Implementation status of promoting Sustainable Development and discrepancies from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, along with the reasons:

Promotion Items	Implementation Status			Discrepancies from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
1. Has the Company established a governance structure for promoting Sustainable Development, set up a dedicated (or concurrent) unit for promoting Sustainable Development, authorized senior management to handle related matters by the Board of Directors, and implemented Board of Directors oversight?	✓		The Company established the Corporate Governance and Sustainability Committee on November 9, 2022, and held the first Corporate Governance and Sustainability Committee meeting on May 8, 2023. The Chairman and two Independent Directors serve as members of the Corporate Governance and Sustainability Committee, with the Chairman serving as the convener and meeting chairperson. The functional sub-groups under the Committee include the Corporate Governance team, the Environmental Sustainability team, and the Corporate Social Responsibility team. When these functional sub-groups discuss ESG-related issues within the Company, they will, based on the materiality of the issues, select appropriate occasions to report to the Committee or the Board of Directors. Related resolutions are recorded in the meeting minutes, tracked by the Committee's secretariat, and subsequently submitted to the next Committee meeting and forwarded to the Board of Directors for reporting. The Sustainable Development promotion team regularly discusses the latest developments in ESG-related matters, future directions, and categories of issues of concern to various stakeholders. It formulates annual target projects, oversees implementation progress and promotion effectiveness, and prepares written materials to report to the Board of Directors at least once a year on the current year's implementation results and the following year's implementation plan. In the fourth quarter of each year, a kickoff meeting for compiling the annual Sustainability Report is convened. Seed personnel and Supervisors from each Department are invited to attend the meeting to discuss the material topics and stakeholders for the report. After the meeting, meeting minutes are provided to senior management to confirm the material issues for the year. Data collection and content writing are subsequently carried out based on these minutes. This report is compiled in accordance with the Company's operating procedures for the preparation and verification of the Sustainability Report.	Consistent with the requirements of the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies.

Promotion Items	Implementation Status			Discrepancies from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
			The Board of Directors reviews the progress of the Company's strategies and goals, and urges the Company to adjust its direction when necessary, with environmental friendliness alongside operational management as an essential guiding principle, implementing integrity in operations and sound risk control, and advancing toward Sustainable Development goals. A Corporate Governance and Sustainability Committee meeting was held on May 8, 2025, during which reports were made on the Company's Sustainable Development policies, systems, related management guidelines and Sustainable Development goals, as well as the 2025 annual plan, the 2024 Sustainability Report, and stakeholder communications. Detailed materials were provided to attending committee members for reference. Following the report to the Corporate Governance and Sustainability Committee, the matter was subsequently submitted to the Board of Directors for reporting, and the Sustainability Report was also issued after being reported to the Board of Directors.	
2. Has the Company, in accordance with the materiality principle, conducted risk evaluations on environmental, social, and corporate governance issues related to its operations, and formulated relevant risk management policies or strategies?	✓		1. This disclosure covers the Company's Sustainable Development performance at its major operating locations in Taiwan during the period from January 2025 to December 2025. The risk evaluation boundary primarily covers Wah Lee Industrial Corp. (Taiwan), Tranceed Logistics Co., Ltd., and Kingstone Energy Technology Corporation, while the financial report data also incorporates domestic and overseas subsidiaries within its scope. 2. The Corporate Governance and Sustainability Committee conducts analyses based on the materiality principle of the Sustainability Report, communicates with internal and external stakeholders, and, through expert recommendations, assesses ESG issues of material significance. It formulates risk management policies for effective identification, measurement, evaluation, monitoring, and control, and adopts specific action plans to mitigate the impact of relevant risks.	Consistent with the requirements of the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies.

<table>
<tr><th rowspan="2">Promotion Items</th><th colspan="3">Implementation Status</th><th rowspan="2">Discrepancies from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td></td><td></td><td></td><td>3. Based on the evaluated risks, the relevant risk management policies or strategies are formulated as follows:
<table>
<tr><th>Material Topics</th><th>Risk Evaluation Items</th><th>Description</th></tr>
<tr><td>Environment</td><td>Environmental Impact and Management</td><td>Effectively reducing pollution emissions and environmental impact
1. Implement and enforce the ISO 14001 Environmental Management System.
2. Continuously maintain the BV-certified ISCC PLUS International Sustainability and Carbon Certification scheme (Certificate No.: ISCC-PLUS-Cert-PL214-31827216; Validity: 2026/02/17~2027/02/16).
3. Introduce the ISO 14064-1 greenhouse gas inventory system, and progressively extend it to overseas subsidiaries.
4. In 2025, obtained the LRQA external verification statement for greenhouse gas inventory; in 2026, expanded the scope to include Yi Kang Chemicals & Industries Co., Ltd. subsidiary for external verification and established new base year information.
5. The GRS Global Recycled Standard has been adopted and passed BV verification on March 12, 2026.
6. An external professional organization is</td></tr>
</table></td><td></td></tr>
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<table>
<tr><th rowspan="2">Promotion Items</th><th colspan="3">Implementation Status</th><th rowspan="2">Discrepancies from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons</th></tr>
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<tr><td></td><td></td><td></td><td>
<table>
<tr><td></td><td></td><td>commissioned to measure CO2 concentration and illuminance at each of the Company's operational sites twice a year (in March and September).</td></tr>
<tr><td>Social</td><td>Occupational Safety</td><td>1. A health e-newsletter is issued monthly, and health seminars are held annually; in 2025, a total of 282 participants attended the seminars.
2. Regular employee health examinations are conducted annually; in addition to meeting statutory requirements, a budget is allocated to provide comprehensive examination items. The items cover screening for common chronic diseases among the population (e.g., cancer markers, precision testing for the three highs), ensuring that employees can detect conditions early and receive timely treatment to effectively prevent the risk of major occupational accidents. For cases with abnormal indicators, on-site specialist medical personnel proactively follow up and provide health management.
3. In accordance with applicable regulations, "occupational medicine specialists" and "occupational medicine specialist nurses" are engaged to visit the Company regularly to carry out four major health management programs: "overwork and stress management," "maternal health protection for female workers," "prevention</td></tr>
</table>
</td><td></td></tr>
</table>

Promotion Items	Implementation Status			Discrepancies from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	

		of ergonomic hazards," and "prevention of unlawful infringement." 4. The Taipei and Hsinchu offices have obtained the Ministry of Health and Welfare's "Healthy Workplace Certification – Health Activation Badge." 5. Fire drills are held regularly every year.
	Product Safety	The Company strictly complies with relevant government regulations, establishes internal operating procedures for personnel to follow, implements management mechanisms for all products sold on an agency basis, and has a "Customer Complaint Handling Procedure" in place to fulfill its commitment to safety.
Corporate Governance	Legal Compliance	By establishing a governance structure and implementing internal control mechanisms, the Company ensures that all personnel and operations strictly comply with relevant laws and regulations.
	Strengthening Director Functions	1. Providing Directors with continuing education topics related to corporate governance, and offering the latest regulations, institutional developments, and policies to Directors each year. In 2025, the total continuing education hours for all Directors amounted to 72 hours. 2. Directors' and Officers' liability insurance is purchased for Directors to protect them in the event

<table>
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<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td></td><td></td><td></td><td><table><tr><td rowspan="2"></td><td></td><td>of litigation or claims.</td></tr><tr><td>Stakeholder Communication</td><td>1. To avoid misunderstandings arising from differing positions between stakeholders and the Company that may lead to operational or litigation risks, the Company analyzes key stakeholders and the material issues they care about each year.
2. Various communication channels are established to actively engage in communication, reducing opposition and misunderstandings. An investor mailbox has been established, managed and responded to by the spokesperson and their designated representative.
3. In 2025, a total of 4 institutional investor conferences were held.</td></tr></table></td><td></td></tr>
<tr><td>3. Environmental Issues
(1) Has the Company established an appropriate environmental management system based on its industry characteristics?</td><td>✓</td><td></td><td>In order to promote the sustainable operation of the enterprise and social development, the Company regards environmental protection as an inescapable responsibility, and continuously moves forward with the goal of becoming a green enterprise. To thoroughly ensure environmental quality, the Company actively implements and enforces the ISO 14001 Environmental Management System, and promotes environmental health and safety management, aiming to achieve a high degree of environmental greening, pollution prevention, efficient use of resources, and compliance with relevant environmental regulations. The Company also commits to promoting the following initiatives in the spirit of 'Environmental Protection, Pollution Prevention, and Continuous Improvement':
1. Implement and enforce the ISO 14001 Environmental Management System. (Certificate No.: TW03/00393; Valid Period: 2024/09/25 ~ 2027/09/25)</td><td>Consistent with the requirements of the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies.</td></tr>
</table>

Promotion Items	Implementation Status			Discrepancies from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
			2. In 2023, the Company promoted the International Sustainability and Carbon Certification ISCC PLUS, and in 2024 successfully obtained the BV certification with Registration Number: ISCC-Reg-13871 and Certificate ID: ISCC-PLUS-Cert-PL214-31827216. This certification demonstrates compliance with regulatory frameworks (such as the EU Green Deal), national laws, and industry-led initiatives, and enables traceability of sustainability efforts throughout the supply chain, showcasing good corporate governance to improve Environmental, Social, and Governance (ESG) performance. 3. In 2024, the Company promoted and in 2025 obtained BV certification for the Global Recycled Standard (GRS), with Textile Exchange-ID (TE-ID): TE-00131423 and Client Number: BVTW0058, to comply with the principles of tracking and tracing certified finished products, while also incorporating environmental and social responsibility requirements applicable across all industries. As standards evolve, the Company may opt to introduce a transaction certificate system, with the aim of providing better monitoring and control mechanisms for the industrial supply chain, thereby ensuring the integrity of certified products and aligning with international environmental protection trends. 4. In consideration of corporate social responsibility and environmental protection policies, in 2023 the Company incorporated the ISO 14064-1 greenhouse gas (GHG) emissions inventory management system, establishing baseline year information for organizational GHG emission reductions based on the five principles of relevance, completeness, consistency, accuracy, and transparency. In 2024, the GHG emissions inventory was completed for the major operating companies of Wah Lee Group in Taiwan, namely Wah Lee Industrial Corp., Tranceed Logistics Co., Ltd., and Kingstone Energy Technology Corporation. In 2024 and 2025, Lloyd's Register Quality Assurance Ltd. (LRQA) was commissioned to conduct third-party external verification and assurance of the GHG inventory, and inventory statements were obtained to fulfill the goal of reducing GHG emissions. In 2026, the scope of third-party verification will be further expanded to include Dong Guan Hua Gang International Trading Co., Ltd., and Yi Kang Chemicals & Industries	

Promotion Items	Implementation Status			Discrepancies from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
			Co., Ltd. 4. Continuously promote energy conservation and carry out resource recycling. 5. Continuously improve and prevent pollution generation, minimizing the environmental impact of company incidents. 6. Educate employees to enhance the environmental safety awareness and capabilities of all staff, striving to become a green enterprise.	
(2) Has the Company committed to improving energy use efficiency and using recycled materials with low environmental impact?	✓		The Company is committed to improving the efficiency of energy and resource utilization, controlling greenhouse gas emission sources, and using recycled materials with low environmental impact. The Company establishes appropriate environmental management systems and ensures their implementation and maintenance, in order to achieve energy conservation, carbon reduction, and greenhouse gas emission reductions. Committed to energy-saving, carbon reduction, and waste reduction environmental activities in business operations, such as lighting equipment improvements, resource recycling and reuse, and proactively conducting greenhouse gas emission inventories for internally and externally purchased electricity. The Company has listed greenhouse gas emission reductions from purchased electricity and water resource consumption as annual environmental targets, with continuous advocacy and tracking, and has set a reduction target of 0.2% lower in 2026 compared to 2025. In response to the international trend of greenhouse gas reduction, the Company has invested in the development of PCR recycled plastics in recent years, with sales of approximately 603 metric tons in 2025, representing an annual growth of 3.6%, working together with customers to create a cleaner and more sustainable home on Earth. The Company also imports recovered and purified reclaimed refrigerants from overseas. In recent years, nearly 76 metric tons of reclaimed refrigerants have been sold. Through recovery and purification, refrigerants enter the circular economy, reducing greenhouse gas emissions and lowering the environmental impact. The Company actively promotes the Global Recycled Standard (GRS) and ISCC PLUS	Consistent with the requirements of the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies.

<table>
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<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td></td><td></td><td></td><td>(International Sustainability and Carbon Certification) to respond to international development trends in recycled engineering plastics. Through the introduction of relevant systems, the Company is committed to: (1) improving resource utilization efficiency; (2) strengthening the plastic waste recycling system and establishing a comprehensive and feasible circular reuse mechanism; (3) reducing carbon dioxide emissions through the application of bio-based materials and product carbon sequestration; (4) reducing dependence on petrochemical resources; and (5) fulfilling corporate social responsibility and promoting Sustainable Development.</td><td></td></tr>
<tr><td>(3) Has the Company evaluated the potential risks and opportunities of climate change on the enterprise, both present and future, and adopted relevant response measures?</td><td>✓</td><td></td><td>The Company designates the Corporate Governance and Sustainability Committee as the highest governing body for climate change management, with the Chairman serving as chairperson. The Committee reviews the Company's climate change strategies and targets annually, manages climate change risk and opportunity actions, reviews implementation status and discusses future plans, and reports to the Board of Directors.
The Company has evaluated the potential risks and opportunities of climate change on the enterprise, both present and future, and has adopted response measures for climate-related issues, as described below:
<table>
<tr><th>Risks
(Potential Financial Impact)</th><th>Opportunities
(Potential Financial Impact)</th><th>Countermeasures</th></tr>
<tr><td>Rising raw material costs due to climate risks will directly increase manufacturers' production costs. Additionally, as upstream suppliers invest in the research and</td><td>By developing and promoting low-carbon, new energy, renewable energy, and sustainable circular products or services, the Company can not only meet the growing demands of</td><td>• The Company plans to adopt AI models to forecast future sales and strengthen business management, monitor customers' future market trends, and enhance inventory management to reduce</td></tr>
</table></td><td>Consistent with the requirements of the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies.</td></tr>
</table>

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<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td></td><td></td><td></td><td><table><tr><td>development of green alternative technologies or equipment, capital expenditures increase significantly. If these costs cannot be passed on to customers, they will compress the Company's gross margin.</td><td>customers but also develop new markets, gain a competitive edge over industry peers, secure more new orders, and thereby increase revenue and generate profits.</td><td>operational risks.
• The solar power plants developed by the Wah Lee Group, with a total installed capacity of approximately 70.8 MW, are estimated to generate approximately 81.93 million kWh of electricity in 2025, reducing carbon emissions by approximately 38,800 metric tons, equivalent to afforesting 3,922 hectares, and powering approximately 23,400 households per year.

• In response to Australia's plan to fully decommission thermal power plants by 2040, the federal government has set a policy target of achieving 82% renewable energy generation by 2030. The Group has invested resources in 2025 to develop solar-plus-storage integrated projects in Australia (combining solar photovoltaic</td></tr></table></td><td></td></tr>
</table>

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<tr><td></td><td></td><td></td><td><table><tr><td></td><td></td><td>and energy storage systems), with an installed capacity of 5.8MW solar photovoltaic and 11MWh energy storage.</td></tr></table></td><td></td></tr>
<tr><td>(4) Has the Company compiled greenhouse gas emissions, water usage, and total waste weight for the past two years, and formulated policies for greenhouse gas reduction, water usage reduction, or other waste management?</td><td>✓</td><td></td><td>1. Guided by the principles of "environmental protection, pollution prevention, and continuous improvement," the Company promotes management policies including continuous energy conservation, resource recycling, continuous improvement, pollution prevention, minimizing environmental impact, and educating employees to enhance their environmental safety awareness and capabilities.
(1) Greenhouse gas emissions for the most recent 2 years:
For details, please refer to pages 97 to 103 of this Annual Report.
(2) Water usage for the most recent 2 years:
<table>
<tr><th>Year</th><th>2024</th><th>2025</th></tr>
<tr><td>Water Withdrawal (Million Liters)</td><td>7.8453</td><td>8.074</td></tr>
<tr><td>Organization-Specific Metric (Unit)</td><td>Operating revenue (Ten Thousands NT$)</td><td>Operating revenue (Ten Thousands NT$)</td></tr>
<tr><td>Organization-Specific Metric Value</td><td>4,776</td><td>4,860</td></tr>
<tr><td>Water Intensity</td><td>0.0016</td><td>0.0017</td></tr>
<tr><td colspan="3">Note:
1. Water Withdrawal = Water Discharge = Water Consumption.
2. Water intensity is calculated as: Water Withdrawal (million liters) / Organization-Specific Metric Value.
The "Revenue" of the Organization-Specific Metric:
In 2025, Wah Lee Industrial Corp. (Taiwan) revenue was NT$ 47.656 billion, Tranceed Logistics Co., Ltd. revenue was NT$ 0.709 billion, and Kingstone Energy Technology</td></tr>
</table></td><td>Consistent with the requirements of the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies.</td></tr>
</table>

Promotion Items	Implementation Status			Discrepancies from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
			Corporation revenue was NT$ 0.244 billion, totaling NT$ 48.609 billion. In 2024, Wah Lee Industrial Corp. (Taiwan) revenue was NT$46.818 billion, Tranceed Logistics Co., Ltd. revenue was NT$702 million, and Kingstone Energy Technology Corporation revenue was NT$244 million, for a combined total of NT$47.764 billion. 3. Scope of Coverage for the Two Years: 2024: Wah Lee Industrial Corp. (Taiwan), Tranceed Logistics Co., Ltd., and Kingstone Energy Technology Corporation. 2024: Wah Lee Industrial Corp. (Taiwan), Tranceed Logistics Co., Ltd., and Kingstone Energy Technology Corporation. Most of the Company's operational sites are located in commercial office buildings. The water supply comes entirely from tap water provided by Taiwan Water Corporation, primarily used for employees' daily needs and partial air-conditioning equipment operations (such as restrooms and cooling towers). The overall operational risk associated with water resource supply is relatively limited. Nevertheless, the Company actively promotes water resource management measures by improving water use efficiency through infrastructure maintenance and optimization, installation of water-saving equipment, and other means. In accordance with the requirements of the ISO 14001 Environmental Management System, the Company continuously promotes water conservation education and awareness campaigns, strengthens employees' awareness of water conservation, and implements water-saving practices to reduce the impact on water resources and the environment. The explanation for the increase in water withdrawal in 2025 compared to the previous year is as follows: The overall water consumption of Wah Lee Industrial Corp. in 2025 increased slightly by 0.25% compared to FY2024, primarily due to a 1.6% year-over-year increase in the number of employees at Taiwan-based locations (including Taipei, Hsinchu, Taichung, Tainan, and Kaohsiung), which drove an increase in basic domestic water demand. Overall, the growth in water consumption was	

<table>
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<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td></td><td></td><td></td><td>lower than the increase in headcount, indicating a continuous improvement in water use efficiency.
(3) Waste Generation for the Most Recent 2 Years:

General Waste Statistics Table
<table>
<tr><th rowspan="2">Year</th><th rowspan="2">Waste Composition Items</th><th rowspan="2">Hazardous / Non-Hazardous</th><th colspan="2">Off-Site</th></tr>
<tr><th>Waste Generated (tons)</th><th>Disposal Method</th></tr>
<tr><td>2024</td><td>Paper</td><td>Non-hazardous</td><td>9.39</td><td>Incineration (including energy recycling)</td></tr>
<tr><td>2025</td><td>Paper</td><td>Non-hazardous</td><td>0.28</td><td>Incineration (including energy recycling)</td></tr>
</table>
Description:
1. Off-site paper documents are entrusted to nearby compliant environmental vendors and incinerators for incineration and disposal.
2. The general waste of Wah Lee Industrial Corp. and Kingstone Energy Technology Corporation is managed by the office building administration; the general waste at Tranceed Logistics Co., Ltd. operation sites is handled by qualified vendors for collection and disposal, and therefore no statistics are compiled for general waste.
The volume of general waste in 2025 decreased by 97.02% compared to the previous year, primarily because year 2024 coincided with the company's annual comprehensive sorting of documents and account books (e.g., account books reaching the end of their retention period), which generated a large volume of paper documents for incineration and disposal. 2025 has reverted to the standard disposal method, but efforts to reduce general waste will continue.</td><td></td></tr>
<tr><td>4. Social Issues</td><td></td><td></td><td></td><td></td></tr>
</table>

Promotion Items	Implementation Status			Discrepancies from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
(1) Has the Company formulated relevant management policies and procedures in accordance with applicable laws and regulations and international human rights conventions?	✓		1. The Company complies with labor regulations such as the Labor Standards Act and the Act of Gender Equality in Employment, and has established various management policies and procedures including the "Employee Work Rules," "Procedures for Filing and Handling Workplace Sexual Harassment Complaints," and "Written Statement on the Prevention of Workplace Violence." The Company is committed to practicing the spirit of diversity and inclusion, adhering to the principle of gender equality in operational management and decision-making, and ensuring that there is no gender disparity in recruitment, selection, hiring, assignment, placement, performance evaluation, or promotion, thereby creating a high-quality working environment to safeguard employee rights and benefits. 2. The Company also abides by the principles of the United Nations Universal Declaration of Human Rights, expressly prohibits the employment of child workers under the age of fifteen, and maintains a non-discriminatory hiring policy that does not differentiate or discriminate in any form on the basis of race, skin color, age, gender, ethnicity or nationality, disability, pregnancy, religion, political stance, organizational background, marital status, or any other characteristic, collectively fostering a working environment characterized by dignity, safety, equality, and freedom from harassment. 3. The Company respects employees' legally granted freedom of assembly and association, and is committed to providing open and accessible channels for labor-management communication, including labor-management meetings and occupational safety and health committee meetings, with the aim of integrating all resources and working in concert toward shared goals. 4. Based on international human rights protection standards, internal regulations, and human rights issues of concern within the Company's industry, the Company has compiled a list of issues explaining the required actions to avoid potential human rights risks, serving as the focus of due diligence, and identifying various risk items along with mitigation and remediation measures. 5. To strengthen human rights awareness, human rights-related courses are conducted during	Consistent with the requirements of the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies.

Promotion Items	Implementation Status			Discrepancies from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
			new employee onboarding training, covering topics such as sexual harassment prevention, gender equality, labor laws and regulations, and the Labor Standards Act. 6. In 2025, a total of 725 person-times of company employees participated in training on workplace equality and sexual harassment prevention, gender equality, understanding of gender diversity, responses to gender discrimination, sexual harassment investigation, the Labor Standards Act, and labor conditions, as well as training related to workplace safety and health, occupational injury protection, and environmental safety and health, in order to prevent personnel injuries caused by unsafe environments and operations. In addition, human rights risk assessment training was conducted to provide a clear understanding of human rights risk assessment tools; through risk assessment exercises, practical due diligence operations were strengthened, with joint participation from the human resources, business, and business management units. The total number of person-hours for related training amounted to 2,090 hours.	
(2) Has the Company established and implemented reasonable employee benefit measures (including compensation, a friendly workplace, and other benefits), and appropriately reflected business performance or results in employee	✓		1. Article 20 of Incorporation of the Company stipulates that if the Company records a profit for the year, no less than 2% shall be set aside as employee compensation; however, if the Company still has accumulated deficits, the amount required to offset such deficits shall be reserved in advance. Of the employee compensation amount referred to in the preceding paragraph, no less than 8% shall be allocated as compensation distributed to entry-level employees. Business performance and results may be appropriately reflected in employee compensation, and the recipients include employees of subsidiaries meeting certain conditions. On March 11, 2026, the Board of Directors resolved that the estimated remuneration for grassroots employees for fiscal year 2025 had increased by 9.42%, and such increase has been reflected in employee compensation. 2. The compensation standards for all employees of the Company are not differentiated by gender, race, nationality, age, or any other criteria. When hiring female and male employees	Consistent with the requirements of the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies.

Promotion Items	Implementation Status			Discrepancies from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
compensation?			for the same position and job grade, the ratio of basic salary is 1:1. The Company has long participated in and referenced compensation surveys within the same industry to provide a reasonable and competitive compensation system in order to maintain overall compensation competitiveness, and has been consecutively included as a constituent stock of the Taiwan Stock Exchange's "Taiwan High Compensation 100 Index" to this day. 3. Regarding employee benefits, in order to provide a workplace environment that considers employees' physical and mental well-being, in addition to ensuring that employees may exercise various leave and vacation rights in accordance with labor laws and regulations (e.g., the Labor Standards Act, the Act of Gender Equality in Employment, the Workers' Leave Regulations, etc.), the Company also grants employees an additional 7 days each of paid personal leave and sick leave, allowing employees to apply for the appropriate leave type based on their usage; furthermore, a flexible attendance mechanism is provided whereby employees who are pregnant, experiencing a serious injury or illness, raising children under the age of three, personally caring for preschool-aged children, or caring for injured or ill lineal relatives may apply on a priority basis for a flexible shift schedule with earlier or later start and end times, balancing work, family, and life. 4. An Employee Welfare Committee has been established to provide employees with various subsidies, such as assistance for weddings, funerals, and other ceremonial occasions, educational scholarships, emergency relief, childbirth and hospitalization condolence gifts, as well as the distribution of gift vouchers/gifts upon joining the Company, on birthdays, and during the three major holidays. The Company also sponsors recreational activity funds to support employee club activities, organizes and subsidizes domestic and overseas travel, and hosts year-end banquet appreciation events, afternoon tea gatherings, and birthday celebrations. 5. An Employee Stock Ownership Plan (ESOP) has been implemented to help employees save over the long term and accumulate wealth, thereby securing their future livelihood and enhancing their sense of participation in the Company. In 2025, 342 employees benefited from	

Promotion Items	Implementation Status			Discrepancies from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
			the plan, and the Company contributed a total of NT$11,852 thousand. 6. In accordance with the Labor Standards Act, the Company has established a "Labor Retirement Reserve Supervisory Committee" and, as required by law, contributes 8% of the total salaries of employees subject to the old pension system to a retirement reserve fund each month, which is deposited in a dedicated account at Bank of Taiwan. The Company conducts regular annual reviews of the balance and contribution status of the retirement reserve fund dedicated account to ensure that the funds in the dedicated account are sufficient to cover the old pension system retirement benefit payments for eligible employees. The recognized contribution amount for the old pension system in 2025 was NT$9,597,018, which is sufficient to meet the retirement benefit payment needs of employees subject to the old pension system. In accordance with the provisions of the Labor Pension Act, the Company contributes 6% of each employee's salary monthly to the employee's individual pension account at the Bureau of Labor Insurance, Ministry of Labor, for employees subject to the new pension system. The recognized contribution amount for the new pension system in 2025 was NT$21,829,269, ensuring employees' retirement rights and interests. As of the end of 2025, the number of employees making voluntary contributions to the new labor pension system was 164, accounting for 39% of all employees under the new labor pension system. The Company respects employees' career development plans and does not treat reaching the age of 65 as the sole mandatory condition for retirement. Employees who are still physically and mentally capable may choose to remain in the workplace and continue to contribute. Retired employees who are willing may also negotiate adjustments to their job responsibilities and be rehired as part-time staff, allowing their knowledge and experience to become the Company's core competitiveness and establishing a foundation for the Company's Sustainable Development.	
(3)Has the Company	✓		1. The Company provides a good working environment, holds health seminars annually, and	Consistent with the

Promotion Items	Implementation Status			Discrepancies from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
provide employees with a safe and healthy working environment, and conduct regular safety and health education for employees?			regularly publishes health e-newsletters on a monthly basis, enabling employees to easily stay informed about health trends. 2. Regular employee health examinations are conducted annually, taking into account employees' physical conditions. The most appropriate examination items are planned based on gender and age, and professional physicians are engaged to provide report consultations and safety and health education and training. 3. In accordance with applicable regulations, "occupational medicine specialists" and "occupational medicine specialist nurses" are engaged to visit the Company regularly to carry out four major health management programs: "overwork and stress management," "maternal health protection for female workers," "prevention of ergonomic hazards," and "prevention of unlawful infringement." 4. To provide female colleagues with the facilities needed for breastfeeding and milk expression, dedicated lactation rooms have been set up at the Kaohsiung, Hsinchu, and Taipei offices. 5. The Company is committed to promoting workplace smoking hazard prevention and health promotion, and has obtained the "Healthy Workplace Certification - Health Activation Badge" to create a happy enterprise with a high-quality healthy workplace environment. 6. To promote employee health and contribute to the environment, the Walkii Walking APP will be used in individual or team challenge modes. Each participating employee uses the APP to record their daily step count, and data is uploaded through the software to continuously accumulate the total steps of all participating employees, which are then converted into actual trees planted. This initiative also encourages employees to develop good exercise habits and stay away from the three highs (hypertension, hyperglycemia, and hyperlipidemia). 7. No occupational accidents occurred in 2025, but related issues continue to be closely monitored. 8. No fires occurred at the Company's business premises in 2025. The Company is very concerned about the safety of employees' working environments. Please refer to page 161 of the Annual Report for details on employee safety protection measures.	requirements of the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies.

Promotion Items	Implementation Status			Discrepancies from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
(4) Has the Company established an effective career development and training plan for employees?	✓		The Company conducts employee education and training annually in accordance with its training plan, including orientation training for new employees, basic general education and development, management competency and professional development, to cultivate the knowledge and work skills required for employees' positions, enhance work performance, and continuously develop talent capabilities. (For details, please refer to Chapter IV, Section 5, "Labor-Management Relations" of this Annual Report.) In 2025, the total number of training participants was 2,700 person-times, with a total training duration of 6,525 hours.	Consistent with the requirements of the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies.
(5) With respect to issues such as customer health and safety, customer privacy, marketing, and labeling of products and services, does the Company comply with relevant regulations and international standards, and has it formulated relevant policies and complaint procedures to protect consumer or	✓		The Company strictly complies with relevant government regulations, establishes internal operating procedures for personnel to follow, implements management mechanisms for all products sold on an agency basis, and has a "Customer Complaint Handling Procedure" in place to fulfill its commitment to safety. A management mechanism has been established for information security, along with a "Personal Data Protection Management Procedure," and dedicated personnel have been assigned to manage and maintain information security. The security of customer data and other information is ensured through internal and external audits as well as education and training. In accordance with operational needs, the ISO 27001 Information Security Management System will be introduced starting from 2026, with plans to obtain certification in 2027.	Consistent with the requirements of the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies.

Promotion Items	Implementation Status			Discrepancies from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
customer rights and interests?				
(6) Has the Company established a supplier management policy requiring suppliers to comply with relevant regulations on environmental protection, occupational safety and health, or labor and human rights issues, and what is the implementation status?	✓		Having obtained ISO 9001 certification, the Company has established a "Supplier and Subcontractor Management Procedure" in accordance with this international standard. Qualified suppliers are required to pass the evaluation set forth in this procedure and are subject to annual re-evaluation covering three dimensions: quality (Q), delivery (D), and service (S). No non-conformance incidents have occurred to date. In 2024 and 2025, the Company completed the signing of the "RBA (Responsible Business Alliance) Code of Conduct" with its top twenty suppliers. Through the Code, suppliers are required to fulfill their responsibilities in the areas of environment, labor, management systems, ethics, and safety and health, collaborating with suppliers to jointly build sustainable enterprises aligned with the spirit of ESG.	Consistent with the requirements of the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies.
5. Has the Company referred to internationally recognized report preparation standards or guidelines to	✓		The Company prepares its report in accordance with the internationally recognized GRI Sustainability Reporting Standards, the Sustainability Accounting Standards Board (SASB), and the Sustainability Disclosure Indicators for the Electronic Components Distribution Industry, to disclose the Company's non-financial information. The report is issued after the Board of Directors' report and uploaded to the regulatory authority and the official website, providing stakeholders with more complete information. However, the 2025 Sustainability Report has not yet obtained assurance or verification opinions	Consistent with the requirements of the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies.

Promotion Items	Implementation Status			Discrepancies from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
prepare sustainability reports or other reports disclosing the Company's non-financial information? Have the aforementioned reports obtained assurance or verification opinions from a third-party verification body?			from a third-party verification body.	

6. If the Company has established its own Sustainable Development guidelines in accordance with the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies," please describe any discrepancies between its operations and the established guidelines:
The Company's Board of Directors approved and adopted the Company's "Sustainable Development Best Practice Principles" on November 9, 2022. With corporate sustainable development as its mission, the Company aspires to become an exemplary corporate citizen and demonstrate its commitment to employees, Shareholders, and customers. In addition to implementing information transparency, under the long-term leadership of the Chairman and CEO, all employees are dedicated to introducing new materials, new technologies, and new equipment to the high-tech industry, and providing heartfelt services to drive continuous corporate growth, help customers achieve success, and create more employment opportunities. The Company regularly reviews its implementation in accordance with the guidelines and makes improvements accordingly. As of now, there have been no discrepancies in implementation.

7. Other important information that helps understand the implementation of Sustainable Development initiatives:
(1) The Wah Lee Innovative Materials Competition closely aligns with industry trends and future development:
For five consecutive years, the Company has supported the Chinese Materials Science Society in organizing this competition, accumulating 343 entries as of now, with sponsorship funds recently increased to NT$2.18 million. In 2025, a total of 78 research works jointly developed by faculty advisors

Promotion Items	Implementation Status			Discrepancies from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
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and students from 22 universities and colleges across Taiwan competed in the event. Both the number of participating institutions and the number of entries reached new highs, demonstrating the strong momentum of Taiwan's research and development capabilities. Under the government's policy of promoting north-south balance and regional industry development, academic and research capacity in southern Taiwan has grown rapidly. This year, entries from Tainan and Kaohsiung accounted for nearly 30% of total submissions, while central Taiwan contributed approximately one-quarter, reflecting a well-distributed competitive landscape across all three major regions. Vocational education institutions were also a highlight of this year's competition, with nearly 30 entries from universities of science and technology, of which 3 teams advanced to the finals, demonstrating the research and development potential of vocational education in the fields of materials, mechanical engineering, and manufacturing processes. All entries underwent a written review process, from which 10 selected works and 12 finalist teams were chosen. The finalists then competed through oral presentations for one Gold, one Silver, and one Bronze Award, as well as three Special Selection Awards. The award-winning works of this year's competition broadly covered six major fields: sustainable environment, sensing components, energy applications, metals and ceramics, medical devices and testing, and semiconductor components, reflecting the diverse and deepening innovation in new materials technology within academic and research communities. Another notable feature of this year's competition was that the participating teams were more interdisciplinary in composition than in previous years. In addition to the traditional core disciplines such as materials science and chemical engineering, students from electronics, mechanical engineering, biomedical science, medical engineering, and semiconductor programs participated enthusiastically, with even medical school students and clinical physicians involved in research and development. Cross-disciplinary collaboration not only enhanced the innovativeness of the works but also ensured their completeness and practical applicability, accelerating the potential for research outcomes to be integrated into industry. Professor Liu Chih-Wei's team from the College of Electrical Engineering and Computer Science at National Taiwan University continued its outstanding multi-year performance, once again winning the top award of this year's competition with results focused on advanced semiconductor manufacturing processes. In appreciation of the Company's long-standing support for the cultivation of materials science and semiconductor talent in Taiwan, Professor Liu's team specially designed and presented a LEGO model inspired by semiconductor structures, symbolizing the spirit of industry-academia collaboration in building a shared foundation for technological advancement. The presentation ceremony was held during the award ceremony. The Company hopes that by continuing to organize competitions, it can encourage more young generations to engage in materials and semiconductor research, bringing new energy to the industry. (2) Donation of NT$700,000 to the "NCKU Chemical Engineering Culture and Education Foundation" to promote teaching activities:				

Promotion Items	Implementation Status			Discrepancies from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	

The Company. has long supported higher education and talent cultivation, continuously donating to the "NCKU Chemical Engineering Culture and Education Foundation" to promote teaching and talent development activities. Starting from 2025, The Company has once again committed to donating NT$700,000, deepening the collaborative relationship with academia and fulfilling the Company's long-term commitment to giving back to society.

A. Talent Cultivation Scholarships and Outstanding Student Scholarships:

【Deepening Educational Engagement to Cultivate Key Industry Talent】

The "Talent Cultivation Scholarship" established by the Foundation aims to assist students from financially disadvantaged backgrounds who have a passion for learning, helping them focus on their studies and develop professional competencies in a stable learning environment.

Through the support of these scholarships, the Foundation not only alleviates the financial burden on students and their families, but also provides spiritual encouragement, serving as an important driving force for continued self-improvement and self-fulfillment.

In 2025, three financially disadvantaged students received funding through the Company's "Talent Cultivation Scholarship." The Company believes that experiencing social support and goodwill during their formative years helps cultivate individuals with a strong sense of responsibility and a spirit of giving back — qualities that will enable them to create a more far-reaching and meaningful impact on industry and society in the years ahead.

B. Wah Lee Lecture Series — 4 sessions held:

【Supporting Academic Exchange to Deepen the Cultivation of Professional Talent】

The Company has long supported the NCKU Chemical Engineering Culture and Education Foundation in promoting education and academic exchange, sponsoring the Foundation's "Wah Lee Special Topic Lecture Series" to deepen students' understanding of industry trends and professional applications through industry-academia dialogue.

Building on past achievements, a total of 4 special topic lectures were held in 2025, inviting experts from academia and industry to share cutting-edge topics in chemical engineering, biomedical science, materials, intelligent manufacturing, and engineering applications. The content covered next-generation biotechnology, career development, research planning, as well as the application of carbon reduction and AI in engineering practice. The four lectures attracted over a thousand faculty members and students in total. Through on-site exchanges and experience sharing, participants were helped to broaden their horizons and strengthen the connection between theory and practice.

The Company hopes that by continuing to support special topic lectures, it can create a stable and diverse learning platform for academia, promote knowledge transfer and talent cultivation, and foster positive interactions between outstanding professionals from industry and academia and students.

C. Promoting International Exchange:

Promotion Items	Implementation Status			Discrepancies from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	

【Deepening International Academic Connections and Expanding the Sustainable Research Collaboration Network】

The Company continues to support the NCKU Chemical Engineering Culture and Education Foundation in promoting international academic exchange. By supporting transnational conferences and substantive exchange activities, it assists academia in aligning with international research trends and cultivates professional talent with a global perspective.

In 2025, the Department of Chemical Engineering at NCKU actively participated in multiple transnational academic exchange activities, deepening collaborative relationships with key academic and research institutions across Asia. A delegation of 33 faculty members and students led by the Head of the Department of Chemical Engineering from Khon Kaen University in Thailand visited NCKU for exchange activities. NCKU opened 10 professors' laboratories covering core research areas including energy, materials, and biomedical science, with graduate and undergraduate students conducting guided tours and research presentations in English. Teachers from both sides also engaged in in-depth discussions on follow-up collaboration plans, laying the foundation for future bilateral research and talent exchange.

On the Taiwan-Japan collaboration front, a bilateral polymer symposium was held in 2025, bringing nearly 30 Japanese faculty members and students to Taiwan. Through academic presentations and discussions, the event fostered mutual understanding of both sides' research achievements and areas of expertise, while helping to identify and connect potential research collaboration opportunities.

The outcomes of the conference not only broadened the participation of academic and research institutions, but also fostered interaction and exchange among laboratories and students, with the aim of jointly publishing research results of international impact and elevating the overall academic standard of polymer research in Taiwan.

In addition, NCKU participated in the 2025 Taiwan-Japan-Korea International Symposium on Chemical Engineering, bringing together leading scholars from the chemical engineering societies of the three countries. The symposium focused on net-zero carbon emissions and Sustainable Development issues, promoting international exchange and cooperation in key areas such as carbon reduction technologies, circular economy, and green manufacturing, and progressively establishing a robust and scalable research network.

The 2nd Taiwan-Thailand Bilateral Catalysis Conference, held in the same year, brought together 25 scholars and researchers from both Taiwan and Thailand, featuring 25 keynote lectures and substantive discussions on future joint symposia, student exchange programs, and collaborative research directions, creating a concrete action foundation for subsequent international cooperation.

The Company hopes that through long-term support of international academic exchange, it can help academia accumulate international collaboration capacity, promote Sustainable Development of scientific research, and cultivate professional talent capable of responding to global challenges.

(3) Supporting the "Creating a New Coastal Paradise" Coastal Afforestation Plan — Partnering to Restore the Qieding Wetland Ecosystem

To deepen the Company's sustainability commitment on the environmental front, the Company supported the "Creating a New Coastal Paradise" coastal

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	Yes	No	Summary	

afforestation plan initiated by the Love Trees Association in 2025, planting 100 native and site-appropriate tree species in the coastal area of Qieding, Kaohsiung, and actively participating in the construction of coastal windbreak forests and ecological habitat restoration efforts. The plan centers on the core pillars of "Coastal Afforestation × Ecological Restoration × Citizen Participation × ESG Action," progressively strengthening the windbreak and sand fixation functions of coastal areas through scientifically-based site-appropriate planting principles and diverse, multi-layered planting configurations, while enhancing overall biodiversity and injecting long-term restorative momentum into the coastal environment.

The coastal area of Qieding has long been affected by strong winds, salt spray, and climate change, resulting in a relatively fragile ecological environment. Over the past year, the Association has continuously advanced coastal afforestation and habitat construction works, focusing not only on the number of trees planted, but also emphasizing subsequent nurturing management and survival rate tracking, to ensure that the plantings can truly take root and grow, forming a stable windbreak forest belt and a diverse habitat system. The Company endorses the philosophy that "what is planted is not just a tree, but the ecological foundation of the future," and through practical support and resource investment, transforms environmental stewardship from a concept into measurable and sustainable concrete outcomes.

This support initiative also echoes Goal 13 "Climate Action" and Goal 15 "Life on Land" of the United Nations Sustainable Development Goals (SDGs), demonstrating the Company's long-term commitment to balancing environmental capacity while pursuing operational growth. In the future, the Company will continue to monitor the effectiveness of coastal afforestation and ecological restoration outcomes, working together to create a more resilient coastal ecosystem and realizing the sustainable vision of coexistence between enterprises and nature.

(4) Sponsoring the Composite Materials Association in Organizing the Composite Materials Innovation Competition:

Sponsoring the Taiwan Composite Materials Industry Association in organizing the "2025 Cross-Strait Youth Composite Materials Innovation Competition" to encourage young students to engage in materials research and innovative applications. Through this competition, cross-strait technical exchange and experience sharing are promoted, nurturing the next generation of professional talent, strengthening supply chain collaboration capacity, and injecting innovative momentum into the composite materials industry.

(5) Implementation of Green Bond Investments:: In May 2025 and August 2026, the Company made two separate investments of NT$20 million each in green bonds issued by United Microelectronics Corporation (UMC) (Bond Abbreviation: P12 UMC1; Bond Code: B638BH). which has received green bond qualification recognition from the Taipei Exchange.