levels; recommendations are proposed by the Remuneration Committee and executed upon Board approval. The remuneration structure for managerial officers includes equity incentive arrangements such as treasury shares, restricted stock, employee stock ownership trusts, and employee stock options as long-term incentives. The Company has previously used treasury shares to incentivize senior executives and has provided employees with preemptive subscription rights through cash capital increases in order to raise senior executives' shareholding ratios and strengthen alignment with shareholders' interests. Furthermore, to fulfill its corporate sustainability responsibilities, the Company added a Corporate Sustainability Development Indicator starting in 2024 and incorporated it into the performance evaluation of senior managerial officers, accounting for 10% of the overall performance evaluation weighting. This indicator covers strategic objectives across the environmental, social, and governance (ESG) dimensions—including environmental management, occupational safety, and legal compliance—and incorporates the advancement of climate change-related risk management and carbon reduction actions, thereby linking sustainable development goals with the remuneration policy for managerial officers.



Strategic and Operational Management Indicators

Execution results of guidelines and plans; operational planning capability; profitability; decision-making capability; leadership and management capability; talent development.

Corporate Sustainability Performance Indicator

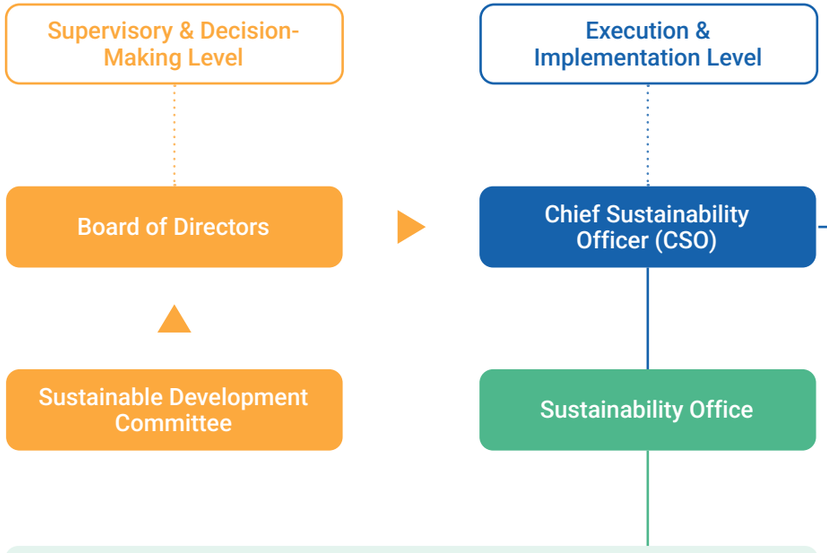
Enhancing the Company’s advancement across the environmental, social, and governance dimensions to achieve Walsin Lihwa’s sustainability vision and goals. Execution effectiveness is defined based on the integrity management, social participation, environmental protection, and green operations indicators under each officer’s remit.

3.1.2 Sustainability Governance

Walsin Lihwa is committed to protecting stakeholder rights and interests. While pursuing sustainable business growth and profitability, the Company prioritizes ESG impacts and continuously improves its sustainability performance. Following the Board's approval of the establishment and organizational charter of the Sustainable Development Committee, the Committee is primarily responsible for assisting the Board in the governance and oversight of the Company's sustainability-related matters—spanning topics such as integrity management and corporate governance, environmental sustainability and green operations, talent management and employee care, supply chain and value chain management, and human rights protection and social inclusion—thereby implementing the philosophy of corporate sustainable development and actively advancing and strengthening the Company's sustainable business strategy.

Organizational Structure of the Sustainable Development Committee

Walsin Lihwa adopts a three-tier sustainability management structure. The first tier, the Sustainable Development Committee, serves as the oversight and decision-making body; the current Committee is composed of six members with professional sustainability expertise and is convened by an independent director. The second tier is the Sustainability Office, coordinated by the Chief Sustainability Officer, which supports the planning and execution of sustainability strategies and reports regularly to the Board. The third tier consists of five subordinate promotion centers—the Business Integrity Center, the Environmental Safety and Health Promotion Center, the Green Operation Center, the Customer Service and Supplier Management Center, and the Employee Relations and Social Engagement Center—which, in line with the direction of the Committee's resolutions, are responsible for advancing and implementing the various sustainable development strategies and action plans.



Key Responsibilities of the Sustainability Office

- Supporting the planning and execution of sustainable development strategies and assessing sustainable transformation.
- Engage with stakeholder communication mechanisms to identify material sustainability topics and develop response action plans.
- Manage and track implementation performance of sustainability topics across all sustainability dimensions and establish continuous improvement plans.
- Facilitate coordination, liaison, and operational integration among all Promotion Centers.
- Formulate sustainability information management policies; comply with relevant disclosure regulations and international standards; ensure full disclosure of material and reliable sustainability information; and undertake the framework design, compilation, and preparation of the annual sustainability report.
- Manage Sustainable Development Committee proceedings and report implementation results and work plans to the Committee.

Business Integrity Center

- Formulating and advancing integrity management-related policies and systems, and integrating integrity and ethical values into the Company's business strategy.
- Supervising and reporting on execution performance, and auditing and evaluating whether the preventive measures established to implement integrity management operate effectively.

Customer Service and Supplier Management Center

- Formulating policies and implementation plans for enhancing the quality of customer service and for supplier sustainability management.
- Supervising and reporting on execution performance, and conducting cross-departmental integration and implementation on related topics.

Green Operation Center

- Formulating green operations strategies, advancing the circular economy, optimizing green processes, and exploring green products and services with future development value.
- Supervising and reporting on execution performance, and conducting cross-departmental integration and implementation on related topics.

Environmental Safety and Health Promotion Center

- Formulating Walsin Lihwa's policies, systems, and implementation plans for environmental protection (including green energy and a sustainable ecological environment), occupational safety and health, and energy and carbon management.
- Collaborating with the Human Resources Department to implement measures related to maternity protection and the prevention of unlawful harassment.
- Supervising and reporting on execution performance, and conducting cross-departmental integration and implementation on related topics.

Employee Relations and Social Engagement Center

- Advancing and building a safe and healthy working environment for employees, space for them to fully realize their talents, and reasonable compensation and benefits.
- Formulating human rights management policies and procedures, and complying with human rights-related regulations and international standards.
- Advancing and deepening the Company's philanthropic impact by proactively engaging in the four areas of corporate citizenship, care for disadvantaged groups, environmental conservation, and neighborhood and community enhancement, giving back to society through concrete and sustained action.

Operations of the Sustainable Development Committee

Communication Plan	Communication Mechanism	Frequency
IFRS Sustainability Disclosure Standards	In accordance with the reference guidelines and relevant requirements issued by the competent authority, continuously monitors the execution of the adoption plan and reports to the Board.	Quarterly
FSC Sustainable Development Roadmap	The EHS Management Promotion Center reports quarterly to the Board on the GHG inventory and verification timelines for Walsin Lihwa parent company and subsidiaries.	Quarterly
Current-Year Plan Tracking	Sustainable Development Committee meetings are convened regularly, at which the Sustainability Office and its subordinate promotion centers report on the current year's execution progress.	Annually
Current-Year Results & Next-Year Plan Reporting	Sustainable Development Committee meetings are convened regularly, at which the Sustainability Office and its subordinate promotion centers report on the current year's execution results and the following year's execution plan and report to the Board.	Annually
Materiality Assessment and Sustainability Report Reviewing	Materiality analysis is conducted regularly to identify material topics as a guide for preparing the sustainability report; long-term sustainability goals and stakeholder communication guidelines are formulated based on the materiality results; and the content of the sustainability report is reviewed regularly.	Annually

IFRS Sustainability Disclosure Standards: Implementation Plan and Progress

In response to the global trend toward the financial integration of sustainability information, and in alignment with the FSC's Blueprint for the Adoption of IFRS Sustainability Disclosure Standards in Taiwan, Walsin Lihwa - as one of the listed companies required to apply the standards from 2026 - initiated pre-adoption activities in 2024. Using the consolidated financial statements as the reporting boundary, and following ISSB standards IFRS S1 (General Requirements for Disclosure of Sustainability-related Financial Information) and IFRS S2 (Climate-related Disclosures), the Company established a cross-functional project team to identify material sustainability-related risks and opportunities, inventory data sources, assess disclosure gaps, and plan corresponding response activities. During project execution, the adoption progress and outcomes are tracked quarterly according to the annual plan; the related implementation status is discussed and approved by the Sustainable Development Committee before being reported to the Board, ensuring that all work proceeds smoothly.

2024

- Developed the IFRS Sustainability Disclosure Standards adoption plan; established a cross-functional project team; identified material gaps and their impacts between current sustainability information and IFRS standards, providing a roadmap for continuous improvement in subsequent years.
- Established an internal control system for sustainability information disclosure with clearly defined management responsibilities.
- Aligned disclosure boundary with the consolidated financial statements; initiated optimization of sustainability management and disclosure practices.

2025

- **S1 (General Standard)**: Applied IFRS S1 to identify the Company's sustainability-related risks and opportunities.
- **S2 (Climate Standard)**: Applied IFRS S2 to inventory material climate-related risks and opportunities and establish a climate-financial impact pathway map.

2026

- **Financial Quantification**: Pursuant to S1, establish a roadmap of the potential financial impacts of risks and opportunities, and further quantify their specific financial impacts.
- **Target Management**: Aligning with S2, the identified material climate risks and opportunities, and the analysis results of the climate change financial impact, quantify the financial impacts of identified material climate risks and opportunities.
- **Full Application**: Establish management indicators and targets for sustainability and climate risks and opportunities.

3.2 Operational Performance

In 2025, Walsin Lihwa's total consolidated revenue amounted to NT$174.243 billion, a decrease of 2.83% from 2024. Consolidated net profit after tax was NT$2.4 billion , with after-tax earnings per share of NT$0.75. Income tax paid amounted to NT$2.04 billion, accounting for 1.17% of total revenue. For further financial performance details and analysis, please refer to the Company's 2025 Annual Report.

Consolidated Financial Performance

Unit: NT$ million

Item	2022	2023	2024	2025
Revenue	180,401	189,840	179,318	174,243
Profit (Loss) After Tax	19,140	5,863	2,584	2,339
Earnings (loss) per share (NT$)	5.45	1.31	0.69	0.75

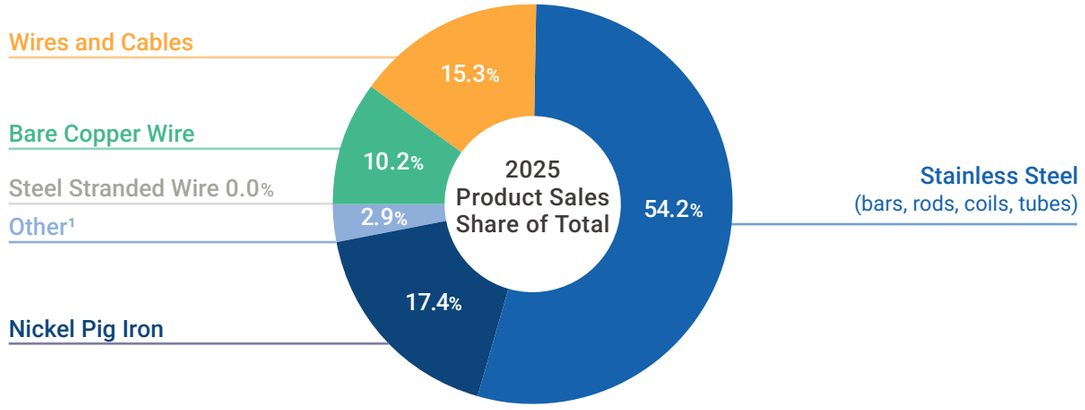
Distribution of Economic Value in 2025

Unit: NT$ million

Item	Amount
Revenue	174,243
Non-operating Income/Expenses	1,613
Direct Economic Value Generated (A)	175,856
Operating costs (cost + expenses) – (wages and benefits)	161,027
Employee wages and benefits (personnel expenses)	13,197
Payments to capital providers (shareholder dividends)	4,350
Payments to government (including taxes and fines)	2,040
Community investment	62
Direct Economic Value Distributed (B)	180,676
Economic Value Retained (A – B)	(4,820)

Note: The negative economic value retained is primarily attributable to the fact that the amount of dividends paid to shareholders is higher than the consolidated net profit.

2025 Product Sales Value Ratio



Note：1. "Other" includes non-core business products, real estate, rental, and construction revenue.
2. For financial performance, product sales volume/value, and domestic/export ratios, please refer to the 2025 Annual Report.

Tax Strategy

Walsin Lihwa upholds a corporate culture of integrity management and requires that all of the Company's business activities comply with local laws and regulations, striving to implement tax governance in order to fulfill its corporate social responsibility:

- Complying with the tax laws and regulations of each country and international tax standards; filing and paying taxes honestly; conducting arm's length transactions; and refraining from transactions undertaken for tax avoidance purposes.
- Handling tax disclosures in accordance with the requirements of relevant regulations and standards.
- Ensuring compliance with tax laws and regulations through internal control mechanisms and management procedures.
- Taking tax risks and impacts into account in all major decisions and transactions.
- Rapidly assessing the impact of, and responding to, relevant changes in tax laws and regulations, and formulating corresponding strategies.
- Establishing a relationship of mutual trust and respect with tax authorities, and communicating and consulting on tax matters in a timely manner.

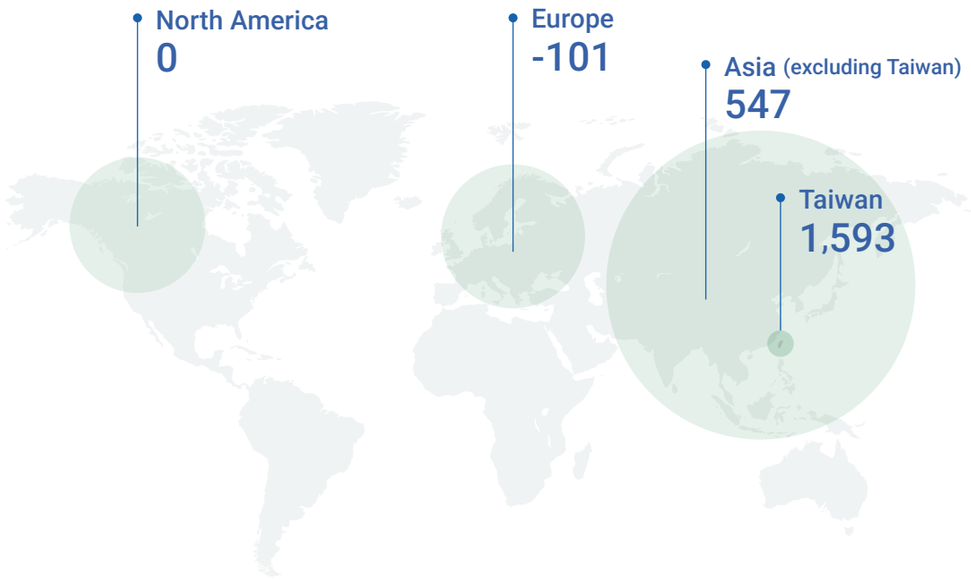
Effective Tax Rate

Unit: NT$ million

Item	2022 (Restated)	2023 (Restated)	2024 (Restated)	2025
Profit Before Tax	23,402	7,334	2,531	1,631
Income Tax Expense (Benefit)	4,262	1,471	-53	-708
Effective Tax Rate (%)	18.21%	20.06%	-2.09%	-43.41%
Income Tax Paid	2,732	1,690	5,642	2,040
Cash Tax Rate (%)	11.67%	20.34%	222.92%	125.08%
Income Tax as % of Revenue	2.36%	0.77%	-0.03%	-0.41%

2025 Income Tax by Geography [Note]

Unit: NT$ million



Note：Data represents income tax expense of Walsin Lihwa and its subsidiaries in each region and does not separately identify the final country in which each company's income tax is paid.

3.3 Business Integrity

2025 Ethical Management Performance

- Zero incidents of corruption, anti-competitive behavior, or legal violations related to marketing and labeling.
- No complaints or reports of ethical misconduct were received through whistleblowing channels in 2025.
- No incidents of money laundering, insider trading, or conflicts of interest occurred in 2025.

Policies and Standards

Walsin Lihwa upholds the principle of business integrity, complies with government laws and regulations, implements corporate governance, and fulfills its corporate responsibilities. Through Board resolutions, the Company has adopted the Corporate Governance Best Practice Principles, the Ethical Conduct Guidelines for Directors of the Board and Managerial Officers, the Ethical Conduct Guidelines for Employees, the Ethical Management Best Practice Principles, and the Procedures for Ethical Management and Guidelines for Conduct. Internally, it has also established the Employee Code of Conduct, the Regulations for Personal Information Protection Management, and the Consumer and Customer Service Management Policy and Complaint Procedures as key standards for its ethical corporate management. Directors, managerial officers, and colleagues are required to comply with the aforementioned regulations and procedures across dimensions such as business ethics, labor relations, environmental protection, safety and health, internal control, corporate governance, and community participation. Information related to ethical corporate management is published on the Company's corporate website and intranet to convey the importance of ethical corporate management and to embed a corporate culture that upholds it.

Organization and Accountability

Walsin Lihwa has established a Business Integrity Promotion Center, managed by the Corporate Governance Officer, to assist the Board and senior management in evaluating the implementation of business integrity and in verifying the effective operation of preventive measures. Each year, the Center reports to the Board on the compliance evaluation of the relevant business processes for the year and on the results of the promotion and training of ethical corporate management.

Responsibilities of the Corporate Governance Unit:

Oversee the proceedings of the Business Integrity Promotion Center.	Formulate business integrity policies and other related principle-level regulations.	Ensure that legal compliance and the implementation of regulations are lawful and effective.

Scope of Duties of the Business Integrity Center

The Business Integrity Center takes the implementation of integrity principles and support for the Company's sustainable operations as its core mission, helping to integrate integrity and ethical values into the Company's business strategy and, through institutional development and governance mechanisms, strengthening the foundation for the Company's long-term, stable development.

Risk Management
Identify potential risks facing the industry and the Company; develop effective preventive strategies and countermeasures to ensure stable business operations.

Internal Audit & Control
Strengthen internal control safeguards through review, testing procedures, and the establishment of control mechanisms.

Regulatory Compliance
Comply with competent authority regulations and external standards; formulate internal rules; continuously advance implementation to maintain compliant operations.

Integrity Principles
Promote and implement principles of non-bribery, non-corruption, non-profiteering, and non-interference with others' interests while striving to enhance information transparency to ensure open and fair business operations.

Sustainable Business
Address climate-related risks and opportunities; enhance corporate governance effectiveness; deepen stakeholder engagement; promote sustainable development and long-term value creation.

Education and Training on Business Integrity

Walsin Lihwa regularly reinforces business integrity through public commitments, communication campaigns, and education and training programs . The target audiences include Board members, all employees, suppliers, and contractors, cultivating an integrity-driven corporate culture from the top down.

To deepen its culture of business integrity, Walsin Lihwa has, since 2023, required all employees to sign the Business Integrity Policy Statement and has concurrently held related promotional activities to strengthen employees' awareness of integrity and legal compliance. In addition, business integrity-related course training and promotion are incorporated into the onboarding of new employees, who are required to sign the Business Integrity Policy Statement, in order to embed the culture of integrity from the ground up. Starting in 2024, the Company has further introduced an online business integrity training mechanism with continuous education and periodic refresher training. As of 2025, a cumulative total of 2,673 employees in Taiwan and Mainland China have completed online refresher courses and passed assessments, with an overall completion rate of 47.68%.

Additionally, the Company continues to conduct education and training on business integrity (including anti-corruption), trade secrets, insider trading prevention, intellectual property rights (including TIPS), corporate sustainability and personal integrity, personal data protection, and information security, promoting the relevant policies to directors and employees and conveying the importance of integrity and legal compliance. All 11 Directors completed courses on material information management, insider trading prevention, and workplace friendliness (including sexual harassment prevention) in 2025.

At the institutional level, the Company also extends its integrity requirements throughout the supply chain, requiring all suppliers and contractors to sign the Supplier Business Management Commitment, which incorporates business integrity standards, and providing significant suppliers with training on business integrity (including anti-corruption), regulatory compliance, and sustainability trends, in order to realize corporate values and strengthen supply chain governance.

2025 Business Integrity Refresher Training - Taiwan and Mainland China

Plant	Category		Number of Attendees	Total Employees	Completion Rate
Taiwan	Gender	Male	1,962	2,623	74.80%
		Female	312	420	74.29%
	Role	Managerial	275	393	69.97%
		Non-managerial	1,999	2,650	75.43%
	Subtotal		2,274	3,043	74.73%
Mainland China	Gender	Male	249	2,106	11.82%
		Female	150	457	32.82%
	Role	Managerial	116	355	32.68%
		Non-managerial	283	2,208	12.82%
	Subtotal		399	2,563	15.57%
Total			2,673	5,606	47.68%

Note：1.Definition of managerial position: Management positions at subsection level (inclusive) and above.
2.Completion rate = Number of people who completed the training and passed the test ÷ Total number of employees.

3.4 Risk Management and Regulatory Compliance

3.4.1 Risk Management

To ensure sound operations and sustainable development, Walsin Lihwa operates in accordance with an Enterprise Risk Management (ERM) framework, continuously identifying and evaluating potential risks, monitoring global environmental and industry developments, and formulating appropriate risk management strategies to reduce the likelihood and negative impact of risks, thereby effectively managing and mitigating the impacts risks bring.

The Organizational Structure of Risk Management

The Board of Directors, Audit Committee, Internal Audit Office, President and Sustainability Office, individual risk management units, business units and subsidiaries all participate in implementing risk management measures, forming a three-line-of-defense ERM mechanism:

Board of Directors

Highest decision-making authority for risk management; responsible for approving the overall risk management policy and major decisions.

Audit Committee

Reviews the effectiveness of the internal control system to ensure effective implementation and to supervise the management of existing and potential risks.

Internal Audit Office

3rd Line of Defense

Conduct risk management audits; provide management with timely insights on existing and potential internal control risk issues, ensuring conformity with established rules and control procedures.

President and Sustainability Office

2nd Line of Defense

Coordinate and oversee overall ERM execution, coordination, and operation; plan risk management policies and procedures; and monitor the implementation of the first line of defense and the effectiveness of its mechanisms.

Individual Risk Management Units

1st Line of Defense

Fully understand the risks faced by their respective business areas; incorporate risk management into operational procedures; and comply with the rules to carry out necessary operations and risk management work. They also regularly adjust control mechanisms in response to changes in the internal and external operating environment and submit a risk management report to the Board at least once a year.

Risk Categories: Strategic & Operational | Foreign Exchange | Legal | Raw Material Prices & Supply Chain | Human Capital | Occupational Safety | Capital Expenditure | Technology | Corporate Reputation | Information Security | Climate Change & Environment | Interest Rate | Emerging Risks

The Policy and Operations of Risk Management

Walsin Lihwa has established a Risk Management Policy and Procedures as the highest guiding principle and management procedure for the risk management across the Company and its subsidiaries. On January 26, 2024, it revised the risk management objectives, organizational structure, unit authority and responsibilities, management procedures, and control mechanisms, integrating risk management into daily operations and promoting company-wide participation in its implementation. The Company reviews its risk management status regularly each year and reports to the Audit Committee and the Board; the reporting on risk management operations for 2025 was completed on October 31, 2025 and November 7, 2025, respectively.

The Implementation Mechanism of Risk Management

To reduce the impact of internal and external risks, Walsin Lihwa—in accordance with the materiality principle and the characteristics of its business and operations—identifies risk topics related to operations and corporate governance, the economy, the environment, and society, and plans the corresponding management and monitoring measures. The relevant risk response plans and mitigation measures can be found in the relevant chapters of this report or in the Walsin Lihwa Annual Report. For the management policies, strategies, or mechanisms of each risk category, please refer to Appendix 1 of the Risk Management Policy and Procedures.

The Process of Risk Management

Risk Identification	Identify the major risk sources, events, causes, and potential consequences that may affect the achievement of the Company's strategy and organizational objectives.
Risk Analysis	Calculate risk values using risk analysis measurement standards and risk appetite.
Risk Evaluation	Plan and execute response measures based on the analysis results.
Risk Response	Develop countermeasures and implement appropriate controls in response to risk developments and changes.
Risk Monitoring & Review	Regularly report on management procedures, execution status, and results.

The Categories of Risk Management

Financial Risks

Risks affecting financial targets arising from factors such as domestic and foreign interest rates, exchange rate fluctuations, raw material prices, and supply chain risks.

Strategic & Operational Risks

Risks arising from business strategy, domestic and foreign market competition, technology R&D, industry collaboration, and changes in policies and regulations.

Environmental & Decarbonization / Energy Risks

Risks arising from global climate change, geographic resources, the carbon-reduction progress of governments, and energy and related fiscal and tax policies.

Corporate Sustainability Risks (ESG)

Risks in the environmental, social, and governance dimensions arising from global corporate sustainability issues.

Information Security Risks

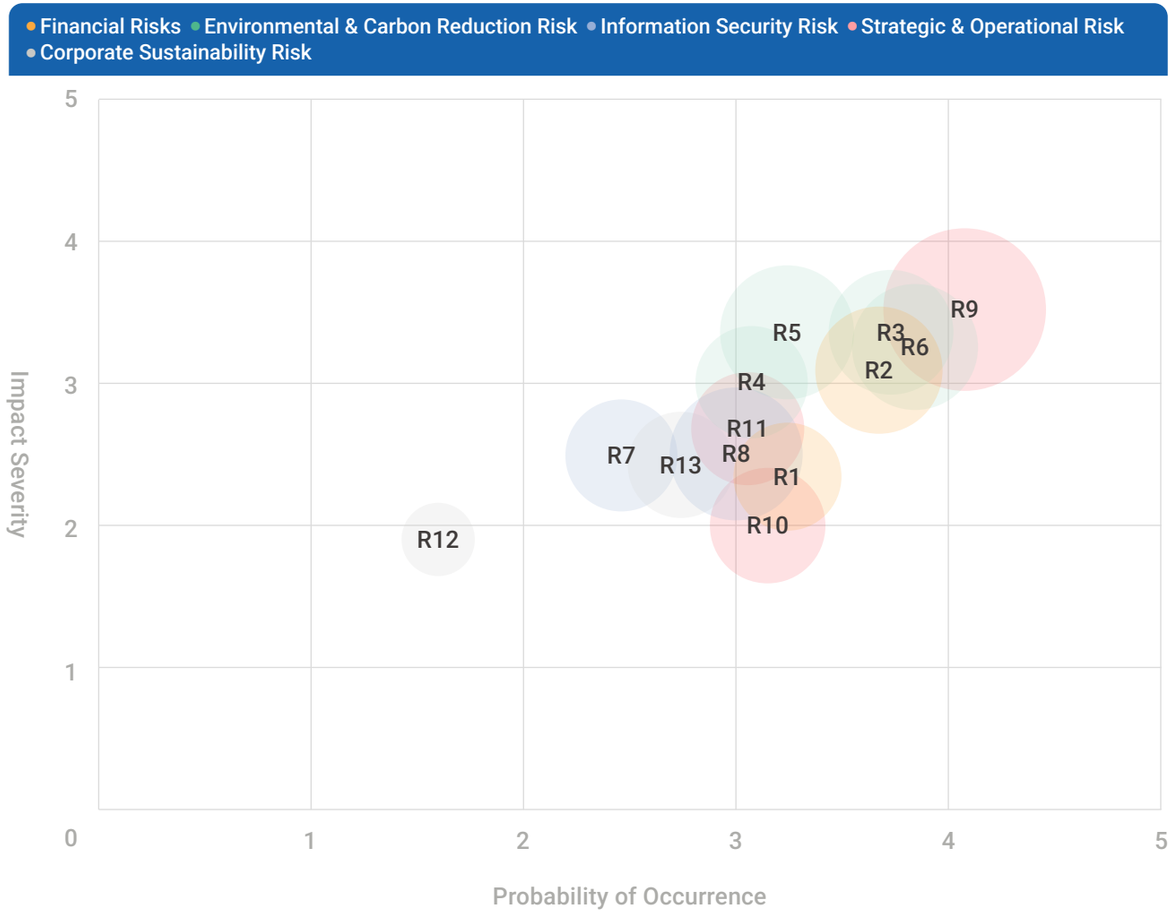
Risks that threaten the confidentiality, integrity, or availability of the Company's information assets and personal data due to natural, human, or technical factors.

Risk Measurement Matrix

For the material risk events it monitors, Walsin Lihwa assesses the risk level based on the degree of impact on the Company and the likelihood of occurrence.

Risk Category	Code	2025 Risk
Financial Risk	R1	Higher financing costs and constrained flexibility in capital operations
	R2	The United States falling into stagflation, accelerating exchange rate uncertainty and volatility risk
Environmental and Carbon-Reduction Energy Risk	R3	Intensifying climate change issues and the lack of consensus on net-zero pathways, raising transition risk
	R4	Operating sites being prone to business interruption or disruption due to extreme weather
	R5	Energy transition demand and energy shortages requiring a diversified energy portfolio
	R6	Rising energy prices (natural gas, electricity, etc.) driving up operating costs over the long term
Information Security Risk	R7	Frequent and complex malicious cyberattacks and increasingly sophisticated phishing disguise techniques
	R8	Artificial intelligence intensifying cybersecurity risk and potentially leaking trade secret information
Strategy and Operational Risk	R9	Geo-economic confrontation and tariff protectionism forming economic barriers and worsening investment conditions
	R10	Demand for developing new products in green energy applications and manufacturing services
	R11	Talent recruitment and succession, with labor supply-demand imbalance making recruitment difficult
Corporate Sustainability Risk	R12	Occurrence of events violating professional ethics, such as offering or accepting bribes
	R13	Countries successively issuing sustainability regulations, raising the uncertainty and cost of operational compliance

Note：Probability of Occurrence (1–5: Very Low to Very High); Impact Severity (1–5: Negligible to Catastrophic)



Walsin Lihwa's Risks and Control Measures

Based on its established risk management mechanism, Walsin Lihwa uses the Risk Measurement Matrix to assess and analyze risks across the two dimensions of likelihood of occurrence and degree of impact, identifying the extent to which each risk affects the Company's operations and sustainable development. For the risks that the assessment results indicate have a greater impact on Walsin Lihwa, the Company separately compiles the content of each risk, its potential impact, and the corresponding control measures as the focus for subsequent risk control and continuous monitoring.

Risk Item	Impact Level	Likelihood	Control Measures
(R3) Intensifying climate change issues and the lack of consensus on net-zero pathways, raising transition risk	Major	High	• Strengthen carbon reduction target awareness; formulate and disclose reduction targets, strategies, and concrete action plans. • Intensify energy efficiency initiatives; advance green electricity procurement planning; analyze the impact of carbon taxes and green electricity procurement on operations. • Report to the Board regularly to guide and supervise decarbonization and energy transition plans, ensuring sustainability issues are integrated into operational decisions. • Implement IFRS Sustainability Disclosure Standards; establish climate disclosure workflows; and data inventory mechanisms to enhance quality and transparency of climate information disclosure.
(R6) Rising energy prices driving up operating costs over the long term	Major	High	• Deploy automation and high-efficiency equipment; optimize production processes to improve energy efficiency and reduce operating costs. • Install renewable energy (e.g., solar) at plant sites to increase energy self-sufficiency ratio and reduce reliance on purchased electricity. • Conduct regularly inventorying energy use and carbon emission promote energy-saving and high-efficiency technologies. • Reduce the impact of energy price volatility and enhance product competitiveness through low-carbon processes and carbon trading mechanisms.
(R9) Geo-economic confrontation and tariff protectionism forming economic barriers and worsening investment conditions	Major	Very High	• Leverage global footprint to strengthen resilience against regionalization challenges and reinforce core manufacturing technology and operational flexibility. • Establish cross-regional production and distribution capabilities to diversify away from tariff barrier and the uncertainty of national economic policies, reducing single-market exposure and industry volatility risk. • Deepen the European stainless steel business group's presence in key fields such as aerospace and energy sectors; expand high-end product and service offerings.
(R8) Artificial intelligence amplifying cybersecurity risk and potentially leaking trade secrets	Moderate	Moderate	• Establish an AI-enabled proactive threat detection system; deploy cloud and on-premise Zero Trust Architecture (ZTA); initiate OT industrial control cybersecurity defense measures to achieve the "digital sustainability" goal. • Continuously raise employee cybersecurity awareness; conduct regular social engineering drills; implement cybersecurity incident reporting and drills to strengthen incident response capabilities. • Improve information security regulations and management systems; builds an overall cybersecurity protection platform; implements cybersecurity technical protection measures, and participates in external cybersecurity ratings to meet internal and external compliance requirements and goals. • Establish a cybersecurity control blueprint based on high international standards and strengthen information security risk management to ensure the confidentiality, integrity, and availability of trade secrets and confidential data.

2025 Emerging Risks

Walsin Lihwa integrates emerging risks into its ERM framework, with ongoing Board oversight. The Company monitors global environmental changes and development trends, taking into account business development and future planning, to identify emerging risks on an annual basis.

Process of Identification

Step 1. Initiating the emerging risk identification process	Step 2. Conducting emerging risk assessment	Step 3. Identifying emerging risks
Develop a list of emerging risk factors as the basis of the Company's risk assessment by referring to the annual risk reports issued by credible external organizations, including global environmental change and development trends and the Global Risk Reports released by the World Economic Forum (WEF).	Referring to the list of emerging risk factors, each risk management unit assesses the potential impact, identifies the likelihood and degree of impact, and formulates countermeasures.	The Sustainability Office consolidates the identification results, identifies emerging risks accordingly, and submits them to the Board for ratification.

Results of Identification

	Risk Description	Potential Impact
Geoeconomic Rivalry Increasing Operational and Strategic Risk	The international political and economic situation is fraught with uncertainty, amplifying geoeconomic risks. In particular, the "Trump 2.0" trade war threatens to drive higher tariffs and supply chain regionalization, while cascading tariff protection policies adopted by various countries will further increase operational risks and variables.	Geoeconomic rivalry may lead to tariff barriers and disrupt the Company's operational planning, causing market contraction or operational disruptions. Failure to promptly adjust overall strategy and supply chain configuration could result in insufficient operational flexibility and be unable to withstand the risk of margin compression; over the longer term, this may erode the Company's competitive advantages and market share.
Artificial Intelligence Exacerbating Cybersecurity Risks and Operational Strategy Risks from Improper Technology Use	Artificial intelligence (AI) and cloud services improve business operational efficiency but also bring cybersecurity challenges. AI may affect information security and decision accuracy due to biased training data or hacker attacks. Cloud services involve risks such as inadequate data access controls, supplier security vulnerabilities, and DDoS attacks, which may lead to the leakage of confidential information or system paralysis; hackers may attack software suppliers to implant malware into the Company's systems, causing large-scale cybersecurity incidents.	If AI-generated content is not verified, it may lead to data distortion, reducing information credibility and operational accuracy. At the same time, employees find it difficult to identify whether the data they input or that AI outputs involves trade secrets or sensitive information, exposing the Company to a high risk of leakage and infringement. Improper use may raise the likelihood of leaking confidential information or trade secrets, reducing the confidentiality of the Company's trade secrets, damaging its reputation and trust, and in turn impacting its competitiveness.

Intellectual Property Rights and Confidential Information Protection

Committed to high-value transformation and smart manufacturing, Walsin Lihwa adopted the Taiwan Intellectual Property Management System (TIPS) in 2020 and successfully renewed its TIPS Class A certification in 2025, ensuring that the results of its R&D innovation and process optimization are fully protected. As the organization has developed, Walsin Lihwa has brought procurement management within its scope of implementation and has concurrently deepened its trade secret management system and electronic confidential-labeling management mechanism to strengthen the resilience of its core technology protection. In accordance with TIPS requirements, Walsin Lihwa formulates annual IP management policies and objectives, and fulfills its governance responsibilities, regularly reporting the implementation status and annual promotion plan to the Board to ensure that its IP strategy is closely aligned with the Company's long-term growth goals. The most recent report was submitted to the Board on November 7, 2025.

Grievance and Suggestion System and Whistleblower Protection Mechanism

Walsin Lihwa encourages employees and outsiders to report corruption, bribery, dishonesty, or misconduct. The Company has established Stakeholder Feedback and Complaint Procedures and maintains a Stakeholder Communication Area on Walsin Lihwa's website. Stakeholders may use multiple communication channels, including anonymous reporting, to submit feedback and complaints to management or the head of internal audit. Employees may also use the Employee Suggestion Mailbox. The Company encourages reporting of any suspected unlawful or non-compliant conduct within the organization or with counterparties in order to prevent such incidents, and commits to maintaining confidentiality throughout investigations and ensuring whistleblower protection.

Upon receiving feedback or reports, the responsible departments will conduct an investigation and report the handling status to the Audit Committee. Walsin Lihwa's scope for reporting and preventing suspicious illegal or non-compliant activities covers the following key areas:

- Violation of trade secrets
- Employee complaints
- Violations of business ethics
- Violations of EHS (Environment, Health, and Safety) Regulations
- Sexual harassment complaints

Complaint Type	Employee Misconduct	Mgmt. Negligence	Conflicts of Interest	Workplace Bullying	Sexual Harassment	Fraud & Illegal Acts	Other	Total
External Complaints	1	3	2	0	0	1	1	8
Employee Complaints	2	0	0	2	1	0	0	5
Total	3	3	2	2	1	1	1	13

In 2025 cases were received

- Complaint cases 13
- Suggestion cases 0

All cases were processed in accordance with relevant regulations and have been successfully closed.

Internal Audit

Walsin Lihwa maintains a robust internal audit system, supported by an Independent Director mechanism, to ensure the effective operation of internal controls and reporting mechanisms. Audit activities are planned and excuted based on the annual risk assessment results, and the management places high importance on the effectiveness of remediating internal control deficiencies. To strengthen the quality of externally disclosed sustainability information and in response to the adoption of IFRS S1 and S2, the Company has incorporated sustainability information disclosure into its internal control system and has conducted audits of the collection and compilation processes for non-financial ESG data to ensure the accuracy and reliability of the Sustainability Report and related disclosures.

The Auditing Office is an independent unit staffed with a Chief Auditor and full-time audit personnel, reporting directly to the Board. In addition to regularly attending Board and Audit Committee meetings to report, the Chief Auditor communicates regularly with the independent directors at least once each quarter to report on internal control operations and legal compliance status. In the event of a material anomaly, the Chief Auditor may report to the Chairman, the convener of the Audit Committee, the independent directors, and the President at any time as needed, ensuring that material risk matters—including the risk of sustainability information disclosure—receive timely disclosure and appropriate handling.

3.4.2 Information Security

Information Security Governance and Strategy

To build a "digitally sustainable" information systems architecture and advance the Company's "Digital Transformation" objectives, Walsin Lihwa-centering on "driving cloud-and-on-premises Zero Trust' and "strengthening cybersecurity resilience"-has established an overall cybersecurity protection platform, conducts simulation drills, and, combining AI-based proactive detection and prevention technology, deploys real-time detection and defense capabilities, in response to the government's policy that "cybersecurity is national security.Based on the NIST CSF and CISA ZTA frameworks, the Company has completed a cybersecurity map and a Zero Trust maturity assessment, implemented defense-in-depth, and applied timely control measures to reduce risk. In accordance with the Cybersecurity Control Guidelines for TWSE- and TPEx-Listed Companies issued by the competent authority and the stock exchange, the Company continuously optimizes its cybersecurity protection, has adopted an integrated cloud-and-on-premises cybersecurity management architecture, and is progressively migrating its information systems and backup mechanisms to the cloud to improve operational efficiency and cybersecurity standards.

In 2025, **NO major** information security incidents or leaks of confidential information occurred in 2025, and no losses were caused to the company or its customers

Organization and Governance Mechanisms

Dedicated information security management Organization	Walsin Lihwa has established the Information Security and Systems Operations Department, appointing a Chief Information Security Officer(CISO), and assigned cybersecurity managers and dedicated personnel responsible for policy formulation, the advancement of control measures, risk assessment and management, and the execution of the annual cybersecurity plan.
IT Steering Committee	Serves as the information security management and decision-making body for the Company and its business units; the Committee holds at least one management review meeting each year to review policies and their implementation; related resolutions and project outcomes are reported to the Audit Committee. In 2025, in accordance with the new ISO/IEC 27001:2022 requirements, four cybersecurity regulations were revised to respond to changes in regulations and the external environment.

Establishing and Complying with Information Security Management System (ISMS)

Walsin Lihwa adopted the ISO/IEC 27001 ISMS in 2022, covering areas such as information authorization, data backup, system development, outsourced vendor management, and intellectual property rights. It obtained ISO/IEC 27001:2013 certification in 2023, upgraded to ISO/IEC 27001:2022 certification in 2024, and passed recertification in October 2025 (ISO 27001 certificate link), strengthening threat intelligence, configuration management, and cloud service protection. The Company applies the PDCA cycle to establish its management system and continuously optimizes it based on "prevention beforehand, monitoring during, and response afterward." In 2025, it completed four third-party external cybersecurity risk assessments.

Information Security Policy and Objectives

The Company aims to protect the confidentiality, integrity, and availability (CIA) of sensitive data (including customer data and business information). It has established an information security policy and set up business continuity and incident management, periodic compliance reviews, and education and training, strengthening management oversight and company-wide cybersecurity awareness; violators are handled in accordance with laws and company rules. By continuously enhancing its information security management system, the Company ensures information integrity and builds a solid data protection barrier. Through the real-time monitoring of cybersecurity threats, the review of and response to information security incidents, information security vulnerability analysis, and the conduct of cybersecurity incident drills and reporting, it refines the reporting and escalation processes for vulnerabilities or suspicious activities, strengthens all employees' responsibility for protecting information security and reporting cybersecurity incidents, and establishes cybersecurity requirements for third-party business partners (such as suppliers), comprehensively enhancing operational resilience.

Information Security Resilience and Systematic Management

In accordance with the six dimensions of "Govern, Identify, Protect, Detect, Respond, and Recover" and the five aspects of "Identity, Endpoint, Network, Application, and Data," the Company advances its cybersecurity control map on a rolling annual basis. This includes planning and building data protection mechanisms and strengthening the security of external information services to reduce the risk of confidential data leakage and improve the ability to block hacker attacks; continuously introducing advanced cybersecurity solutions to effectively protect and manage system, host, and network behavior; regularly conducting education and training and social engineering drills to promote the latest cybersecurity knowledge and raise employees' awareness; and performing disaster recovery drills for critical systems to ensure business continuity. On the technical side, the Company has deployed EDR endpoint protection and monitoring, implemented real-time SOC monitoring, strengthened cloud cybersecurity management and adopted Zero Trust, used M365 Security (AI automation) to assist detection and prevention, introduced Privileged Access Management (PAM), and applied security controls to physical office machines to ensure the security of printing, copying, scanning, and faxing data—overall enhancing the effectiveness of detection, response, and institutionalized management.

Information Security Education and Drills

Each year, Walsin Lihwa runs a month-long "Information Security Month" awareness campaign, raising employees' cybersecurity awareness through feature reports and knowledge articles on the corporate portal, and works with the HR department to advance a mandatory company-wide HRD course. On average, it conducts 2 social engineering drills every two months; in 2025, it conducted a cumulative total of 12 email social engineering drills, each with more than 2,900 participants. Those who fail must complete an online course and test. In addition, the Company has fully implemented cybersecurity incident reporting management and completed one drill covering the reporting organization, processes, and external communication mechanisms.

Customer and Personal Data Protection

Walsin Lihwa has established a personal data management system in accordance with the Personal Data Protection Act, covering data classification, access controls, outsourcing management, and incident reporting, with ongoing training and internal--audits. The complete policy, practices, and latest announcements are available in the Risk Management > Stakeholder Rights and Interests Area on the Company's official website.

3.4.3 Regulatory Compliance

Foundation of Regulatory Compliance: Corporate Culture of "Commitment to Business Integrity"

The culture of "Business Integrity" requires all of the Company's business activities to comply with applicable laws and regulations in Taiwan and in all jurisdictions where it operates. Walsin Lihwa requires all members of the organization not to prioritize business profit at the expense of violating applicable laws and regulations.

Monitoring and Evaluation of Relevant Business Laws and Regulations

As a traditional manufacturer, Walsin Lihwa's principal legal compliance risks lie, on the manufacturing side, in the labor and environmental laws related to manufacturing and the ban on conflict minerals; on the sales side, in the protection of consumer safety, health, and other rights by industry competent authorities, as well as the Fair Trade Act; and regarding finance and accounting, mainly in tax laws in various jurisdictions and anti-money laundering regulations. As a listed company, the Company must also comply with the Company Act, the Securities and Exchange Act, and regulations related to corporate governance and corporate sustainable development.

Violations and Penalties

In 2025, there were no incidents involving bribery and corruption, money laundering, violations of the Company Act, insider trading, conflicts of interest, personal data privacy breaches, or other business ethics-related violations. No employees were convicted of bribery-related offenses.

However, during the same year, the Company was fined NT$200,000 for extending working hours beyond the relevant provisions of the Labor Standards Act, and RMB1.75 million for violating the relevant provisions of the Anti-Monopoly Law of Mainland China. All of the aforementioned penalties have been paid in accordance with the law, and the Company has completed a review of the causes and proposed corresponding improvement plans to prevent similar incidents from recurring.

Note: Material penalty events refer to violations with fines exceeding NT$100,000 or RMB 22,000.

3.5 Sustainable Supply Chain and Customer Service

Walsin Lihwa's industrial footprint spans the upstream, midstream, and downstream segments of the wire & cable and stainless steel value chains, with procurement items that are diverse and highly critical. The Procurement Management Center centrally manages procurement operations, supplier performance assessment, screening, tiered management, and significant supplier risk assessment. The Board of Directors has approved the establishment of the Sustainable Development Committee as the highest decision-making body for supplier management policy and sustainable supply chain management plans, strengthening the Company's organizational structure and oversight mechanisms for sustainable supply chain governance.

Walsin Lihwa recognizes that a sustainable supply chain is a critical cornerstone for achieving corporate sustainability goals. From raw material procurement through to product manufacturing, the Company adheres to the management principles of business integrity, fair trade, standardized management, and a balance of operational efficiency and service quality. Through institutionalized and process-driven supplier management mechanisms, the Company continuously fulfills its CSR, responds to stakeholder expectations, and drives long-term, stable, and sustainable business operations.

Sustainable Supply Chain Management Targets - Taiwan and Mainland China

Target	Goal	Achievement Rate
Completion rate of contractor/ transporter safety induction training	100% →	100%
Coverage rate of significant supplier risk assessments	100% →	100% Note 1
Provision of improvement support plans to high-risk significant supplier	100% →	100% Note 2

Note：1.Significant supplier risk assessments covered 140 suppliers in 2025.
2.Review scope comprised 8 significant suppliers rated "High Risk" in the 2024 risk assessment.

3.5.1 Sustainable Supply Chain Policy

Supplier Sustainability Policy

Walsin Lihwa has formulated the "Supplier Management Measures", the "Supplier Social Responsibility Performance Appraisal Principles", and the "Sustainable Procurement Management Measures" to ensure that suppliers meet requirements across quality, cost, delivery, and service dimensions, and to continuously monitor suppliers' environmental protection and human rights practices through documented assessments and on-site audits , thereby fulfilling the Company's corporate social responsibility and promoting the sustainable development of its supply chain. In 2025, the Company further introduced the Sustainable Raw Materials Policy to advance a green supply chain model aligned with circular economy principles.

For an overview of Walsin Lihwa's upstream, midstream, and downstream value chains, please refer to Chapter 5, "Business Overview", of the Company's Annual Report, or visit the Company's official website.

Supply Chain Management Philosophy and Commitment Strategy

Management Philosophy and Commitments

- Comply with international regulations and customer requirements.
- Incorporate CSR practices into supplier management mechanisms.
- Practice green procurement as part of corporate social responsibility.
- Collaborate with suppliers to share information and practical experience to enhance their capability.
- Prohibit the use of conflict minerals.

Commitments

- Transparency, integrity, fairness, standardization, efficiency, and service.
- Continuously monitor supplier incoming material quality, delivery performance, and service.
- Emphasize regular documentary evaluation of suppliers.
- Emphasize regular on-site audits of suppliers.
- Focus on suppliers' corporate governance, social, and environmental improvement.
- Emphasize contractor construction safety management and safety education.
- Emphasize suppliers' promotion of employee education and equality.
- Support suppliers in promoting employee education, equal opportunity, human rights, and biodiversity.

Develop short-, medium-, and long-term strategic guidelines to effectively implement the supplier management mechanism and build a sustainable supply chain

Short-term	Collaborate with EHS to advance the "Green Supply Chain Project", progressively collect carbon emission factors, and expand sustainable supply chain management to Mainland China. The Indonesia site launched an RMI certification program in 2025; feasibility assessment for integration into the sustainable supply chain program planned for 2026.
Medium-term	Implement a high-risk significant supplier engagement and remediation mechanism and track improvement plans. In line with the Company's sustainability initiatives and international human rights management trends, initiate human rights due diligence to strengthen the human rights risk identification and management mechanism.
Long-term	Set supplier sustainability performance targets and progressively expand supplier carbon management attention.

Establishment of the Procurement Management System

In response to enhanced corporate governance requirements and the need for procurement resource integration, and to operationalize the core values of Walsin Lihwa's procurement culture (Transparency, Sustainability, Professionalism, Efficiency), the Company launched the development of the "Walsin Procurement Portal and Procurement Management Platform" for Taiwan sites in 2024. System development was completed in 2025, and the platform went live across all Taiwan business units in January 2026, with suppliers progressively invited to participate in collaborative operations. The platform also enhances the open-quotation functionality of Yantai Walsin. This next-generation digital platform will further advance the standardization and transparency of procurement processes and strengthen procurement governance. Systematic management will effectively improve the efficiency, transparency, and fairness of procurement operations while reinforcing internal control and risk management. Going forward, guided by an "industrial ecosystem" vision, the Company will continue to optimize platform functionality and workflows and drive cross-site and group-level procurement system integration to establish a unified procurement management model across the Group.

Identification of Significant Suppliers

Walsin Lihwa uses critical raw materials, indirect materials, capital equipment, engineering contracting, waste disposal, and outsourced manufacturing as screening factors, applying the "Supplier Management Measures"and the "Supplier Social Responsibility Performance Appraisal Principles to identify significant suppliers based on procurement value, sustainability governance capability, country/industry/commodity risk, and business relevance, including considerations such as significance, influence, uniqueness, and strategic partnership. From a total supply base of 4,140 suppliers, 148 significant suppliers[Note] were identified, representing 62.33% of total procurement spend. These suppliers are the counterparts with whom the Company jointly advances supply chain resilience and strengthens supplier corporate social responsibility.

2025 Significant supplier Screening (KPIs for Supplier Screening)	Count
Total Suppliers	4,140
Significant supplier	148
Significant supplier Procurement Spend as % of Total Procurement	62.23%

Note：1. Suppliers refers to Tier-1 suppliers, i.e., suppliers that transact directly with Walsin Lihwa; defined as suppliers registered, paid and managed through the procurement process with a goods-receipt record in the year, excluding consolidated related parties and duplicates across plants.

2. Includes the Taipei head office, the Wire and Cable Business (Hsinchuang Plant, Yangmei Plant, Shanghai Walsin, Hangzhou Walsin), the Stainless Steel Business (Yenshui Plant, Taichung Plant, Yantai Walsin, Changshu Walsin, Jiangyin Walsin), Walsin Precision and Nanjing Walsin (Real Estate). Including the European stainless steel suppliers, the total number of suppliers is 6,917, from which 593 key suppliers were identified, accounting for 64.98% of total procurement value.

3. The key suppliers identified are the subjects of the 2026 risk identification exercise.

Local Procurement[Note]

Walsin Lihwa works actively with its supplier partners in pursuit of shared sustainable business operations and growth, and continues to advance local procurement to promote local economic development and reduce transportation-related energy consumption. The proportion of significant supplier procurement spend sourced locally is 15.09% for Taiwan, 100% for Mainland China, and 43.96% for Europe. The overall proportion of significant supplier classified as local suppliers is 40.66%.

Note: Local suppliers are defined as suppliers whose business registration location is in the same country/region as the Company's production site.

Green Procurement

Walsin Lihwa is committed to advancing green procurement. Pursuant to the "Sustainable Procurement Management Measures", the Company prioritizes the procurement of products and services with lower environmental impact, so as to encourage the production and use of green products and drive the trend toward green consumption. In 2025, green procurement reported to Department of Environmental Protection, Taipei City Government totaled approximately NT$110 million, concentrated mainly in nickel pig iron feedstock for the Stainless Steel Business; forklifts (leased), plastic reels (leased), and end caps for the Wire and Cable Business; and IT equipment used across the Group, including laptops, servers, and printers. In addition, to reduce the environmental impact of its products, the Wire and Cable Business reuses recovered wooden and steel reels to reduce purchases of new items, while the Stainless Steel Business actively adopts recycled inputs such as scrap steel, scrap copper, and process scrap. Total green procurement expenditure in Taiwan in 2025 was approximately NT$6.479 billion, representing approximately 12.78% of total Taiwan procurement.

2025 Green Procurement in Taiwan

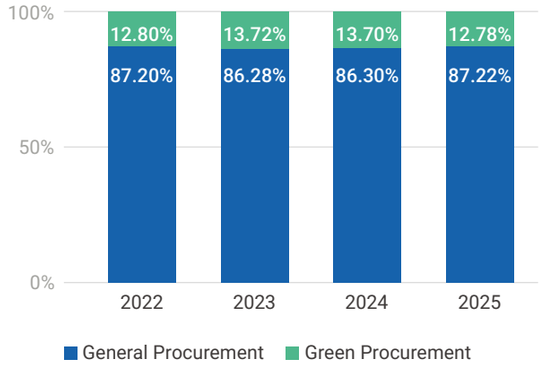
Total Expenditure

NT$ 6.479 billion

Percentage of Total Procurement in Taiwan

12.78 %

Green Procurement Proportion



Supply Chain Risk Management and Response Measures

To ensure uninterrupted supply of raw materials amid geopolitical tensions, pandemic-related disruptions, and trade restrictions, Walsin Lihwa proactively implements contingency management, works to stabilize collaborative relationships with supply chain partners, conducts regular reviews to establish reasonable safety stock levels, and actively develops alternative sources to ensure stable and flexible supply of raw materials. In 2025, Taiwan and Mainland China sites successfully developed 60 substitute raw material items to reduce supply disruption risk caused by climate-related or human factors and maintain operational resilience.

3.5.2 Supply Chain Management Implementation

Training of Procurement Personnel

To implement sustainable supply chain management and strengthen procurement personnel's sustainability management competencies, Walsin Lihwa conducted multiple training sessions for procurement staff in Taiwan and Mainland China in 2025. Course content covered business integrity and human rights protection, climate change impacts, global decarbonization targets, and the performance of the Walsin Lihwa Low Carbon Alliance, which the Company promotes in conjunction with government resources. The course also enabled participants to stay informed of key market trends while gaining a better understanding of Walsin Lihwa's own carbon management initiatives. The Company plans to continue holding such training sessions in Taiwan and Mainland China on an ongoing basis.

2025 Procurement Personnel Training Courses

Training Courses
• Walsin Lihwa Low-Carbon Alliance: Supplier Management Direction and Targets
• Environmental Sustainability and Friendly Workplace
• Key Contract Terms for Sustainable Procurement Goals and Document Retention Standards
• Safeguarding Human Rights for a Sustainable Future — Walsin Lihwa's Commitment in Action
• Worldwide Sustainable Supply Chain Management Requirements, and Operational Guidelines for Walsin Lihwa's Significant Supplier Risk Assessment
• Walsin Lihwa Adheres to the Principle of Business Integrity

Selection of Suppliers and Identification of Supplier Risks from Environmental and Social Perspective

	Description	Outcomes
STEP 1	**Supplier Onboarding** New suppliers are required to sign the "Supplier's Undertaking" and complete a "CSR Sustainability Self-Assessment Form for New Suppliers" to conduct a baseline CSR assessment at the outset of the relationship. This ensures that onboarded suppliers align with the Company' s sustainable business philosophy and serves as a reference for whether the relationship continues.	Commitment signing rate and self-assessment questionnaire completion rate for new suppliers both exceeded **93%** .
STEP 2	**Supplier Management & Significant supplier Identification** Comprehensive monitoring of supplier performance through monthly/annual assessments and ad hoc on-site visits. Significant supplier identification considers sustainability governance capability, business relevance, strategic partnership, and country/industry/commodity risk.	Based on ESG impact risk and business relevance, **140** significant suppliers were screened in 2025. Screening dimensions: •Country-specific risk •Sector-specific risk •Commodity-specific risk
STEP 3	**Significant Supplier Risk Identification** Significant Suppliers complete the "Supplier Sustainability Self-Assessment Questionnaire" risk levels are identified based on responses.	Procurement personnel used a status survey (self-assessment forms, On-site assessments, desk assessments) to identify **0** high-risk significant suppliers in 2025.
STEP 4	**Supplier Audit and Engagement** High-risk Significant Suppliers undergo on-site audits and interviews; targeted engagement and assistance are provided based on specific sustainability issue risks.	Tracked improvement performance of high-risk suppliers identified in 2024: • **8 high-risk significant suppliers: on-site review and engagement completed.** • **34 non-high-risk significant suppliers: on-site visits completed.** All audit records fully archived.
STEP 5	**Improvement Tracking** Continuously track improvement outcomes. If no improvement is observed, procurement share will be reduced or the supplier will be placed on the disqualified supplier list.	If a high-risk significant supplier still fails to improve after engagement and on-site review, transaction termination will be submitted for management approval pursuant to the "Supplier Management Measures".

New Supplier Assessment

In 2025, a total of 614 new suppliers were added across Taiwan, Mainland China, and Malaysia sites. Through the "CSR Sustainability Self-Assessment Form for New Suppliers", the Company assessed new suppliers' social and environmental impacts to ensure that its supply chain aligns with the principles of environmental protection and sustainable development. A total of 574 questionnaires were returned, achieving a response rate of 93.49%.

To ensure that new suppliers meet social standards and to reduce supply chain risk, Walsin Lihwa requires all contractors and transporters to complete a two-hour contractor safety induction course delivered by its EHS and logistics unitsbefore commencing operations at any plant site, ensuring both parties jointly maintain a safe working environment.

Note: Includes the Taipei head office, the Wire and Cable Business (Hsinchuang Plant, Yangmei Plant, Shanghai Walsin, Hangzhou Walsin), the Stainless Steel Business (Taichung Plant, Yenshui Plant, Yantai Walsin, Changshu Walsin, Jiangyin Walsin), Walsin Precision and Nanjing Walsin (Real Estate). Including the European stainless steel suppliers, the total number of new suppliers is 2,007.

Supplier		Supplier's Undertaking		Self-Assessment	
Category	Count	Signings	Signing Rate	Completions	Completion Rate
Significant suppliers	148	143	96.62%	148	100%
New Suppliers	614	598	97.39%	574	93.49%

Note: Includes the Taipei head office, the Wire and Cable Business (Hsinchuang Plant, Yangmei Plant, Shanghai Walsin, Hangzhou Walsin), the Stainless Steel Business (Taichung Plant, Yenshui Plant, Yantai Walsin, Changshu Walsin, Jiangyin Walsin) and Walsin Precision, Nanjing Walsin (Real Estate) and Nanjing Walsin (Property Mgmt.).

Significant supplier Assessment

To strengthen and implement sustainable supplier management while fostering mutual growth with its business partners, Walsin Lihwa evaluates suppliers' performance in quality, project completion and delivery timeliness, service, and communication and coordination to ensure they meet the Company's requirements, while further strengthening its supplier management mechanisms. To enhance suppliers' awareness of and commitment to sustainable business practices, all suppliers are required to sign the Supplier Business Management Commitment Letter to ensure compliance with the Company's relevant management requirements.

Walsin Lihwa invites significant suppliers to complete a "Supplier CSR Self-Assessment Questionnaire" evaluating their own management practices across economic (sustainability governance, supplier management, trade secret protection), social (human rights, health and safety), and environmental (management systems, GHG emissions, air pollution, water resource management, waste management) dimensions. Based on the responses, the Company analyzes each supplier's level of sustainability management and evaluates the likelihood, severity, and early-warning mechanisms of potential sustainability threat events, thereby identifying the degree of threat and impact each significant supplier could pose to Walsin Lihwa's operations should such an event occur. The 8 high-risk significant suppliers assessed in 2024 all completed on-site reviews and engagement in 2025, and passed 100% of routine checks during on-site reviews conducted by the relevant units, such as Walsin Lihwa's EHS and Procurement functions.

Key issues identified and improvement tracking:

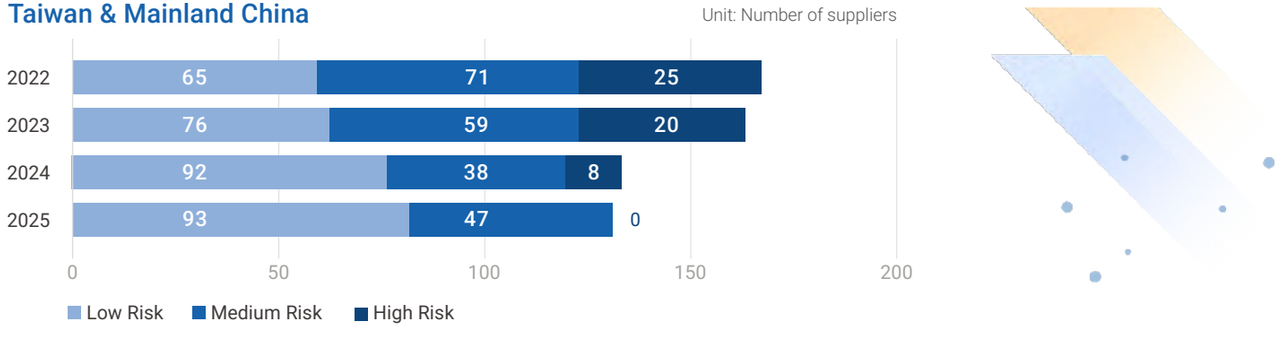
Economic Dimension

Sustainability Governance:
Key risk factors include suppliers' failure to implement management policies such as codes of business ethics, business integrity policies, and disciplinary measures, or lack of appropriate ESG planning to identify material risks and thereby avoid supply chain disruption or abnormal events. In response, in addition to advising suppliers to incorporate uncovered items into their implementation guidelines, the Company has required them to undertake to refine and document the relevant standards in the following year.

Environmental Dimension

Waste Management:
Although suppliers legally manage waste disposal contractors, periodic audit mechanisms have not yet been established. Suppliers have been required to incorporate this practice into their routine inspection focus areas, supported by on-site reviews and briefings conducted by Walsin Lihwa's EHS unit.

Significant supplier Risk Classification - Taiwan & Mainland China



2025 KPIs for Supplier Assessment and Development

Item	Count
Total significant suppliers assessed via document review or on-site audit	140
Percentage of significant suppliers assessed	100%
Suppliers identified as having actual or potential negative impacts	0
% of suppliers with negative impacts that completed corrective actions or improvement plans	-
Suppliers with terminated relationships	0
Total suppliers supported in executing corrective action plans (2024 high-risk suppliers)	8
% of suppliers with negative impacts that received support	100%

Supplier Audit and Guidance Mechanisms

To broaden and deepen sustainable development across the supply chain, in 2025 Walsin Lihwa expanded its annual Supplier Conference and selected significant suppliers for on-site audits and interviews, providing targeted engagement and assistance based on sustainability issue-specific risk profiles to prevent and reduce the likelihood of risk occurrence. Key measures include:

- Regularly and ad hoc meetings to support supplier growth and operational improvement.
- Continue to require 100% completion of safety induction training by all contractors before commencing work at plant sites.
- Conduct on-site reviews of suppliers' governance, social, and environmental practices; drive improvements based on audit findings.
- Establish procurement process risk identification mechanisms through systematic management tools and assessment forms.

2025 Walsin Lihwa Supplier Capacity Building Program

Total suppliers participating in capacity building programs

140

% of significant suppliers participating in capacity building programs

100%

Note：Capacity building programs include the Supplier Conference, carbon inventory workshops, human rights seminars, ESG practical training, and other educational activities.

Deepening Sustainable Supply Chain Management and Building Long-Term Partnerships

In 2025, Walsin Lihwa conducted ad hoc visits to 116 suppliers, proactively promoting its sustainable business policies and shared goals. To enhance suppliers' carbon management capabilities, the Company formulated specific management procedures and operating procedures for carbon reduction measures and maintains ongoing carbon management information exchanges with suppliers. Walsin Lihwa held two "ESG Suppliers Conference", in Taiwan and Mainland China respectively, inviting local and overseas supplier partners from the Stainless Steel, Wire and Cable, and Resources Businesses. The meetings aimed to deepen trust and cooperation with suppliers, strengthen their capacity to address sustainability issues, and encourage them to place sustainable development on their own management agendas.

The Taiwan conference was held under the theme "Link to Empower, Create the Future", while the Mainland China conference was held under "Strengthening the Chain Through Green Action, Sustainable Shared Prosperity". Together with supplier partners, the conferences explored global sustainable development trends. Both conferences included thematic seminars covering: "Walsin Lihwa's Sustainable Business Development", "Corporate Green Sustainability and Carbon Reduction", and "Sustainable Supply Chain Opportunities and Energy Development Trends'. Industry and academic experts were invited to take part. These seminars were designed to enhance suppliers' sustainability governance knowledge and strengthen their risk management mechanisms and carbon management awareness, with the aim of working together with supplier partners to meet market challenges, advance sustainable supply chain management, fulfill corporate social responsibility, and progressively achieve ESG goals.

In addition, the procurement team will continue to deepen engagement with suppliers and strengthen partnerships and supply chain resilience through on-site reviews and engagement mechanisms. In line with the Company's sustainability policy, Walsin Lihwa is also advancing green supply chain development, forming a carbon reduction alliance with suppliers to jointly realize the green value chain.

ESG Suppliers Conference

Taiwan Region - Early October 2025

210 suppliers invited; **200** participated

Participation rate: 95.2%

- Taipei HQ
- Taichung Plant
- Hsinchuang Plant
- Yenshui Plant
- Yangmei Plant



Mainland China Region - Late October 2025

165 suppliers invited; **163** participated

Participation rate: 98.8%

- Yantai Walsin
- Shanghai Walsin
- Changshu Walsin
- Hangzhou Walsin
- Jiangyin Alloy



Areas of Focus for the 2025 "ESG Suppliers Conference"

Environmental Responsibility

- Share Walsin Lihwa Low-Carbon Alliance implementation outcomes; communicate 2026 targets to drive carbon management across the supply chain.
- Global net-zero challenge: share green and low-carbon supply chain strategies under climate change.

Social Responsibility

- Promote Walsin Lihwa's Human Rights Policy.
- Advance digital systemization of supply chain management.

Corporate Governance

- Disseminate key items on import/export control regulations and share compliance case studies.
- Promote business integrity management (including anti-corruption) and the whistleblower system.

Outstanding Supplier Recognition Program

In 2025, Walsin Lihwa launched its first outstanding supplier selection mechanism, evaluating supplier performance in sustainability and day-to-day transactions. Evaluation criteria include: production of nationally certified green-labeled products, demonstrable carbon reduction management performance, and strong performance in product quality, delivery, and service. Recognized suppliers were publicly acknowledged at the annual Supplier Conference, invited to share sustainability governance practices in order to promote knowledge exchange and collaborative growth across the supply chain, and are entitled, on equal terms, to priority selection and preferential pricing in future commercial cooperation, further deepening the partnership and jointly advancing sustainable development goals.

Award	Selection Criteria
Sustainability Contribution Award	Selected based on annual green procurement spend, including government-certified green-labeled products and the procurement of recovered materials at plant sites.
Decarbonization Excellence Partner Award	Selected from the Low-Carbon Alliance "Green Supply Chain" list; evaluated based on carbon management action implementation, carbon reduction and energy efficiency initiatives, ISO certification adoption, EHS compliance, significant supplier risk assessment results, and audit cooperation.
Excellent Performance Awards	Eligible suppliers are those in each category whose transaction value with Walsin Lihwa ranks among the top 5% during the preceding year. Taking into account their supplier evaluation results for the most recent year and assessment results for the past three years, suppliers are evaluated and ranked based on the aforementioned performance, and the annual outstanding supplier list is established accordingly.

Supplier Recognition

Taiwan Region - Early October 2025

12 suppliers were recognized

(Taipei HQ / Hsinchuang Plant / Yangmei Plant /Taichung Plant / Yenshui Plant)



Highlights

Cogne Acciai Speciali S.p.A. (CAS)

Supply Chain Labor Rights and Responsible Management (GRI 407-1)

CAS upholds the fundamental labor rights of workers across its supply chain, with a firm commitment to freedom of association, collective bargaining, and fair working conditions, while prohibiting all forms of forced labor and child labor.

For supply chains in high-risk areas and raw materials requiring enhanced scrutiny, CAS applies rigorous management measures and follows the ResponsibleSteel™ framework to advance responsible sourcing, ensuring traceability of raw material origins and compliance with social and environmental requirements. CAS also participates in the Responsible Minerals Initiative (RMI), leveraging tools such as the Extended Minerals Reporting Template (MRT) and the Additional Minerals Reporting Template (AMRT) to enhance transparency in mineral and alloy procurement and strengthen supply chain due diligence processes. In addition, CAS promotes training and awareness programs to build internal professional capabilities on human rights, occupational safety and health, and supply chain risk management, while progressively integrating human rights due diligence mechanisms into its management processes.

Furthermore, CAS continues to expand supplier audits with a focus on Health, Safety and Environment (HSE) topics, verifying that suppliers meet the company's requirements, applicable regulations, and international standards, while helping them identify opportunities for improvement and enhance management performance. No significant risks related to freedom of association or other fundamental labor rights were identified in 2025. Should potential issues arise, CAS will address them in accordance with the principles of transparent communication and continuous improvement.

Supply Chain Integration and Resilience Management

CAS Group operates an integrated business model encompassing the full value chain for stainless steel and nickel alloys - from scrap collection and processing, steelmaking, casting, and remelting through to downstream processing. Products include ingots, bars, wire rods, semi-finished products, high-value-added products, and seamless tubes, serving the diverse needs of markets and customers worldwide.

In 2024, CAS further strengthened its industrial positioning through strategic acquisitions, deepening vertical integration and enhancing control over critical stages of the supply chain. These actions support improvements in quality management, sustainability performance, and supply stability, while continuing to advance circular economy initiatives such as scrap metal recovery and recycling.

Local sourcing is also a key element of CAS's supply chain strategy. Increasing the share of procurement from local suppliers helps reduce transport-related environmental impacts, support local economic development, and enhance supply resilience and stability. CAS has established local supplier code of conduct in each country of operation and is progressively implementing these standards across all sites.

Through continuous improvement in supply chain governance, deeper vertical integration, and the promotion of local sourcing, CAS is better positioned to address sustainability and operational challenges across its value chain, and committed to build a supply chain that is responsible, efficient, and sustainable - supporting long-term, stable business development and creating lasting value for all stakeholders.

3.5.3 Customer Service

Walsin Lihwa upholds a customer-centric service philosophy

prioritizing customers and industry development, optimizing service processes, and building customer trust to create mutual value.

To enhance customer service quality and operational efficiency, the Wire & Cable Business Group implements precise management of customer demand management, quotation processes, and complaint handling, leveraging a rolling supply adjustment mechanism to strengthen customer demand forecasting and production planning allocation to achieve precise delivery. The Company strives to become customers' most trusted partner through continuous service process optimization timely responses to customer needs and feedback, and deepened co-development relationships.

The Stainless Steel Business Group also continues to improve service quality. An electronic collaboration system has been deployed across all product lines, simplifying order communication with customers and improving the convenience of order progress tracking and inventory adjustment. Since the system went live in 2023, customer coverage has reached 58.6% of total shipment volume. The synergies of European operations, COGNE and SMP, in recent years have progressively materialized, enabling the Company to offer a more complete range of steel grades, dimensions, and shape specifications for customers' one-stop procurement needs.

In response to expectations for low-carbon products from customers and their supply chains, the Stainless Steel Business Group has obtained Recycled Content certification, enabling it to supply steel with a high recycled material content. The Business has also operated its "1+N Carbon Management Demonstration Team" for three consecutive years, partnering with downstream customers to jointly advance low-carbon transformation across the stainless steel supply chain.

Wire and Cable Business Group

Highlights

Hsinchuang Plant / Yangmei Plant

Honored with Taipower's "Supply Chain ESG Sustainability Excellence Award"

As the global community moves toward net-zero emissions and strengthened supply chain responsibility, Walsin Lihwa has not only responded to the sustainability transition through concrete actions but has also expanded its impact throughout the supply chain. Setting a benchmark for manufacturing supply chains, the company was honored with the "Supply Chain ESG Sustainability Excellence Award" by Taipower.

This year, Taipower conducted ESG sustainability reviews of its suppliers based on major international frameworks, comprehensively evaluating corporate performance across Environmental, Social, and Governance (ESG) pillars. As a significant supplier in the wire and cable category, Walsin Lihwa demonstrated outstanding performance in sustainable management, regulatory compliance, and greenhouse gas management, serving as a critical partner in Taipower's successful promotion of a sustainable supply chain.

This honor highlights Walsin Lihwa's long-term commitment and achievements in sustainable governance and represents the high level of trust customers place in the company as a responsible supply chain partner. Looking ahead, Walsin Lihwa will continue to strengthen energy-saving and carbon-reduction technologies, deepen communication with internal and external stakeholders, and work alongside domestic and international enterprises to upgrade the ESG value chain toward a more resilient and green-competitive future.



Caption:
Taipower Vice President Huang Shun-yi (right) presents the "Supply Chain ESG Sustainability Excellence Award", accepted by Walsin Lihwa Director Wang Hsing-chung (left).

Hsinchuang Plant / Yangmei Plant

Upgrading Customer Service Portal to Increase Online Usage and Revenue Share

In response to the significant growth in construction projects in recent years, which has driven a marked increase in demand for cables, Walsin Lihwa has actively promoted the digital transformation of its customer services. The company launched a newly designed Customer Service Portal, specifically tailored to address common wire selection challenges encountered at construction sites. The updated platform features an intuitive interface and clear requirement fields, helping customers select the necessary cables more quickly and accurately, reducing error rates, and achieving a seamless process from ordering to delivery, thereby significantly enhancing project execution efficiency.

This customer-centric innovation has not only strengthened Walsin Lihwa's digital service capabilities but also boosted customer willingness to use the online platform. As shown in the table "Online Customer Usage and Revenue Share of the Wire and Cable Business Group", the promotion of online service solutions has both increased usage rates and substantially driven sales performance.

Looking forward, Walsin Lihwa will continue to optimize platform functions to provide a more convenient and real-time service experience, assisting customers in successfully completing every project.

Online Customers

	2022	2023	2024	2025
Percentage of Customer Base	8.13%	10.31%	13.31%	20.0%
Percentage of Revenue	58.59%	62.05%	75.11%	74.4%

Wire and Cable Business Group

Highlights

Shanghai Plant

A New Milestone in New Energy: Shanghai Walsin Achieves IATF 16949 Certification and Completes Product Inspections

In response to the rapid shift toward electrification and intelligence in the automotive industry, Walsin continues to expand into the new energy vehicle (NEV) market through forward-looking strategies and technical innovation. In October 2025, through the collective efforts of all employees, Shanghai Walsin successfully passed the IATF 16949 Quality Management System audit and obtained a Letter of Conformity (LOC), marking its formal entry into the NEV supply chain industry.

IATF 16949 is a globally recognized quality system standard for the automotive supply chain. This certification not only signifies Walsin's capability for stable, high-quality manufacturing management but also lays a solid foundation for securing future orders for key components such as automotive wire harnesses, charging equipment, and high-voltage wiring. Simultaneously, Shanghai Walsin has completed the R&D of NEV products, including samples of EV charging cables and internal high-voltage wires, which have passed inspections by the CQC (China Quality Certification Centre). These products will be fully promoted in the Chinese domestic market, providing efficient, safe, and eco-friendly power transmission solutions to support the upgrade of the NEV industry.

This milestone demonstrates Walsin's "Technical Innovation x Market Orientation" dual-axis strategy and reflects the company's rapid response to future green mobility trends. Moving forward, Walsin will continue to invest in the new energy sector, strengthening R&D and manufacturing competitiveness while collaborating with global partners to create a sustainable blueprint for future mobility.

Hangzhou Plant

Connecting Practice and Innovation: Hangzhou Walsin Partners with State Grid to Cultivate Power Industry Talent

Walsin's Hangzhou cable plant has officially signed a framework cooperation agreement with State Grid Hangzhou Power Supply Company to promote a strategic "Factory-Based Training Base" collaboration. This partnership establishes Hangzhou Walsin as a professional practice base for State Grid Hangzhou. The initiative aims to help State Grid deepen its talent cultivation goals of "understanding the field, mastering the business, and excelling in expertise", while strengthening field-oriented professional skills and advancing cable technology R&D.

As a major supplier and technical partner of high-voltage cables for State Grid Corporation of China, Hangzhou Walsin has long been dedicated to the cable sector, continuously driving technical innovation, product optimization, and application expansion. Through this cooperation, the company will provide comprehensive support in R&D capacity, practical environments, and talent cultivation, working alongside State Grid's power supply units to promote the construction of modern power systems and high-quality electrical grids.





Caption:
State Grid Hangzhou Power Supply Company Vice President Liu Weihao (fourth from left) presents the "State Grid Factory-Based Training Base" plaque; Hangzhou Walsin representatives Zhu Xiaobing and Tu Bingfang (first and second from right) represent the company at the signing.

Stainless Steel Business Group

Highlights

Launch of "Steeval®", the New Cold-Finished Bar Brand

In December 2025, Walsin Lihwa officially launched "Steeval®", its new brand for cold-finished bars. This marks the company's transition from a material manufacturer to a provider of co-developed technical solutions. Walsin Lihwa pledges to collaborate with both upstream and downstream partners to build a new industrial ecosystem and compete on the global stage.

Since entering the stainless steel business group in the 1990s, the company has maintained a leading position in the Greater China region through integrated manufacturing processes. In 2022, Walsin Lihwa initiated a transformation strategy focused on high-value products and globalization, expanding its footprint in Europe to enter the automotive, aerospace, and energy markets. Building on these accumulated strengths, the company introduced the "Steeval®" brand in 2025 for its core cold-finished bar products, beginning a new chapter of value-driven collaboration.

Leveraging its position as the global leader in stainless steel bar market share, technical expertise and customer channels in Europe, a global service network, and world-class metallurgical equipment and smart manufacturing, the company has partnered with research institutions such as the Metal Industries Research & Development Centre (MIRDC). Together, they aim to upgrade material properties and expand industrial application scopes.

Looking forward, Walsin Lihwa will continue to enhance Steeval®'s capabilities in R&D, manufacturing processes, and global presence. By providing comprehensive cross-regional supply and service, the company aims to become a critical force in the global supply chain.





Stainless Steel Business Group

Highlights

About the Brand: Steeval® Cold-Finished Bars

The new brand "Steeval®" symbolizes the pinnacle of craftsmanship and materials that nourish the industry. The name "Steeval®" is a portmanteau of "Steel" and "Value", clearly defining its position as a high-value-added stainless steel brand. The brand slogan, "Your Precision, Our Mission", reflects a customer-centric philosophy.

Steeval® is built on six core brand pillars: Intelligence, Craftsmanship, Diversity, Trust, Service, and Co-creation. From steel development and process control to flexible, cross-regional service systems, the brand establishes a comprehensive quality standard and value system for advanced manufacturing.

Furthermore, Steeval® cold-finished bars offer high-tech functional characteristics-including high machinability, high cleanliness, high wear/corrosion resistance, high heat resistance, and soft magnetic properties. These features address the precision manufacturing needs of diverse sectors such as automotive, aerospace, semiconductors, AI servers, and automation equipment, making materials the key driver for enhancing process efficiency and quality. Walsin Lihwa has also introduced the IMS (Improved Machinability Steel) series under the Steeval® brand, designed to extend tool life, improve surface smoothness, and optimize chip breaking for a superior machining experience.

steeval

Smart Manufacturing

Advanced equipment and technology that enable higher predictability, traceability, and sustainability.

Quality Assurance

Uncompromising quality standards that ensure ultimate precision.

Product Diversity

A broad product portfolio delivering one-stop solutions to meet every customer's need.

Accreditation

Comprehensive accreditations and certifications that meet global benchmarks.

Service

Agile, precise, flexible, and customer-centric support.

Co-development

Trusted partnerships that turn shared vision into measurable growth.

Yenshui Plant

Providing Alternative Products to Resolve Customer Pain Points and Expand Application Fields

An automation components manufacturer had been purchasing the same steel grade for many years. While satisfied with the material's machinability and wear resistance, the customer found it unsuitable for highly corrosive environments. In response, Walsin recommended a recently developed high-corrosion-resistance martensitic stainless steel grade. Following the customer's testing, the new material demonstrated performance comparable to previous materials while offering superior corrosion resistance. This improvement enabled the customer's products to meet medical-grade and food-grade specifications, facilitating their entry into new application fields.

Customer Satisfaction

To gain deep insights into customer feedback regarding product quality and service performance, the Wire and Cable Business Group conducted 84 key customer interviews in 2025. By meticulously collecting and analyzing customer requirements, the business implemented numerous material improvements and new product tests. Notably, Walsin collaborated with customers to develop innovative products, such as large-scale wind turbine cables and high-speed transmission charging cable sets, helping clients expand into new markets while providing stable product quality and technical support.

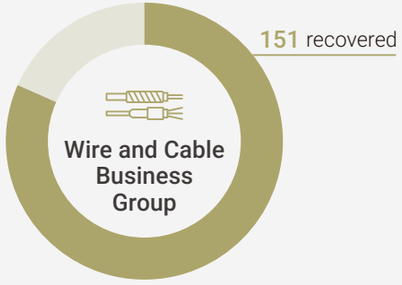
In the Stainless Steel Business Group, Walsin Lihwa continues to utilize its product expert service teams to help customers resolve practical pain points. Its role has progressively transitioned from a pure stainless steel material provider to a comprehensive solutions provider. In 2025, a total of 37 customer technical were held, focusing on critical quality issues, tracking new product testing progress, and discussing specific technical topics. The teams actively assisted customers in optimizing material issues-such as adjusting machining processes and equipment parameter settings-to enhance overall utilization efficiency and customer satisfaction.

Regarding customer satisfaction performance, all business units achieved the target of 80%.

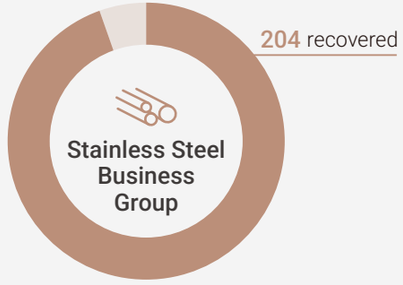
The Wire and Cable Business Group achieved an overall satisfaction rate of 88.9%, with quality satisfaction at 90.5%, service satisfaction at 90.3%, commercial terms satisfaction at 75.5%, and delivery satisfaction at 88.7%, maintaining a steady overall performance.

The Stainless Steel Business Group recorded an overall satisfaction rate of 84.7%, with quality satisfaction at 84.9%, service satisfaction at 87.2%, commercial terms satisfaction at 78.4%, and delivery satisfaction at 78.6%. In recent years, influenced by international raw material price fluctuations and slowing demand in the stainless steel market, the overall supply chain has maintained low inventory levels, leading to higher customer demands for delivery speed and accuracy. To address this challenge, Walsin utilizes digital technology to forecast customer procurement needs and optimize production scheduling, providing more precise lead times and ensuring on-time delivery to further enhance customer satisfaction with delivery performance.

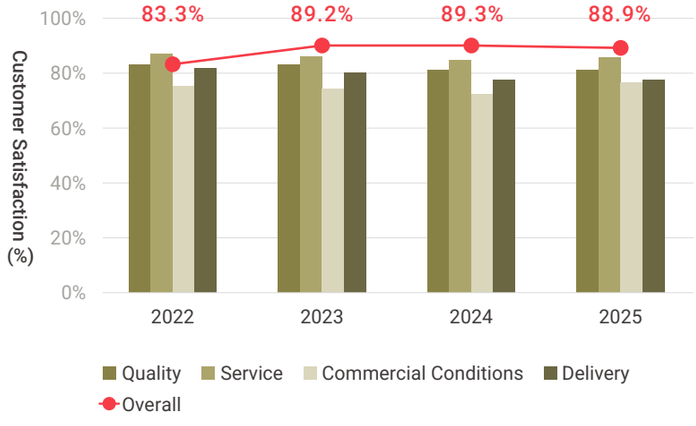
- A total of **208** questionnaires were distributed, representing a recovery rate of **72.6%**.
- The revenue coverage of the responding customers reached **63.82%**.



- A total of **215** questionnaires were distributed, representing a recovery rate of **94.9%**.
- The revenue coverage of the responding customers reached **71.91%**.

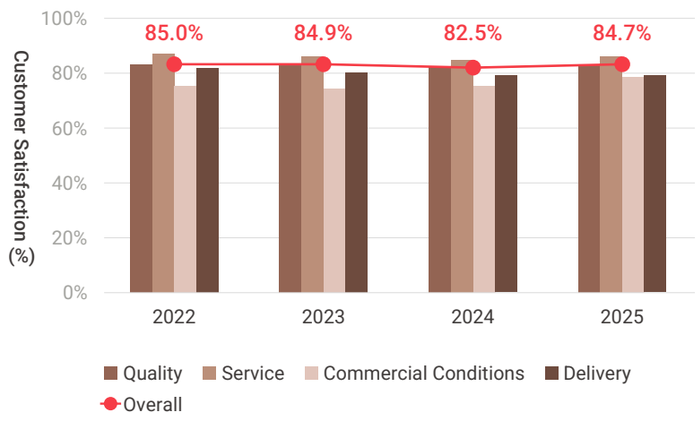


Wire & Cable Business Group - Customer Satisfaction



Note: Wire & Cable Business Group covers Hsinchuang Plant, Yangmei Plant, and Shanghai Walsin.

Stainless Steel Business Group - Customer Satisfaction

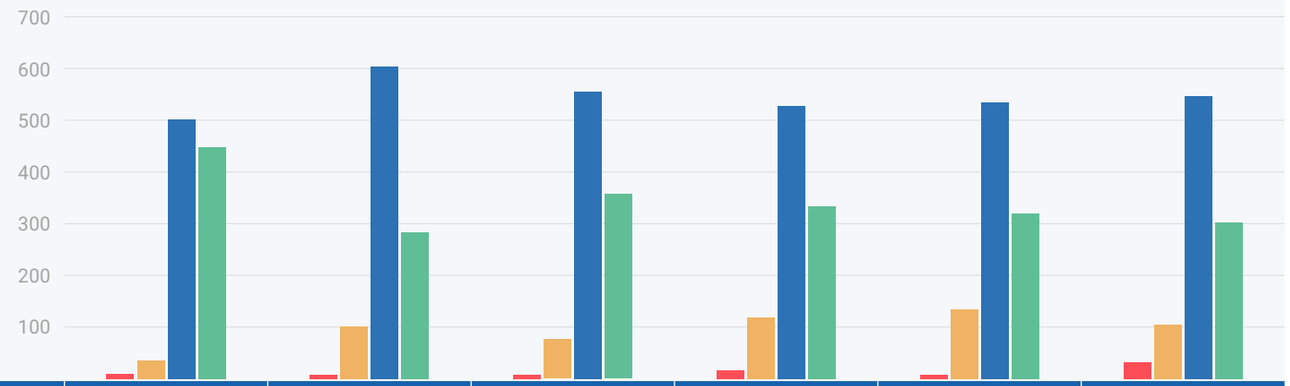


Note: Stainless Steel Business Group covers Yenshui Plant, Taichung Plant, Jiangyin Walsin, Changshu Walsin; Yantai Walsin and CAS added from 2023.

Highlights

Nanjing ONE Mall – Customer Satisfaction Survey

In December 2025, Nanjing ONE Mall conducted an online membership survey, collecting nearly 1,000 valid responses. The primary demographic consisted of female members aged 26~45. The survey results indicate that the customer base is predominantly family-oriented, with a strong preference for specialty dining categories. While members expressed high satisfaction with the overall mall environment, they also look forward to greater brand diversity. Based on these findings, ONE Mall will continue to enhance its brand portfolio to provide a superior shopping experience.



Category	Mall Environment and Sanitation	Brand Diversity	In-Mall Directional Signage	Membership Services	Rest Areas	Parking Facilities
1–3 Points	9	8	7	16	7	32
4–6 Points	36	101	76	119	134	105
7–9 Points	502	604	555	528	535	547
10 Points	448	283	357	333	319	303
High Score Ratio (7+ Points)	95%	89%	92%	86%	86%	86%

Customer Complaints Channel and Handling Procedures

Walsin Lihwa places customers at the core of its values, maintaining transparent and efficient customer communication and complaint handling mechanisms to ensure that customer feedback is addressed promptly and appropriately, thereby safeguarding customer rights and product safety.Customers may submit complaints via the corporate website or through the sales contact. The Company has also established the Consumer and Customer Service Management Policy and Grievance Procedures, and maintains a grievance mailbox on its website as a formal channel for consumers, customers, and other stakeholders to provide feedback. In 2025, there were 0 complaints received; any complaints received are handled and responded to in accordance with the relevant procedures.

4 High-Value Transformation and Intelligent Manufacturing

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INNOVATION

Performance Highlights

- **0** product recalls in the past 4 years
- Continuously passed TIPS Grade **A** verification and recertification of the Taiwan Intellectual Property Management System
- **100%** of products comply with various hazardous substance regulations
- No use of conflict minerals
- Energy-saving and carbon-reduction investment **> NT$170** million; the carbon reduction target achievement rate was **170%**
- The reusable proportion of major raw materials in the Wire and Cable and Stainless Steel Business Group reached **100%**

Wire and Cable Business Group

- Clean product revenue of approximately **NT$1.02** billion, accounting for **0.6%** of company revenue
- Packaging material recycling rate of **59.6%**, up **6.4%** year over year
- Torsion-resistant high-voltage cables for the towers of wind turbines of **14 MW** and above were formally supplied in the first quarter of 2025
- Completed the development and trial production of recycled cable reels, achieving high-value circular reuse of waste materials

Stainless Steel Business Group

- Reusable raw materials accounted for **60.7%**, up **14.1%** year over year
- Steelmaking slag reuse reached **49,000** metric tons, up **25.6%** year over year
- Bar and rod products in the Taiwan region passed AS 9100 aerospace and defense quality management system certification and are being used for nickel-based alloy development to expand the high-end application market

Resources Business Group

- The coke oven gas recovery and rotary kiln optimization projects reduced carbon by approximately **400,000** metric tons CO_2e in total, and were honored with the "Low-Carbon and Energy Efficiency Pioneer Award" by the United Nations Industrial Development Organization and the Indonesia Weda Bay Industrial Park (IWIP)
- **5** products obtained **ISO 14067** certification

Sustainability Promotion Strategy

Continuously refine and innovate, commit to developing green processes, technologies, and products, create shared value with customers, and establish sustainable business models

Business Group	2025 Target	2025 Performance Results	2026 Short-Term Target
Wire and Cable Business Group **Implementation Guidelines:** 1. Commit to developing green businesses and play a key role in the green supply chain 2. Promote environmental friendliness and resource recycling (circular economy), balancing planetary protection with the enhancement of corporate competitiveness **2030 Medium- and Long-Term Targets:** Focus on the development of green products for renewable energy and new energy vehicles, promote the deployment of submarine cables for offshore wind farms, and continue to invest in the R&D of thermoplastic recycling technology for XLPE cable insulation materials and low-carbon, recyclable cable materials	• Develop **3** new clean technology products • Supply HV harness assemblies for the towers of **14 MW** offshore wind turbines • Use recycled PE materials to make finished plastic reels and operate them in actual field settings	• Completed the development of **3** clean products • HV harness assemblies for the towers of **14 MW** offshore wind turbines were formally supplied in Q1 2025 • Completed the development and trial production of recycled cable reels • Optimized the TMS system, with an on-time delivery rate **> 95%** • Gradually connect equipment to the MES to achieve intelligent management	• Continue to develop and optimize clean technology products • Deepen EMS energy management and use the EMS to formulate energy-saving programs to manage electricity use and save on electricity costs • Continue to develop new recycled plastic reels, promote them to the market, and increase the substitution rate of recycled reels for wooden reels • Complete eco-friendly cable certification
Stainless Steel Business Group **Implementation Guidelines:** Commit to developing and innovating green technologies applied to process energy saving, product performance enhancement, and industrial development, and connect the upstream, midstream, and downstream value chains to jointly build a low-carbon and green industrial ecosystem **2030 Medium- and Long-Term Targets：** Promote process optimization and yield improvement; develop high-performance green products such as those with high machinability, high strength, high heat resistance, and soft magnetism; enhance end-application performance; and continue to expand the green industry market	• Complete **6** process and equipment optimizations • Complete the development of **5** high-performance green products • Accelerate new product development and the application of technical services to expand the green industry customer base	• Completed **9** process optimizations, reducing carbon by approximately **1,458** metric tons CO_2e • Complete the development of **5** high-performance green products	• Continue to promote process optimization and refinement to increase yield and effectively reduce electricity consumption, energy consumption, water use, and waste output, in order to achieve carbon reduction targets • Strengthen core technologies in materials, processing, and applications, and continue to develop high-performance green products • Accelerate new product development and the application of technical services to expand the green industry customer base • Continue to improve resource recycling efficiency, maintain a recycling rate above **95%**, and implement waste reduction and resource reuse
Resources Business Group **Implementation Guidelines:** 1. Achieve stable process operations and ensure effective use of resources 2. Promote green energy and carbon reduction projects to respond to future risks and opportunities **2030 Medium- and Long-Term Targets:** Maintain a stable operational foundation, continue to promote the development of green energy and carbon reduction projects, gradually deepen the low-carbon transition, and fully implement sustainable development	• Maintain stable plant production and reduce energy consumption. • Coke oven gas recovery replaces up to **20%** of coal consumption. • Indonesia plants obtained **ISO 14067** product carbon footprint certification and ISO 50001 energy management certification.	• PT. Walsin Nickel Industrial Indonesia and PT. Sunny Metal Industry achieved a **95%** utilization rate in 2025. • Coke oven gas recovery and kiln optimization reduced carbon by approximately **400,000** metric tons CO_2e in total • 5 products obtained **ISO 14067** certification • Obtained **ISO 14001** and **ISO 45001** recertification	• Maintain stable plant operations and continue to improve energy use efficiency and reduce energy consumption • Promote electric furnace process optimization to enhance process efficiency and resource utilization • Promote alignment of plants with international ESG standards and launch the first phase of SCORE certification implementation

4.1 Product and R&D Innovation

Walsin Lihwa has institutionalized "green transformation" as a mandatory criterion embedded within its formal product development and capital allocation processes, positioning the development of clean technology and green products as a core driver of corporate sustainability. The Company adopts a comprehensive strategy that advances product premiumization starting from its core businesses, while actively constructing a resource-circular industrial ecosystem. On the supply side, the Company implements green procurement management; on the production side, digital transformation and intelligent manufacturing enhance resource utilization efficiency; and on the product side, the Company systematically grows the share of clean technology products, co-creating sustainable commercial value with its customers. In addition, in response to the global energy transition, the Company is proactively expanding into the new energy sector, supporting the resilience of the national power grid, and partnering with value-chain partners to drive low-carbon transition. Through continuous advancement in R&D capabilities, Walsin Lihwa persistently enhances product added value and works toward a net-zero vision.

Note：Clean technology revenue is derived from the Wire and Cable Business Group (solar cables / solar busbar copper conductors, offshore and onshore wind power cables, EV charging gun-cable assemblies, green energy feeder cables, etc.); the Stainless Steel Business Group (heat exchanger fittings (wind power), solar panels (solar energy), fasteners (EV / wind power), seatbelt ball components (EV), automotive bolts (EV), and slag reuse); and the Resources Business Group (nickel for EV batteries).

Annual Production Output by Business Group

Year	Wire and Cable Business Group		Stainless Steel Business Group	Resources Business Group
	Copper Smelting Volume	Wire & Cable Output	Steel Smelting Volume	Nickel Pig Iron & Nickel Matte (Nickel-based)
2022	165,794	45,537	562,897	40,956
2023	119,047	36,848	671,656	89,406
2024	131,568	53,679	725,799	83,563
2025	126,259	61,801	658,253	80,516

4.1.1 Advancing High-Value Transformation

Accelerating High-Value Transformation: Building from the Core, Embracing Intelligent Innovation

To accelerate high-value transformation, Walsin Lihwa has simultaneously advanced multiple systematic initiatives across its Wire and Cable Business Group and Stainless Steel Business Group. Key achievements and progress during the year are sustrivemmarized below.

Wire and Cable Business Group Strategies

Top-Level Objective: Innovative Services

Strategy Deployment

Intelligent Marketing

Aligned with the Group's overall strategy of transitioning from "manufacturing" to" manufacturing services", the Company has launched value-added services such as automated sorting and intelligent logistics systems, enhancing service value, sales efficiency, and customer satisfaction.

Intelligent Operations

By integrating Internet of Things (IoT) technology and big data analytics, the Company achieves intelligent management and control across the entire value chain-from supply chain management and production scheduling to logistics distribution and after-sales service-thereby improving production efficiency and quality while reducing costs.

Intelligent Manufacturing

Through the introduction of advanced automation and intelligent equipment and manufacturing processes, the Company achieves full-process visualization and optimization of production, improving efficiency and quality to meet diverse customer needs.

Stainless Steel Business Group Strategiesy



Value Proposition

- Product Quality
- Customer Service
- Operational Efficiency

Vision

To achieve continuous energy conservation, environmental stewardship, and value creation, becoming a globally recognized enterprise of excellence committed to sustainable growth in stainless steel and special alloys.

Execution Strategies

Intelligent Manufacturing

Advancing the "Core Competence Project" and "Automation Project"

As customers increasingly focus on differentiated services and products, Walsin Lihwa remains committed to earning customer trust and delivering value. The Company continues to advance the Core Competence Project (CCP) while simultaneously rolling out the Automation Project. The CCP spans manufacturing and non-manufacturing functions including steelmaking, rolling, pickling, cold finishing, technology, logistics, and sales. Numerous CCP milestones were completed in 2025.

Manufacturing Services

Deepening Technical Development and Continuous Refinement

To address customers' diverse processing and end-use application requirements, the Company centers its approach on flexible manufacturing and technical services, deepening customer collaboration through rapid adaptation and cross-process coordination. On the technical front, the Company continuously strengthens six core capabilities: materials expertise, processing capability, application know-how, simulation capability, inspection capability, and certification capability-leveraging technical integration to respond to market demands and customization challenges. In terms of quality assurance culture, the Company has established a customer-oriented management system encompassing QS, QC, QA, and QE, enabling processes to dynamically adjust in response to varying specifications and international standards. Holding certifications including ISO, IATF, NADCAP, and NORSOK, the Company's products are widely applied across the aerospace, automotive, energy, and construction industries. Through technical innovation, flexible manufacturing, and deep market engagement, the Company continues to drive the upgrading of the stainless steel industry and has established itself as a trusted global partner in cold-finished bars and wire rods, while reinforcing the sustainable value generated by manufacturing service transformation.

High-Value Transformation

Defining Industry, Market, and Product Positioning

The strategic vision for the Stainless Steel Business Group positions cold-finished bars as a key pillar of the business. Guided by strategic objectives, the Company targets high-value industries and markets to construct a future product development blueprint, exploring forward-looking opportunities across automotive, oil and gas, energy, petrochemical, shipbuilding, and construction sectors. Through strategic acquisitions in Europe, the Company is expanding its presence in Western markets and entering high-end application domains such as aerospace and oil and gas. The Company is simultaneously driving circular economy initiatives by building out the Inox stainless steel and nickel-based alloy recycling business, accelerating the green transition.

4.1.2 Clean Technology and High-Value R&D and Investment

In 2025, the Wire and Cable Business Group continued to embed net-zero carbon emissions as a central development priority. The business sustained its R&D efforts for clean technology sectors-including solar energy, wind power, and electric vehicles-developing low-carbon and environmentally friendly materials in alignment with low-carbon policies and sustainable operations. Revenue from clean technology-related products reached approximately NTD 1.02 billion, representing 0.59% of the Company's total revenue for the year. The Wire and Cable Business Group places eco-design and product compliance governance at its core. Product development has fully integrated TÜV (Technischer Überwachungsverein) standards for energy storage, and the business continues to invest in R&D for recyclable materials and low-environmental-impact insulating materials to reduce the carbon footprint across the entire product lifecycle. Overall, the Wire and Cable Business Group pursues "zero-carbon power transmission and distribution" as its long-term objective, supporting energy transition and sustainable infrastructure development through materials innovation, international certification, and high-value product portfolios.

The Stainless Steel Business Group focuses on low-carbon process optimization and circular material applications, continuously investing in R&D for high-corrosion-resistance and high-strength stainless steel materials to minimize environmental impact. The business is also actively developing specialty steels for use in hydrogen energy equipment, renewable energy facilities, and high-purity process environments, enhancing material safety and reliability within the clean technology sector. Overall, the Stainless Steel Business Group pursues "low-carbon, high-value circular materials" as its long-term objective, supporting the net-zero transition and green industry development through process energy efficiency and emission reduction, material upgrading, and alignment with international standards.

High-Performance Products: Characteristics and Application Fields

Business Group	New Product	Type	Performance	Application Fields
Wire and Cable	800A DC Liquid-Cooled Charging Cable	Power Cable	Utilizes cooling fluid to directly cool the conductor core, enabling rapid heat dissipation even under high-current charging, while featuring a compact and lightweight structural design.	High-current, fast-charging cable applications
	14MW Offshore Wind Turbine Tower High-Voltage Cable Assembly	High-Voltage Cable	Features a specially flexible conductor design with high-angle torsional resistance. The insulating material uses lead-free HEPR with a voltage rating exceeding 72kV. The cable maintains excellent torsional resistance even in harsh low-temperature environments.	Tower internal cables for large offshore wind turbines
	Offshore Wind Turbine Jump Cable	High-Voltage Cable	Serves as the primary high-voltage interconnection between offshore wind turbine towers and submarine cables. Features flexibility, torsional resistance, and weatherproofing.	Tower internal cables for large offshore wind turbines
	PV-Dedicated DC Cable	Power Cable	Primarily used for DC-side connections in solar photovoltaic power generation systems. Features weatherproofing, cold and heat resistance, UV resistance, and acid-alkali resistance.	DC cables for photovoltaic power generation systems
Stainless Steel	High-Strength and Heat-Resistant Stainless Steel	Bar / Wire Rod	Combines high strength with heat resistance.	Automotive, energy, and aerospace industries
	High-Heat-Resistant Stainless Steel	Wire Rod	Excellent resistance to high-temperature oxidation, high-temperature corrosion, and high-temperature strength.	High-temperature conveyor belts in industrial heat treatment furnaces and furnace tubes
	High-Heat-Resistant and Anti-Creep Stainless Steel	Bar	High heat resistance with resistance to high-temperature corrosion and oxidation, and high anti-creep properties, enhancing power plant generation efficiency and boiler service life.	Ultra-supercritical boiler tubes for power plants
	Duplex Stainless Steel	Bar / Wire Rod	Combines austenitic and ferritic characteristics; resistant to pitting corrosion, stress, and corrosion; high strength; suitable for chloride-containing environments.	Petrochemical, chemical, and coastal marine equipment
	Glass-Sealing Alloy (High-Chromium Steel)	Wire Rod	Features a low coefficient of thermal expansion matching that of glass or ceramic materials, enabling hermetic sealing with glass and ceramic for use as sealing materials in the electronics and vacuum tube industries.	Compressor sealing terminals in home appliances, air conditioners, refrigerators, and automobiles
	Weld-Crack, Sensitization, and High-Corrosion-Resistant Welding Stainless Steel	Wire Rod	Formulated with a high ferrite (FD) index and low-carbon, molybdenum (Mo)-containing composition, delivering excellent stress corrosion cracking (SCC) resistance and intergranular corrosion resistance; Mo addition also significantly enhances high-temperature mechanical strength.	Dissimilar metal welding between low-carbon austenitic or duplex stainless steel and carbon steel
	Nickel-Based Alloy	Wire Rod	An Incoloy-type nickel-based alloy featuring excellent corrosion resistance across diverse corrosive environments; the addition of Mo enhances pitting corrosion resistance and provides good high-temperature strength.	Welding wire, oil and gas industry, chemical industry, and marine equipment

Highlights: Achievements in Clean Technology and High-Value R&D

Wire and Cable Business Group

Hsinchuang Plant

Aligning with Localization Policy: 100% Taiwan-Made EV Charging Gun-Cable Assemblies Driving the Green Mobility Ecosystem

In response to the Ministry of Economic Affairs' December 2023 announcement under the "Taiwan MIT Smile Product Certification System", which mandates the use of domestically produced components in EV charging gun-cable assemblies, Walsin Lihwa established localization and domestic manufacturing as core strategies from the earliest stage of EV charging gun-cable assembly development. This approach strengthens component quality control and reduces carbon emissions associated with long-distance transportation. The EV charging cables and gun-cable assemblies produced at the Hsinchuang Plant have obtained UL and IEC international safety certifications as well as domestic VPC (Voluntary Product Certification), ensuring compliance with national standards and policy requirements in terms of safety, regulatory conformance, and reliability-making Walsin a preferred choice for domestic charging station operators. In 2025, the Company continued to invest in the R&D of liquid-cooled charging gun-cable assemblies for high-current fast-charging applications, conducting extended in-house system integration and durability testing to ensure product compliance with relevant safety standards and regulatory requirements under high-load operating conditions, meeting the market's demand for high-power, low-carbon charging solutions.





Taiwan's First Qualified Supplier of Offshore Wind Turbine Tower Internal Cables

Since 2012, the Hsinchuang Plant has been developing industrial-grade cables, focusing on renewable energy applications such as solar and offshore wind power, including high-reliability tower internal cables for wind turbines. These cables must meet stringent requirements for torsional resistance, extreme temperature tolerance, and environmental corrosion resistance. To ensure long-term stable performance, the plant has established dynamic and low-temperature torsion simulation testing equipment and continuously optimizes cable structures and material formulations. By participating in the offshore wind power localization program and collaborating with international wind turbine manufacturers, Walsin completed product certification for 9.5MW wind turbine tower internal cables and commenced mass production and delivery from 2022, completing deliveries in 2024. The high-voltage tower internal cables for 14MW wind turbines also obtained certification in 2024, with full phase-order shipments completed in 2025 to meet customer demand. With its accumulated track record in R&D, testing, and mass production, Walsin has become Taiwan's first cable manufacturer qualified to supply tower internal cables for offshore wind turbines, continuously supporting the cable supply needs of renewable energy and low-carbon power infrastructure.



Hangzhou Plant

PV-Dedicated DC Cable

Hangzhou Walsin Power Cable & Wire Co., Ltd. ("Hangzhou Walsin") formally launched its proprietary R&D initiative for PV-dedicated DC cables in 2025. These cables must exhibit high-performance characteristics including weatherproofing, cold and heat resistance, UV resistance, and acid-alkali resistance. To ensure product quality, the Company benchmarked against various product and material standards, conducted technical exchanges with leading domestic raw material suppliers, and selected the optimal material solution through multiple small-sample trials. The products have been submitted to TÜV Rheinland (Shanghai) Co., Ltd. for authoritative testing. TÜV Mark certification and CE-LVD certification are expected to be obtained by March 2026, with the project targeting mass shipment in 2026.

Stainless Steel Business Group

Yenshui Plant

Nickel-Based Alloy Development

The Company has developed nickel-based alloys containing nickel (Ni), chromium (Cr), molybdenum (Mo), titanium (Ti), and copper (Cu). The inclusion of Mo and Cu imparts excellent corrosion resistance across diverse corrosive environments, making the alloys suitable for the oil and gas and chemical industries.

Resources Business Group

In the first quarter of 2025, PT. Walsin Nickel Industrial Indonesia formally implemented the "Coking Gas Recovery and Rotary Kiln Optimization Retrofit Project", substituting coke oven gas for coal and simultaneously advancing rotary kiln system process optimization. By pursuing improvements on both the energy structure and process efficiency fronts, the project systematically reduces greenhouse gas (GHG) emissions from the production process. Following implementation, coke oven gas has successfully replaced the primary consumption of coal, significantly enhancing energy use efficiency and delivering measurable carbon reduction outcomes. In mid-January 2026, the Company participated in the "2025 ESG Co-Construction Summary Conference" organized by the United Nations Industrial Development Organization (UNIDO) and the Indonesia Weda Bay Industrial Park (IWIP), where it received the "Low-Carbon and Energy Efficiency Pioneer Award" in recognition of its concrete achievements in process technology improvement and carbon management. The Company will continue to deepen its low-carbon transformation through process optimization and management innovation, embedding ESG principles into day-to-day operations as a solid foundation for sustainable corporate development.

4.1.3 Intellectual Property Protection

Through the promotion of the Taiwan Intellectual Property Management System (TIPS) certification and the integration of the latest corporate governance assessment indicators for IP management, Walsin Lihwa has established a systematic mechanism for the acquisition, protection, maintenance, and utilization of the Company's intellectual property (IP). Since adopting the TIPS framework and its associated standards in 2020, the Company has continuously identified and protected its patents, trademarks, and other intellectual property rights. Measures implemented include introducing incentive mechanisms to encourage innovation, conducting regular IP-related training programs, refining IP management processes, and strengthening contract review procedures. The Company has consistently obtained TIPS Level A certification, with the current certification valid through 2027.

Implementation Practices

R&D and technology-related information is stored in a dedicated confidential database with access controls in place; all relevant files and documents are marked with appropriate confidentiality classifications.

A set of regulations and controls governing the external provision of confidential information has been established. Such information may only be disclosed after undergoing an approval process and complying with confidentiality marking requirements.

During new product development, patent searches are conducted to verify that no third-party patents are infringed. Where potential infringement is identified, a design-around strategy is evaluated and executed.

Wire and Cable Business Group

In 2025, the Wire and Cable Business Group filed

- **5** patent applications and obtained **4** patent certificates.
- As of year-end, **21** patent applications are pending, the Company has cumulatively obtained **86** patent certificates over the years,
- and **55** patents remain currently active.

Building on EV charging gun technology R&D initiated in 2023, the Company continues to develop high-power liquid-cooled cable technology and corresponding charging guns. In addition to its primary markets in Taiwan, mainland China, and the United States, the Company has also expanded its IP portfolio to include Southeast Asian markets such as Singapore and Malaysia.

Stainless Steel Business Group

- The Stainless Steel Business Group filed a total of **10** patent applications in Taiwan and mainland China and obtained **1** patent in Taiwan; **15** employees received patent incentive awards.
- As of year-end, **9** patent applications are pending, the Company has cumulatively obtained **37** patent certificates, and **23** patents remain currently active.

Building on R&D in smelting process optimization, intelligent manufacturing, and equipment innovation initiated in 2023, the Company continues to design and improve processes related to molten steel quality control, scrap metal processing and recycling, and automated long-product conveying equipment. In addition to primary markets in Taiwan and China, the Company is also proactively pursuing patent portfolio development and protection in European markets.

4.2 Green Products and Operations

Walsin Lihwa adopts a strategy of "continuously developing high-performance green products, advancing toward a circular economy and enhancing end-use efficiency to reduce environmental impact". In terms of material use, the Company strives to achieve circularity, recycling, and reuse. In the production process, the Company optimizes operations based on the principle of "energy conservation and carbon reduction". At the product level, the Company develops high-performance, net-zero and sustainable products, fulfilling its commitment to helping customers and end users achieve energy efficiency improvements and emissions reduction goals.

4.2.1 Green Product Development

As sustainability becomes integral to global corporate operations, the quantifiable and verifiable "sustainability value" of a product has emerged as a key criterion by which customers assess supplier competitiveness and supply chain resilience. In response to the market's heightened focus on low-carbon and clean technology, Walsin Lihwa continuously expands its portfolio of environmentally beneficial products-including wind power cables, lightweight cables for large machinery, and fast-charging EV gun-cable assemblies-with a focus on supporting the development of renewable energy infrastructure and electric transportation systems to help customers advance the energy transition and achieve carbon neutrality.

In the solar power cable segment, Walsin Lihwa began developing the market as early as 2016, secured landmark project orders in 2018, and has since deepened its engineering capabilities and on-site service capacity, becoming one of the leading domestic market-share holders since 2022. In the wind power segment, the Company initially focused R&D on torsion-resistant power cables for onshore wind turbine towers, then in 2020 entered the development of dedicated DC and high-voltage cables for offshore turbine tower internals. In 2023, delivery of the 9.5MW offshore wind turbine high-voltage cables was completed; PPAP documentation review and first-article production for torsion-resistant high-voltage cables for 14MW and larger turbine towers were completed in 2024, with official mass production shipment commencing in Q1 2025-demonstrating the Company's sustained investment and technical depth in the high-power wind power cable segment. Beyond product manufacturing, Walsin also provides integrated cable and high-voltage joint assembly services; the outer diameter of the 14MW turbine tower internal cables exceeds 100mm, representing a significant technical milestone for domestic products of this class.

In the EV charging infrastructure segment, the Wire and Cable Business Group focuses on the R&D and certification of charging gun-cable assemblies. In 2023, the Company completed the development and certification of the full CCS1/CCS2 series of DC charging gun-cable assemblies, covering mainstream applications from 80A to 300A. From 2024, the Company obtained full-series VPC certification, meeting the government's safety standards for domestically produced charging equipment. To enhance customization capabilities and ensure product quality, the Company also completed the construction of an assembly plant equipped with comprehensive testing facilities, strengthening overall reliability in R&D and mass production.

Since 2021, the share of Walsin Lihwa's clean technology product revenue has shown a steady growth trend: 0.4% in 2021, 0.5% in 2022, and 0.57% in 2023. Although it declined slightly to 0.45% in 2024 due to industry cyclical factors, it rebounded to 0.59% in 2025, with overall development momentum continuing to strengthen. Going forward, Walsin will continue to invest in technological innovation in areas such as high-current, high-voltage, and low-carbon materials to enhance the competitiveness of its clean technology products and become a key partner for customers pursuing clean technology and low-carbon transformation.

Green Product Overview

Extended Service Life | Energy Conservation / Carbon Reduction | Enhanced Material Performance

Business Group	Product	Category	Environmental & Energy Benefits	Applications
Wire and Cable Business Group	Solar Cables / Solar Busbar Conductors		Provides solar cables and busbar conductors meeting international standards with superior UV and weather resistance, effectively ensuring stable power transmission and grid integration efficiency for solar power generation systems in diverse environments.	DC cables, AC cables
	Offshore and Onshore Wind Power Cables		Supplies cables with excellent torsional resistance, low-temperature tolerance, and corrosion resistance, suitable for extreme climate conditions and certified by multiple international wind turbine manufacturers. Achieved 14MW wind turbine tower high-voltage cable certification, demonstrating technical leadership in wind power cable solutions.	Nacelle internal cables, tower internal cables, high-voltage cables
	Feeder Cables for Renewable Energy Grid Connection		In response to the energy structural transition, Walsin continuously develops high-quality feeder and cable systems for grid connection of solar and wind power, enhancing the stability, durability, and efficiency of power transmission while supporting the development of low-carbon power infrastructure.	Medium and high-voltage feeder cables
	EV Charging Gun-Cable Assemblies		Walsin's air-cooled charging gun-cable assemblies have all received UL, IEC, and VPC safety and quality certifications. The Company has further developed high-power liquid-cooled products supporting fast charging up to 800A. Products are entirely manufactured in Taiwan, reducing carbon emissions and complying with localization policy requirements.	Liquid-cooled system design verification, EV charging, high-current charging, charging stations
	Offshore Wind Turbine Jumper Cables		Serves as the primary high-voltage interconnection between offshore wind turbine towers and submarine cables; features flexibility, torsional resistance, and weatherproofing.	Wind turbine interconnection cables, high-voltage cables
	DC Charging Gun-Cable Assemblies		Applied in land-based EV charging, including fast-charging systems for various EVs (passenger EVs, electric buses, electric trucks, and large electric forklifts).	EV charging, high-current charging, charging stations
	Lightweight Drag Chain Cables		Made with recyclable materials; cable weight reduced by 15%, meeting the demands of equipment system integrators with features including lightweight, small outer diameter, and excellent abrasion resistance, while reducing equipment operating energy consumption.	Heavy machinery, machine tools, automation equipment
	Fiber-Optic Crane Cables		A composite cable design incorporating optical fiber, meeting the demand of port automation equipment for transmitting large volumes of IoT data.	Heavy machinery and equipment, Spread Basket
	Low-Carbon-Footprint Packaging Materials		Developed from high-mechanical-strength recyclable materials for the production of pallets and cable reels to replace some wooden materials, featuring low carbon emissions, recyclability, and environmental friendliness.	Packaging materials for wire and cable products
Stainless Steel Business Group	High-Heat-Resistant Stainless Steel		High heat resistance extends equipment service life, reduces downtime caused by equipment failure, and lowers equipment energy consumption.	Heat treatment furnace conveyor belts, heat treatment furnace tubes
	High-Heat-Resistant and Anti-Creep Stainless Steel		High heat resistance with resistance to high-temperature corrosion, high-temperature oxidation, and high anti-creep properties, enhancing power plant generation efficiency and boiler service life.	Ultra-supercritical boiler tubes for power plants
	Weld-Crack, Sensitization, and High-Corrosion-Resistant Welding Stainless Steel		Provides high corrosion resistance and high-temperature strength, with resistance to sensitization and weld cracking, for use in high-efficiency equipment welding.	Welding electrodes, flux-cored welding wire
	Duplex Stainless Steel		High strength allows material weight reduction; pitting corrosion resistance enables use in chloride-containing environments.	Petrochemical, chemical, and coastal marine equipment and components
	High-Machinability and High-Corrosion-Resistant Stainless Steel		Material modification enhances corrosion resistance, extending the service life of workpieces and cutting tools.	Components for automation, automotive, and office automation (OA) equipment
	Corrosion-Resistant Soft-Magnetic Stainless Steel		Mo addition enhances corrosion resistance, suitable for humid and corrosion-prone environments; as a ferritic sulfur-bearing steel grade, it offers easy machinability and turning.	Solenoid valves, screws, bolts
	Nickel-Based Alloy		High heat resistance and high corrosion resistance extend service life.	Welding wire, oil and gas, chemical, and marine equipment and components

4.2.2 Green Product Life Cycle Assessment

Walsin Lihwa examines and manages the environmental impact of its products from the dimensions of raw material use, energy and resource consumption, and GHG emissions. The Company increases the utilization rate of recycled and reusable materials to effectively steward natural resources; optimizes production processes on the basis of "energy conservation and carbon reduction"; and targets high-performance green products embodying "net-zero practice and sustainable development" as its product output-steadfastly working to help downstream customers and end-use applications achieve energy efficiency and emissions reduction goals.

Wire and Cable Business Group

The Wire and Cable Business Group has established an environmental management mechanism operates under third-party certified ISO 14001 Environmental Management System and ISO 9001 Quality Management System, covering 100% of manufacturing operations, and the mandatory trade compliance requirements of all key export markets. Environmental material selection, process waste reduction, and regulatory compliance are considered from the design stage onward. The Company continuously monitors international hazardous substance regulations (such as EU RoHS and REACH) and has introduced tiered control principles across different product lines. Using "New Design Control – Incoming Material Control – Product Control" as the three-phase core framework, the Company has built a cross-functional collaboration and tracking system guided by the principle of Total Process Control:

Total Process Control Principle

New Design Control	Incoming Material Control	Product Control
Raw Material Selection and Product Planning Compliant materials are selected during the product conceptualization (Selling Point), engineering design, and planning stages.	**Verification of External Supplies and Contract-Manufactured Components** Suppliers are required to sign an environmental substance guarantee letter; raw materials are subject to third-party sampling and testing under IEC 62321 testing standards; high-risk materials must be accompanied by test reports from ISO 17025-accredited laboratories.	**Finished Product Quality and Environmental Verification** Finished products undergo inspection and testing prior to shipment to ensure materials, processes, and installation services comply with customer specifications; inspection results are periodically consolidated as a basis for continuous improvement.
Action Directions • Establish raw material selection criteria, prioritizing materials with high recyclability. • Integrate material substitution assessments during the R&D stage to comply with international requirements such as EU RoHS, REACH, and PFAS. • Incorporate environmental regulatory compliance checks into design reviews.	**Action Directions** • Suppliers sign a Commitment Letter on the Prohibition of Hazardous Substance Use. • High-risk materials must be accompanied by third-party test reports (IEC 62321, ISO 17025-accredited laboratory). • Conduct regular supplier audits and training to reinforce environmental material awareness and data traceability.	**Action Directions** • Incorporate material management into manufacturing process controls and ERP system tracking. • Conduct periodic sampling of finished products for RoHS, REACH, and Halogen-Free verification. • Consolidate testing data annually to build a materials compliance archive.

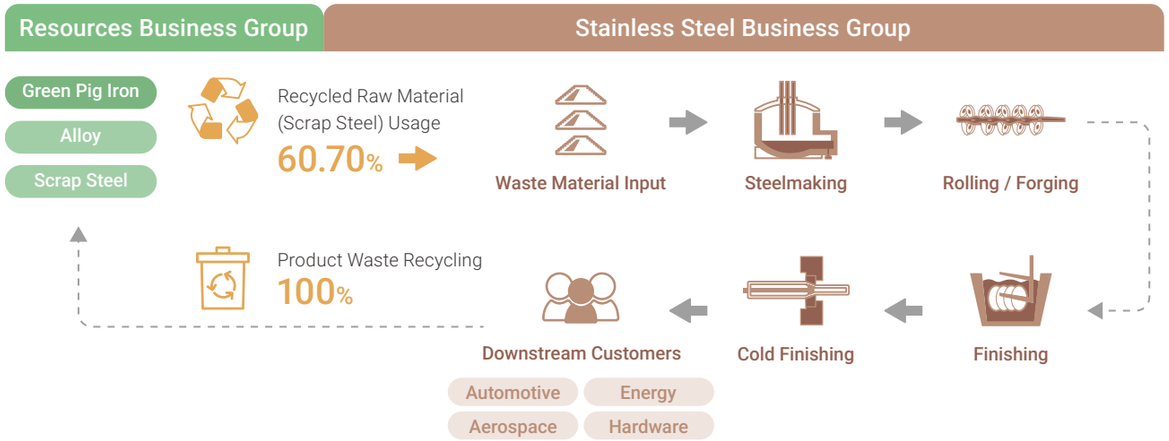
From the design, incoming material, and finished product stages, ensuring compliance with international environmental regulations and customer requirements.

Wire and Cable Business Group



Product Waste Recycling
90.83%

Design	Selecting raw materials and components with lower environmental impact	Guided by circular economy principles, wire and cable production primarily uses highly recyclable pure copper. To advance green product development, the Company partially substitutes recyclable TPE and PVC for cross-linked polyethylene (XLPE) and non-renewable plastic materials. Walsin has also responded to international brand requirements for recycled copper content by independently developing a high-purity copper recycling process that has obtained ISO 14021 certification, ensuring resource reuse in compliance with international standards.
Production	Reducing emissions, energy use, water consumption, and waste generation	**Hsinchuang Plant**: In 2025, the plant completed multiple energy efficiency improvement measures including compressor system upgrades, variable-frequency drive motor replacements, energy-saving fan installation in cooling towers, and steam pipeline heat loss reduction improvements. Cumulative annual carbon reduction reached 397 metric tons of CO_2e, effectively lowering GHG emissions while simultaneously improving production line stability and efficiency. The solar power generation system installed at the Taiwan plants has an average annual generation capacity of approximately 4.31 million kWh, estimated to reduce annual carbon emissions by 2,106 metric tons. **Hangzhou Plant**: The plant has systematically advanced the development of a green energy system through three key measures-green electricity procurement, self-generation and self-consumption of clean energy, and energy efficiency enhancement improvements-continuously optimizing the energy mix and reducing the operational carbon footprint. The on-site solar photovoltaic system has been completed and commenced operation, enabling localized energy production and consumption and reducing reliance on the traditional grid. In terms of energy efficiency management, the plant focuses on upgrading critical power equipment by introducing 2 high-efficiency variable-frequency air compressors equipped with pressure PID control, real-time monitoring, and automatic unattended fault-switching functions, effectively lowering energy intensity and reducing GHG emissions in 2025. In 2025, reusable raw materials for the Wire and Cable Business Group accounted for 86.11% of total material inputs, demonstrating Walsin's concrete progress on material circularity and resource efficiency, and reflecting our long-term commitment to environmental sustainability goals.
Distribution, Storage, and Transportation	Improving safety, lightweighting packaging, and reducing environmental impact	To achieve value-chain carbon reduction targets, the Company approaches the optimization of environmental performance in the distribution stage from two dimensions-"circular packaging" and "intelligent logistics": • Circular Resource Utilization: The Company prioritizes lightweight recycled-material packaging, reusing materials such as lightweight iron-wood reels, recycled plastic reels, and plastic pallets to implement waste reduction and lower transportation-embedded carbon emissions. • Intelligent Logistics System: At the high-efficiency plant, the Automated Material Handling System (AMHS) is in full operation, integrating hardware including AGVs, ASRS systems, and lifters with an advanced Material Control System (MCS), achieving full electrification of intra-plant transportation. • Dual Wins in Operational Efficiency and Carbon Reduction: The Hsinchuang Plant achieves precise task dispatching through the integration of MES and MCS, with AGVs executing optimal routing plans to substantially shorten inter-process transfer times. This initiative not only strengthens plant-side equipment utilization rates but also maximizes transportation efficiency through automated workflows, giving concrete expression to the deep integration of intelligent manufacturing and green distribution.
Use / Operation and Maintenance / Servicing	Conserving energy / water / materials and improving product durability	Since introducing a customer-centric new business model in 2022, Walsin provides dedicated product design and wire and cable specification planning for each customized project, ensuring on-time delivery. Through precision manufacturing, customers can use products tailored to their requirements directly at construction sites, effectively reducing material waste while also decreasing the number of transportation trips, installation time, and labor input. For the Company, this model helps optimize inventory management, reduce production line idle-time risk, and further enhance customer stickiness and overall operational efficiency. In addition, Walsin continuously refines its material formulations and process technologies to improve energy efficiency and durability during the product use phase. Offshore wind power high-voltage cables feature high torsional resistance and weatherproofing, extending service life and reducing replacement frequency; EV fast-charging cables are 100% manufactured in Taiwan with VPC certification, maintaining stable performance under high-current operation to reduce the risk of overheating and energy loss; cables for automated equipment employ lightweight insulation and sheathing materials, maintaining fatigue resistance while reducing energy consumption. These innovative designs and processes contribute to enhanced system reliability and the optimization of energy and resource use efficiency throughout the product lifecycle.
End-of-Life Management	Recycling and disposal	For the Wire and Cable Business Group in 2025: the proportion of recycled packaging materials as a percentage of total packaging material consumption was 59.63%; plastic material consumption was 1,774 metric tons, with a reusable proportion of 60.5% and a re-input proportion of 3.10%.



Raw Material Acquisition Stage	• The Company employs high proportions of recycled raw materials and reusable materials in production. In 2023, eight steel grades obtained ISO 14021 recycled material content certification, with recycled content rates reaching RC80% or above, or RC90% or above, respectively. In 2025, recycled raw materials (such as steel scrap and stainless steel scrap) accounted for approximately 60.7% of total raw material inputs, representing an increase of 14.05% from the prior year.
Manufacturing Stage	• Committed to reconciling production with environmental protection, the Company deepens process technologies to enhance production performance and efficiency, thereby achieving reductions in energy consumption, electricity use, and waste generation. • In 2025, process optimization improvements across steelmaking, rolling, finishing, and cold finishing processes achieved a carbon reduction of 1,458 metric tons of CO_2e.
Use Stage	• Walsin Lihwa repurchases production and post-use off-cuts from customers for reinvestment in production. In 2025, approximately 8,488 metric tons of off-cuts were purchased.
End-of-Life Stage	• Stainless steel features 100% recyclability. Discarded products, once collected, are converted into reusable raw materials; process-generated waste can also become recycled and re-manufactured products through technology development. • In recent years, Walsin has developed the reuse of steelmaking slag as construction materials; approximately 49,000 metric tons were utilized in 2025, with further recycled product development ongoing. • The Company also continues its research on the classification, management, and resource recovery of process waste to improve waste reduction efficiency.

4.2.3 Use of Raw Materials

As global supply chains increasingly demand greater transparency in carbon emission management and resource accountability, the environmental footprint at the raw material stage has become a critical factor for enterprises pursuing sustainable transformation.

Wire and Cable Business Group

Guided by the core principles of circular economy and resource efficiency, the Wire and Cable Business Group actively incorporates raw materials with recognized environmental value, building a more sustainable product structure from the source. The following sustainable raw material strategies have been adopted as the foundation for product design and development:

Recycled Copper

To meet the stringent safety and conductivity requirements of wire and cable products, Walsin consistently selects high-purity copper materials. Simultaneously, the Company proactively responds to the expectations of international brands and large manufacturers to increase the proportion of recycled materials in products by establishing a high-quality process copper scrap recovery mechanism and introducing professional recycling and reprocessing workflows to ensure consistent quality of recycled copper. This recycling process has obtained ISO 14021 third-party verification, enhancing the credibility and transparency of Walsin's environmental declarations.

PVC Waste Reprocessing

For PVC waste generated from inner insulation and inner jacket materials during production, Walsin collaborates with third-party companies to reprocess this waste into filler materials through sorting, crushing, and processing technologies, significantly improving material use efficiency and reducing industrial waste generation. In addition, to address high-safety and high-performance product requirements, Walsin employs specialized chemical materials to ensure product quality and reduce customer usage concerns. The Company is also actively promoting the application of renewable materials to enhance the overall sustainability of manufacturing processes-for example, by progressively introducing recyclable thermoplastic elastomers (TPE) and polyvinyl chloride (PVC) materials to replace some cross-linked polyethylene (XLPE) and non-renewable plastic materials, thereby reducing waste during the manufacturing process in alignment with global trends toward sustainable materials and circular economy development. In 2025, plastic material consumption was 1,774 metric tons, with a reusable proportion of 60.5% and a re-input proportion of 3.10%.

Walsin also supplies high-quality raw materials (such as bare bright copper) to third-party companies, facilitating cross-industry resource sharing and sustainable material applications. As a result of adjustments to the 2025 cable product mix, reusable raw materials accounted for 86.11% of total material inputs, concretely demonstrating the Company's achievements in advancing material circularity and resource use efficiency, and reflecting its long-term commitment to environmental sustainability.

Packaging materials for wire and cable products are planned according to product type, customer requirements, and transportation conditions. Priority is given to recycled packaging materials (including but not limited to pallets, iron frames, iron reels, wooden reels, and end plates) and lightweighted packaging materials (such as lightweight steel drums) to achieve waste reduction and minimize environmental impact. In 2025, the utilization rate of recycled packaging materials was 59.63%.

Note：In response to market and customer demand for high-quality cable products, all insulation compounds used by the Company employ high-grade plastic materials to ensure product stability and reliability. Recycled PVC materials, after appropriate treatment, are used as filler materials in specific products. At the same time, in alignment with sustainable development objectives, the Company actively increases the reusable proportion of plastic materials and collaborates with third-party partners to promote cross-industry resource circularity and diversified applications.

Stainless Steel Business Group

Stainless steel production employs the Electric Arc Furnace (EAF) steelmaking method, utilizing high proportions of recycled steel scrap and reusable alloy materials, including stainless steel scrap, carbon steel scrap, ferrochrome, ferronickel, and others. Stainless steel scrap, carbon steel scrap, and similar materials constitute recycled raw materials; recycled raw materials accounted for 60.7% of total material inputs in 2025.

Reusable and Actual Re-Input Proportions of MainRaw Materials

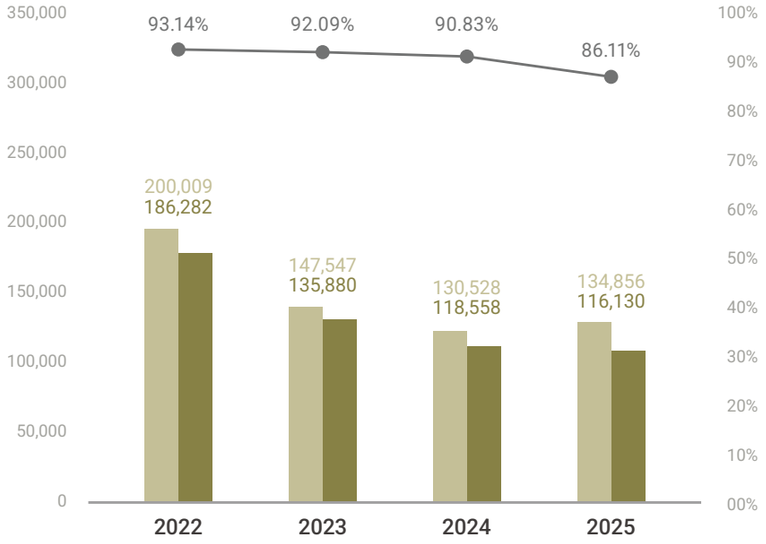
Main Raw Materials	Material Consumption (MT)	Recycled Metal Content	Reusable Proportion	Re-Input Proportion
Wire and Cable Business Group				
Aluminum (Al)	162	0%	100%	0%
Copper (Cu)	158,522	0.04%	100%	0.04%
Steel / Scrap	907	0%	100%	0%
Stainless Steel Business Group				
Aluminum (Al)	665	0%	100%	-
Copper (Cu)	2,995	0%	100%	-
Nickel (Ni)	13,091	0%	100%	-
Titanium (Ti)	169	0%	100%	-
Cobalt (Co)	0	0%	100%	-
Lithium (Li)	0	0%	100%	-
Steel / Scrap	477,837	100%	100%	60.70%

Note：The Company does not use cobalt or lithium.

Wire and Cable Business Group

Raw Material Input and Reusable Raw Material Usage

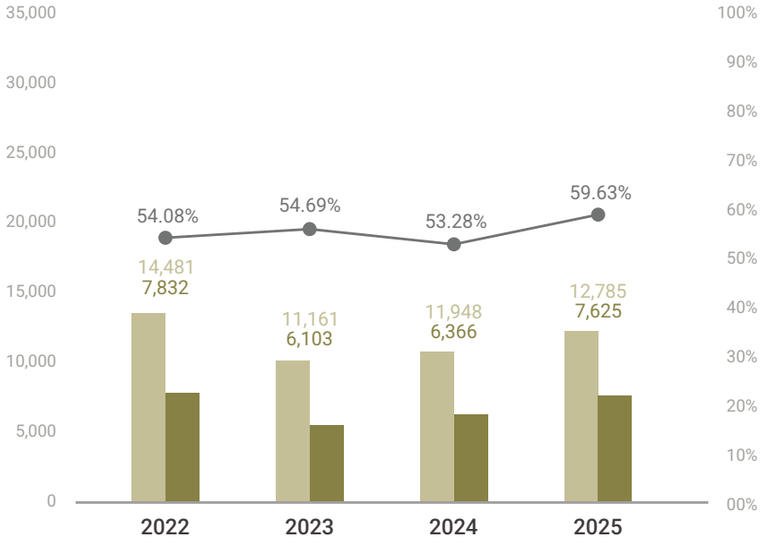
Unit: Metric Tons



Total Raw Material Input
Total Reusable Raw Material Input
Reusable Raw Material Proportion

Packaging Material Use and Recycled Packaging Material Data

Unit: Metric Tons



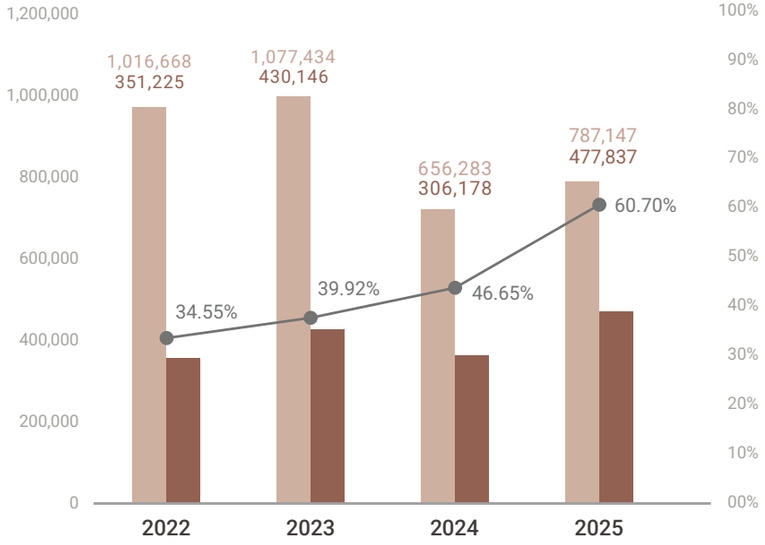
Total Packaging Material Use
Recycled Packaging Material Volume
Recycled Packaging Material Proportion

Note：In 2025, the Company had no recycled products. Packaging materials included in the calculation primarily consist of wooden pallets / trays / end plates / wooden reels, iron or steel frames / trays, etc., and do not include all categories of packaging materials.

Stainless Steel Business Group

Raw Material Input and Reusable Raw Material Usage

Unit: Metric Tons



Total Raw Material Input
Total Reusable Raw Material Input
Reusable Raw Material Proportion

Note：From 2024 onward, only raw materials input at the steelmaking stage are included in the statistics.

4.2.4 Green Manufacturing Processes

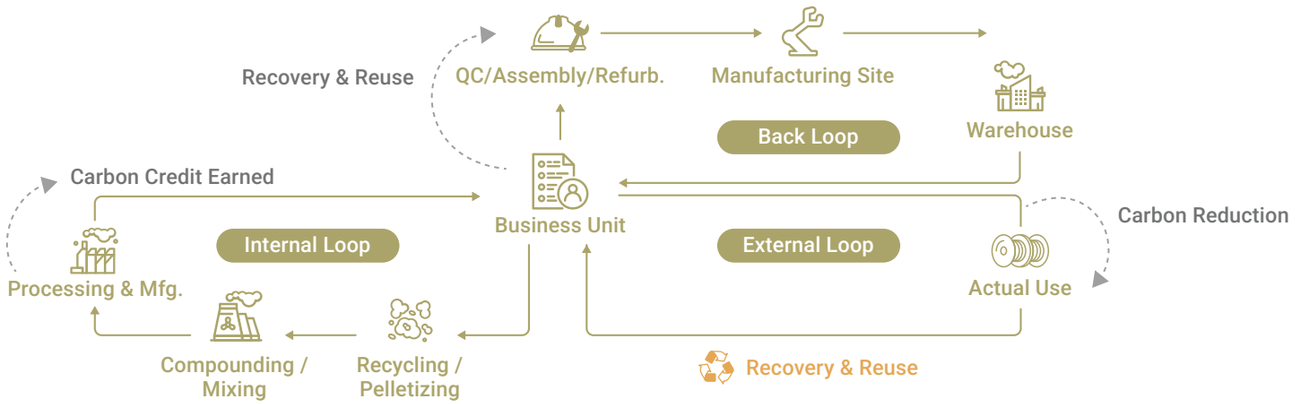
Committed to environmental sustainability, the Company advances process and technology improvements under the core strategic approach of "striving to develop and innovate green technologies for application in process energy conservation, product performance enhancement, and industrial development". Focusing on the future expansion of process and materials dimensions, the Company targets "resource conservation", "water conservation", "electricity conservation", and "energy consumption reduction" as its green manufacturing development objectives. Based on the 1.5% carbon reduction target set by the Energy Administration, the Company assessed its actual carbon reduction performance in 2025; the overall achievement rate for the energy conservation and carbon reduction program targets reached 170%.

Green Manufacturing Highlights

Objective	Annual Benefit		Carbon Reduction (MT CO_2e)	Capital Investment (NTD)	Key Highlights
Wire and Cable Business Group					
Equipment Efficiency Optimization	Electricity Savings (kWh)	512,715	243	Approx. 2.52 million	1. Air compressor system efficiency improvements • adding VFDs and using instruments to identify and seal leakage sources); • replacement of deteriorated cooling tower motors and heat dissipation fans; 2. equipment retirement and replacement: • lighting system upgrade to energy-efficient fixtures, • chiller replacement, • foam material drying improvement.
Process Technology Optimization	Electricity Savings (kWh)	215,824	154	Approx. 0.24 million	1. Dryer condenser cleaning improvement; 2. optimizing steam pipelines to reduce transmission heat losses; 3. improving copper rod yield rate; 4. reducing scrap wire in stranding processes to lower electricity consumption.
	Subtotal		397	Approx. 2.76 million	
Stainless Steel Business Group					
Equipment Efficiency Optimization	Electricity Savings (kWh)	6,152,613	4,880	Approx. 160 million	1. Replacement with energy-efficient lighting; 2. Replacement with energy-efficient motors; 3. Solar power system installation; 4. Introduction of EMS electromagnetic stirring system; 5. Replacement of other energy-efficient equipment / components: • high-temperature solution annealing furnaces, • air compressors.
	Gas Savings (m^3)	434,586			
	Steam Savings (MT)	0			
Process Technology Optimization	Electricity Savings (kWh)	3,972,476	4,123	Approx. 13.01 million	1. Ball-mill water-wash recovery of metals from steelmaking slag, reducing raw material losses; 2. adjusting steelmaking processes for specific steel grades to reduce gas energy consumption.
	Gas Savings (m^3)	1,011,014			
	Subtotal		9,003	Approx. 173 million	

Highlights

Wire and Cable Business Group



Upcycling and Circular Reuse of Scrap Materials - Achievements of the Recycled Cable Reel Initiative

Amid the global acceleration of net-zero emissions and circular economy initiatives, Walsin Lihwa continues to enhance process resource efficiency and waste management, treating these as important components of the Company's ESG strategy. Cross-linked polyethylene (XLPE) waste generated in the cable manufacturing process has, due to the characteristics of its cross-linked structure, long presented significant challenges for recycling and reuse-a key issue facing the industry in its pursuit of sustainable development. Through material degradation technology and recycled compound formulation design, the Company has successfully developed a recycled material using XLPE process waste as feedstock, which is then applied in reusable cable reel packaging products, achieving high-value upcycling of process waste and material internal circularity. This innovative application not only effectively reduces the final disposal volume of waste but also decreases the consumption of virgin materials, concretely embodying circular economy principles and enhancing overall resource use efficiency.

Formally launched in 2024, the initiative undertook recycled material formulation optimization and structural strength design for plastic cable reels. In 2025, product development and prototyping were completed; the products passed internal impact resistance and drop quality verification tests and were introduced to the production floor for actual cable production line operation validation. The products are being progressively rolled out to customers for actual use, with market feedback being collected simultaneously for ongoing design optimization and performance improvement.

Compared with traditional wooden cable reels, recycled plastic cable reels offer clear advantages in impact resistance, quality consistency, and operational safety, effectively reducing the risks of splintering and breakage commonly associated with wooden reels. In addition, the products' recyclable and reusable characteristics also help customers reduce the disposal burden of packaging materials after use, earning positive feedback from customers. Going forward, Walsin will continue to expand the application scope of recycled materials, deepen internal circularity design in its processes, and support the green transformation and sustainable development objectives of the industry through concrete action.

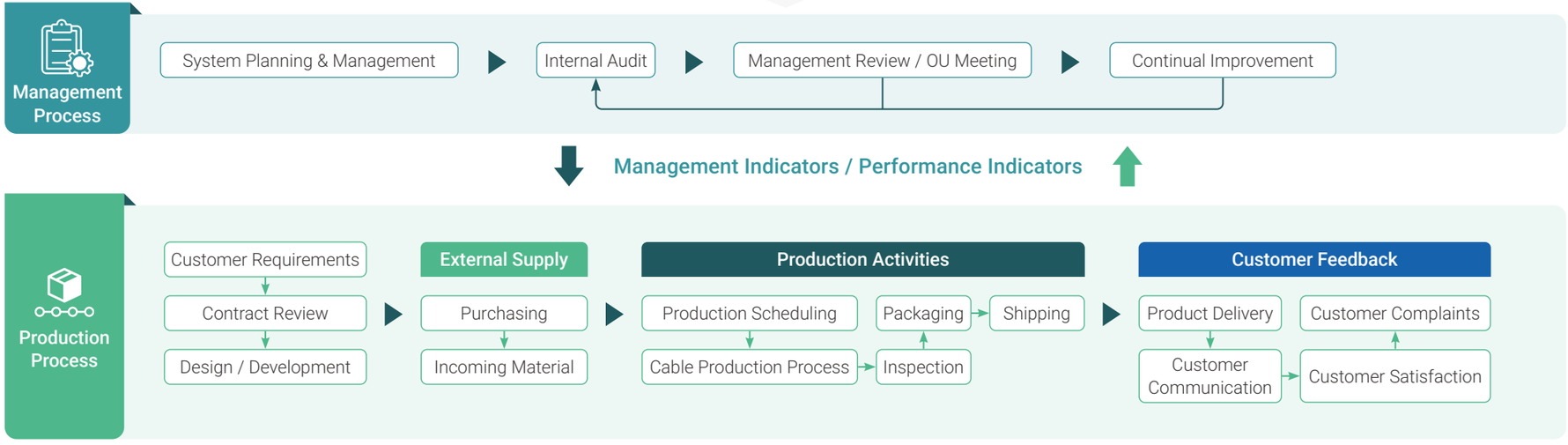
4.3 Product Quality and Responsibility

4.3.1 Product Quality and Management Processes

Upholding the spirit of "forward-looking perseverance and dedicated R&D", Walsin Lihwa implements the PDCA (Plan-Do-Check-Act) cycle management framework. In terms of product quality control, the Company not only adheres to international standards and industry requirements but has also obtained multiple product certifications. The Wire and Cable Business Group and the Stainless Steel Business Group both follow the ISO 9001 Quality Management System, strengthening quality management and risk control. Through process management and technology applications spanning from product design to after-sales service, the Company ensures quality meets customer expectations. The Company employs PDCA and Business Process Re-engineering (BPR) strategies to enhance operational efficiency and personnel capabilities, strengthening autonomous quality management. In addition, the Company promotes DMAIC solutions-through the phases of Define, Measure, Analyze, Improve, and Control-applying advanced quality tools and big data to conduct risk assessments and quality control, ensuring products achieve "zero defects" and realizing a dual win of quality and customer satisfaction.

Walsin Lihwa is committed to "innovative and stable quality with efficient management", continuously improving product quality, expanding markets, building a reliable quality system, and promoting quality enhancement action plans:

- Grant the quality assurance unit independent and objective responsibilities and authority.
- Employ international-grade testing equipment; establish TAF-level testing laboratories; collaborate with third-party institutions to ensure technical verification.
- Strengthen risk management through analysis to ensure the reliability of products and services.
- Enhance product portfolios and industry-academia-research collaboration to improve the success rate of new product development and expand new markets.
- Provide customers with required certifications, ensuring product performance and quality to meet market demands.
- Enhance manufacturing capabilities by applying Industry 4.0 technologies to produce high-quality industrial cables.
- Build robust audit and certification capabilities; continuously improve the quality management system through the PDCA philosophy.



Product Recall and Quality Control

Walsin Lihwa adheres to the principle of "quality first" by establishing a comprehensive Quality Management System (QMS) to ensure that all products-from raw materials and production processes to final shipment-comply with international standards. The Company has obtained ISO 9001:2015 International Quality Management System certification; internal quality project audits are conducted annually by the Audit Office and functional departments to ensure the effective operation of the system.

To implement preventive management, the Company conducts quality responsibility training for all employees, incorporating quality awareness into performance evaluations. All products undergo rigorous inspection procedures and automated sensing systems prior to shipment to intercept defective products in a timely manner and reduce the risk of product recalls. Customers may raise quality-related concerns through formal complaint channels.

Walsin Lihwa has recorded zero product recalls over the past four years. **0**

Wire and Cable Business Group

The Wire and Cable Business Group monitors relevant industry information and trade verification requirements in various countries. Building upon its existing ISO 9001 Quality Management System, certifications from classification societies including ABS (American Bureau of Shipping), BV (Bureau Veritas), DNV-GL (Det Norske Veritas and Germanischer Lloyd), LR (Lloyd's Register), NK (Nippon Kaiji Kyokai), and CR (China Corporation Register of Shipping); British cable certification (BASEC, British Approvals Service for Cables); British loss prevention certification (LPCB, Loss Prevention Certification Board); North American safety standard (UL); voluntary product certification (VPC); and the national CNS Mark and certificate of the registration of product certification, the business continues to obtain third-party certification for the Yangmei Smart Manufacturing Plant as a foundation for entering industry supply chains, expanding the Company's product application scope and sales channels.

Highlights

Fire-Rated Cable Certification from the Fire Safety Foundation

Yangmei Smart Manufacturing Plant

In 2025, the Wire and Cable Business Group's "Yangmei Smart Manufacturing Plant fire-rated cables" successfully passed product testing and factory inspection by the Fire Safety Foundation, obtaining the "Fire-Rated Cable Type Approval Certification". This confirms that the quality of fire safety cable products manufactured at Walsin's Yangmei Smart Manufacturing Plant meets national regulatory standards, enabling consumers to trust Walsin products with 100% confidence, and laying a solid foundation for Walsin's wire and cable industry ecosystem.



Quality-Driven, Green-Powered: Building a High-Standard Quality Management System at Hangzhou Walsin

Hangzhou Plant

Hangzhou Walsin Power Cable & Wire Co., Ltd. ("Hangzhou Walsin") has continuously improved its quality management and operational systems. In recent years, the Company has obtained multiple domestic and international professional certifications, demonstrating its commitment and capability in quality stability, green manufacturing, and standardized management. The Company has obtained international standard certifications including ISO 9001 Quality Management System and ISO 10012 Measurement Management System, ensuring the accuracy and consistency of production processes and quality inspection. In addition, Hangzhou Walsin has obtained PCCC (China Compulsory Certification Committee) voluntary product certification to strengthen the credibility of products in the market, as well as green design product certification, green supply chain management system certification, and green evaluation certification for electrical equipment manufacturing enterprises. In terms of corporate governance and operational norms, the Company has also received enterprise credit rating evaluation and standardization excellence behavior certification, further strengthening internal systems and external reputation. These certifications are not only attestations of quality and governance but also concrete expressions of Hangzhou Walsin's steady progress toward high-efficiency operations and sustainable development.



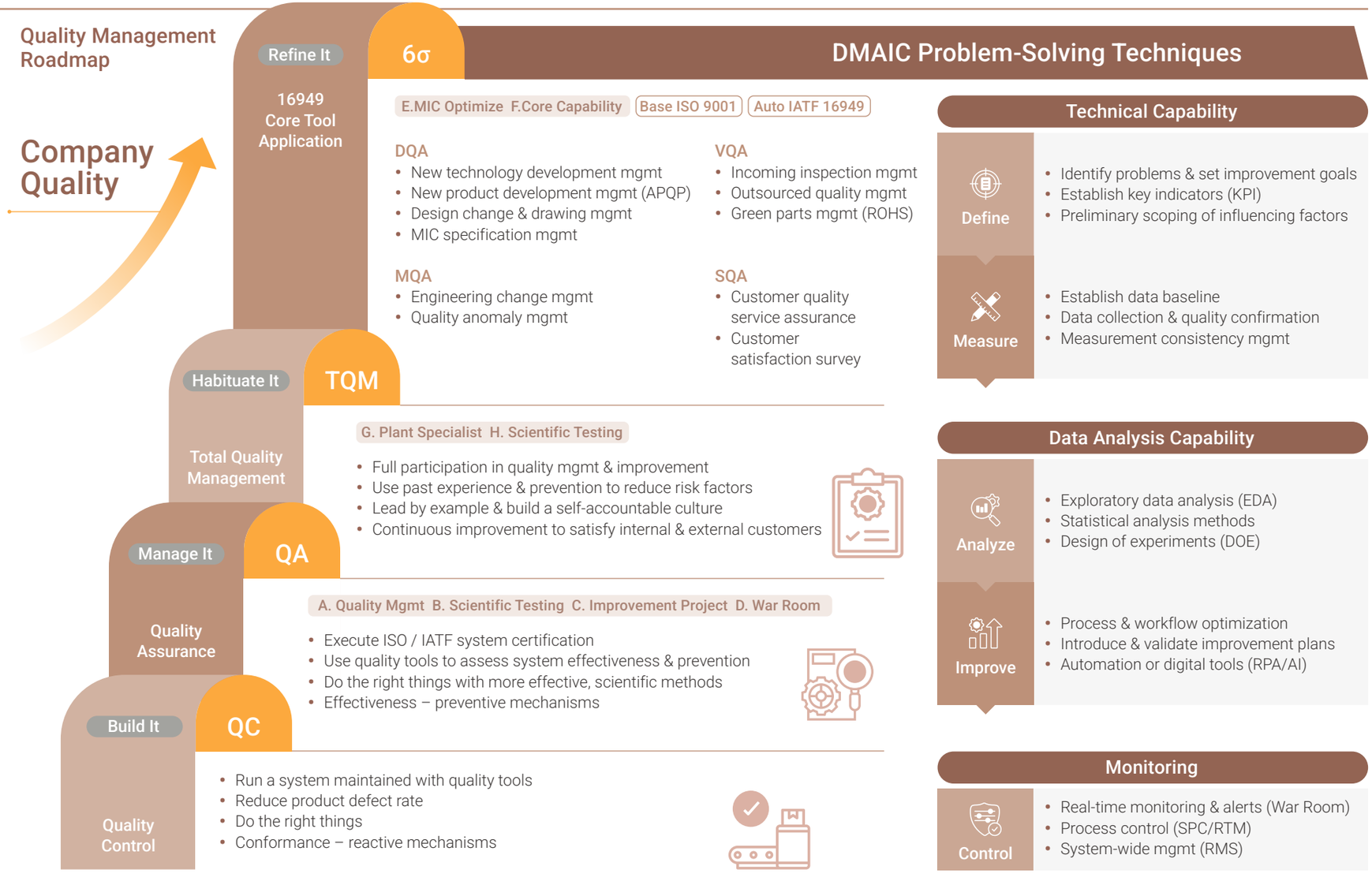
Stainless Steel Business Group

With the vision of becoming a globally recognized enterprise of excellence committed to sustainable growth in stainless steel and special alloys, the Stainless Steel Business Group continues to advance its high-value transformation, service orientation, flexibility, and intelligentization strategies. Building upon its ISO 9001 Quality Management System foundation, the business obtained AS 9100 Aerospace and Defense Quality Management System certification in 2025-a milestone signifying the Company's formal entry into higher-grade, high-reliability application domains and enhancing global competitiveness. Simultaneously, in response to the demands and policy trends of the Indian market, the Company successfully obtained IS 14650 certification, while strengthening steelmaking process control, end-to-end process management, and composition control capabilities to ensure compliance with Indian government regulatory requirements and market supply needs.

In terms of quality management and compliance strategy, the Company adopts unified quality management standards to meet customer, regulatory, and market requirements, and continues to expand its certification portfolio to support global market development. The Company has obtained multiple international and national certifications, including automotive IATF 16949, pressure vessel-related PED/AD 2000, classification society certifications, and product certifications including Japan's JIS MARK, EU CE, and India's BIS.

The Yenshui Plant in Taiwan has obtained AS 9100 Aerospace and Defense Quality Management System certification; the Taichung Plant has also obtained UK Conformity Assessed (UKCA) certification and UK Pressure Equipment Safety Regulations (PESR) certification.

Quality Management Roadmap



AS 9100 Aerospace and Defense Quality Management System Certification

Highlights

Yenshui Plant

The bar and rod products of Walsin Lihwa's Stainless Steel Business Group in Taiwan have obtained AS 9100 Aerospace and Defense Quality Management System certification. This milestone signifies that the Company's product reliability and process stability have reached international high-end aerospace standards, enabling it to fully meet the stringent requirements of aerospace and defense supply chains. The Company will leverage this advantage to deepen its presence in global high-end markets and become a long-term trusted strategic partner for customers.


Annexe


Certificat

Stainless Steel products in 2025:

15 hazardous substance test submissions; compliance rate has been

100% for the past **4** years.

4.3.2 Control of Hazardous Substances Products

Walsin Lihwa deeply recognizes its corporate citizenship responsibilities and implements comprehensive hazardous substance controls throughout its product development, manufacturing, and service processes, striving to ensure product safety, environmental friendliness, and the absence of hazardous substance additives. From the material selection stage, the Company adopts compliant materials meeting the requirements of regulations including RoHS (Restriction of Hazardous Substances Directive), REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals), and CNS (Chinese National Standards), and ensures product and service quality compliance with the latest regulatory requirements through raw material inspection, process control, and international chemical management mechanisms. Conflict minerals are not used in manufacturing processes.

For the Wire and Cable Business Group, revenue from cables containing declarable substances under IEC 62474 as a proportion of total revenue is 15%. All plastics used in commodity verification and registered products are formulated with proprietary recipes; in 2025, full compliance with RoHS regulations was declared across all products, indicating that no regulated hazardous substances are added during the manufacturing process. In addition, in compliance with the shipbuilding industry's prohibition on asbestos, all marine cables have obtained classification society certification, confirming they contain no non-compliant substances. Hazardous substance management information is also proactively disclosed to enhance stakeholder trust.

For proprietary insulation and sheathing compounds, the materials unit regularly reviews and dynamically adjusts formulation compositions based on the latest announcements from competent authorities including the Occupational Safety and Health Administration of the Ministry of Labor and the Toxic and Chemical Substances Bureau of the Environmental Protection Administration. The unit responds to and ceases use of newly regulated substances in a timely manner while proactively seeking alternatives, implementing the management principle of source reduction. The Company also invests in the R&D of eco-label compounds, the material compositions of which contain none of the eight heavy metals, phthalate plasticizers, polybrominated biphenyls (PBB), polybrominated diphenyl ethers (PBDE), short-chain chlorinated paraffins (SCCPs), or other substances of very high concern, while complying with the applicable restrictions of the Montreal Protocol-reflecting the Company's commitment to continuously enhancing the environmental value of its products.

For the Stainless Steel Business Group, from 2021 through 2025, 100% of its products comply with EU RoHS 2.0 (EU Directive on the Restriction of Hazardous Substances), REACH (SVHC-Substances of Very High Concern), the PFOS (Perfluorooctane Sulfonic Acid) Sales and Use Restriction Order, and the PFOA (Perfluorooctanoic Acid) and related compounds ban. Revenue from products of the Stainless Steel Business Group that comply with relevant regulatory requirements accounts for 5.1% of total Stainless Steel Business Group revenue, fully demonstrating the Company's long-term commitment to non-toxic manufacturing and product sustainability.

For the Resources Business Group, compliance is maintained with Indonesian Regulation PP No. 74/2001, which governs the management of listed hazardous and toxic substances (B3 substances). In addition to the substances listed in the regulation, ferronickel and nickel matte are also included in the management scope to ensure effective control of hazardous substances.

Note: Calculated based on revenue from the Wire and Cable Business Group.

Hazardous Substance Management Status

Regulatory Framework	Description	Applicable Business Unit
EU RoHS 2.0	Products comply with the EU RoHS Directive on restricted substances, with maximum permitted concentrations as follows: Cadmium (Cd) < 0.01% (100 ppm); Lead (Pb), Mercury (Hg), Hexavalent Chromium (Cr6+), Polybrominated Biphenyls (PBBs), Polybrominated Diphenyl Ethers (PBDEs), Di(2-ethylhexyl) phthalate (DEHP), Butyl benzyl phthalate (BBP), Dibutyl phthalate (DBP), and Diisobutyl phthalate (DIBP) all have maximum permitted concentrations of < 0.1% (1,000 ppm). Please refer to the Company's official website for the RoHS Commodity Verification and Registration Certificate.	Wire and Cable Business Group, Stainless Steel Business Group
REACH	Products comply with the EU REACH Regulation. Based on the most recently announced SVHC (Substances of Very High Concern) Candidate List, the concentration of each SVHC in products is below 0.1%, and products comply with the restrictions under REACH Annex XVII.	Wire and Cable Business Group, Stainless Steel Business Group (applicable only to SVHC Candidate List restrictions)
Shipbuilding Industry Asbestos Prohibition	Marine cables have passed classification society certification; products do not contain asbestos.	Wire and Cable Business Group
PFOS Sales and Use Restriction Order	The content of perfluorooctane sulfonic acid (PFOS) in semi-finished products and components shall not exceed 0.1% by weight (1,000 ppm).	Stainless Steel Business Group
PFOA and Related Compounds Ban	The content of perfluorooctanoic acid (PFOA) or its salts in substances, mixtures, and articles shall not exceed 25 ppb; the total amount of PFOA-related substances shall not exceed 1 mg/kg.	Stainless Steel Business Group
PP No. 74/2001	Governs the production, import, use, storage, transportation, and disposal of hazardous and toxic substances (B3 substances); compliance with management requirements for each listed substance, including permitted use, restricted use, and prohibited use.	Resources Business Group

APPENDIX

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Appendix 1 GRI Content Index (in accordance with the GRI Standards)

Statement of use: Walsin Lihwa has reported the information for the period from January 1, 2025 to December 31, 2025 in accordance with the GRI Standards. GRI 1 used: GRI 1: Foundation 2021
Applicable GRI Sector Standard: No applicable GRI Sector Standard had been published during this report's reporting period

Material Topic	GRI Standard	Disclosure	Report Chapter	Page	Remarks
Universal Standards					
GRI 2: General Disclosures 2021					
The organization and its reporting practices					
	2-1	Organizational details	About The Report	4	
			Company Profile	5	
	2-2	Entities included in the organization's sustainability reporting	About The Report	4	
	2-3	Reporting period, frequency and contact point	About The Report	4	
	2-4	Restatements of information	-	-	No restatement of information; any corrections are noted separately in the relevant chapters
	2-5	External assurance	About The Report	4	
			Appendix 7 Third-Party Assurance Statement and Report	132	
Activities and workers					
	2-6	Activities, value chain and other business relationships	Company Profile	5	
			3.2 Operating Performance	85	
			3.5 Sustainable Supply Chain and Customer Service	92	
★	2-7	Employees	2.1.3 Human Resources Policy and Workforce Structure	50	
	2-8	Workers who are not employees	2.1.3 Human Resources Policy and Workforce Structure	50	
			2.4.3 Contractor Management and Oversight	65	
★ Governance					
	2-9	Governance structure and composition	3.1 Corporate Governance	81	
	2-10	Nomination and selection of the highest governance body	3.1 Corporate Governance	81	For details, please refer to "3.1 Corporate Governance" Director Nomination and Election in this report
	2-11	Chair of the highest governance body	3.1.1 Governance and Operations	81	For details, please refer to the Company's 2025 Annual Report "Part 3, Corporate Governance Report" - "2. Information on Directors, President, Vice Presidents, and Heads of Departments and Branches": the Company's Chairman does not concurrently hold a managerial position
	2-12	Role of the highest governance body in overseeing the management of impacts	Identification, Analysis and Management of Material Topics	12	
			3.1 Corporate Governance	81	
	2-13	Delegation of responsibility for managing impacts	3.4.1 Risk Management	87	
	2-14	Role of the highest governance body in sustainability reporting	About The Report	4	

Material Topic	GRI Standard	Disclosure	Report Chapter	Page	Remarks
	2-15	Conflicts of interest	3.1 Corporate Governance	81	For details on key board resolutions and director recusal due to conflicts of interest, please refer to the Company's 2025 Annual Report "Part 3, Corporate Governance Report"
	2-16	Communication of critical concerns	Identification, Analysis and Management of Material Topics	12	
			3.1 Corporate Governance	81	
	2-17	Collective knowledge of the highest governance body	3.1.1 Governance and Operations	81	For details, please refer to the Company's 2025 Annual Report "Part 3, Corporate Governance Report" - "(8) Other important information that enhances understanding of the Company's corporate governance operations" "Continuing education of the Company's directors in 2025 covering corporate-governance-related topics"; the list of director continuing-education courses is also disclosed in "3.1.1 Governance and Operations" of this report. In 2025 the total hours of sustainability-related courses for all directors reached 48 hours, accounting for 27.4% of total continuing-education hours
			3.1.2 Sustainability Governance	83	
	2-18	Evaluation of the performance of the highest governance body	3.1.1 Governance and Operations	81	
	2-19	Remuneration policies	2.3 Talent Incentives and Retention	58	For details, please refer to the Company's 2025 Annual Report "Part 3, Corporate Governance Report" - "3. Remuneration paid to directors, the President and Vice Presidents in the most recent year"
	2-20	Process to determine remuneration	2.3 Talent Incentives and Retention	58	For details, please refer to the Company's 2025 Annual Report "Part 3, Corporate Governance Report" - "Policies, standards and packages for paying remuneration, the procedures for determining remuneration, and their correlation with operating performance and future risk"; related explanations are also provided in "2.3 Talent Incentives and Retention" - "Performance Measurement and Manager Remuneration" of this report
			3.1.1 Governance and Operations	81	
	2-21	Annual total compensation ratio	-		In 2025, the ratio of the annual total compensation of the highest-paid individual to the median annual total compensation of all other employees of the organization was 18.77; the ratio of the percentage increase in the two was 0.39 (Taiwan region only)
Strategy, policies and practices					
★	2-22	Statement on sustainable development strategy	Message from the Chairman	2	The Company's 2025 promotion goals and targets for each aspect of sustainable development are provided on the opening page of each chapter of this report
			Message from CEO and President	3	
			Walsin Lihwa's Key Development Milestones	8	
★	2-23	Policy commitments	2.1 Human Rights and Talent Policy	49	
			3.3 Business Integrity	86	
			3.5 Sustainable Supply Chain and Customer Service	92	

Material Topic	GRI Standard	Disclosure	Report Chapter	Page	Remarks
	2-24	Embedding policy commitments	2.1 Human Rights and Talent Policy	49	
			2.4.1 Occupational Safety and Health Policy and Philosophy	60	
			3.3 Integrity Management	86	
			3.5 Sustainable Supply Chain and Customer Service	92	
★	2-25	Processes to remediate negative impacts	Identification, Analysis and Management of Material Topics	12	
			2.1 Human Rights and Talent Policy	49	
			3.3 Integrity Management	86	
			3.4 Risk Management and Regulatory Compliance	87	
	2-26	Mechanisms for seeking advice and raising concerns	Identification, Analysis and Management of Material Topics	12	
			3.4.1 Risk Management	87	
★	2-27	Compliance with laws and regulations	1.4 Air Pollution and Waste Management	40	Violations of major environmental regulations (using fines exceeding NT$100,000 as the threshold): 2 cases in 2025, with total fines of approximately NT$450,000; the details of the penalties have been disclosed in the relevant chapters on environmental regulatory compliance; 3 cases in 2024, with total fines of approximately NT$430,000 In neither year was there any pollution leakage causing the Company to halt production or residents to surround and protest at the plant; nor was there any leakage of wastewater or waste
★	2-27	Compliance with laws and regulations	2.4.2 Work Environment Safety	61	Violations of major occupational health and safety regulations (using fines exceeding NT$100,000 as the threshold): 5 cases in 2025, with total fines of approximately NT$600,000 and RMB 25,000; 5 cases in 2024, with total fines of approximately NT$700,000; 5 cases in 2023, with total fines of approximately NT$600,000
			3.4.3 Regulatory Compliance	91	Major penalty cases (using fines exceeding NT$100,000 as the threshold): 2 cases in 2025 (Labor Standards Act, Anti-Monopoly Law), with total fines of NT$200,000 and RMB 1.75 million; 2 cases in 2024 (Labor Standards Act, Labor Law), with total fines of approximately NT$920,000
	2-28	Membership associations	Appendix 6 Participation in External Organizations	131	
Stakeholder engagement					
	2-29	Approach to stakeholder engagement	Identification, Analysis and Management of Material Topics	12	
	2-30	Collective bargaining agreements	2.3 Talent Incentives and Retention	58	
GRI 3: Material Topics 2021					
	3-1	Process to determine material topics	Identification, Analysis and Management of Material Topics	12	
	3-2	List of material topics	Identification, Analysis and Management of Material Topics	12	
	3-3	Management of material topics	Identification, Analysis and Management of Material Topics	12	

Material Topic	GRI Standard	Disclosure	Report Chapter	Page	Remarks
Economic Indicators					
★	**GRI 201: Economic Performance 2016**				
	201-1	Direct economic value generated and distributed	3.2 Operating Performance	85	For complete financial information, please refer to the 2025 Annual Report and Financial Report
	201-2	Financial implications and other risks and opportunities due to climate change	1.1 Climate Action	22	
	201-3	Defined benefit plan obligations and other retirement plans	2.3 Talent Incentives and Retention	58	
	GRI 202: Market Presence 2016				
	202-2	Proportion of senior management hired from the local community	2.1.4 Embracing Diversity, Building Inclusion and Upholding Equality - Workforce Diversity Indicators	53	
	GRI 204: Procurement Practices 2016				
	204-1	Proportion of spending on local suppliers	3.5.1 Sustainable Supply Chain Policy	92	
★	**GRI 205: Anti-corruption 2016**				
	205-2	Communication and training about anti-corruption policies and procedures	3.3 Integrity Management	86	
	205-3	Confirmed incidents of corruption and actions taken	3.4.3 Regulatory Compliance	91	No corruption incidents occurred
★	**GRI 206: Anti-competitive Behavior 2016**				
	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices			No anti-competitive or similar incidents occurred

Material Topic	GRI Standard	Disclosure	Report Chapter	Page	Remarks
Environmental Indicators					
★	**GRI 301: Materials 2016**				
	301-3	Reclaimed products and their packaging materials	4.2.3 Raw Material Usage	110	
★	**GRI 302: Energy 2016**				
	302-1	Energy consumption within the organization	1.2.2 Energy Conservation and Carbon Reduction Management	29	
	302-3	Energy intensity	1.2.2 Energy Conservation and Carbon Reduction Management	29	
	302-4	Reduction of energy consumption	1.2.2 Energy Conservation and Carbon Reduction Management	29	
	GRI 303: Water and Effluents 2018				
	303-1	Interactions with water as a shared resource	1.3.2 Wastewater Treatment and Water Pollution Prevention	38	
	303-2	Management of water discharge-related impacts	1.3.2 Wastewater Treatment and Water Pollution Prevention	38	
	303-3	Water withdrawal	1.3.1 Water Resource Utilization	36	
	303-4	Water discharge	1.3.1 Water Resource Utilization	36	
	303-5	Water consumption	1.3.1 Water Resource Utilization	36	
★	**GRI 305: Emissions 2016**				
	305-1	Direct (Scope 1) GHG emissions	1.2.2 Energy Conservation and Carbon Reduction Management	29	

Material Topic	GRI Standard	Disclosure	Report Chapter	Page	Remarks
	305-2	Energy indirect (Scope 2) GHG emissions	1.2.2 Energy Conservation and Carbon Reduction Management	29	
	305-4	GHG emissions intensity	1.2.2 Energy Conservation and Carbon Reduction Management	29	
	305-5	Reduction of GHG emissions	1.2.2 Energy Conservation and Carbon Reduction Management	29	
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	1.4 Air Pollution and Waste Management	40	
★	GRI 306: Waste 2020				
	306-1	Waste generation and significant waste-related impacts	1.4 Air Pollution and Waste Management	40	
	306-2	Management of significant waste-related impacts	1.4 Air Pollution and Waste Management	40	
	306-3	Waste generated	1.4 Air Pollution and Waste Management	40	
	306-4	Waste diverted from disposal	1.4 Air Pollution and Waste Management	40	
	306-5	Waste directed to disposal	1.4 Air Pollution and Waste Management	40	
	GRI 308: Supplier Environmental Assessment 2016				
	308-1	New suppliers that were screened using environmental criteria	3.5.2 Supply Chain Management Implementation	94	
Social Indicators					
★	GRI 401: Employment 2016				
	401-1	New employee hires and employee turnover	2.1.3 Human Resources Policy and Workforce Structure	50	
	401-2	Benefits provided to full-time employees	2.3 Talent Incentives and Retention	58	
	401-3	Parental leave	2.3 Talent Incentives and Retention	58	
★	GRI 402: Labor/Management Relations 2016				
	402-1	Minimum notice periods regarding operational changes	2.3 Talent Incentives and Retention	58	
★	GRI 403: Occupational Health and Safety 2018				
	403-1	Occupational health and safety management system	2.4.1 Occupational Safety and Health Policy and Philosophy	60	Environmental, Safety, Health and Energy Policy
	403-2	Hazard identification, risk assessment, and incident investigation	2.4.2 Work Environment Safety	61	
	403-3	Occupational health services	2.4.4 Key Occupational Safety and Health Activities	65	
	403-4	Worker participation, consultation, and communication on occupational health and safety	2.4.1 Occupational Safety and Health Policy and Philosophy	60	
	403-5	Worker training on occupational health and safety	2.4.2 Work Environment Safety	61	
	403-6	Promotion of worker health	2.4.4 Key Occupational Safety and Health Activities	65	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	2.4 Workplace Safety and Health	60	
	403-8	Workers covered by an occupational health and safety management system	2.4.1 Occupational Safety and Health Policy and Philosophy	60	

Material Topic	GRI Standard	Disclosure	Report Chapter	Page	Remarks
	403-9	Work-related injuries	2.4.2 Work Environment Safety	61	
	403-10	Work-related ill health	2.4.2 Work Environment Safety	61	
★	GRI 404: Training and Education 2016				
	404-1	Average hours of training per year per employee	2.2 Talent Development and Empowerment	56	
	404-3	Percentage of employees receiving regular performance and career development reviews	2.3 Talent Incentives and Retention	58	All employees receive regular reviews
	GRI 405: Diversity and Equal Opportunity 2016				
	405-1	Diversity of governance bodies and employees	2.1.4 Embracing Diversity, Building Inclusion and Upholding Equality - Workforce Diversity Indicators	53	
			3.1.1 Governance and Operations	81	
	405-2	Ratio of basic salary and remuneration of women to men	2.3 Talent Incentives and Retention	58	
	GRI 406: Non-discrimination 2016				
	406-1	Incidents of discrimination and corrective actions taken		-	No discrimination incidents occurred
	GRI 408: Child Labor 2016				
	408-1	Operations and suppliers at significant risk for incidents of child labor	2.1.1 Human Rights Policy	49	Employment of child labor is prohibited

Material Topic	GRI Standard	Disclosure	Report Chapter	Page	Remarks
	GRI 414: Supplier Social Assessment 2016				
	414-1	New suppliers that were screened using social criteria	3.5.2 Supply Chain Management Implementation	94	
	414-2	Negative social impacts in the supply chain and actions taken	3.5.2 Supply Chain Management Implementation	94	
	GRI 415: Public Policy 2016				
	415-1	Political contributions			Political donations are prohibited
★	GRI 416: Customer Health and Safety 2016				
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services			No related incidents occurred
★	GRI 417: Marketing and Labeling 2016				
	417-2	Incidents of non-compliance concerning product and service information and labeling			No related incidents occurred
	417-3	Incidents of non-compliance concerning marketing communications			No related incidents occurred
★	GRI 418: Customer Privacy 2016				
	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	3.5.3 Customer Service	98	No substantiated complaints concerning breaches of customer privacy or losses of customer data occurred

Appendix 2 SASB Industry Standards and Steel Industry Sustainability Indicators Comparison Table (TWSE)

From the 11 sectors and 77 industries in the SASB Materiality Map of the SASB Standards, Walsin Lihwa, taking into account its own business activities, selected the applicable metrics for disclosure:

- **Sector:** Resource Transformation, Extractives & Minerals Processing
- **Industry:** Electrical & Electronic Equipment, Iron & Steel Producers

SASB Industry Standard Electrical & Electronic Equipment

Scope of disclosure: the Company's wire and cable business group (Yangmei Plant, Hsinchuang Plant, Shanghai Walsin)

Disclosure Topics and Metrics

Topic	Code	Metric	Category	2025	Corresponding Chapter	Page
Energy Management	RT-EE-130a.1	(1) Total energy consumed	Quantitative	400,032.0506x10^9 joules	1.2.2 Energy Conservation and Carbon Reduction Management	29
		(2) Percentage grid electricity		43.47%		
		(3) Percentage renewable		3.89%		
Hazardous Waste Management	RT-EE-150a.1	(1) Weight of hazardous waste generated	Quantitative	19.78 tonnes	1.4.2 Waste Management and Resource Recovery	41
		(2) Percentage recycled		30.27%		
	RT-EE-150a.2	(1) Number and aggregate quantity of reportable spills		0 spills; 0 kg		
		(2) Quantity recovered		0 kg		
Product Safety	RT-EE-250a.1	(1) Number of recalls issued; (2) total units recalled	Quantitative	0 recalls	4.3.1 Product Quality and Management Process	113
	RT-EE-250a.2	Total amount of monetary losses resulting from legal proceedings associated with product safety		NT$0		
Product Lifecycle Management	RT-EE-410a.1	Percentage of products by revenue that contain IEC 62474 declarable substances	Quantitative	15 %	4.3.2 Product Hazardous Substance Control	116
	RT-EE-410a.2	Percentage of eligible products, by revenue, certified to an energy efficiency certification		Not applicable		
	RT-EE-410a.3	Revenue from renewable energy-related and energy efficiency-related products		NT$1.02 billion	4.1.2 Clean Technology and High-Value R&D and Investment	105
Materials Sourcing	RT-EE-440a.1	Description of the management of risks associated with the use of critical materials	Discussion and Analysis	To effectively control procurement risk, manage costs and pursue sustainable development, Walsin Lihwa has established a supplier review mechanism, using methods such as documentary review, on-site audits and the formation of audit teams to identify the potential risks of significant suppliers; for more related information, please refer to 3.4.1 Risk Management and 3.5 Sustainable Supply Chain and Customer Service	3.4.1 Risk Management	87
					3.5 Sustainable Supply Chain and Customer Service	92

Topic	Code	Metric	Category	2025	Corresponding Chapter	Page
Business Ethics	RT-EE-510a.1	Description of policies and practices for prevention of (1) corruption and bribery	Discussion and Analysis	For related information, please refer to 3.3 Business Integrity and 3.4.3 Regulatory Compliance	3.3 Business Integrity	86
		Description of policies and practices for prevention of (2) anti-competitive behavior			3.4.3 Regulatory Compliance	91
	RT-EE-510a.2	Total amount of monetary losses resulting from legal proceedings associated with bribery or corruption	Quantitative	NT$0		-
	RT-EE-510a.3					

Activity Metrics

Code	Activity Metrics	Category	2025	Corresponding Chapter	Page
RT-EE-000.A	Number of units produced, by product category	Quantitative	Copper wire rod 126,259 tonnes; wire and cable 61,801 tonnes	4.1 Products and R&D Innovation	104
RT-EE-000.B	Number of employees	Quantitative	943 persons		-
	Proportion of revenue within the above activity-data boundary to consolidated revenue		24.33%		-

Note: The revenue proportion is calculated based on the revenue share of the wire and cable segment in the 2025 financial report, including Yangmei Plant, Hsinchuang Plant and Shanghai Walsin

SASB Industry Standard Iron & Steel Producers

Scope of disclosure: the Company's stainless steel business group (Yenshui Plant, Taichung Plant, Yantai Walsin, Changshu Walsin, Jiangyin Alloy, Walsin Precision Technology, CAS consolidated)

Disclosure Topics and Metrics

Topic	Code	Metric	Category	2025	Corresponding Chapter	Page
GHG Emissions	EM-IS-110a.1	Gross global Scope 1 emissions	Quantitative	320,321.37 tonnes CO_2e	1.2.2 Energy Conservation and Carbon Reduction Management	29
		Percentage covered under emissions-limiting regulations		0.00%		
	EM-IS-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Discussion and Analysis	Since 2015, each plant has established an energy conservation and carbon reduction management organization, set annual targets and various energy conservation and carbon reduction measures, regularly held review meetings, and built an energy management information platform for real-time management; for more related information, please refer to 1.2.2 Energy Conservation and Carbon Reduction Management		
Air Quality	EM-IS-120a.1	Air emissions of the following pollutants: (1) CO	Quantitative	0 tonnes	1.4.1 Air Pollution Prevention	40
		Air emissions of the following pollutants: (2) NOX (excluding N_2O)		320.87 tonnes		
		Air emissions of the following pollutants: (3) SOX		14.47 tonnes		
		Air emissions of the following pollutants: (4) particulate matter (PM10)		59.92 tonnes		

Topic	Code	Metric	Category	2025	Corresponding Chapter	Page
Air Quality	EM-IS-120a.1	Air emissions of the following pollutants: (5) manganese oxide (MnO)	Quantitative	0 tonnes	1.4.1 Air Pollution Prevention	40
		Air emissions of the following pollutants: (6) lead (Pb)		0 tonnes		
		Air emissions of the following pollutants: (7) volatile organic compounds (VOCs)		12.90 tonnes		
		Air emissions of the following pollutants: (8) polycyclic aromatic hydrocarbons (PAHs)		0 tonnes		
Energy Management	EM-IS-130a.1	(1) Total energy consumed	Quantitative	10,069,582.81x10^9 joules	1.2.2 Energy Conservation and Carbon Reduction Management	29
		(2) Percentage grid electricity		40.28%		
		(3) Percentage renewable		10.27%		
	EM-IS-130a.2	(1) Total fuel consumed	Quantitative	4,929,231.06x10^9 joules		
		(2) Percentage coal		0.00%		
		(3) Percentage natural gas		100.00%		
		(4) Percentage renewable		0.00%		
Water Management	EM-IS-140a.1	(1) Total water withdrawn	Quantitative	14,985.89 thousand cubic meters	1.3.2 Wastewater Treatment and Water Pollution Prevention	38
		Percentage in regions with High or Extremely High Baseline Water Stress		5.20%		
		(2) Total water consumed		3,343.11 thousand cubic meters		
		Percentage in regions with High or Extremely High Baseline Water Stress		0.60%		
Waste Management	EM-IS-150a.1	(1) Weight of waste generated	Quantitative	394,817.37 tonnes	1.4.2 Waste Management and Resource Recovery	41
		(2) Percentage hazardous		43.32%		
		(3) Percentage recycled		54.74%		
Workforce Health and Safety	EM-IS-320a.1	Total recordable incident rate (TRIR) for direct employees	Quantitative	2.56	2.4.2 Work Environment Safety	61
		Total recordable incident rate (TRIR) for contract employees		0		
		Fatality rate for direct employees		0		
		Fatality rate for contract employees		0		
		Near miss frequency rate (NMFR) for direct employees		8.51		
		Near miss frequency rate (NMFR) for contract employees		3.06		
Supply Chain Management	EM-IS-430a.1	Discussion of the process for managing iron ore or coking coal sourcing risks arising from environmental and social issues	Discussion and Analysis	The Company's processes do not use raw materials such as iron ore or coking coal, so this disclosure item is not applicable to Walsin Lihwa		

Note: The (NMFR) and (TRIR) rates should be calculated using the following formula: (statistical count × 1,000,000) / actual working hours.

Activity Metrics

Code	Activity Metrics	Category	2025	Corresponding Chapter	Page
EM-IS-000.A	Raw steel production from (1) basic oxygen furnace processes	Quantitative	The Company's processes do not use basic oxygen furnace (BOF) equipment, so this disclosure item is not applicable to Walsin Lihwa		
	Percentage from (1) basic oxygen furnace processes				
	Raw steel production from (2) electric arc furnace processes		658,253 tonnes	4.1 Products and R&D Innovation	104
	Percentage from (2) electric arc furnace processes		100%		
EM-IS-000.B	Total iron ore production	Quantitative	The Company's processes do not use or produce iron ore, so this disclosure item is not applicable to Walsin Lihwa		
EM-IS-000.C	Total coking coal production	Quantitative	The Company's processes do not use or produce coking coal, so this disclosure item is not applicable to Walsin Lihwa		
	Proportion of revenue within the above activity-data boundary to consolidated revenue	N/A	52.00%		

Note: The revenue proportion is calculated based on the revenue share of the stainless steel segment in the 2025 financial report, including Yenshui Plant, Taichung Plant, Yantai Walsin, Changshu Walsin, Jiangyin Alloy and CAS consolidated.

Steel Industry Sustainability Indicators Comparison Table (TWSE)

Since 2022, the Company has voluntarily followed the Taiwan Stock Exchange's "Regulations Governing the Preparation and Filing of Sustainability Reports by Listed Companies" enhanced sector-specific sustainability indicator disclosure requirements, disclosing relevant indicator information for the Company's stainless steel business group.
Scope of disclosure: the Company's stainless steel business group (Yenshui Plant, Taichung Plant, Yantai Walsin, Changshu Walsin, Jiangyin Alloy, Walsin Precision Technology, CAS).

Category	No.	Metric	Category	2025	Corresponding Chapter	Page
Energy Management	I	Total energy consumed	Quantitative	10,069,582.81×10^9 joules	1.2.2 Energy Conservation and Carbon Reduction Management	29
		Percentage purchased electricity		40.28%		
		Renewable energy usage rate		10.27%		
		Total self-generated, self-consumed energy (Note)		68,315.41×10^9 joules		
	II	Total fuel consumed	Quantitative	4,929,231.06 ×10^9 joules		
		Percentage coal		0.00%		
		Percentage natural gas		100%		
		Percentage renewable fuel		0.00%	1.4.2 Waste Management and Resource Recovery	41
Water Management	III	Total water withdrawn		14,985.89 thousand cubic meters	1.3.2 Wastewater Treatment and Water Pollution Prevention	38
		Total water consumed		3,343.11 thousand cubic meters	1.3.2 Wastewater Treatment and Water Pollution Prevention	38

Category	No.	Metric	Category	2025	Corresponding Chapter	Page
Waste Management	IV	Weight of waste generated		394,817.37 tonnes		
		Percentage of hazardous waste		43.32%	1.4.2 Waste Management and Resource Recovery	41
		Percentage recycled		54.74%		
Occupational Accidents	V	Total recordable incident rate (TRIR) for direct employees	Quantitative	2.56	2.4.2 Work Environment Safety	61
		Total recordable incident rate (TRIR) for contract employees		0		
		Fatality rate for direct employees		0		
		Fatality rate for contract employees		0		
		Near miss frequency rate (NMFR) for direct employees		8.51		
		Near miss frequency rate (NMFR) for contract employees		3.06		
		Number of direct employees with occupational accidents (Note 2)		170 persons		
		Number of contract employees with occupational accidents		0 persons		
	VI	Output of major products by product category	Quantitative	Stainless steel 658,253 tonnes	4.1 Products and R&D Innovation	104

Note：1. Total self-generated, self-consumed energy is defined in accordance with Taiwan's "Renewable Energy Development Act", "Regulations for the Implementation of Renewable Energy Certificates" or related subsidiary laws.
2. The number of occupational accidents includes minor injuries with lost work time of one day or less.

Appendix 3 Climate-Related Information Comparison Table (TWSE)

Implementation Status of Climate-Related Information

No.	Item	Implementation Status	Report Chapter	Page
1	Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities	The Company's climate change governance and management framework places ultimate oversight of major climate-related risks with the Board of Directors, which also guides management strategy, key action plans and the execution of targets. On November 1, 2019, a board-level "Sustainable Development Committee" was established. The current committee comprises six members, with an independent director serving as convener and the Chairman, independent directors and an advisor serving as members. It is responsible for formulating the corporate sustainability strategy and vision, advancing sustainability-related work and management, and regularly reporting the implementation status of sustainable development, including climate change issues, to the Board. The committee has a Sustainability Office, which is responsible for planning and guiding the Company's responsible departments to identify and manage the risks and opportunities brought by climate change, and regularly reports to the Sustainable Development Committee on the latest trends, impacts and implementation performance of climate change issues Regarding the oversight and governance of climate- and sustainability-related risks and opportunities by the Board of Directors, the functional committees and management, please also refer to Chapter 1, 1.1 Climate Action and Chapter 3, 3.1.2 Sustainability Governance of this report	1.1 Climate Action 3.1.2 Sustainability Governance	22 83
2	Describe how the identified climate risks and opportunities affect the company's business, strategy and finances (short, medium and long term)	To effectively manage climate-related risks and opportunities, the Company, through its Sustainability Office, incorporates climate-change-related risks into the tracking scope of enterprise-wide risk management, continuously monitoring climate risks that may impact the Company's operations, including international regulations and the occurrence of extreme climate events, and introducing subsequent estimation of financial impacts and management costs, adjusting related management mechanisms on a rolling basis to further propose related response strategies and increase the Company's operational resilience. The Company defines its impact periods as follows: short term is 2026, medium term is 2027 to 2031, and long term is 2032 to 2036. Related assessments can also be found in Chapter 1, 1.1 Climate Action of this report **(1) Climate Risks** 1. Extreme climate change affecting upstream and downstream supply chains and transportation (short-term risk) (1) Disruption of critical raw material supply (2) Transportation difficulties caused by logistics disruptions (3) Asset damage and production stoppage 2. Cost of low-carbon technology transition (medium-term risk) (1) R&D investment and technology transition (2) Replacement of high-emission assets and upgrading of production process equipment 3. Policies and regulations increasing GHG emission costs (medium-term risk) (1) Increased GHG emission costs (2) Stricter internal carbon management requirements **(2) Climate Opportunities** 1. Use of more efficient production and distribution processes (short-term opportunity) (1) Installation of automated equipment (2) Improving energy efficiency (3) Implementing product carbon footprint calculation 2. Entering new markets (short-term opportunity) (1) Expanding industry sales volume (2) Jointly developing and expanding markets together with customers 3. Use of new energy and new technologies (short-term opportunity) Using renewable energy to increase product competitiveness	1.1 Climate Action	22
3	Describe the financial impact of extreme climate events and transition actions	The Company, through its Sustainability Office, coordinates all departments to jointly analyze climate risks. Through internal discussion, inventory and assessment, it guides employees, under different climate change scenario settings, to identify the risks and opportunities that extreme climate change may bring to operations, and calculates the corresponding financial impacts and response costs For the financial impact of extreme climate events and transition actions, please refer to the description of the financial impact assessment in Chapter 1, 1.1 Climate Action of this report	1.1 Climate Action	22

No.	Item	Implementation Status	Report Chapter	Page
4	Describe how the processes for identifying, assessing and managing climate risks are integrated into the overall risk management system	The Company's Board of Directors is the highest decision-making body for risk management (including climate change and environmental risks), responsible for approving the overall risk management policy and major decisions. To ensure the Company's sound operation and sustainable development, the Company, by resolution of the Board, has established the "Risk Management Policy and Procedures" to build an overall risk management system. The Board of Directors, Audit Committee, Audit Office, President, Sustainability Office, risk management units, departments and subsidiaries jointly participate in promoting and implementing related risk management measures; the risk management objectives, management procedures and control mechanisms are clearly defined. Emerging risks are also identified on a regular annual basis, paying attention to global environmental changes and development trends, and comprehensively considering the Company's business development and future prospects	1.1 Climate Action	22
		To reduce the impact of internal and external risks, the Company's governance units and risk management units identify environmental, social and corporate governance issue risks related to operations based on the materiality principle and the Company's business and operating characteristics, and plan related management and monitoring measures. Each year, risk identification is continuously conducted in a rigorous and systematic manner; identified risk items are measured and monitored by each risk management unit and regularly reported to the Board. For the Company's risk management process and system, please refer to Chapter 3, 3.4.1 Risk Management and the 2025 Risk Management Operations Report in this report	3.4.1 Risk Management	87
5	If scenario analysis is used to assess resilience to climate change risks, describe the scenarios, parameters, assumptions, analytical factors and major financial impacts used	Based on the geographic location of its operating sites, the Company assesses the risks that climate hazards such as floods, droughts, typhoons and high temperatures may bring to each operating plant, and further selects scenarios. According to the potential impacts on the Company's finances under different climate scenarios, after comprehensive analysis of the results, these are incorporated into resilience strategy planning, with proactive adjustment and strengthening of mitigation and adaptation measures **(1) Physical Risks** Using the climate warming scenarios in the Sixth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC), namely: 1. SSP 3-7.0: a high-to-medium emissions scenario, in which GHG emissions peak around 2060 2. SSP 5-8.5: a very high impact emissions scenario, in which climate change causes future average temperatures, extreme high temperatures, total annual rainfall, maximum 1-day annual rainstorm intensity, maximum annual consecutive non-rainfall days and the proportion of strong typhoons to change more drastically, potentially producing operational impacts on the Company and its value chain In addition, risks are divided into immediate and long-term. Immediate risks, such as typhoons and floods, are extreme weather events whose severity is gradually increasing; long-term risks include rising average temperatures and rising sea levels. On this basis, possible financial impacts are calculated, including: reduced or interrupted production capacity, impacts on labor management and planning, increased operating costs, and reduced revenue due to lower sales volume **(2) Transition Risks** 1. NDC: the Nationally Determined Contribution of the Republic of China, controlling global warming within 1.5° C, the risks arising from the low-carbon transition faced by enterprises 2. IEA NZE 2050: analysis based on the scenario provided by the International Energy Agency (IEA) World Energy Outlook (WEO), setting a pathway in which global warming is stably controlled within 1.5° C Using the above two scenarios to assess the transition risks that may be faced, the risk categories and possible risk impacts are: • Policies and regulations: increased requirements for enterprises to manage GHG emissions, the beginning of carbon fees and carbon taxes, stricter regulation of existing products, etc. • Technology: replacing existing products and services with low-carbon products, low-carbon technology transition costs, investment in new technologies, etc. • Market: rising raw material costs, changes in customer behavior, market information uncertainty, etc. • Reputation: shifts in consumer preferences, industry stigmatization, increased negative responses from stakeholders For major financial impacts, please refer to Chapter 1, 1.1 Climate Action of this report	1.1 Climate Action	22

No.	Item	Implementation Status	Report Chapter	Page
6	If there is a transition plan to manage climate-related risks, describe the content of the plan and the metrics and targets used to identify and manage physical risks and transition risks	**(1) Transition Plan for Climate-Related Risks** 1. Green Products and Clean Technology: Walsin Lihwa invests in the development of green products and clean technology, and is committed to high-value-added products, building a resource-recycling industry chain and continuously increasing the proportion of clean technology products, creating shared value with customers and establishing a sustainable business model 2. Smart Manufacturing: In the manufacturing process, intelligent technology is used to implement green manufacturing. Through smart manufacturing, multiple benefits such as real-time monitoring, efficiency improvement, quality assurance and material savings are achieved, further enhancing operational efficiency 3. Energy and GHG Management (1) Implementing energy conservation measures to reduce electricity consumption (2) Planning the use of renewable energy to reduce dependence on traditional energy (3) Implementing GHG management processes to effectively monitor and reduce emissions (4) Participating in voluntary reduction plans, turning regulatory compliance pressure into cost management **(2) Climate-Related Management Metrics and Targets** The Company actively promotes carbon neutrality to mitigate climate change, advancing each plant toward net-zero emissions step by step by 2050, and has set climate-related targets, including an annual 1% electricity saving and 1.5% carbon reduction since 2022 (base year: 2021)	1.1 Climate Action	22
7	If internal carbon pricing is used as a planning tool, describe the basis for setting the price	The Company's stainless steel business group has been recognized by the competent authority as a high carbon leakage risk industry, and meets the "specified GHG reduction targets for entities subject to the levy", and has obtained approval qualification for a voluntary reduction plan Since 2023, the Company has actively planned an internal carbon pricing mechanism, and in 2024, with reference to the Ministry of Environment's "Carbon Fee Collection Regulations", set NT$300 per tonne as the internal carbon pricing benchmark; since 2025, taking into account the preferential rates approved by the competent authority and related provisions of the voluntary reduction plan, reflecting policy requirements and reduction results, the levy is collected according to the internal carbon pricing calculation standard, and the energy conservation performance and carbon reduction target achievement of each business unit are regularly reviewed as the basis for internal carbon management and the allocation of carbon reduction resources, in order to continuously improve carbon management effectiveness In 2025, the Company promoted a total of 99 energy conservation and carbon reduction projects, and purchased 16,793,702 kWh of green electricity. Through the joint efforts of all employees, Scope 1 and Scope 2 GHG emissions were reduced by a total of 14,201 tonnes of carbon dioxide equivalent	-	
8	If climate-related targets are set, describe the activities covered, the GHG emissions scope, the planning timetable, annual progress and other information; if carbon offsets or renewable energy certificates (RECs) are used to achieve the targets, describe the source and quantity of the carbon reduction credits offset or the quantity of renewable energy certificates (RECs)	The Company actively responds to climate change, formulating policies and visions for carbon management, net-zero emissions and resource recycling, and through year-on-year increases in investment in hardware and software for energy conservation and carbon reduction, resource reuse and green supply chain management, enhances eco-efficiency in the four areas of energy conservation, water saving, waste reduction and GHG reduction, striving to build a sustainable and environmentally friendly operating system. In 2022, the Environmental, Safety and Health Management Committee adjusted the five-year energy management plan on a rolling basis, setting annual targets of 1.0% electricity saving and 1.5% carbon reduction, and reducing water use by 15% in 2030 compared with 2014. The Sustainable Development Committee regularly oversees the progress. For the planning timetable and progress of GHG emission reduction, please refer to point 9 below and Chapter 1, 1.2 Energy and Greenhouse Gas Management of this report	1.2 Energy and Greenhouse Gas Management	28
9	For the GHG inventory and assurance status and the reduction targets, strategies and specific action plans, please refer to Table 1 and Table 2 below	Please refer to Table 1 and Table 2 below	1.2 Energy and Greenhouse Gas Management	28

Table 1: GHG Inventory and Assurance Information for the Most Recent Two Years

In accordance with the ISO 14064-1:2018 GHG inventory standard issued by the International Organization for Standardization (ISO), the Company established its GHG mechanism and, since 2014, has annually conducted an inventory of the Company's individual-entity GHG emissions; since 2023, it has begun to inventory the GHG emissions of the subsidiaries in its consolidated financial statements, to fully grasp the status of GHG use and emissions, and to verify the effectiveness of reduction actions

The Company's GHG disclosure timetable is planned as follows:

		2022	2023	2024	2025	2026	2027
Company-wide planning and execution	Inventory	Taiwan, Mainland China, Malaysia	Waltuo Green Resources	Indonesia Walsin Nickel and PT. Sunny Metal Industry, CAS consolidated	Hangzhou Walsin		
	Assurance	Taiwan	Mainland China, Malaysia	Indonesia Walsin Nickel and PT. Sunny Metal Industry	Hangzhou Walsin		CAS consolidated, Waltuo Green Resources, Real Estate
Regulatory requirements	Disclosure		Inventory data (individual entity)	Assurance data (individual entity)	Inventory data (consolidated)		Assurance data (consolidated)

The GHG inventory data for the most recent two years is based on the operational control approach, aggregating the GHG emissions of the Company and the subsidiaries in its consolidated financial statements, as well as the assurance status, as described below

Category	Year	2024				2025				
	Entities included	Total emissions (tonnes CO_2e)	Intensity (tonnes CO_2e / NT$ million of revenue)	Assurance body	Description of assurance status	Entities included (Note 2)	Total emissions (tonnes CO_2e)	Intensity (tonnes CO_2e / NT$ million of revenue)	Assurance body	Assurance status Description
Scope 1 (Note 1)	Walsin Lihwa Corporation	146,027.55	1.67	TÜV Rheinland Taiwan Ltd.	Third-party verification completed; please see the official website "Document Center"	Walsin Lihwa Corporation	128,172.20	1.63	TÜV Rheinland Taiwan Ltd.	Third-party verification completed; please see the official website "Document Center"
	Subsidiaries consolidated (including Shanghai Walsin, Jiangyin Alloy, Yantai Walsin, Changshu Walsin, Walsin Precision, Walsin Nickel, PT. Sunny Metal Industry, CAS consolidated)	3,060,917.18	34.52	**Shanghai Walsin**: Beijing Zhongzhicheng Testing and Certification Co., Ltd. **Jiangyin Alloy**: Beijing Ouyapuxin International Certification Center **Yantai Walsin**: Shandong Liananjie International Certification Services Co., Ltd. **Changshu Walsin**: Shandong Liananjie International Certification Services Co., Ltd. **Walsin Precision**: BSI British Standards Institution **Walsin Nickel**: TÜV NORD **PT. Sunny Metal Industry**: TÜV NORD **CAS**: self-inventory, not verified		Subsidiaries consolidated (including Shanghai Walsin, Jiangyin Alloy, Yantai Walsin, Changshu Walsin, Walsin Precision, Walsin Nickel, PT. Sunny Metal Industry, CAS consolidated)	2,815,041.38	36.15	**Shanghai Walsin**: Beijing Zhongzhicheng Testing and Certification Co., Ltd. **Jiangyin Alloy**: Beijing Ouyapuxin International Certification Center **Yantai Walsin**: Shandong Liananjie International Certification Services Co., Ltd. **Changshu Walsin**: Shandong Liananjie International Certification Services Co., Ltd. **Walsin Precision**: BSI British Standards Institution **Walsin Nickel**: TÜV NORD **PT. Sunny Metal Industry**: TÜV NORD **CAS**: self-inventory, not verified	
	Total	3,206,944.73	18.22			Total	2,943,213.58	18.80		

Category	Year	2024				2025				
	Entities included	Total emissions (tonnes CO_2e)	Intensity (tonnes CO_2e / NT$ million of revenue)	Assurance body	Description of assurance status	Entities included (Note 2)	Total emissions (tonnes CO_2e)	Intensity (tonnes CO_2e / NT$ million of revenue)	Assurance body	Assurance status Description
Scope 2 Note 1	Walsin Lihwa Corporation	196,717.44	2.25	TÜV Rheinland Taiwan Ltd.	Third-party verification completed; please see the official website "Document Center"	Walsin Lihwa Corporation	171,931.40	2.19	TÜV Rheinland Taiwan Ltd.	Third-party verification completed; please see the official website "Document Center"
	Subsidiaries consolidated (including Shanghai Walsin, Jiangyin Alloy, Yantai Walsin, Changshu Walsin, Walsin Precision, Walsin Nickel, PT. Sunny Metal Industry, CAS consolidated)	3,249,623.88	36.65	**Shanghai Walsin:** Beijing Zhongzhicheng Testing and Certification Co., Ltd. **Jiangyin Alloy:** Beijing Ouyapuxin International Certification Center **Yantai Walsin:** Shandong Liananjie International Certification Services Co., Ltd. **Changshu Walsin:** Shandong Liananjie International Certification Services Co., Ltd. **Walsin Precision:** BSI British Standards Institution **Walsin Nickel:** TÜV NORD **PT. Sunny Metal Industry:** TÜV NORD **CAS:** self-inventory, not verified		Subsidiaries consolidated (including Shanghai Walsin, Jiangyin Alloy, Yantai Walsin, Changshu Walsin, Walsin Precision, Walsin Nickel, PT. Sunny Metal Industry, CAS consolidated)	3,528,078.51	45.31	**Shanghai Walsin:** Beijing Zhongzhicheng Testing and Certification Co., Ltd. **Jiangyin Alloy:** Beijing Ouyapuxin International Certification Center **Yantai Walsin:** Shandong Liananjie International Certification Services Co., Ltd. **Changshu Walsin:** Shandong Liananjie International Certification Services Co., Ltd. **Walsin Precision:** BSI British Standards Institution **Walsin Nickel:** TÜV NORD **PT. Sunny Metal Industry:** TÜV NORD **CAS:** self-inventory, not verified	
	Total	3,446,341.32	19.58			Total	3,700,009.91	23.64		
Scope 3 Note 1	Walsin Lihwa Corporation	2,423,215.23	27.73	TÜV Rheinland Taiwan Ltd.	Third-party verification completed; please see the official website "Document Center"	Walsin Lihwa Corporation	3,650,194.14	46.39	TÜV Rheinland Taiwan Ltd.	Third-party verification completed; please see the official website "Document Center"
	Subsidiaries consolidated (including Shanghai Walsin, Jiangyin Alloy, Yantai Walsin, Changshu Walsin, Walsin Precision consolidated)	1,375,634.10	55.26	**Shanghai Walsin**: Beijing Zhongzhicheng Testing and Certification Co., Ltd. **Jiangyin Alloy**: Beijing Ouyapuxin International Certification Center **Yantai Walsin**: Shandong Liananjie International Certification Services Co., Ltd. **Changshu Walsin**: Shandong Liananjie International Certification Services Co., Ltd. **Walsin Precision**: BSI British Standards Institution		Subsidiaries consolidated (including Shanghai Walsin, Jiangyin Alloy, Yantai Walsin, Changshu Walsin, Walsin Precision consolidated)	1,597,865.23	54.71	**Shanghai Walsin**: Beijing Zhongzhicheng Testing and Certification Co., Ltd. **Jiangyin Alloy**: Beijing Ouyapuxin International Certification Center **Yantai Walsin**: Shandong Liananjie International Certification Services Co., Ltd. **Changshu Walsin**: Shandong Liananjie International Certification Services Co., Ltd. **Walsin Precision**: BSI British Standards Institution	
	Total	3,798,849.33	33.84			Total	5,248,059.37	48.64		

Note：1.Direct emissions (Scope 1, i.e. emissions directly from sources owned or controlled by the company), energy indirect emissions (Scope 2, i.e. indirect GHG emissions caused by imported electricity, heat or steam) and other indirect emissions (Scope 3, i.e. emissions generated by company activities that are not energy indirect emissions but come from sources owned or controlled by other companies); Scope 3 data has been disclosed since 2023.

Table 2: GHG Reduction Targets, Strategies and Specific Action Plans

Reduction Targets	**Short term**: effectively manage energy use efficiency; since 2022, set annual targets of 1% electricity saving and 1.5% carbon reduction (GHG reduction base year: 2021). **Medium to long term**: through inventory and energy conservation, energy generation, green energy trading, new-technology low-carbon production and the externalization of low-carbon technology, achieve the 2050 net-zero carbon emissions target.
Strategy	1. Introduce a climate-related financial disclosure assessment framework, refer to two or more climate change scenarios, and complete the identification of climate-related risks and opportunities. 2. Introduce an energy management system and carbon inventory. 3. Promote carbon reduction management, including "implementing lean production management", "controlling reasonable unit-product energy consumption", "equipment energy efficiency management and improvement", and "reducing energy consumption and carbon emissions in the smelting process".
Specific Action Plans	1. Since 2022, a climate-related financial disclosure assessment framework has been introduced, and with continued reference to the development direction of international sustainability disclosure standards (IFRS S1/S2), the identification results of climate-related risks and opportunities and the corresponding measures are reviewed regularly each year, continuously strengthening the climate governance and management mechanism. 2. Introduce an energy management system and carbon inventory: 3. The Company introduced the ISO 50001 energy management system in 2018, and from 2019 to 2020 completed the self-planning and construction of the ISO 50001 energy management information system, improving the timeliness and management efficiency of energy management. Since 2023, the Taiwan and Mainland China plants, on the basis of ISO 50001, have promoted a five-year energy management plan (2022 to 2027), conducting rolling reviews each year according to the actual situation of each plant, and continuously passing ISO 50001 system maintenance audits. 4. To expand the scale of low-carbon operations, in 2025 the Indonesia plant officially launched the ISO 50001 introduction project, going through seed-personnel training, energy review and management standardization, and successfully passing external verification in August of the same year. Since 2026, the Indonesia plant has also been included in the scope of annual system maintenance, continuously improving overall energy efficiency through standardized management and performance tracking mechanisms, and implementing the corporate carbon reduction commitment. 5. In terms of product carbon management, in 2020 the Taiwan plants completed the inventory of unit-product energy consumption and carbon emissions for major products, and in 2022 obtained an ISO 14067 product carbon footprint (B2B) inventory for major products. In 2025, the Taiwan and Mainland China plants completed a voluntary ISO 14067:2018 product carbon footprint inventory, of which two products of the Hsinchuang Plant continued to pass third-party product carbon footprint verification, and three products of the Yangmei Plant and one product of the Shangdian Plant also completed third-party verification, with the Hsinchuang Plant obtaining a product carbon label. 6. In addition, since 2014 the Company has initiated GHG inventory and third-party verification work at each plant, and in 2023 the Taiwan and Mainland China plants completed the carbon inventory and passed third-party verification. After acquiring Hangzhou Walsin in 2024, the Company simultaneously introduced the ISO 14064-1:2018 standard, completed the internal GHG emissions inventory and obtained third-party verification. 7. Each year, through the implementation of lean production management, controlling reasonable unit-product energy consumption, promoting equipment energy efficiency management and improvement, and reducing energy consumption and carbon emissions in the smelting process, and with engineering controls and administrative management proceeding in parallel, energy use efficiency is improved and GHG emissions are reduced. 8. Since 2015, each plant has established an energy conservation and carbon reduction management organization, set annual targets and various energy conservation and carbon reduction measures, and regularly held review meetings to assess execution results and strengthen the operation of the energy management system. In 2025, the Taiwan and overseas (Asia) plants proposed a total of 99 carbon reduction projects, with a total electricity saving rate of 3.07%, and total carbon reduction in the Asia region in 2025 of 14,201 tonnes CO_2e/year. 9. In 2021, the Company planned and built a renewable energy (solar) self-generation, self-consumption system with a total installed capacity of 5.5 MWp, which was completed in 2024. In 2025, the total self-generated, self-consumed solar power generation was 6,502,868 kWh, of which the wire and cable business group accounted for 4,320,069 kWh and the stainless steel business group for 2,182,799 kWh; in addition, 16,793,702 kWh of purchased green electricity was procured, with the total renewable energy use for the full year reaching 23,296,570 kWh.

Appendix 4 Regulations Governing the Preparation and Filing of Sustainability Reports by Listed Companies

Disclosure	Report Chapter	Page	Remarks
Article 3, Paragraph 2 Risk assessment of environmental, social and corporate governance issues, and the establishment of related performance indicators to manage the identified material topics	Identification, Analysis and Management of Material Topics	12	
Article 3, Paragraph 3 Disclose a content index of the report's content corresponding to the GRI Standards, and indicate in the report whether each disclosure item has obtained third-party assurance or verification	Appendix 1. GRI Content Index	118	
	Appendix 7. Third-Party Independent Assurance Statement	132	
Article 4, Paragraph 3 Enhanced disclosure of sustainability indicators by sector	Appendix 2. SASB Industry Standards and Steel Industry Sustainability Indicators Comparison Table (TWSE)	122	1. The Company belongs to the electrical appliance and cable industry category and is not a company required by the TWSE to disclose enhanced sector-specific sustainability indicators 2. The Company voluntarily follows the TWSE's enhanced sustainability indicator disclosures for the steel industry and the SASB Standards for Electrical & Electronic Equipment and Iron & Steel Producers, disclosing relevant indicator information 3. The Company engaged an independent third party, BSI Taiwan, to perform Type 1 moderate-assurance-level verification of the SASB Standards in accordance with the AA1000 Assurance Standard v3; for the related verification results, please refer to the Third-Party Assurance Statement in the appendix of this report
Article 4-1 Disclose climate-related information in a dedicated chapter	1.1 Climate Action	22	
	Appendix 3. Climate-Related Information Comparison Table (TWSE)	126	

Appendix 5 United Nations Global Compact (UNGC) Comparison Table

The United Nations Global Compact (UNGC) sets out 10 universal principles for corporate operating strategies and policies, covering areas such as human rights, labor, the environment and anti-corruption. Although Walsin Lihwa is not a signatory of the United Nations Global Compact, it continues to pay attention to global ESG trends and to promote related actions

Area	UN Global Compact Principle	Walsin Lihwa's Approach	Corresponding Chapter	Page
Human Rights	1. Businesses should support and respect the protection of internationally proclaimed human rights	The Company abides by laws and regulations and supports and follows internationally recognized human rights conventions and standards, including the Universal Declaration of Human Rights, the United Nations Global Compact, the ILO Declaration on Fundamental Principles and Rights at Work, the UN Guiding Principles on Business and Human Rights, and the UN Declaration on the Rights of Indigenous Peoples Implementation guidelines: • Establish a safe and healthy work environment • Provide fair and reasonable salaries and working conditions • Eliminate discrimination and ensure equal employment opportunities • Prohibit child labor, human trafficking and forced labor • Respect freedom of association and freedom of speech • Protect privacy and prevent harassment • Help employees maintain physical and mental health and work-life balance • Provide grievance mechanisms and channels • Promote the human rights policy through supplier conferences • Require suppliers to sign the "Business Management Commitment"	2.1 Human Rights and Talent Policy 2.3 Talent Incentives and Retention 2.4 Workplace Safety and Health 3.5 Sustainable Supply Chain and Customer Service	49 58 60 92
	2. Businesses should make sure that they are not complicit in human rights abuses			
Labor	3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining			
	4. The elimination of all forms of forced and compulsory labor			
	5. The effective abolition of child labor			
	6. The elimination of discrimination in respect of employment and occupation			
Environment	7. Businesses should support a precautionary approach to environmental challenges	• Develop high-performance green products, improving end-application performance and strengthening green connections with customers • Strive to develop green processes, promoting source improvement to reduce waste and energy consumption • Establish energy management mechanisms, promoting energy conservation and carbon reduction and reducing pollution emissions • Improve resource use efficiency, resource recycling and the circular economy of reuse	1.2 Energy and Greenhouse Gas Management 1.3 Water Resource Management 4.1 Product and R&D Innovation 4.2 Green Products and Operations	28 40 104 106
	8. Undertake initiatives to promote and strengthen corporate environmental responsibility			
	9. Encourage the development and diffusion of environmentally friendly technologies			
Anti-corruption	10. Businesses should work against corruption in all its forms, including extortion and bribery	• Promote regulatory compliance advocacy and integrity education and training, establishing a compliance concept • Improve the regulations and systems for integrity management • Implement integrity management and establish an anti-bribery management mechanism • Identify high-risk integrity-violation business activities at each plant and set preventive measures	3.1 Corporate Governance 3.3 Business Integrity	81 86

Appendix 6 Participation in External Organizations

Walsin Lihwa supports the goals of the "Paris Agreement", clearly setting net-zero targets and a carbon reduction pathway, and expects the Company and its supplier partners to jointly implement and promote energy conservation and carbon reduction. In addition to promoting net-zero actions internally, the Company has also established a management system for participation in climate-change-related lobbying activities and industry associations. Each unit's supervisor first reviews the lobbying activity and industry association, and after assessment and approval by the Chief Sustainability Officer and the Sustainability Office, the Company may participate in the related activities and organizations. The Company regularly reviews and monitors whether the positions of the activities and industry associations it participates in are consistent with the "Paris Agreement"; if any deviation from the "Paris Agreement" occurs, it will actively negotiate and communicate, and if there is no improvement, it will withdraw from the activity and industry association

Through a clear and systematic assessment and management mechanism, the Company ensures that its participation in climate-change-related public affairs is consistent with the Company's sustainability goals and climate change policy, and exchanges the latest net-zero emission trends and joins sustainability-related initiatives, hoping to become a driving force for Taiwan's progress toward net-zero emissions. In 2025, Walsin Lihwa participated in a total of 26 external associations, with total donations of NT$4,179,400. The industry associations are listed by total expenditure amount for each category in the table below. Among the 26 external associations, the positions of the climate-change-related industry associations are all consistent with the goals of the "Paris Agreement", and there was no direct lobbying activity this year

Category	Association Name	Member	Director/Supervisor	Membership Fee / Activity Sponsorship Amount
Clean Energy Development	European Chamber of Commerce Taiwan Wind Energy Committee	V		22,500
	Taiwan Wind Energy Association	V		20,000
	Taiwan Carbon Capture, Storage and Utilization Association	V		10,000
Industry, Trade and Economic Exchange	International Wrought Copper Council	V	Director	1,291,800
	ICF - Cablemakers Federation GmbH	V		433,200
	Chinese National Association of Industry and Commerce, Taiwan	V	Standing Supervisor	650,000
	Taiwan Electric Wire & Cable Industries Association	V	Vice Chairman	132,000
	Taiwan Steel & Iron Industries Association	V	Director	144,000
Sustainable Development and Social Advancement	Criminal Investigation and Prevention Association of the Republic of China	V	Director	600,000
	Corporate Sustainability Training Center	V	Director	280,000

The Company's Italian subsidiary CAS also actively participates in global association organizations, sharing the concept of corporate sustainability responsibility with them. These organizations cover fields ranging from the steel industry, technical research and quality management to aerospace, fully reflecting CAS's active participation and contribution to the development of the stainless steel industry and to social responsibility; the external associations CAS participates in include Confindustria, FederAcciai and Responsible Steel

Appendix 7 Third-Party Independent Assurance Statement

AA1000 Assurance Statement (including SASB indicators)



獨立保證意見聲明書

華新麗華股份有限公司 2025 年永續報告書

英國標準協會與華新麗華股份有限公司(前稱華新麗華)為相互獨立的公司，英國標準協會除了針對華新麗華股份有限公司 2025 年永續報告書進行評估和查證外，與華新麗華並無任何財務上的關係。

本獨立保證意見聲明書之目的，僅作為對華新麗華股份有限公司 2025 年永續報告書所呈完整期間內相關事項進行查證之結論，而不作為其他之用途。除對重要事實提出獨立保證意見聲明書外，對於其他目的之使用，或間接超越立保證意見聲明書的任何人，英國標準協會並不負有或承擔任何有關法律或其他之責任。

本獨立保證意見聲明書係英國標準協會審查華新麗華提供之相關資訊所作成之結論，因此審查範圍乃基於並局限在這些提供的資訊內容之內，英國標準協會認為這些資訊內容都是完整且準確的。

對於這份獨立保證意見聲明書所載內容或相關事項之任何疑問，皆由華新麗華一併回覆。

查證範圍

華新麗華與英國標準協會協議的查證範圍包括：

1. 查證作業範疇與華新麗華股份有限公司 2025 年永續報告書揭露之報告範疇一致
2. 依照 AA1000 保證標準 v3 的第 2 應用類型評估華新麗華遵循 AA1000 當責性原則(2018)的本質和程度，以及特定永續性績效資訊的可信賴度。
3. 依照 AA1000 保證標準 v3 的第 1 應用類型評估適用的 SASB 準則永續揭露的符合性。

本聲明書以英文作成並已翻譯為中文以供參考。

意見聲明

我們總結華新麗華股份有限公司 2025 年永續報告書內容，對於華新麗華之相關運作與績效判斷提供了一個公平的觀點。基於保證範圍限制事項，華新麗華所提供資訊與數據以及抽樣之測試，此報告書內容為實質正確之呈現。我們相信有關華新麗華的環境、社會及治理等績效資訊是按正確無誤地呈現。報告書所揭露之永續績效資訊展現了華新麗華對相關利害關係人的努力。

我們的工作是由一組具有依據 AA1000 保證標準 v3 專證能力之團隊執行，以及負責執行執行這部分的工作，以獲得必要之額息資料及說明。我們認為就華新麗華所提供之足夠回饋，良明其符合 AA1000 保證標準 v3 的報告方法與自我聲明依循 GRI 永續性報導準則和 SASB 準則得屬公允的。

查證方法

為了收集與作成結論有關的證據，我們執行了以下工作：

- 對來自外部團體的議題相關於華新麗華改善進行高階管理層訪談，以確認本報告書中聲明書的合適性；
- 與管理者討論有關利害關係人參與的方式。然而，我們並無直接接觸個別部利害關係人；
- 前述 25 家與永續性管理、報告書編製及資訊提供有關的員工；
- 審查重大性評估流程；
- 審查有關組織的關鍵性特質；
- 審查財務與非財務報告相關的會計方統之適度與成熟度；
- 審查內部稽核的管理；
- 最由與負有代表資料管理者的會議，查證報告書中的績效數據與宣告；
- 審查資料收集的系統與確保數據的準確性，數據追溯至最初來源並進行準度抽樣；
- 比對財務數據與經會計師作的財務報告數據之一致性；
- 審有報告書中所作宣告所支持依據；
- 針對公司報告書及其相關 AA1000 當責性原則(2018)中有關包容性、重大性、回應性及衝擊性原則之流程管理進行審查；
- 對組織使用 SASB 準則的指標或目標來評估和管理與主題相關的風險和機會進行評估。



結論

對於 AA1000 當責性原則(2018)之包容性、重大性、回應性及衝擊性，永續性績效資訊，GRI 永續性報導準則與 SASB 準則的評組審查結果如下：

包容性

2025 年報告書反映出華新麗華已持續積極利害關係人的參與，並建立重大永續主題，以發展及建成對利害關係人有意義且策略性的回應。報告書中已公正地報告與揭露環境、社會及治理的訊息，是以支持適當的計畫與目標設定。以我們的專業意見而言，這份報告書涵蓋了華新麗華之包容性議題，除持續展現由股高管理階層支持之永續作為，亦於組織層階層實展開。

重大性

華新麗華公布對組織及其利害關係人之評估、決策、行動和績效管產生實質性衝擊與衝擊之重大主題。永續性資訊揭露使利害關係人得以對公司之管理與績效進行判斷，以我們的專業意見而言，這份報告書適切地涵蓋了華新麗華之重大性評估流程與重大性議題。

回應性

華新麗華就行依自利害關係人的期待與要求之回應。華新麗華已依照相關運造政策，作為提供進一步回應利害關係人的機會，並能對利害關係人所關切之議題作出及時性回應。以我們的專業意見而言，這份報告書適切地涵蓋了華新麗華之回應性議題。

衝擊性

華新麗華已鑑別，並以平衡和有效之善加座揭露方式公正展現其衝擊。華新麗華已經建立監督、量測、評估和管理衝擊之流程，從而在組織內管理更有效之決策和結果管理。以我們的專業意見而言，這份報告書涵蓋了華新麗華之衝擊性議題。

績效資訊

基於本聲明書描述之我們的查證方法，並且在為華新麗華提供 ESG 績效資訊保證過程中所討論事項，特定績效資訊指在華新麗華揭露國際準協會涵蓋之查證範圍內，報告書揭露的重大主題之永續揭露，以我們的觀點，基於引證、重新造算、重新計算和確認所採取的程序，並未發現華新麗華股份有限公司 2025 年永續報告書揭露之數據與資訊存在重大錯誤，遺漏或陳述不實。

GRI 永續性報導準則

華新麗華提供依循 GRI 永續性報導準則 2021 之自我宣告，主對每個論蓋其行業準則和具相關性的 GRI 主題準則(包含通用的組織、環境與社會資訊的揭露項目)之重大主題，其揭露項目依據全部報導準則的相關資料。基於審查的結果，我們確認報告書中參照 GRI 永續性報導準則的永續發展相關揭露項目已被報告，部分報告或省略，以我們的專業意見而言，此自我宣告符合基於華新麗華的永續性主題。

SASB 準則

華新麗華提供有關依循 SASB 準則(電氣與電子設備永續會計準則，2023-12 版本及鋼鐵製造商永續會計準則，2023-12 版本)進行永續揭露之自我宣告。基於審查的結果，我們確認報告書中參照 SASB 準則的永續揭露之題與會計指標之揭報告，部分報告或省略。以我們的專業意見而言，此自我宣告涵蓋了華新麗華適用的 SASB 準則之永續揭露主題、相關會計指標與活動指標。

保證等級

依據 AA1000 保證標準 v3 我們審查本聲明書為中度保證等級。如同本聲明書中所描述之範圍與方法。

依據 AA1000 保證標準 v3 我們審查 SASB 準則為中度保證等級。

責任

這份永續報告書所屬責任，如同責任宣中所宣稱，為華新麗華負責人所有。我們的責任為基於所描述之範圍與方法，提供專業意見並提供利害關係人一個獨立的保證意見聲明書。

能力與獨立性

英國標準協會於 1901 年成立，為全球標準與倫理的領導者。本查證團隊係由具專業資格，且接受過和 AA1000AS、ISO 14001、ISO 45001、ISO 14064 及 ISO 9001 之一系列永續性、環境及社會管理標準的訓練，具有履核實習與之或實組成。本保證係依據 BSI 公平交易準則執行。

For and on behalf of BSI:

Joe Hsieh, Managing Director Northeast Asia, APAC Assurance

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Statement No: SRA-TW-834491

2026-04-21

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ISAE 3000 (revised) Limited Assurance Statement

INDEPENDENT ASSURANCE OPINION STATEMENT

致華新麗華股份有限公司
證書號碼：SRA-TW-834493
英國標準協會(BSI)已對華新麗華股份有限公司 2025 年永續報告書中所述之永續性資訊(定義於「範疇」)進行有限保證工作。

To Walsin Lihwa Corporation
Holds Statement No.: SRA-TW-834493
The British Standards Institution (BSI) has conducted a limited assurance engagement on the sustainability information (described in the "Scope") in the Walsin Lihwa Corporation 2025 Sustainability Report.

範疇

與華新麗華股份有限公司議定的保證範疇包括以下內容：

本保證涵蓋華新麗華股份有限公司 2025 年永續報告書中 2025 年有關以下主題事項的資訊：

- 重大主題鑑別(GRI 3-1)
- 關鍵供應商篩選
- 關鍵供應商風險評估與發展
- 組織內部的能源消耗量(GRI 302-1)
- 廢棄物的直接處置(GRI 306-5)
- 空氣污染物之排放：(7)揮發性有機物(SASB EM-IS-120a.1)
- 取水量(GRI 303-3)
- 職業傷害(GRI 403-9)

所選定資訊是依據 GRI 主題準則、SASB 準則及合約議定之項目進行揭露。

主題事項及其範疇內的邊界詳述於本獨立保證聲明的附錄I和附錄II中。

Scope

The scope of engagement agreed upon with Walsin Lihwa Corporation includes the following:

The assurance covers the information of the following subject matters in the Walsin Lihwa Corporation 2025 Sustainability Report for the 2025.

- Process to determine material topics (GRI 3-1)
- KPIs for Supplier Screening
- KPIs for Supplier Evaluation and Development
- Energy consumption within the organization (GRI 302-1)
- Waste directed to disposal (GRI 306-5)
- Air emissions of the following pollutants: (7)volatile organic compounds (VOCs) (SASB EM-IS-120a.1)
- Water withdrawal (GRI 303-3)
- Work-related injuries (GRI 403-9)

The selected information are reported in accordance with the GRI Topic Standards, SASB Standards, and the items agreed upon in the contract.

The details of subject matters and their boundaries within the scope is described in Appendix I and Appendix II in this independent assurance opinion statement.

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意見聲明

我們已對上述「範疇」中所描述的永續性資訊進行有限保證工作（以下簡稱「永續性資訊」）。

基於我們執行的程序及獲得的證據，並未發現任何事項使我們相信隨附的永續性資訊在所有重大方面未依據 GRI 準則和 SASB 準則編制。

基於我們執行的程序及獲得的證據，並未發現任何事項使我們相信隨附的永續性資訊在所有重大方面未依據重大主題鑑別(GRI 3-1)、關鍵供應商篩選、關鍵供應商風險評估與發展、組織內部的能源消耗量(GRI 302-1)、廢棄物的直接處置(GRI 306-5)、空氣污染物之排放：(7)揮發性有機物(SASB EM-IS-120a.1)、取水量(GRI 303-3)、職業傷害(GRI 403-9)編制。

Opinion Statement

We have conducted a limited assurance engagement on the sustainability information described in the "Scope" above (**Sustainability Information**).

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the accompanying Sustainability Information is not prepared, in all material respects, in accordance with the GRI Standards and SASB Standards.

方法學

我們的保證工作是根據 ISAE 3000(修訂版)進行的。我們的工作旨在收集證據以作為結論的基礎。我們進行了以下活動：

- 審核華新麗華股份有限公司的數據管理系統，以確認報告中無重大錯誤、遺漏或陳述不實。我們透過檢視數據處理程序、指引及系統的有效性[包括內部驗證程序]進行審查；
- 與負責彙整數據及撰寫報告的關鍵人員進行訪談；
- 對數據集樣進行抽樣，並將活動數據回溯至彙總層級；
- 驗證過程文件，以確保內部程序的適當性與有效性。

Methodology

Our assurance engagements were carried out in accordance with ISAE 3000 (Revised). Our work was designed to gather evidence on which to base our conclusion. We undertook the following activities:

- Auditing Walsin Lihwa Corporation's data management systems to confirm that there were no significant errors, omissions, or misstatements in the report. We did this by reviewing the effectiveness of data handling procedures, instructions, and systems, including those for internal verification;
- Interviewing with those key person responsible for compiling the data and drafting the report;
- Sampling datasets and traced activity data back to aggregated levels;
- Verified process documentation to ensure appropriateness/validation of internal processes.

責任

華新麗華股份有限公司負責根據議定的準則編制及公平呈現永續性資訊和報告。BSI 的責任是向利害關係人提供獨立的保證聲明，並根據所述的範疇及方法提供專業意見。

Responsibility

Walsin Lihwa Corporation is responsible for the preparation and fair presentation of the sustainability information and report in accordance with the agreed criteria. BSI is responsible for providing an independent assurance opinion statement to stakeholders giving our professional opinion based on the scope and methodology described.

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獨立性、品質控制與能力

BSI 獨立於華新麗華股份有限公司，除對本報告中永續性陳述的保證外，與華新麗華股份有限公司無任何財務利益。

本獨立保證聲明僅為華新麗華股份有限公司向利害關係人編制，用以驗證其與環境、社會與治理（ESG）相關的陳述，特別是上述範疇中描述的內容。

本獨立保證聲明是基於華新麗華股份有限公司向 BSI 提供的資訊進行審查後編制的。在編制本聲明時，BSI 假定華新麗華股份有限公司提供的所有資訊真實、準確且完整。對於任何依據本聲明的第三方，BSI 不承擔任何責任。

BSI 根據 ISO/IEC 17021-1:2015 照相其管理標準與合規政策進行品質控制，並維持包括遵守道德要求、專業標準及適用法律法規要求的文件化政策與程序的綜合品質控制系統。

BSI 成立於 1901 年，是全球領先的標準與評估機構。BSI 保證團隊在進行環境、社會與治理(ESG)的驗證方面擁有豐富的經驗。

Independence, Quality Control and Competence

BSI is independent to Walsin Lihwa Corporation and has no financial interest in the operation of Walsin Lihwa Corporation other than for the assurance of the sustainability statements contained in this report.

This independent assurance opinion statement has been prepared for the stakeholders of Walsin Lihwa Corporation only for the purposes of verifying its statements relating to its environmental, social and governance (ESG), more particularly described in the Scope above.

This independent assurance opinion statement is prepared on the basis of review by BSI of information presented to it by Walsin Lihwa Corporation. In making this independent assurance opinion statement, BSI has assumed that all information provided to it by Walsin Lihwa Corporation is true, accurate and complete. BSI accepts no liability to any third party who places reliance on this statement.

BSI applies its own management standards and compliance policies for quality contro, in accordance with ISO/IEC 17021-1:2015 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

BSI is a leading global standards and assessment body founded in 1901. The BSI assurance team has extensive experience in conducting verification over environmental, social and governance (ESG).

For and on behalf of BSI:

Joe Heieh, Managing Director Northeast Asia, APAC Assurance

Statement No: SRA-TW-834493
2026-04-22

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ISAE 3000 (revised) Limited Assurance Statement

Appendix I: [Data of subject matters within the scope].

Sr. No	Subject Matter / Attribute	Parameter	Unit of Measurement	Final Value
1	(GRI 3-1)重大主題識別 (Process to determine material topics)	依據雙重重大性原則評估 Assessment based on the principle of double materiality	依照各實質重大主題分析結果 Based on the materiality analysis results	14 項重大主題(風險管理、營運績效、公司治理與法規遵循、產品品質與責任、人才招募與薪資福利、品牌管理、綠色產品/綠色事業發展、資訊安全管理、能源管理、廢棄物與循環再生、職業安全與健康、客戶關係經營、永續採購、勞資關係) 14 material topics (Risk Management; Business Performance; Corporate Governance and Legal Compliance; Product Quality and Responsibility; Talent Recruitment, Salary and Benefits; Brand Management; Green Product / Green Business Development; Information Security Management; Energy Management; Waste and Circular Regeneration; Occupational Health and Safety; Customer Relationship Management; Sustainability Commitments; Labor/Management Relations)
2	(GRI 302-1)組織內部的能源消耗量 (Energy consumption within the organization)	產品：不銹鋼(亞洲) Products: Stainless steel (Asia)		
		直接能耗 Direct energy consumption	GJ	$2,769.91\times10^3$
		間接能耗 Indirect energy consumption	GJ	$3,014.18\times10^3$
		產品：不銹鋼(歐洲) Products: Stainless steel (Europe)		
		直接能耗 Direct energy consumption	GJ	$2,159.44\times10^3$
		間接能耗 Indirect energy consumption	GJ	$2,305.66\times10^3$
3	(GRI 306-5)廢棄物的直接處置 (Waste Directed to Disposal)	廢棄物的直接處置方式 Types of direct waste disposal		
		(a) 回收(再生利用) Recovery (recycling)	MT	215,239.95
		(b) 焚化 Incineration	MT	5,785.83
		(c) 掩埋 Landfilling	MT	65,863.96
		(d) 其他處理方式 Other disposal operations	MT	8,304.08
		總計 Total	MT	294,693.82
		廢棄物分類 Type of waste		
		有害廢棄物 Hazardous waste	MT	73,008.37

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		非有害廢棄物 Non-hazardous waste	MT	221,685.45
		總計 Total	MT	294,693.82
4	(SASB EM-IS-120a.1)空氣品質 (Air Quality)	依處污染物之排放，(7)揮發性有機物 Air emissions of the following pollutants: (7)volatile organic compounds (VOCs)	MT	12.9
5	(GRI 303-3)取水量 (Water Withdrawal)	地區：台灣 Region: Taiwan	ML	1,180.89
		地區：亞洲 Region: Asia	ML	802.88
		地區：歐洲 Region: Europe	ML	13,406.35
6	(GRI 403-9)職業傷害 (Work-related Injuries)	員工 Employees		
		工作總時數 Number of hours worked	時 Hours	20,583,171.05
		死亡人數 Fatalities	人數 Persons	0
		死亡比例 Rate of fatalities	%	0
		嚴重職業傷害人數 Number of high-consequence work-related injuries	人數 Persons	2
		嚴重職業傷害比例 Rate of high-consequence work-related injuries	%	0.10
		可記錄之職業傷害人數 Number of recordable work-related injuries	人數 Persons	114
		可記錄之職業傷害比例 Rate of recordable work-related injuries	%	5.54
		非員工 Workers who are not employees		
		工作總時數 Number of hours worked	時 Hours	1,963,600.68
		死亡人數 Fatalities	人數 Persons	0
		死亡比例 Rate of fatalities	%	0
		嚴重職業傷害人數 Number of high-consequence work-related injuries	人數 Persons	0
		嚴重職業傷害比例 Rate of high-consequence work-related injuries	%	0
		可記錄之職業傷害人數 Number of recordable work-related injuries	人數 Persons	20
		可記錄之職業傷害比例 Rate of recordable work-related injuries	%	10.19

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7	關鍵供應商篩選 (KPIs for Supplier Screening)	供應商家數 Total number of Tier-1 suppliers	家數 Number of suppliers	6,917
		關鍵供應商家數 Total number of significant suppliers in Tier-1	家數 Number of suppliers	598
		關鍵供應商採購金額佔總採購金額 Percentage of total spend on significant suppliers in Tier-1	%	64.98%
8	關鍵供應商評估與發展 (KPIs for Supplier Assessment and Development)	透過書面審查或現場稽核完成評估之關鍵供應商家數 Total number of significant tier-1 suppliers assessed via desk or on-site assessments	家數 Number of suppliers	140
		已評估之關鍵供應商百分比 Percentage of unique significant suppliers assessed	%	100%
		經評估具有實際或潛在負面影響的供應商數量 Number of suppliers assessed with substantial actual/potential negative impacts	家數 Number of suppliers	0
		針對具有負面影響之供應商，已完成矯正行動或改善計畫的百分比 Percentage of suppliers with substantial actual/potential negative impacts with agreed corrective action/improvement plan	%	-
		經止合作的供應商數量 Number of suppliers with substantial actual/potential negative impacts that were terminated	家數 Number of suppliers	0
		支援執行矯正行動計畫之供應商家數(2024 年度別之高風險供應商) Total number of suppliers supported in corrective action plan implementation (high-risk suppliers identified in 2024)	家數 Number of suppliers	8
		已受支援之具有負面衝擊之供應商百分比 Percentage of suppliers assessed with substantial actual/potential negative impacts supported in corrective action plan implementation	%	100%

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Appendix II: List of locations pertaining to Walsin Lihwa Corporation, included in the boundary for the assurance of the parameters Process to determine material topics, KPIs for Supplier Screening, KPIs for Supplier Evaluation and Development, Energy consumption within the organization, Waste directed to disposal, Air emissions of the following pollutants: (7)volatile organic compounds (VOCs), Water withdrawal, Work-related injuries which are included in the Walsin Lihwa Corporation 2025 Sustainability Report stated above:

S:NO	Facility Name	Facility Address
1	Taipei Head Office	25F., No. 1, Songzhi Rd., Xinyi Dist., Taipei City 110411, Taiwan (R.O.C.)
2	Hsinchuang Plant	No.397, Xinshu Rd., Xinzhuang Dist., New Taipei City 24262, Taiwan, R.O.C.
3	Yangmei Plant	No.566, Gaoshi Road Yangmei Dist., Taoyuan City 32668 ,Taiwan, R.O.C.
4	Yenshui Plant	No.3-10, Shijou Liau Chinshuei Li, Yenshui Dist. Tainan City 73743, Taiwan, R.O.C.
5	Taichung Plant	No.57, Jing 3rd Road Wuqi Dist., Taichung City 43541 , Taiwan, R.O.C.
6	Shanghai Walsin Lihwa Power Wire & Cable Co., Ltd.	No. 1128, Liu Xiang Road, Nan Xiang Jia Ding District, Shanghai, 201802, P.R.C.
7	Hangzhou Walsin Power Cable & Wire Co., Ltd.	No. 9, 12th Street, Hangzhou Economic and Technological Development Zone, Zhejiang Province, 310018, P.R.C
8	Yantai Walsin Stainless Steel Co., Ltd.	No.2, Wuzhishan Road ETDZ Yantai City, Shandong Province, 264006, P.R.C. (Steelmaking Plant) No.6, Zhengzhou Road, ETDZ, Yantai City, Shandong Province, 264006, P.R.C. (Rolling Plant)
9	Changshu Walsin Specialty Steel Co., Ltd.	No.2, Haiyang Road Haiyu Town, Changshu City Jiangsu Province, 215519, P.R.C.
10	Jiangyin Walsin Specialty Alloy Materials Co., Ltd.	No.677, Binjiang West Road, Jiangyin City, Jiangsu Province, 214443, P.R.C.
11	Jiangyin Walsin Steel Cable Co., Ltd.	No.679, Binjiang West Road Jiangyin City Jiangsu Province, 214443, P.R.C
12	PT. Walsin Nickel Industrial Indonesia	IMEP Building, Jalan Babu Mulia 8, Rukun Tetangga 007, Rukun Warga 07, Meruya Utara Village, Kembangan District, West Jakarta Administration City – 11620
13	PT. Sunny Metal Industry	Gedung Sopo Del Office tower A 21st floor, Jalan Mega Kuningan Barat III Lot 10 1-6, Kuningan Timur Village, Setiabudi District, South Jakarta Administrative City
14	Walsin Precision Technology Sdn. Bhd.	2115-1, Kawasan Perindustrian Air Keroh Fasa IV, Air Keroh,75450, Melaka, Malaysia
15	Cogne Acciai Speciali	Via Paravera 16, 11100 Aosta (AO) – Italy

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