

Stock Code: 6230

NIDEC CHAUN-CHOUNG TECHNOLOGY CORPORATION

(Original: Chaun-Choung Technology Corporation)

2024

Annual Report

Annual Report Inquiry URLs:

Public Information Observation System: <http://mops.twse.com.tw>

Company Website: <http://www.ccic.com.tw>

Printed Date: May 15, 2025

1. Company Spokesperson, Acting Spokesperson's Name, Position, Contact Phone, and Email Address.

Spokesperson: Sumikawa Yohei

Title: CFO and CAO

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Email: sumikawa.yohei@nidec.com

Deputy Spokesperson: Linda Lin

Title: Assistant President, Administration Department

Telephone: (02) 2995-2666 (main line)

Email: miss_lin@ccic.com.tw

2. Headquarters, Branch Offices, and Factory Addresses and Phone Numbers

Headquarters Address: No. 184-3, Zhongxing North Street, Sanchong District, New Taipei City

Telephone: (02) 2995-2666 (Main Line)

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Telephone: (02) 2995-2369~723.

3. Name, Address, Website, and Phone Number of the Stock Transfer Agency

Name: Yuanta Securities Co., Ltd. Shareholder Services Department

Address: B1, No. 67, Sec. 2, Dunhua S. Rd., Da'an Dist., Taipei City, 106

Website: <http://www.yuanta.com.tw>

Telephone: 0800-037-888 or (02) 2586-5859 (Main Line)

4. Name, Address, Website, and Phone Number of the Most Recent Financial Report's Auditors

Accountants' Names: Hui-Zhi Kou, Ji-Long Yu

Firm Name: PricewaterhouseCoopers Taiwan

Address: 68th Floor, No. 7, Section 5, Xinyi Road, Xinyi District, Taipei City 11049

Website: <http://www.pwc.com.tw>

Telephone: (02) 8101-6666 (Main Line)

5. Name of the overseas securities exchange for listing and the method to inquire about information on those overseas securities: None.

6. Company website: <http://www.ccic.com.tw>

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I. Report to Shareholders

Dear shareholders, ladies and gentlemen,

On behalf of the Board of Directors and all the employees, I would like to express our sincere gratitude for your support and care for our company. At the same time, I am pleased to present to you the operational achievements of our company in 2024 and the operational plan in 2025.

1. 2024 Business Report

(1) Implementation Results of the 2024 Business Plan

The Company's consolidated net operating revenue for 2024 was NT\$8,123,811 thousand, representing a 24% decrease compared to NT\$10,759,092 thousand in 2023. Profit before tax amounted to NT\$217,913 thousand, a 75% decrease from NT\$880,959 thousand in the previous year. Net income after tax was NT\$127,513 thousand, with earnings per share of NT\$1.48, compared to a net income after tax of NT\$605,776 thousand and earnings per share of NT\$7.02 in 2023, reflecting a 79% decline. This downturn was mainly due to the impact of the game console industry, which experienced a surge in demand during the COVID-19 pandemic in 2020, leading to peak shipment volumes. As of 2024, most console models have been on the market for about four years and are reaching the end of their product life cycle. The global game console market saw an annual decline of over 25%, which in turn affected the Company's revenue and profitability.

(2) Financial Income and Profitability Analysis (consolidated)

Unit: NT\$ thousands

Item		Year	2023	2024
Financial Income and Expenditure	Revenue from operations		10,759,092	8,123,811
	Operating gross profit		2,106,327	1,470,273
	Net profit after tax		605,776	127,513
Profitability	Return on assets (%)		5.82	1.43
	Return on Equity (%)		10.92	2.17
	Pre-tax net profit to paid-in capital ratio (%)		102.02	25.23
	Net Profit Margin (%)		5.63	1.56
	Basic earnings per share (NT\$)		7.02	1.48

(3) Research and development

1. Research and development expenses in the past two years:

Unit: NT\$ thousands

Year	2023	2024
Research and development expenses amount	591,822	586,199
Percentage of research and development expenses to annual revenue:	5.50	7.22

2. Research and development achievements

(1) Successful development of technologies or products

- (i) Development completed for air-cooled heat dissipation modules exceeding 450W for high-density computing servers.
- (ii) Development completed for air-cooled heat dissipation modules exceeding 800W for network communication equipment.
- (iii) Development completed for 8KW Mini CDU used in liquid cooling applications.
- (iv) Development completed for thermal performance testing jigs for liquid cooling.
- (v) Development completed for standard water-cooling modules.

(2) Ongoing development of technologies or products

- (i) Continuous R&D of Slight/Slim/Strong (3S) heat dissipation products.
- (ii) Development of thermal components capable of withstanding extremely high and low temperatures from -40°C to 150°C.
- (iii) Development of manifolds for chassis-based liquid cooling systems.
- (iv) Development of 3D vapor chamber (VC) technology for 700–1400W applications.

2. Summary of the 2025 Operating Plan

(1) Business Policies

1. Continue to develop new industries, sectors, and new cooperative clients to expand revenue scale. Constantly strengthen relationships and services with business partners.
2. Reinforce the organizational structure of the R&D department and focus on cultivating outstanding R&D talents to enhance the efficiency and quality of product development. In addition, keep pace with the times by deepening efforts in the development of high-wattage products applied to AI technologies to strengthen competitiveness.
3. Leverage the resources of the overall Nidec Group to enhance functions such as business

operations, product development, quality management, and procurement, thereby improving the Group's global competitiveness.

4. In response to the ongoing U.S.-China trade conflict, continue to develop the Southeast Asia region in line with key partners. The Vietnam plant has reached a significant production scale and has been certified by multiple customers. It is expected to achieve high capacity utilization and become one of the Company's solid production bases.

(2) Maintaining Key Production and Sales Policies

1. Production: Continue strict inventory management and improve inventory turnover. Actively invest in automated production equipment to enhance production efficiency and improve product quality and process simplification. Design versatile materials to effectively reduce costs and provide more competitive pricing.
2. Sales: In addition to maintaining the existing domestic and overseas market share, keep pace with the AI market trends and continuously invest in production capacity for heat dissipation-related applications. Strengthen international marketing deployment and actively expand into global markets.

3. Company's Future Development Strategies

Today, heat dissipation products are widely applied in PCs, notebooks, smartphones, cloud data centers, automobiles, and artificial intelligence (AI). With the continued robust development of AI-related topics, overall demand and market size for heat dissipation products are expanding. As we enter the era of AI, power consumption by servers is increasing, requiring a variety of cooling module solutions to meet performance goals. Benefiting from steady demand growth in AI, cloud data centers, and network communication markets, heat dissipation products remain key to improving system efficiency. The Company is also optimistic about the business opportunities generated by the new product cycle of game consoles, with related product revenues expected to continue rising.

In line with current market trends, the Company has formulated long-term operational goals and launched comprehensive action plans. Execution performance is actively tracked and strategies are adjusted dynamically. By utilizing group resources and leveraging long-standing and deep customer relationships, the Company aims to expand the range of its product and service offerings across different industries and secure a relatively advantageous position among peers across product lines. The Company continues to strengthen the quality and efficiency of R&D, sharing achievements and revenue growth results with customers. Moreover, the Company places great importance on ESG sustainability reporting and allocates

resources to align with global trends.

Facing a rapidly changing globalized economic environment, the strong tariff and trade policies adopted by the U.S. Trump administration, and the restructuring of international political and trade orders, the Company recognizes the deep impacts these factors may have on its performance and the entire industry chain. With ongoing risks stemming from global geopolitical tensions in recent years, the Company must remain vigilant and promptly devise responsive strategies to tackle various challenges in the future AI-driven world.

Finally, we extend our best wishes for good health

and the safety of your family.

Chairman: Miyoshi Akihiro

CEO: Miyoshi Akihiro

Chief Accountant: Mei-Hua Chen

II. Corporate Governance Report

1. Information of Directors, the President, Vice Presidents, Assistant Presidents, and Heads of Departments

(1) Information of Directors

1. Information of Directors

April 30, 2025; Unit: shares

Title	Nationality or Place of Registration	Name	Gender/Age	Elected (Appointed) Date	Term of Office	Date of Initial Appointment	During the appointment Shares Held		Current Number of Shares Held		Current Shares Held by Spouses and Minor Children		Shares Held in the Name of Other Persons		Main education and work experience	Currently Serving Posts in the Company and Other Companies Posts in Other Companies	Spouse or Second Degree of Kinship as Heads of Departments, Directors, or Supervisors			Remarks
							Shares	%	Shares	%	Shares	%	Shares	%			Job Title	Name	Relationship	
							Chairman	Japan	Nidec Corporation	-	2022.6.20	3	2022.6.20	74,448,982			86.22%	74,514,982	86.3%	
Delegate: Miyoshi Akihiro	Male/51~60	2022.6.20	3	2024.7.29	0	0.00%			0	0.00%	0	0.00%	0	0.00%	Graduated from the Department of Humanities and Social Science, Faculty of Letters, Keio University (majoring Sociology) Global MBA program at National Taiwan University President, Misumi Taiwan Corporation Vice Chairman of Nidec Chaun-Choung Technology Corporation	Chairman and CEO of Nidec Chaun-Choung Technology Corporation Chairman of Nidec Jue-Choung Electronics (Kunshan) Co., Ltd Chairman of Nidec Cyun Siang High-Tech (Chongqing) Co., Ltd. and Nidec Chaun Choung Vietnam Corporation	None	None	None	None
Director	Japan	Nidec Corporation	-	2022.6.20	3	2019.1.29	74,448,982	86.22%	74,514,982	86.3%	0	0.00%	0	0.00%	N/A	N/A	N/A	N/A	None	
		Delegate: Sumikawa Yohei	Male/51~60	2022.6.20	3	2023.8.02	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Graduated from the Department of Commerce and Trade, Faculty of Commerce, Chuo University FP&A Department Head, Cost Accounting Section, Accounting Department, Finance Division, Japan AMP Corporation	Director at Kunshan Jue-Chung Electronics Co., Ltd., Nidec Chongqing Cyun Siang High-Tech Co., Ltd., Nidec Chaun Choung Vietnam Corporation Vice Chairperson, NCCU	None	None	None	Note 4
Director	Japan	Nidec Corporation	-	2022.6.20	3	2019.1.29	74,448,982	86.22%	74,514,982	86.3%	0	0.00%	0	0.00%	N/A	N/A	N/A	N/A	None	
		Delegate: Nagai Junichi	Male/61~70	2022.6.20	3	2019.1.29	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Bachelor of Economics from Yokohama National University Head of Overseas Business Management Division of Nidec Corporation Chairman and CEO of Nidec Chaun-Choung Technology Corporation Chairman of Nidec Jue-Choung Electronics (Kunshan) Co., Ltd Chairman of Nidec Cyun Siang High-Tech (Chongqing) Co., Ltd. and Nidec Chaun Choung Vietnam Corporation	Director and advisor of Nidec Chaun-Choung Technology Corporation	None	None	None	None
Director	Japan	Nidec Corporation	-	2022.6.20	3	2022.6.20	74,448,982	86.22%	74,514,982	86.3%	0	0.00%	0	0.00%	N/A	N/A	N/A	N/A	None	

Title	Nationality or Place of Registration	Name	Gender/Age	Elected (Appointed) Date	Term of Office	Date of Initial Appointment	During the appointment Shares Held		Current Number of Shares Held		Current Shares Held by Spouses and Minor Children		Shares Held in the Name of Other Persons		Main education and work experience	Currently Serving Posts in the Company and Other Companies Posts in Other Companies	Spouse or Second Degree of Kinship as Heads of Departments, Directors, or Supervisors			Remarks
							Shares	%	Shares	%	Shares	%	Shares	%			Job Title	Name	Relationship	
		Delegate: Yamaoka Naoto	Male/41~50	2022.6.20	3	2023.7.27	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Graduated from the Department of Mechanical Systems Engineering, Faculty of Engineering, University of Miyazaki Department Head, SPMS Business Planning Division, Nidec Corporation Group Leader, SPMS Business Planning Division, Nidec Corporation Vice chairmann of Nidec Chaun-Choung Technology Corporation	Director of Nidec Chaun-Choung Technology Corporation President and director of Nidec Chaun Choung Vietnam Corporation	None	None	None	Note 4
Director	Japan	Nidec Corporation	-	2022.6.20	3	2019.1.29	74,448,982	86.22%	74,514,982	86.3%	0	0.00%	0	0.00%	N/A	N/A	N/A	N/A	N/A	None
		Delegate: Kitao Yoshihisa	Male/61~70	2022.6.20	3	2023.07.27	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Bachelor of Economics, Kyoto Sangyo University Director, Nanba Corporate Sales First Division, Sumitomo Mitsui Financial Group Executive Officer, Nidec Corporation Business Unit Director, Small Motor Business Unit, Nidec Corporation	Vice President and Executive Director, Nidec Corporation	None	None	None	Note 3
Director	Japan	Nidec Corporation	-	2022.6.20	3	2019.1.29	74,448,982	86.22%	74,514,982	86.3%	0	0.00%	0	0.00%	N/A	N/A	N/A	N/A	N/A	None
		Delegate: Miyamoto Eiji	Male/61~70	2022.6.20	3	2021.4.1	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Bachelor of Electrical Engineering, Chubu University Director of the Second Development Division, Precision Small Motor Business Unit, GMS Division, Nidec Corporation	Executive Director, Nidec Corporation	None	None	None	None
Director	Japan	Nidec Corporation	-	2022.6.20	3	2019.1.29	74,448,982	86.22%	74,514,982	86.3%	0	0.00%	0	0.00%	N/A	N/A	N/A	N/A	N/A	None
		Delegate: Matsuhashi Hidetoshi	Male/61~70	2022.6.20	3	2024	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Bachelor of Economics, University of Toyama Finance Director, Precision Small Motor Business Unit, GMS Division, Nidec Corporation Director and Finance Director, Nidec Chaun-Choung Technology Corp. Director, Kunshan Jue-Chung Electronics Co., Ltd., Nidec Chongqing Cyun Siang High-Tech Co., Ltd., Nidec Chaun Choung Vietnam Corporation Chairperson, NIDEC MOTOR (DONGGUAN) CORPORATION	Finance Director and Department Head of the Management Oversight Division, Small Motor Business Unit, Nidec Corporation Vice chairman, Nidec Chaung-Choung Technology America, Inc.	None	None	None	Note 3
Director	Japan	Nidec Corporation	-	2022.6.20	3	2019.1.29	74,448,982	86.22%	74,514,982	86.3%	0	0.00%	0	0.00%	N/A	N/A	N/A	N/A	N/A	None

Title	Nationality or Place of Registration	Name	Gender/Age	Elected (Appointed) Date	Term of Office	Date of Initial Appointment	During the appointment Shares Held		Current Number of Shares Held		Current Shares Held by Spouses and Minor Children		Shares Held in the Name of Other Persons		Main education and work experience	Currently Serving Posts in the Company and Other Companies Posts in Other Companies	Spouse or Second Degree of Kinship as Heads of Departments, Directors, or Supervisors			Remarks
							Shares	%	Shares	%	Shares	%	Shares	%			Job Title	Name	Relationship	
		Delegate: Ota Shingo	Male/51~60	2022.6.20	3	2024.04.12	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Graduated from the Department of Economics, College of Economics, Ritsumeikan University Director of SPMS General Sales Department, Nidec Corporation SPM Business Division, SPMS General Sales Department, Nidec Corporation	Vice chairman of Nidec Taiwan Corporation Vice chairman, Nidec (Shanghai) International Trading Co., Ltd. Vice chairman, Nidec Group in Greater China Director of Nidec Chaun-Choung Technology Corporation	None	None	None	Note 3
Director	Japan	Nidec Corporation	-	2022.6.20	3	2019.1.29	74,448,982	86.22%	74,514,982	86.3%	0	0.00%	0	0.00%	N/A	N/A	N/A	N/A	N/A	None
		Delegate: Takasawa Shinji	Male/51~60	2022.6.20	3	2022.6.20	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Bachelor's Degree in International Relations, Peking University Manager of FA International Division and Representative of Guangzhou Branch, Mitsumi Electric Co., Ltd. Chairperson and President, Takasawa Business Consulting (Hong Kong), (Shenzhen) Co., Ltd. Chief Division Head, President's Office, Fujitsu General Ltd. President, Nidec Chongqing Cyun Siang High-Tech Co., Ltd.	Vice president and director, Nidec Chongqing Cyun Siang High-Tech Co., Ltd. Director, Nidec Chaun-Choung Technology Corporation	None	None	None	None
Independent Director	ROC	Hsu Ke-Wei	Male/61~70	2022.6.20	3	2019.1.29	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Bachelor's degree from National Taiwan University. Juris Doctor (J.D.) degree from the University of Pennsylvania Law School. Master of Business Administration (MBA) degree from the Wharton School of the University of Pennsylvania. Legal Consultant of Wende Pharmaceutical Co. Ltd. General Counsel/Legal Advisor at Mud Entertainment Co., Ltd. Zhongda International Law Firm.	Independent Director of Uni-President Enterprises Corp.	None	None	None	None
Independent Director	ROC	Wang Wen-Yeu	Male/61~70	2022.6.20	3	2022.6.20	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Doctor of Juridical Science (J.S.D.) from Stanford University. Master of Laws (LL.M.) from Columbia University. Master of Laws (LL.M.) from National Taiwan University. Commissioner at the Fair Trade Commission, Executive Yuan. Director at Cooperative Bank of Taiwan. Supervisor at Taiwan Futures Exchange. Council Member at the Taiwan Law Society. Professor at the College of Law, National Taiwan University. Attorney at Sullivan & Cromwell law firm in New York, USA. Independent Director of Creative Electronics Co., Ltd.	Convener of the Taiwan Branch of the International Association of Comparative Law (IACL) Independent Director of Precision Components Technology Co., Ltd. Dean and Honorary Chair Professor, College of Law, Kainan University	None	None	None	None
Independent Director	ROC	Lian Jun-Hua	Male/51~60	2022.6.20	3	2022.6.20	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Master of Business Administration (MBA) from State University of New York at Buffalo. Bachelor's degree in Accounting from National Chengchi University. Chief Financial Officer at Hezheng Technology Co., Ltd. Vice President of Underwriting Department at South China Securities Co., Ltd.	Independent Director of King Yuan Precision Technology Co., Ltd.	None	None	None	None

Title	Nationality or Place of Registration	Name	Gender/ Age	Elected (Appointed) Date	Term of Office	Date of Initial Appointment	During the appointment Shares Held		Current Number of Shares Held		Current Shares Held by Spouses and Minor Children		Shares Held in the Name of Other Persons		Main education and work experience	Currently Serving Posts in the Company and Other Companies Posts in Other Companies	Spouse or Second Degree of Kinship as Heads of Departments, Directors, or Supervisors			Remarks
							Shares	%	Shares	%	Shares	%	Shares	%			Job Title	Name	Relationship	
														Special Assistant at GodBrain International Enterprise and Deputy Chief Financial Officer and Spokesperson at Guoding BioTech.						
Independent Director	ROC	Chou Chien-Hung	Male/ 41~50	2022.6.20	3	2022.6.20	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Master's degree in Accounting from Chinese Culture University. Bachelor's degree in Economics from Feng Chia University. Completion of credits for Master of Laws (LL.M.) at National Taipei University. Manager at Capital Market Department of Taishin Securities. Manager at Investment Banking Department of Yuanta Securities Co., Ltd.	Partner at Zhanyue United Certified Public Accountants	None	None	None	None

Note 1: If the Chairman of the company also holds the position of President or an equivalent position (the highest executive), is married to the President, or is a first-degree relative, the reason, rationale, necessity, and corresponding measures should be explained. This may include increasing the number of independent directors and ensuring that a majority of directors do not concurrently serve as employees or executives, among other methods. Relevant information should be provided.

Nidec Corporation (referred to as “Nidec”) completed a public acquisition of our company in November 2018, making it our parent company. On January 29, 2019, an extraordinary general meeting of shareholders was held to conduct a comprehensive re-election of directors and supervisors. Nagai Junichi, the representative appointed by Nidec, was elected as the Chairman. As the parent company, Nidec appointed Nagai Junichi to concurrently serve as the CEO of our company in order to oversee and supervise our operations. He is responsible for formulating our business strategies, objectives, and marketing strategies, as well as planning and executing new business units. Additionally, he plays a key role in decision-making regarding important operational and financial matters. This management approach is commonly seen in multinational corporations. The Chairman regularly communicates the operational status and future operational policies to the directors through board meetings, ensuring effective corporate governance. In line with the operational needs of the company, an independent director position was established on June 20, 2022 to enhance the functions of the board of directors and strengthen the oversight mechanism.

Note 2: Mr. Sano Yoshihide and Mr. Nishizawa Toru, the previously appointed corporate director representative of Nidec Corporation, were replaced by Mr. Matsunashi Hidetoshi and Mr. Miyoshi Akihiro, on July 29, 2024. In addition, Mr. Miyoshi Akihiro was elected as the chairman on Oct. 1, 2024.

Note 3: Mr. Kino Tetsuo, the previously appointed corporate director representative of Nidec Corporation, was replaced by Mr. Ota Shingo on April 12, 2024.

Note 4: Mr. Nagai Junichi resigned from his position as Chairman of the Board on October 1, 2024, due to corporate succession planning and sustainable operations. He has since assumed the role of Advisor to the Company.

2. Directors and supervisors representing corporate shareholders, the names of the corporate shareholders, and the names and shareholding percentages of the top ten shareholders:

April 30, 2025

Legal entity shareholder name	Major shareholders of legal entity	Shareholding Percentage
Nidec Corporation	Japan Master Trust Trust Bank Co., Ltd. (Trust Account)	13.58%
	Eimori Shigekazu	8.59%
	Custody Bank of Japan, Ltd. (Trust Account)	5.28%
	Kyoto Bank, Ltd.	4.30%
	Nidec Corporation	3.56%
	S.N. KOSAN, LLC.	3.51%
	Mitsubishi UFJ Bank, Ltd.	2.58%
	Nippon Life Insurance Company	2.28%
	Meiji Yasuda Life Insurance Company	2.22%
	The Bank of New York Mellon140042	1.91%

3. For corporate shareholders who are themselves major shareholders, the information regarding their main shareholders is as follows:

April 30, 2025

Legal entity shareholder name	Major shareholders of legal entity	Shareholding Percentage
Master Trust Bank of Japan, Ltd.	Mitsubishi UFJ Trust and Banking Corporation	46.50%
	Nippon Life Insurance Company	33.50%
	Meiji Yasuda Life Insurance Company	10.00%
	The Norinchukin Trust & Banking Co.,Ltd.	10.00%
Custody Bank of Japan, Ltd. (Trust Account)	Sumitomo Mitsui Trust Holdings, Inc.	33.30%
	Mizuho Financial Group, Inc.	27.00%
	Resona Bank, Limited	16.70%
	The Dai-ichi Life Insurance Company, Limited	8.00%
	Asahi Seimei Hoken Sōgo-kaisha	5.00%
	Meiji Yasuda Life Insurance Company	4.50%
	Japan Post Insurance Co., Ltd.	3.50%
	Fukoku Mutual Life Insurance Company	2.00%
Kyoto Financial Group, Inc.	The Master Trust Bank of Japan (Trust Account)	11.71%
	Nippon Life Insurance Company	3.73%
	Custody Bank of Japan, Ltd. (Trust Account)	3.65%
	Tokio Marine & Nichido Fire Insurance Co., Ltd.	3.47%
	Meiji Yasuda Life Insurance Company	3.42%
	NORTHERN TRUST CO. (AVFC) RE SILCHESTER INTERNATIONAL INVESTORS INTERNATIONAL VALUE EQUITY TRUST	3.05%
	KYOCERA Corporation	2.18%
	The Master Trust Bank of Japan (Retirement Trust Account · OMRON Corporation)	2.09%
Mitsubishi UFJ Trust and Banking Corporation	Mitsubishi UFJ Financial Group, Inc. (MUFG)	100%

4、Disclosure of Director's Professional Qualifications and Independence of Independent Directors:

Name	Conditions Independent Director	Members of the Audit Committee	Members of the Compensation Committee	Professional Qualifications and Experience (Note 1)	Independence Status (Note 2)	Number of other public corporations in which the person concurrently serves as an independent director.
Nidec Corporation Delegate: Miyoshi Akihiro	—	—	—	1. Work experience in business, technology, operations, and decision-making abilities 2. Other experiences are obtained through concurrent positions in other companies. For information regarding education, gender, professional qualifications, work experience, and diversity, please refer to pages 4-8 and 11-13 of this annual report. 3. There are no circumstances falling under Article 30 of the Company Act.	N/A	0
Nidec Corporation Delegate: Nagai Junichi	—	—	—			0
Nidec Corporation Delegate: Kitao Yoshihisa	—	—	—			0
Nidec Corporation Delegate: Miyamoto Eiji	—	—	—			0
Nidec Corporation Delegate: Yamaoka Naoto	—	—	—			0
Nidec Corporation Delegate: Sumikawa Yohei	—	—	—			0
Nidec Corporation Delegate: Hidetoshi Matsuhashi	—	—	—			0
Nidec Corporation Delegate: Ota Shingo	—	—	—			0
Nidec Corporation Delegate: Takasawa Shinji	—	—	—			0
Chou Chien-Hung	V	V (Convener)	V	1. Work experience in business, technology, operations, and decision-making abilities 2. Other experiences are acquired through concurrent positions in other companies. Information regarding education, gender, professional qualifications, work experience, and diversity can be found on pages 4-8 and 11-13 of the provided materials. 3. Regarding Article	As an independent director, meeting the independence criteria: This includes, but is not limited to, not serving as a director, supervisor, or employee of the company or its affiliated enterprises for oneself, spouse, parents within the second degree of kinship, etc.; not holding any shares of the company; not serving as a director, supervisor, or employee of companies with specific relationships to the company; and not receiving compensation from the company or its	0
Lian Jun-Hua	V	V	V			1
Hsu Ke-Wei	V	V	V (Convener)			1
Wang Wen-Yeu	V	V	V			1

Name	Conditions Independent Director	Members of the Audit Committee	Members of the Compensation Committee	Professional Qualifications and Experience (Note 1)	Independence Status (Note 2)	Number of other public corporations in which the person concurrently serves as an independent director.
				30 of the Company Act, there are no circumstances falling under its provisions.	affiliated enterprises for providing business, legal, financial, accounting, or similar services in the past two years.	

Note 1: Professional qualifications and experience: Describe the professional qualifications and experience of individual directors and supervisors, and if they are members of the audit committee with accounting or financial expertise, their accounting or financial background and work experience should be stated. Also, indicate whether there are any circumstances under Article 30 of the Company Act.

Note 2: Independent directors should disclose their compliance with independence criteria, including but not limited to the fact that the director, their spouse, or relatives within the second degree of kinship have not served as a director, supervisor, or employee of the Company or any of its affiliates; have not served as a director, supervisor, or employee of a specific related party of the Company (as defined in Articles 3.1.5 to 3.1.8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies); have not received compensation in the past two years for providing business, legal, financial, or accounting services to the Company or its affiliates; and disclose the number and proportion of shares of the Company held (directly or through nominees) by themselves, their spouse, or relatives within the second degree of kinship.

5. Board Diversity and Independence:

(1) Board Diversity:

1. According to the Company's Corporate Governance Best Practice Principles, the composition of the Board of Directors should be diversified. In principle, directors who also serve as managerial officers of the Company should not account for more than one-third of the board seats. The diversity policy is formulated based on the Company's operations, business model, and development needs.

The nomination and selection of Board members are conducted in accordance with the Articles of Incorporation, utilizing a candidate nomination system. Candidates are approved by the Board and then elected by the shareholders' meeting.

As stipulated in Article 20 of the Company's Corporate Governance Best Practice Principles, board composition should consider diversity and should not be restricted by gender, ethnicity, or nationality. In addition to possessing the necessary knowledge, skills, and character required for the role, the overall Board should demonstrate competencies in operational judgment, accounting and finance, business management, crisis management, industry expertise, global market perspective, leadership, and decision-making.

The current Board comprises 13 directors, including 4 independent directors and 9 regular directors. Members possess extensive expertise and experience in areas such as overseas business management, industry knowledge and technological R&D, corporate management, strategic

planning, product marketing and sales, finance, accounting, legal affairs, and business management. This allows them to provide valuable professional insights from different perspectives, greatly benefiting the Company. Looking forward, the Company will continue to consider diversity and gender equality in its Board composition, and seek qualified female directors with professional backgrounds and experience to enhance competitiveness and promote sustainable development.

2. The implementation of Board diversity at the Company is summarized as follows:

Title	Diversification projects Board of Directors Names	Nationality	Age			Gender	Simultaneously holding a position as an	Tenure of Independent Directors	Operational Judgment/Management	Crisis Management/Leadership	Industry Knowledge	International market insight	Financial Accounting	decision-making skills	Remarks
			41 to 50	51 to 60	61 to 70										
Chairman (Note 1, Note 3)	Nidec Corporation Delegate: Miyoshi Akihiro	Japan	√			Male	√	N/A	√	√	√	√	√	Proficient in business management, corporate operations and strategic planning, product marketing and sales	
Director (Note 3)	Nidec Corporation Delegate: Nagai Junichi	Japan		√		Male	√	N/A	√	√	√	√	√	Proficient in overseas business management, corporate operations, and strategic planning, as well as product marketing.	
Director	Nidec Corporation Delegate: Kitao Yoshihisa	Japan		√		Male	√	N/A	√	√	√	√	√	Proficient in industry knowledge and product development management.	
Director	Nidec Corporation Delegate: Miyamoto Eiji	Japan		√		Male	√	N/A	√	√	√	√	√	Proficient in industry knowledge and product development management.	
Director	Nidec Corporation Delegate: Yamaoka Naoto	Japan	√			Male	√	N/A	√	√	√	√	√	Proficient in industry knowledge and product development management.	
Director	Nidec Corporation Delegate: Sumikawa Yohei	Japan		√		Male	√	N/A	√	√	√	√	√	Proficient in financial and business management.	
Director (Note 1)	Nidec Corporation Delegate: Matsuhashi Hidetoshi	Japan		√		Male	√	N/A	√	√	√	√	√	Proficient in financial and business management.	
Director (Note 2)	Nidec Corporation Delegate: Ota Shingo	Japan		√		Male	√	N/A	√	√	√	√	√	Proficient in industry knowledge and product development management.	
Director	Nidec Corporation Delegate: Takasawa Shinji	Japan		√		Male	√	N/A	√	√	√	√	√	Proficient in corporate strategic planning, finance, and legal affairs.	
Independent Director	Hsu Ke-Wei	R.O.C.		√		Male	3~6 years	√	√	√	√	√	√	Proficient in legal affairs.	
Independent Director	Wang Wen-Yeu	R.O.C.		√		Male	3~6 years	√	√	√	√	√	√	Proficient in legal affairs.	
Independent Director	Lian Jun-Hua	R.O.C.		√		Male	3 years	√	√	√	√	√	√	Proficient in financial accounting affairs.	
Independent Director	Chou Chien-Hung	R.O.C.	√			Male	3 years	√	√	√	√	√	√	Proficient in financial accounting affairs.	

Note 1: Nidec Corporation originally appointed Mr. Nishizawa Toru and Mr. Sano Yoshihide as corporate director representatives. They were replaced by Mr. Miyoshi Akihiro and Mr. Matsuhashi Hidetoshi on July 29, 2024.

Note 2: Mr. Kino Tetsuo, originally appointed as a corporate director representative by Nidec Corporation, was replaced by Mr. Ota Shingo on April 12, 2024.

Note 3: Former Chairman Mr. Nagai Junichi stepped down and was succeeded by Mr. Miyoshi Akihiro as Chairman through a Board election held on October 1, 2024.

Item		Director		Independent Director	
		Number of Persons	Proportion	Number of Persons	Proportion
Age	41~50 years old	1	8%	1	8%
	51~60 years old	4	31%	1	8%
	Above 61 years old	4	31%	2	15%
Gender	Male	9	69%	4	31%
	Female	0	0%	0	0%
Nationality	R.O.C.	0	0%	4	31%
	Japan	9	69%	0	0%
Employment Identity	The Company	3	23%	0	0%
	Subsidiaries	2	15%	0	0%
Shareholder Status	Shareholder	9	69%	0	0%
	Non-shareholder	0	0%	4	31%
Independent Director Term	First Term	0	0%	3	75%
	Second Term	-	-	1	25%

The Company's current Board of Directors consists of thirteen members. The concrete management objectives and status of implementation of the Board diversity policy are as follows:

Management Objectives	Implementation Status
Independent directors shall account for no less than one-third of the total number of directors	Achieved
Over half of the independent directors shall not serve more than three consecutive terms	Achieved
At least one female director	Will be achieved with the addition during the 2025 board re-election

(2) Board Independence:

The Company currently has 13 directors, including independent directors, who account for 30.77% of the Board. The roles and authority of the independent directors are in full compliance with the Securities and Exchange Act and the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.

The Company's Board of Directors is responsible for guiding corporate strategy, supervising management, and being accountable to the Company and its shareholders. In all governance-related operations and arrangements, the Board exercises its powers in accordance with relevant laws and regulations, the Articles of Incorporation, and resolutions of shareholders' meetings. The Board emphasizes independent operations and transparency. All directors and independent directors act independently and exercise their powers autonomously. None of the directors are related to each other as spouses or within the second degree of kinship. Additionally, there are no circumstances as defined in Paragraphs 3 and 4 of Article 26-3 of the Securities and Exchange Act. In summary, the Company's Board of Directors maintains a high degree of independence.

(2) President, Vice Presidents, Division Managers, Department Heads, and Branch Managers Information

April 30, 2025; Unit: shares

Job Title	Nationality	Name	Gender	Date Elected/ Appointed	Holding of Shares		Shares Held by Spouses and Minor Children		Shares Held in the Name of Others		Main education and work experience	Currently holding positions in other companies	Managerial positions involving spouse or relatives up to the second degree of kinship			Remarks
					Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Chairman and CEO	Japan	Miyoshi Akihiro	Male	2024.10.1	0	0.00%	0	0.00%	0	0.00%	Graduated from the Department of Humanities and Social Science, Faculty of Letters, Keio University (majoring Sociology) Global MBA Program, National Taiwan University Senior Manager, Accenture Japan Ltd. President, Misumi Taiwan Corporation General Manager, Logistics Business Management Office, Management Planning Department, Misumi Corporation Vice Chairman, Nidec Chaun-Choung Technology Corporation	Chairman and CEO, Nidec Chaun-Choung Technology Corporation Chairman of Kunshan Jue-Chung Electronics Co., Ltd., Nidec Chongqing Cyun Siang High-Tech Co., Ltd., and Nidec Chaun Choung Vietnam Corporation	None	None	None	None
Chief Financial Officer and CAO	Japan	Sumikawa Yohei	Male	2024.8.7	0	0.00%	0	0.00%	0	0.00%	Bachelor's Degree in Business and Trade, School of Commerce, Chuo University, Tokyo, Japan Director of FP&A Department, Cost Accounting Section, Accounting Division, Finance Headquarters, AMP Japan Ltd. Director of Accounts Receivable Management Department, Japan Director of Management Accounting Department, Financial Shared Services, Japan Director of FP&A Department, Automotive Business Division Deputy Division Director of Japan Finance, Automotive Business Division	Chief Administrative Officer (CAO) and Spokesperson, Nidec Chaun-Choung Technology Corporation Also serves as Vice Chairman of Kunshan Jue-Chung Electronics Co., Ltd., Nidec Chongqing Cyun Siang High-Tech Co., Ltd., Nidec Chaun Choung Vietnam Corporation, and NCCIU	None	None	None	None
Advisor	Japan	Nagai Junichi	Male	2019.2.1	0	0.00%	0	0.00%	0	0.00%	Bachelor's Degree in Economics, Yokohama National University Director, Overseas Business Management Department, Nidec Corporation Chairman and CEO, Nidec Chaun-Choung Technology Corporation Chairman of Kunshan Jue-Chung Electronics Co., Ltd., Nidec Chongqing Cyun Siang High-Tech Co., Ltd., and Nidec Chaun Choung Vietnam Corporation	Advisor, Nidec Chaun-Choung Technology Corporation	None	None	None	None
CAO	R.O.C.	Wu Shih-Ling	Female	2019.1.29	0	0.00%	0	0.00%	0	0.00%	Master's Degree in Business Administration and Accounting Research, State University of New York Deputy Manager, Finance Department, Taiwan Mobile Co., Ltd. Deputy Manager, Finance Department, Radium Life Tech Co., Ltd. Special Assistant to the Chairman and later Chairman, Chaun-Choung Technology Corporation	None	None	None	None	Note 2

Job Title	Nationality	Name	Gender	Date Elected/ Appointed	Holding of Shares		Shares Held by Spouses and Minor Children		Shares Held in the Name of Others		Main education and work experience	Currently holding positions in other companies	Managerial positions involving spouse or relatives up to the second degree of kinship			Remarks
					Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Vice Chairman	Japan	Yamaoka Naoto	Male	2024.8.7	0	0.00%	0	0.00%	0	0.00%	Graduated from the Department of Mechanical System Engineering, Faculty of Engineering, University of Miyazaki MBA, Graduate School, Kyoto Institute of Technology Group Leader, SPMS Business Planning Division, Nidec Corporation Vice Chairman, Nidec Chaun-Choung Technology Corporation	President and Director, Nidec Chaun Choung Vietnam Corporation	None	None	None	Note 3
Deputy CFO	Japan	淺野宣紀 Yoshinori Asano	Male	2022.9.19	0	0.00%	0	0.00%	0	0.00%	Kyoto Sangyo University - Economics Nidec Corporation, Finance Department CFO of Nidec Vietnam Corporation Nidec Chaun Choung Vietnam Corporation	None	None	None	None	None
Vice President	R.O.C.	Huang Meng-Zheng	Male	2014.3.26	0	0.00%	0	0.00%	0	0.00%	National Taiwan University - PhD in Mechanical Engineering Assistant President of Research and Development at Nidec Chaun-Choung Technology Corp.	None	None	None	None	Note 4
CMO of the Marketing Department	R.O.C.	Zheng Hong-Lin	Male	2019.1.1	0	0.00%	0	0.00%	0	0.00%	Yuan Ze University - Master of Mechanical Engineering Research and Development Engineer, Marketing Manager of Product Development Department, Assistant President at Nidec Chaun-Choung Technology Corp. Vice President, Product Development Division, Nidec Chaun-Choung Technology Corporation	None	None	None	None	None
Senior Vice President	R.O.C.	Shen Zhi-Ye	Male	2019.7.22	0	0.00%	0	0.00%	0	0.00%	National Tsing Hua University - Bachelor of Chemical Engineering Vice President at KUANG HO TECHNOLOGY CO., LTD. Marketing Assistant President, Vice President of Product Development Department at Nidec Chaun-Choung Technology Corp. President and Director at Nidec Chaun Choung Vietnam Corporation	President of Kunshan Jue-Chung Electronics Co., Ltd.	None	None	None	None
Assistant President of New Business Development Office	R.O.C.	Hsu Chih-Wei	Female	2020.11.9	0	0.00%	0	0.00%	0	0.00%	Soochow University - Bachelor of Japanese Language and Literature Director of Marketing and Business Development, Client Manager at LITE-ON Technology, Image and Video Solutions Business Unit	None	None	None	None	Note 5
Assistant President of Procurement Department	R.O.C.	Hong Ming-Hong	Male	2021.9.8	0	0.00%	0	0.00%	0	0.00%	Yuan Ze University - Master of Industrial Management Special Assistant at DIVA Laboratories, Ltd. Senior Manager at FLYTECH TECHNOLOGY CO., LTD. Department Manager (acting) at Coretronic Corporation	None	None	None	None	None
NCCV Vice	R.O.C.	Zou Xu-Long	Male	2022.5.1	0	0.00%	0	0.00%	0	0.00%	National United University - Bachelor of Chemical Engineering	None	None	None	None	None

Job Title	Nationality	Name	Gender	Date Elected/ Appointed	Holding of Shares		Shares Held by Spouses and Minor Children		Shares Held in the Name of Others		Main education and work experience	Currently holding positions in other companies	Managerial positions involving spouse or relatives up to the second degree of kinship			Remarks
					Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
President											Department Manager at HOWIN MECHANICS CO., LTD.					
Assistant President of RD1	R.O.C.	Lin Yi-Yong	Male	2022.6.1	0	0.00%	0	0.00%	0	0.00%	Lunghwa University of Science and Technology - Bachelor of Mechanical Engineering RD Manager at Nidec Chaun-Choung Technology Corp.	None	None	None	None	None
Assistant President of RD1	R.O.C.	Shi Bo-Zhou	Male	2022.6.1	0	0.00%	0	0.00%	0	0.00%	National Taiwan University - Master of Mechanical Engineering Research Institute RD Manager, Senior Manager at Nidec Chaun-Choung Technology Corp.	None	None	None	None	None
Assistant President of Quality Assurance Department	R.O.C.	Qiu Yao-Cong	Male	2022.7.1	0	0.00%	0	0.00%	0	0.00%	National Taichung University of Science and Technology - Associate's Degree Special Assistant to the President at Tranyoung Technology Corp. Deputy Manager of Sales at A-POWER ELECTRIC CO., LTD. RD Manager at Nidec Chaun-Choung Technology Corp.	None	None	None	None	None
Assistant President of RD2	R.O.C.	Lu Shao-Qian	Male	2021.4.1	0	0.00%	0	0.00%	0	0.00%	University of Texas at Arlington - Master of Aerospace Mechanical Engineering Deputy Manager of Project Department 1, Chief Engineer at CHI LIN TECHNOLOGY CO., LTD. at Nidec Chaun-Choung Technology Corp.	None	None	None	None	None
Vice Director of Marketing Department	R.O.C.	Lin Shi-Yuan	Male	2022.6.1	0	0.00%	0	0.00%	0	0.00%	Master's Degree in Engineering and Technology Management, National Taipei University of Technology Department of Electrical Engineering, Lee-Ming Institute of Technology Senior Manager and Assistant President, Project Division I, Nidec Chaun-Choung Technology Corporation	None	None	None	None	None
Assistant President of Cloud Business Division	R.O.C.	Wen Lu-Fang	Female	2022.6.1	0	0.00%	0	0.00%	0	0.00%	Shih Hsin University - Bachelor of Tourism Manager at Forcecon Technology Co., Ltd. Senior Marketing Manager of PM3 at Nidec Chaun-Choung Technology Corp.	None	None	None	None	Note 6
Assistant President, R&D and Technical Engineering Division	R.O.C.	Liu Li-Ling	Female	2024.2.2	0	0.00%	0	0.00%	0	0.00%	Bachelor's Degree in Business Administration, Providence University President, JMM ENTERPRISE COMPANY LIMITED Factory Director, ENERMAX TECHNOLOGY CORPORATION President, Power Cooler Enterprise Co., Ltd.	None	None	None	None	Note 7
Assistant President, Administration Division	R.O.C.	Lin Pi-Yun	Female	2024.7.5							Associate Degree in Business Administration, Taipei College of Business (Continuing Education Division) Manager and Senior Manager, Administration Division, Nidec Chaun-Choung Technology Corporation	None	None	None	None	Note 8
Assistant	R.O.C.	Hsieh Kuan-	Female	2024.7.5	0	0.00%	0	0.00%	0	0.00%	Master's Degree, Institute of Human Resource	None	None	None	None	Note 8

Job Title	Nationality	Name	Gender	Date Elected/ Appointed	Holding of Shares		Shares Held by Spouses and Minor Children		Shares Held in the Name of Others		Main education and work experience	Currently holding positions in other companies	Managerial positions involving spouse or relatives up to the second degree of kinship			Remarks
					Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
President, Human Resources Division		Yi	le								Management, National Sun Yat-sen University Graduate of the 12th Legal Studies Extension Program, National Taiwan University Extension Division Assistant President of Human Resources, KARMA MEDICAL PRODUCTS CO., LTD. Manager of HR and Administration, Rotam Global AgroSciences Ltd.					
Assistant President, Information Technology Division	R.O.C.	Lee Chung-Yang	Male	2024.7.5	0	0.00%	0	0.00%	0	0.00%	Bachelor's Degree in Information Management, Chung Hua University IT Manager, Buckingham Industrial Corporation Group CIO, New Focus Auto Tech Holdings Limited IT Manager, Brokerage Services, Sinyi Realty Inc.	None	None	None	None	Note 8
Assistant President, Audit Office	R.O.C.	Wang Hsiang-Chien	Male	2024.7.5	0	0.00%	0	0.00%	0	0.00%	Bachelor's Degree, National Pingtung University of Science and Technology Manager and Senior Manager, Audit Office, Nidec Chaun-Choung Technology Corporation	None	None	None	None	Note 8
Finance Manager (Finance and Accounting Director)	R.O.C.	Chen Mei-Hua	Female	2020.8.10	0	0.00%	0	0.00%	0	0.00%	Soochow University - Bachelor of Accounting Graduated from the 16th Law Continuing Education Class at National Taiwan University Extension Division Financial Manager and Special Assistant to the President at Imperial Hotel Taipei Assistant President at KPMG Assurance Services Co., Ltd. Audit Manager at PwC Taiwan	None	None	None	None	None
Corporate Governance Officer	R.O.C.	Wei Zi-Heng	Male	2023.03.24	0	0.00%	0	0.00%	0	0.00%	McGeorge School of Law - Master of Laws MBA from California State University Legal Manager at GIGA-BYTE Technology Co., Ltd. Senior Legal Manager and Special Assistant to the President at Tsannkuen Co., Ltd. Senior Legal Manager/Assistant to the COO at J.D.United Manufacturing Corporation Ltd. Legal Director at Eyes Media Co., Ltd.	None	None	None	None	None

Note 1: If the President or an equivalent top executive is the same person as the Chairman of the Board, or if they are spouses or first-degree relatives, the reason, justification, necessity, and corresponding countermeasures (e.g., increasing the number of independent directors or ensuring that the majority of directors are not employees or managers) shall be disclosed. Please refer to Section 2, (1), 1. "Information of Directors," Note 1 for details.

Note 2: Ms. Wu Shih-Ling resigned from her position as Chief Administrative Officer (CAO) of the Company on July 1, 2024, due to personal career planning.

Note 3: Mr. Yamaoka Naoto was reassigned to NCCV on August 7, 2024, due to internal role adjustment.

Note 4: Mr. Huang Meng-Zheng retired and resigned from his position as Vice President of the Company in March 2024.

Note 5: Ms. Hsu Chih-Wei resigned from her position as the Company's spokesperson on November 3, 2024, due to personal career planning.

Note 6: Ms. Wen Lu-Fang resigned from her position as Associate Vice President of the Company on November 10, 2024, due to personal career planning.

Note 7: Ms. Liu Li-Ling assumed her position on February 2, 2024.

Note 8: Ms. Lin Pi-Yun, Ms. Hsieh Kuan-Yi, Mr. Lee Chung-Yang, and Mr. Wang Hsiang-Chien assumed their respective positions on July 5, 2024.

2. Remuneration of Directors, Supervisors, President, and Vice President for the most recent fiscal year

(1) Remuneration of General Directors and Independent Directors

Unit: NT\$ thousands / Dec. 31, 2024

Title	Name	Remuneration of Directors								Proportion of A, B, C, and D to After-Tax Net Income		Remuneration Paid to Part-Time Employees						Percentage of Total Net Profit After Tax of A, B, C, D, E, F, and G		Remuneration received from investments outside of subsidiaries or parent companies (Note 6)		
		Remuneration (A)		Retirement Severance Pay (B)		Director Compensation (C)		Business execution Business execution expenses (D)				Salary, Bonus, and Compensation, Bonus, and Other Allowances (E)		Pensions (B) (F)		Employee compensation (G)						
		The Company	From all consolidated entities	The Company	From all consolidated entities	The Company	From all consolidated entities	The Company	From all consolidated entities	The Company	From all consolidated entities	The Company	From all consolidated entities	The Company	From all consolidated entities	The Company		From all consolidated entities			The Company	From all consolidated entities
																Cash	Stocks	Cash	Stocks			
General Director	Nidec Corporation Delegate: Miyoshi Akihiro (Note 1)																					
	Nidec Corporation Delegate: Nagai Junichi																					
	Nidec Corporation Delegate: Kitao Yoshihisa																					
	Nidec Corporation Delegate: Yamaoka Naoto																					
	Nidec Corporation Delegate: Sumikawa Yohei																					
	Nidec Corporation Delegate: Miyamoto Eiji	0	0	0	0	0	0	0	0	0%	0%	1,152	1,152	0	0	0	0	0	0	0.90%	0.90%	56,566
	Nidec Corporation Delegate: Matsuhashi Hidetoshi (Note 1)																					
	Nidec Corporation Delegate: Sano Yoshihide (Note 1)																					
	Nidec Corporation Delegate: Nishizawa Toru (Note 1)																					
	Nidec Corporation Delegate: Ota Shingo (Note 2)																					
Nidec Corporation Delegate: Kino Tetsuo (Note 2)																						

Title	Name	Remuneration of Directors								Proportion of A, B, C, and D to After-Tax Net Income		Remuneration Paid to Part-Time Employees								Percentage of Total Net Profit After Tax of A, B, C, D, E, F, and G		Remuneration received from investments outside of subsidiaries or parent companies (Note 6)		
		Remuneration (A)		Retirement Severance Pay (B)		Director Compensation (C)		Business execution Business execution expenses (D)				Salary, Bonus, and Compensation, Bonus, and Other Allowances (E)		Pensions (B) (F)		Employee compensation (G)								
		The Company	From all consolidated entities	The Company	From all consolidated entities	The Company	From all consolidated entities	The Company	From all consolidated entities	The Company	From all consolidated entities	The Company	From all consolidated entities	The Company	From all consolidated entities	The Company	From all consolidated entities	The Company		From all consolidated entities			The Company	From all consolidated entities
																		Cash	Stocks	Cash	Stocks			
	Nidec Corporation Delegate: Takasawa Shinji																							
Independent Director	Hsu Ke-Wei																							
	Wang Wen-Yeu	0	0	0	0	3,000	3,000	72	72	2.41%	2.41%	0	0	0	0	0	0	0	0	2.41%	2.41%	0		
	Lian Jun-Hua																							
	Chou Chien-Hung																							
<p>1. Please state the policy, system, standards, and structure for the remuneration of independent directors, and explain the correlation between their responsibilities, risks, time commitment, and the amount of remuneration: The remuneration for independent directors of the company, in addition to reimbursement for attending board meetings, includes director's fees based on factors such as the company's operational performance, industry standards, the level of participation of independent directors in company operations, and the risks they assume. The recommendation for director's remuneration is proposed by the Compensation Committee and submitted to the Board of Directors for approval. In addition to the disclosed information in the financial reports, please provide details of any remuneration received by the company's directors in the latest fiscal year for services rendered to other companies (such as serving as non-employee consultants): There were no such cases.</p> <p>2. In addition to the disclosed information in the financial reports, please provide details of any remuneration received by the company's directors in the latest fiscal year for services rendered to other companies (such as serving as non-employee consultants): There were no such cases.</p>																								

Note 1: Mr. Nishizawa Toru and Mr. Sano Yoshihide, originally appointed as corporate director representatives by Nidec Corporation, were replaced by Mr. Miyoshi Akihiro and Mr. Matsubashi Hidetoshi on July 29, 2024.

Note 2: Mr. Kino Tetsuo, originally appointed as a corporate director representative by Nidec Corporation, was replaced by Mr. Ota Shingo on April 12, 2024.

Note 3: Former Chairman Mr. Nagai Junichi stepped down and was succeeded by Mr. Miyoshi Akihiro through a board election held on October 1, 2024.

Note 4: Refers to the compensation received by directors of the Company from the parent company for serving as expatriates or holding managerial positions within the parent company.

Note 5: Japanese directors of the Company do not receive director/supervisor compensation in Taiwan; those who concurrently serve as employees also do not receive bonuses or employee compensation in Taiwan.

Table of Remuneration Ranges for General Directors and Independent Directors

Payment of remuneration levels for each director of the Company	Board of Directors Names			
	Total amount of the first four levels of remuneration (A+B+C+D)		Total amount of the first seven levels of remuneration (A+B+C+D+E+F+G)	
	The Company	All companies included in the financial statements (H)	The Company	The parent company and all invested companies (I)
Less than NT\$1,000,000	Miyoshi Akihiro、Nagai Junichi、Sumikawa Yohei、Yamaoka Naoto、Kitao Yoshihisa、Eiji Miyamoto、Hidetoshi Matsuhashi、Ota Shingo、Takasawa Shinji、Nishizawa Toru、Sano Yoshihide、Kino Tetsuo、Hsu Ke-Wei、Wang Wen-Yeu、Lian Jun-Hua、Chou Chien-Hung	Miyoshi Akihiro、Nagai Junichi、Sumikawa Yohei、Yamaoka Naoto、Kitao Yoshihisa、Eiji Miyamoto、Hidetoshi Matsuhashi、Ota Shingo、Takasawa Shinji、Nishizawa Toru、Sano Yoshihide、Kino Tetsuo、Hsu Ke-Wei、Wang Wen-Yeu、Lian Jun-Hua、Chou Chien-Hung	Hsu Ke-Wei、Wang Wen-Yeu、Lian Jun-Hua、Chou Chien-Hung	Hsu Ke-Wei、Wang Wen-Yeu、Lian Jun-Hua、Chou Chien-Hung
NT\$1,000,000 (inclusive) to NT\$2,000,000 (exclusive)	–	–	Kino Tetsuo	Kino Tetsuo
NT\$2,000,000 (inclusive) to NT\$3,500,000 (exclusive)	–	–	Matsuhashi Hidetoshi、Nishizawa Toru、Sano Yoshihide、Miyoshi Akihiro	Matsuhashi Hidetoshi、Nishizawa Toru、Sano Yoshihide、Miyoshi Akihiro
NT\$3,500,000 (inclusive) to NT\$5,000,000 (exclusive)	–	–	Sumikawa Yohei、Yamaoka Naoto、Takasawa Shinji、Ota Shingo	Sumikawa Yohei、Yamaoka Naoto、Takasawa Shinji、Ota Shingo
NT\$5,000,000 (inclusive) to NT\$10,000,000 (exclusive)	–	–	Nagai Junichi、Miyamoto Eiji	Nagai Junichi、Miyamoto Eiji
NT\$10,000,000 (inclusive) to NT\$15,000,000 (exclusive)	–	–	Kitao Yoshihisa	Kitao Yoshihisa
NT\$15,000,000 (inclusive) to NT\$30,000,000 (exclusive)	–	–	–	–
NT\$30,000,000 (inclusive) to NT\$50,000,000 (exclusive)	–	–	–	–
NT\$50,000,000 (inclusive) to NT\$100,000,000 (exclusive)	–	–	–	–
Over NT\$100,000,000.	–	–	–	–
Total	16 seats	16 seats	16 seats	16 seats

(3) Remuneration of President and Vice Presidents

Unit: NT\$ thousands / Dec. 31, 2024

Title	Name	Salary (A)		Pensions (B)		Bonuses and Special Expenses (C)		Employee Compensation Amount (D)				Ratio of the total amount (Sum of A, B, C, and D) to Net Income (%)		Remuneration received from investments outside of subsidiaries or parent companies (Note 1)
		The Company	All Companies Included in the Financial Statements	The Company	All Companies Included in the Financial Statements	The Company	All Companies Included in the Financial Statements	The Company		All Companies Included in the Financial Statements		The Company	All Companies Included in the Financial Statements	
								Cash Amount	Stocks Amount	Cash Amount	Stocks Amount			
CEO	Miyoshi Akihiro (Note 2)	23,877	27,612	504	504	1,009	1,009	610	0	610	0	20.39%	23.32%	18,476
Vice Chairperson	Yamaoka Naoto (Note 3)													
CFO	Sumikawa Yohei													
CAO	Wu Shih-Ling (Note 4)													
Chief Sales Officer	Zheng Hong-Lin													
Advisor	Nagai Junichi (Note 5)													
Senior Vice President	Shen Zhi-Ye													
Vice Chairperson	Huang Meng-Zheng (Note 6)													
Vice Chairperson	Lin Shi-Yuan													
Vice Chairperson	Zou Xu-Long (Note 7)													

Note 1: Refers to the remuneration received by the President and Vice Presidents (or equivalent positions) of the Company from the parent company for expatriate personnel.

Note 2: Mr. Miyoshi Akihiro was elected as Chief Executive Officer by the Board on October 1, 2024.

Note 3: Vice Chairman Mr. Yamaoka Naoto was reassigned to NCCV on August 7, 2024, due to role adjustment.

Note 4: Ms. Wu Shih-Ling resigned from her position as Chief Administrative Officer (CAO) of the Company on July 1, 2024, due to personal career planning.

Note 5: Mr. Nagai Junichi resigned from his position as Chairman on October 1, 2024, due to corporate succession and sustainable operations, and has since assumed the role of Advisor.

Note 6: Mr. Huang Meng-Zheng resigned from his position as Vice President of the Company on March 1, 2024, due to retirement.

Note 7: Mr. Zou Xu-Long was reassigned to NCCV on May 6, 2024.

President and Vice Presidents Remuneration Bracket

Pay ranges for the President and Vice President of the Company	Names of the President and Vice President	
	The company	Parent Company and all affiliated investment ventures (E)
Less than NT\$1,000,000	Huang Meng-Zheng 、 Yamaoka Naoto 、 Miyoshi Akihiro	Huang Meng-Zheng
NT\$1,000,000 (inclusive) to NT\$2,000,000 (exclusive)	Sumikawa Yohei	–
NT\$2,000,000 (inclusive) to NT\$3,500,000 (exclusive)	Wu Shih-Ling 、 Lin Shi-Yuan	Wu Shih-Ling 、 Lin Shi-Yuan 、 Miyoshi Akihiro
NT\$3,500,000 (inclusive) to NT\$5,000,000 (exclusive)	Nagai Junichi 、 Zheng Hong-Lin 、 Zou Xu-Long	Zheng Hong-Lin 、 Zou Xu-Long
NT\$5,000,000 (inclusive) to NT\$10,000,000 (exclusive)	Shen Zhi-Ye	Shen Zhi-Ye 、 Yamaoka Naoto 、 Sumikawa Yohei
NT\$10,000,000 (inclusive) to NT\$15,000,000 (exclusive)		Nagai Junichi
NT\$15,000,000 (inclusive) to NT\$30,000,000 (exclusive)	–	–
NT\$30,000,000 (inclusive) to NT\$50,000,000 (exclusive)	–	–
NT\$50,000,000 (inclusive) to NT\$100,000,000 (exclusive)	–	–
Over NT\$100,000,000.	–	–
Total	10 Seats	10 Seats

(4) Name and Allocation of Remuneration to Employees by Managers

Dec. 31, 2023; Unit: NT\$ thousands

Item	Title	Name	Stock Amount	Cash amount (Note 2)	Total	Total amount of Post-Tax Net Income %
Manager	CEO	Miyoshi Akihiro	0	2,030	2,030	1.59%
	Vice Chairperson	Yamaoka Naoto (Note 1)				
	CAO	Wu Shih-Ling (Note 2)				
	CFO	Sumikawa Yohei				
	Deputy Chief Financial Officer	淺野直紀 Asano Yoshinori				
	Chief Sales Officer	Zheng Hong-Lin				
	Senior Vice President	Shen Zhi-Ye				
	Vice President	Huang Meng-Zheng (Note 3)				
	Vice President	Lin Shi-Yuan				
	Vice President	Zou Xu-Long (Note 4)				
	Advisor	Nagai Junichi (Note 5)				
	Assistant President	Hsu Chih-Wei				
	Assistant President	Hong Ming-Hong				
	Assistant President	Lin Yi-Yong				
	Assistant President	Shi Bo-Zhou				
	Assistant President	Qiu Yao-Cong				
	Assistant President	Lu Shao-Qian				
	Assistant President	Wen Lu-Fang				
	Assistant President	Liu Li-Ling (Note 6)				
	Assistant President	Lin Pi-Yun (Note 7)				
	Assistant President	Hsieh Kuan-Yi (Note 7)				
Assistant President	Lee Chung-Yang (Note 7)					
Assistant President	Wang Hsiang-Chien (Note 7)					
Finance Manager (Finance and Accounting Director)	Chen Mei-Hua					
Corporate Governance Officer	Wei Zi-Heng					

Note 1: Vice Chairman Mr. Yamaoka Naoto was reassigned to NCCV on August 7, 2024, due to role adjustment.

Note 2: Ms. Wu Shih-Ling resigned from her position as Chief Administrative Officer (CAO) of the Company on July 1, 2024, due to personal career planning.

Note 3: Mr. Huang Meng-Zheng resigned from his position as Vice President of the Company in March 2024 due to retirement.

Note 4: Mr. Zou Xu-Long was reassigned to NCCV on May 6, 2024.

Note 5: Mr. Nagai Junichi resigned from his position as Chairman on October 1, 2024, due to corporate succession and sustainable operations, and has since assumed the role of Advisor.

Note 6: Ms. Liu Li-Ling assumed her position on February 2, 2024.

Note 7: Ms. Lin Pi-Yun, Ms. Hsieh Kuan-Yi, Mr. Lee Chung-Yang, and Mr. Wang Hsiang-Chien assumed their positions on July 5, 2024.

Note 8: On March 12, 2025, the board of directors of the Company approved the distribution of NT\$5,529,156 as employee compensation for 2024. As of the date of printing the annual report, the amount of employee compensation to be distributed to managers for the current year has not been determined, thus, this table estimates the proposed distribution based on the actual amount distributed to managers last year.

Note 9: Japanese managers of the Company do not receive bonuses or employee compensation in Taiwan.

(5) Analysis of the Total Compensation for Directors, Supervisors, Presidents, and Vice Presidents of the Company and its Consolidated Companies in the Past Two Years as a Percentage of the Entity’s Financial Statements’ Net Profit After Tax, and Explanation of Compensation Policies, Standards, Composition, Procedures for Determining Compensation, and their Relationship with Business Performance and Future Risks:

1. Analysis of the Total Compensation for Directors, Supervisors, Presidents, and Vice Presidents of the Company as a Percentage of the Entity’s Financial Statements’ Net Profit After Tax in the Past Two Years:

Title	Item	The total amount of remuneration paid to the directors, supervisors, President, and Vice President of the Company and its consolidated subsidiaries as a percentage of the individual financial report’s post-tax net income.			
		2023		2024	
		The Company	All Companies Included in the Financial Statements	The Company	All Companies Included in the Financial Statements
Director		0.67%	1.97%	3.31%	3.31%
President and Vice President		5.54%	5.89%	20.39%	23.32%

2. Policies, Standards, Composition, and Procedures for Determining Compensation, and their Relationship with Business Performance and Future Risks:

(1) According to Article 20 of the Company’s Articles of Incorporation, if the company generates profits in a fiscal year, a minimum of 3% should be allocated for employee compensation. Within the limit of 3% of the profit, the Board of Directors may also allocate compensation for directors and supervisors. The remuneration for directors and supervisors is determined based on factors such as the company’s annual business performance, industry standards, their level of involvement in company operations, and their performance contributions. After review by the Compensation Committee, the proposed remuneration is presented to the Board of Directors for discussion and approval, and subsequently reported to the shareholders’ meeting.

(2) The remuneration of the company’s CEO and Vice CEO, including salary, bonuses, and employee compensation, is determined based on the salary levels of comparable positions in the industry market, taking into account factors such as seniority, level of responsibility, individual job performance, achievement of goals, and overall contribution to the company’s performance. Additionally, reasonable compensation is provided by considering factors such as the company’s annual business performance, potential operational risks and trends in the industry, and salary and benefits levels in the industry. The content and reasonableness of the remuneration are reviewed by the Compensation Committee and submitted to the Board of Directors for discussion and approval. The remuneration system is periodically

reviewed based on operational conditions and relevant regulations to balance sustainable business operations and risk management.

- (3) The remuneration policy of the company takes into account the company's financial condition, business results, and future capital utilization needs for comprehensive planning. The assessment of future risks is also included in the considerations to minimize the likelihood of risk occurrence.

3. Operations of Corporate Governance

(1) Board of Directors operation situation

In the most recent fiscal year (fiscal year 2024), the Board of Directors of the Company held 6 meetings. The attendance of directors at these meetings is as follows:

Job Title	Name	Actual Attendance Count	Delegate Attendance Count	Actual Attendance Rate(%)	Remark
Chairman	Nidec Corporation Delegate: Miyoshi Akihiro	3	0	100%	Corporate director representative reassigned; assumed office on July 29, 2024; required to attend 3 board meetings
Chairman	Nidec Corporation Delegate: Nagai Junichi	6	0	100%	—
Director	Nidec Corporation Delegate: Sumikawa Yohei	6	0	100%	—
Director	Nidec Corporation Delegate: Kitao Yoshihisa	6	0	100%	—
Director	Nidec Corporation Delegate: Miyamoto Eiji	5	0	83%	—
Director	Nidec Corporation Delegate: Matsushashi Hidetoshi	3	0	100%	Corporate director representative reassigned; assumed office on July 29, 2024; required to attend 3 board meetings
Director	Nidec Corporation Delegate: Sano Yoshihide	3	0	100%	Corporate director representative reassigned; stepped down on July 29, 2024; required to attend 3 board meetings
Director	Nidec Corporation Delegate: Nishizawa Toru	3	0	80%	Corporate director representative reassigned; stepped down on July 29, 2024; required to attend 3 board meetings
Director	Nidec Corporation Delegate: Yamaoka Naoto	6	0	100%	—
Director	Nidec Corporation Delegate: Takasawa Shinji	5	0	100%	—
Director	Nidec Corporation Delegate: Ota Shingo	4	0	80%	Corporate director representative reassigned; assumed office on April 12, 2024; required to attend 4 board meetings
Independent Director	Hsu Ke-Wei	6	0	100%	—
Independent Director	Wang Wen-Yeu	6	0	100%	—
Independent Director	Lian Jun-Hua	6	0	100%	—
Independent Director	Chou Chien-Hung	6	0	100%	—

Attendance of Independent Directors at Board Meetings in 2024

Title	Name	Meeting 1	Meeting 2	Meeting 3	Meeting 4	Meeting 5	Meeting 6
Independent Director	Hsu Ke-Wei	.	.	.	.	.	.
Independent Director	Wang Wen-Yeu	.	.	.	.	.	.
Independent Director	Lian Jun-Hua	.	.	.	.	.	.
Independent Director	Chou Chien-Hung	.	.	.	.	.	.

Note: .: Attended in person; ★: Attended by proxy; □: Absent

■ Other items that shall be recorded:

1. If any of the following situations occur in the operation of the Board of Directors, the date of the meeting, session, proposal content, all independent directors' opinions, and the Company's handling of those opinions shall be stated:
 - (1) Matters listed under Article 14-3 of the Securities and Exchange Act: Not applicable (The Company has adopted the Audit Committee system to replace the functions of supervisors.)
 - (2) Other than the aforementioned items, if there are matters during Board meetings that independent directors objected to or reserved opinions on and such opinions were recorded or presented in written statements: None
2. Circumstances where directors recused themselves from proposals due to conflicts of interest: The names of directors, proposal content, reasons for recusal, and participation in voting shall be disclosed:

Board Meeting Date	Proposal Content, Reasons for Recusal, and Participation in Voting:
18th Board, 12th Meeting August 7, 2024	●2023 Compensation Distribution Plan for Employees and Directors/Supervisors.
	Independent directors Hsu Ke-Wei, Wang Wen-Yeu, Lian Jun-Hua, and Chou Chien-Hung recused themselves from discussions and voting due to conflicts of interest. After consulting all other attending directors, the chairman found no objections, and the proposal was approved as originally presented.

3. Implementation of Self-Assessment (or Peer Review) of the Board of Directors

■Board Performance Evaluation

Evaluation Cycle	Conducted once annually
Evaluation Period	Evaluation of the performance of the Board from January 1 to December 31, 20204
Evaluation Scope	The Board of Directors, individual board members, and functional committees (including the Compensation Committee and Audit Committee)
Evaluation Method	Self-assessment conducted by Board members
Evaluation Content	<ul style="list-style-type: none"> ◆ Board performance evaluation includes the following five dimensions: <ol style="list-style-type: none"> 1. Participation in the Company’s operations; 2. Enhancement of decision-making quality by the Board; 3. Board composition and structure; 4. Selection and continuing education of directors; 5. Internal control. ◆ Individual director performance evaluation includes the following six dimensions: <ol style="list-style-type: none"> 1. Understanding of company goals and missions; 2. Awareness of director responsibilities; 3. Participation in company operations; 4. Internal relationship management and communication; 5. Professionalism and continuing education; 6. Internal control. ◆ Functional committee performance evaluation includes the following five dimensions: <ol style="list-style-type: none"> 1. Participation in the Company’s operations; 2. Understanding of responsibilities of functional committees; 3. Enhancement of decision-making quality by functional committees; 4. Composition and member selection of functional committees; 5. Internal control.

4. Objectives and Implementation Status of Strengthening Board Functions in the Current and Recent Years:

- (1) The Company established the Compensation Committee in 2011, with all independent directors serving as committee members.
- (2) The Company has set up an Audit Committee. The Board of Directors operates in accordance with relevant laws, the Articles of Incorporation, and shareholders’ resolutions. In addition to possessing the necessary professional knowledge, skills, and competence required to perform their duties, all directors act in good faith and with due diligence to maximize the interests of all shareholders. The Audit Committee was formally established in 2023.
- (3) In line with the principles of operational and information transparency and safeguarding shareholders’ rights, the Company discloses key Board resolutions and related information on its website.
- (4) To enhance corporate governance and improve Board efficiency, the Company established the “Performance Evaluation Policy for the Board of Directors and Functional Committees” based on the latest legal requirements. This policy was approved by the Board on January 14, 2020. The 2024 performance evaluation for the

Board and its functional committees was completed by the end of 2024. The self-assessment scores for all three aspects exceeded 90 points (based on a percentage scale). The results were reported to the Board on January 13, 2025.

- (5) The Company arranges at least one annual meeting between independent directors (and former supervisors) and external auditors. In the event of significant changes in accounting standards or legal amendments, the Company invites auditors to discuss relevant matters with the Board and respond to professional inquiries. The head of internal audit communicates with independent directors and the Audit Committee semi-annually. Independent directors review audit reports and may raise questions or provide instructions via email or phone, maintaining effective communication
- (6) In 2024, to further strengthen corporate governance, promote sustainable development, and enhance the quality of sustainability disclosures, the Company revised the "Sustainable Development Best Practice Principles" and plans to introduce the "Sustainability Information Management Guidelines" in 2025.

(2) Operations of the Audit Committee or Supervisors' Participation in Board Activities:

- The Audit Committee is responsible for enhancing the oversight function and strengthening management efficiency. It assists the Board in reviewing financial statements, internal control systems, audit operations, accounting policies and procedures, major asset transactions, appointment/dismissal and evaluation of the independence and qualifications of external auditors, as well as the appointment and dismissal of accounting and internal audit officers. These duties ensure the Company's operations comply with relevant regulatory authorities and applicable laws.

In the most recent fiscal year (fiscal year 2024), the Audit Committee held 6 meetings. (A) The attendance record of independent directors is as follows:

Title	Name	Number of attendance in person (B)	Number of proxy attendance	Rate of attendance in person (%)	Remarks
Independent Director	Hsu Ke-Wei	6	0	100%	—
Independent Director	Wang Wen-Yeu	6	0	100%	—
Independent Director	Lian Jun-Hua	6	0	100%	—
Independent Director	Chou Chien-Hung	6	0	100%	—

Note: Actual attendance rate (%) is calculated based on the number of meetings held and the number of meetings attended during the member's term.

Other items that shall be recorded:

- (1) If the Audit Committee encounters any of the following circumstances, the date of the Board meeting, session number, proposal content, resolution results of the Audit Committee, and the Company's handling of the Committee's opinions shall be disclosed:

1. Matters specified in Article 14-5 of the Securities and Exchange Act:

Audit Committee Date	Discussion agenda and resolution result	Items Listed of Securities and Exchange Act Article 14-5	Decisions made with the approval of more than two-thirds of the entire board of directors without the approval of the Audit Committee
8st Session of the 1st Term January 30, 2024	<p>Proposal:</p> <ol style="list-style-type: none"> 1. Proposal to approve compensation for the Company's 2023 certified public accountant (CPA), including additional J-SOX services. 2. Proposal to amend certain provisions of the Company's Articles of Incorporation. 	Yes	No
<p>Committee members' opinions: No objections or reservations Resolution result: After the chairman consulted the opinions of all attending committee members, the proposal was passed without objections. Company's handling of the opinions of the Audit Committee: All attending directors agreed to approve.</p>			
9st Session of the 1st Term March 12, 2024	<p>Proposal:</p> <ol style="list-style-type: none"> 1. Proposal to issue the Company's 2023 Internal Control System Statement. 2. Proposal to approve the 2023 Business Report, Consolidated Financial Statements, and Parent Company Only Financial Statements. 3. Proposal for the 2023 Earnings Distribution Plan. 4. Proposal to appoint the Company's CPA for 2024. 5. Proposal to provide intercompany loans to subsidiary Nidec Chaun Choung Vietnam Corporation. 	Yes	No
<p>Committee members' opinions: No objections or reservations Resolution result: After the chairman consulted the opinions of all attending committee members, the proposal was passed without objections. Company's handling of the opinions of the Audit Committee: All attending directors agreed to approve.</p>			
10st Session of the 1st Term May 8, 2024	<p>Proposal:</p> <ol style="list-style-type: none"> 1. Ratification of the "Breakthrough Innovation Incentive Plan" established by the Company. 2. Ratification of the Company's organizational restructuring and revision of the "Organizational Responsibilities and Internal Communication Management Guidelines". 3. Proposal to revise the "Delegation of Authority Table" (DoA). 	Yes	No

	<p>Committee members' opinions: No objections or reservations Resolution result: After the chairman consulted the opinions of all attending committee members, the proposal was passed without objections. Company's handling of the opinions of the Audit Committee: All attending directors agreed to approve.</p>		
11st Session of the 1st Term August 7, 2024	<p>Proposal: 1. Proposal to transfer responsibility for certain financial analyses and internal financial reporting tasks within the NCCI Group to the Finance Department of the Vietnam subsidiary.</p>	Yes	No
	<p>Committee members' opinions: No objections or reservations Resolution result: After the chairman consulted the opinions of all attending committee members, the proposal was passed without objections. Company's handling of the opinions of the Audit Committee: All attending directors agreed to approve.</p>		
12st Session of the 1st Term October 1, 2024	<p>Proposal: 1. Proposal to establish "Procedures for the Preparation and Assurance of the Sustainability Report".</p>	Yes	No
	<p>Committee members' opinions: No objections or reservations Resolution result: After the chairman consulted the opinions of all attending committee members, the proposal was passed without objections. Company's handling of the opinions of the Audit Committee: All attending directors agreed to approve.</p>		
13st Session of the 1st Term November 11, 2024	<p>Proposal: 1. Proposal to revise the "Internal Control System Management Guidelines" and "Internal Audit Implementation Rules". 2. Proposal to approve the "2025 Internal Audit Plan". 3. Proposal to establish a new list of pre-approved Non-Assurance Services (NAS). 4. Proposal to introduce the "Sustainability Information Management Guidelines". 5. Proposal to revise and rename the Company's "Corporate Social Responsibility Best Practice Principles" as the "Sustainable Development Best Practice Principles".</p>	Yes	No
	<p>Committee members' opinions: No objections or reservations Resolution result: After the chairman consulted the opinions of all attending committee members, the proposal was passed without objections. Company's handling of the opinions of the Audit Committee: All attending directors agreed to approve.</p>		

2. Other matters (excluding those listed above) resolved without prior approval from the Audit Committee but approved by at least two-thirds of all directors: None.
- (2) Recusal of independent directors due to conflicts of interest: No such instances. There were no cases requiring independent directors to recuse themselves from voting due to conflicts of interest.

(3) Communication between independent directors and the internal audit supervisor and external auditors:

1. The Company's internal audit unit submits monthly audit reports and follow-up reports on deficiency corrections to the independent directors. The internal audit supervisor also reports audit activities, findings, and follow-up actions at least once per quarter during the Audit Committee meetings. In the event of any special circumstances, reports are made immediately to Audit Committee members. No such special circumstances occurred in 2024. The communication between the Audit Committee and the internal audit supervisor was smooth and effective.
2. The Company's certified public accountants report quarterly audit or review results of the financial statements and other regulatory communication matters during Audit Committee meetings. Any special issues are reported immediately to the Audit Committee members. No such special circumstances occurred in 2024. The communication between the Audit Committee and the external auditors was smooth and effective.
3. The internal audit supervisor and external auditors maintain open and direct lines of communication with the independent directors as needed.

For details on the communication between independent directors, the internal audit supervisor, and external auditors, please refer to the Company's website:

<http://www.ccic.com.tw/upload/doc/741852.pdf>

Here is a summary of the internal audit supervisor's communication occurrences for 2024:

Communication Date	Meeting Method	Key Points of Communication	Communication Result
November 11, 2024	Audit Committee	(1) Report on the implementation of the internal control system (2) Significant amendments to internal control systems (3) 2024 Audit Plan	Independent director has no opinions or suggestions.
	Board of Directors	Audit execution report for August to October 2024	Independent director has no opinions or suggestions.
October 1, 2024	Audit Committee	Significant amendments to internal control systems	Independent director has no opinions or suggestions.
	Board of Directors	Attendance and response to inquiries	Independent director has no opinions or suggestions.
August 7, 2024	Audit Committee	(1) Report on the implementation of the internal control system (2) Report on whistleblowing of unethical conduct	Independent director has no opinions or suggestions.
	Board of Directors	Audit execution report for May to July 2024	Independent director has no opinions or suggestions.
May 8, 2024	Audit Committee	Report on the implementation of the internal control system	Independent director has no opinions or suggestions.

	Board of Directors	Audit execution report for March to April 2024	Independent director has no opinions or suggestions.
March 12, 2024	Audit Committee	(1) Report on the implementation of the internal control system (2) Execution status of the 2023 internal control self-assessment and audit plan (3) Audit report on J-SOX internal control	Independent director has no opinions or suggestions.
	Board of Directors	Audit execution report for November 2023 to February 2024	Independent director has no opinions or suggestions.

4. The auditor regularly visits our company and meets with the Independent Board of Directors at least once a year. In case of significant changes in accounting standards or amendments to laws, the company invites the auditor to have discussions with the Board of Directors to address professional issues raised by the directors.

Below is a summary of the communication between the auditor and the Board of Directors for 2024:

Communication Date	Meeting Method	Key Points of Communication	Communication Result
November 11, 2024	Meeting (One-on-One with Independent Director)	Communication regarding the 2024 KPMG audit plan	Independent director have no objections or suggestions
March 12, 2024	Meeting (Board of Director)	Communication on findings from the audit of the 2023 financial statements	Independent director has no opinions or suggestions.

(3) Operation of Corporate Governance and Differences from the Corporate Governance Best Practice Principles for Listed and OTC Companies, and Reasons for the Differences:

Evaluation Items	Implementation Status		Summary and Explanation	The Reason of Departure from the Corporate Governance Best Practice Principles for TWSE & TPEX Listed Companies
	Yes	No		
1. Does the company establish and disclose a code of practice of corporate governance in accordance with the “Corporate Governance Best Practice Principles for TWSE & TPEX Listed Companies?”	√		In order to establish a sound corporate governance system, our company has developed the “Practical Guidelines for Corporate Governance,” which is disclosed on the company’s website and the Public Information Observation System for public access.	No significant differences
2. Company’s Equity Structure and Shareholders’ Equity (1) Has the company established internal operating procedures to handle shareholder suggestions, doubts, disputes, and litigation matters, and implemented them accordingly?	√		(1) Apart from utilizing a shareholder services agency, our company has appointed a spokesperson and proxy spokesperson, as well as a dedicated unit to handle shareholder suggestions, doubts, disputes, and litigation matters. We ensure proper responses to these matters and, when necessary, seek assistance from our legal advisors. Furthermore, our company’s website includes a stakeholder section where investors (shareholders) can provide suggestions or raise questions. (2) The Company monitors the list of actual controllers on an ongoing basis through the declaration of shareholding changes by insiders (directors, supervisors, managerial officers, and shareholders holding more than 10%) and the shareholder register provided by the stock affairs agent.	No significant differences

Evaluation Items	Implementation Status			The Reason of Departure from the Corporate Governance Best Practice Principles for TWSE & TPEX Listed Companies
	Yes	No	Summary and Explanation	
<p>(2) Does the company have a list of the major shareholders who actually control the company and the ultimate controllers of the major shareholders?</p> <p>(3) Has the company established and implemented risk management and firewall mechanisms with related parties?</p> <p>(4) Has the company established internal regulations prohibiting insiders from trading securities with undisclosed material information in the market?</p>	√	√	<p>(3) Our company has established the “Regulations on Related Party Transactions” and the “Supervision and Management Regulations for Subsidiaries.” These regulations clearly define the responsibilities and powers between our company and related enterprises, and appropriate firewalls are established based on risk assessments to ensure ongoing execution and control.</p> <p>(4) The Company has established the “Procedures for Handling Material Internal Information” and the “Code of Ethical Conduct for Directors and Managers” to regulate the conduct of all directors, managerial officers, employees, and other persons who, due to their status, profession, or control relationship, may become aware of the Company’s material internal information. These regulations prohibit any actions that may constitute insider trading. Regular internal training and promotion activities are conducted.</p>	

Evaluation Items	Implementation Status		Summary and Explanation	The Reason of Departure from the Corporate Governance Best Practice Principles for TWSE & TPEX Listed Companies																																			
	Yes	No																																					
3. Composition and Responsibilities of the Board of Directors (1) Has the Board of Directors formulated a policy for diversity, specific management goals, and implemented them?	√		<p>(1) Our company has established a diverse policy for the composition of the Board of Directors in Article 20 of the “Practical Guidelines for Corporate Governance.” Taking into account the company’s operational development needs and the shareholding status of major shareholders, the Board consists of 13 directors, including 4 independent directors and 9 non-independent directors. The members possess rich experience and expertise in various fields such as overseas business management, industry knowledge and research and development, corporate operations, strategic planning, product marketing, finance, accounting, legal affairs, and business management.</p> <p>Here is a list of the implementation status of the policy on board diversity for all board members:</p> <table border="1"> <thead> <tr> <th rowspan="2">Title</th> <th rowspan="2">Diversification projects</th> <th rowspan="2">Nationality</th> <th colspan="3">Age</th> <th rowspan="2">Gender</th> <th rowspan="2">Simultaneously holding a position.</th> <th rowspan="2">Leure of Independent Directors</th> <th rowspan="2">Operational Judgment/Manage</th> <th rowspan="2">Crisis Management/Lead</th> <th rowspan="2">Industry Knowledge</th> <th rowspan="2">International market insight</th> <th rowspan="2">Financial Accounting</th> <th rowspan="2">decision-making skills</th> <th rowspan="2">Remarks</th> </tr> <tr> <th>41 to 50</th> <th>51 to 60</th> <th>61 to 70</th> </tr> </thead> <tbody> <tr> <td>Chairman (Note 1, Note 3)</td> <td>Nidec Corporation Delegate: Miyoshi Akihiro</td> <td>Japan</td> <td>√</td> <td></td> <td></td> <td>Male</td> <td>√</td> <td>N/A</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>Proficient in business management, corporate operations, and strategic planning, as well as product</td> </tr> </tbody> </table>	Title	Diversification projects	Nationality	Age			Gender	Simultaneously holding a position.	Leure of Independent Directors	Operational Judgment/Manage	Crisis Management/Lead	Industry Knowledge	International market insight	Financial Accounting	decision-making skills	Remarks	41 to 50	51 to 60	61 to 70	Chairman (Note 1, Note 3)	Nidec Corporation Delegate: Miyoshi Akihiro	Japan	√			Male	√	N/A	√	√	√	√	√	√	Proficient in business management, corporate operations, and strategic planning, as well as product	No significant differences
Title	Diversification projects	Nationality	Age				Gender	Simultaneously holding a position.	Leure of Independent Directors											Operational Judgment/Manage	Crisis Management/Lead	Industry Knowledge	International market insight	Financial Accounting	decision-making skills	Remarks													
			41 to 50	51 to 60	61 to 70																																		
Chairman (Note 1, Note 3)	Nidec Corporation Delegate: Miyoshi Akihiro	Japan	√			Male	√	N/A	√	√	√	√	√	√	Proficient in business management, corporate operations, and strategic planning, as well as product																								

Evaluation Items	Implementation Status															The Reason of Departure from the Corporate Governance Best Practice Principles for TWSE & TPEX Listed Companies			
	Yes	No	Summary and Explanation																
																	marketing.		
			Director (Note 3)	Nidec Corporation Delegate: Nagai Junichi	Japan			√	Male	√	N/A	√	√	√	√	√	√	Proficient in overseas business management, corporate operations, and strategic planning, as well as product marketing.	
			Director	Nidec Corporation Delegate: Kitao Yoshihisa	Japan			√	Male		N/A	√	√	√	√	√	√	Proficient in industry knowledge and product development management.	
			Director	Nidec Corporation Delegate: Miyamoto Eiji	Japan			√	Male		N/A	√	√	√	√		√	Proficient in industry knowledge and product development management.	
			Director	Nidec Corporation Delegate: Yamaoka Naoto	Japan	√			Male	√	N/A	√	√	√	√		√	Proficient in industry knowledge and product development management.	
			Director	Nidec Corporation Delegate: Sumikawa Yohei	Japan		√		Male	√	N/A	√	√	√	√	√	√	Proficient in financial and business management.	
			Director (Note 1)	Nidec Corporation Delegate: Matsuhashi Hidetoshi	Japan			√	Male		N/A	√	√	√	√	√	√	Proficient in financial and business management.	
			Director (Note 2)	Nidec Corporation Delegate:	Japan		√		Male		N/A	√	√	√	√		√	Proficient in industry	

Evaluation Items	Implementation Status															The Reason of Departure from the Corporate Governance Best Practice Principles for TWSE & TPEX Listed Companies	
	Yes	No	Summary and Explanation														
(2) Besides the Compensation Committee and Audit Committee, does the company voluntarily set up other functional committees?	√			Ota Shingo												knowledge and product development management.	
			Director	Nidec Corporation Delegate: Takasawa Shinji	Japan		√	Male	√	N/A	√	√	√	√	√	√	Proficient in corporate strategic planning, finance, and legal affairs.
			Independent Director	Hsu Ke-Wei	R.O.C.			√	Male	3~6 years	√	√	√	√	√	√	Proficient in legal affairs.
			Independent Director	Wang Wen-Yeu	R.O.C.			√	Male	3~6 years	√	√	√	√	√	√	Proficient in legal affairs.
			Independent Director	Lian Jun-Hua	R.O.C.			√	Male	3~6 years	√	√	√	√	√	√	Proficient in financial accounting affairs.
(3) Has the company established a board performance evaluation method and its evaluation method, conducted performance evaluations regularly every year, and reported the results of the evaluation to the board for use as a reference for individual director	√		Independent Director	Chou Chien-Hung	R.O.C.	√		Male	3 years	√	√	√	√	√	√	Proficient in financial accounting affairs.	
			<p>(2) The Company has established both a Compensation Committee and an Audit Committee. In the future, the Company will consider establishing other functional committees based on operational needs. This includes a Sustainability Committee, which is led by its members in promoting related initiatives. Externally, the committee communicates the Company's policies and positions; internally, it defines sustainability goals and directions, integrates resources, reviews action plans, oversees implementation, and reports the execution status and outcomes to the Board of Directors at least once a year.</p> <p>(3) On December 24, 2015, the Board of Directors resolved to adopt the "Performance Evaluation Policy for the Board and Functional Committees." The scope of the evaluation includes the overall Board</p>														

Evaluation Items	Implementation Status		Summary and Explanation	The Reason of Departure from the Corporate Governance Best Practice Principles for TWSE & TPEX Listed Companies
	Yes	No		
<p>compensation and nomination for reappointment?</p> <p>(4) Does the company regularly assess the independence of its auditing CPAs?</p>			<p>of Directors, individual directors, and functional committees. Evaluation methods include internal self-assessments by the Board and committees, self-assessments by individual directors, or other appropriate evaluation methods.</p> <p>The content of the self-evaluation covers five major aspects: participation in the Company's operations, enhancement of decision-making quality, Board composition and structure, selection and continuing education of directors, and internal control. The Board performance evaluation is conducted annually in the first quarter of the year, assessing the previous year's performance of the Board as a whole and of individual Board members.</p> <p>(4) Internally, the Company conducts an evaluation of the independence and suitability of the certifying CPA firm at least once a year in accordance with Article 47 of the CPA Act and Statement No. 10 of the Code of Professional Ethics for Certified Public Accountants. The assessment includes checking whether the CPA is a director, supervisor, shareholder, or employee of the Company, and confirming that the CPA is not a related party of the Company. In addition to requesting the CPA to provide a "CPA Independence and Suitability Assessment Form," a "Statement of Independence," and "Audit Quality Indicators (AQIs)," the Company also evaluates based on its own CPA independence assessment criteria (see pages 11–13, 41, and 31–32 for details on AQIs). The assessment confirmed that the CPA and their firm have no financial interests or joint investments with the Company apart from audit and tax-related engagements, that family members of the CPA do not violate independence requirements, and that based on AQIs, the CPA firm's audit experience, professional support, and training hours are comparable to industry standards. The most recent assessment results were</p>	

Evaluation Items	Implementation Status		Summary and Explanation	The Reason of Departure from the Corporate Governance Best Practice Principles for TWSE & TPEX Listed Companies
	Yes	No		
			reviewed and approved by the Audit Committee on March 12, 2025, and subsequently approved by the Board of Directors on the same day. The same evaluation process applies when there is a change in the CPA firm due to internal rotation.	
4. Has the listed company appointed competent and appropriate governance personnel and designated a governance officer responsible for governance-related matters (including but not limited to providing directors and	√		The Company has appointed a Corporate Governance Officer responsible for safeguarding shareholders' rights and enhancing the effectiveness of the Board of Directors. Together with the Chairman's Office personnel, this officer handles corporate governance-related affairs. Primary responsibilities include executing matters related to the convening of Board and Shareholders' meetings in accordance with applicable laws, preparing minutes for both meetings, assisting directors with onboarding and continuing education, reviewing the legal qualifications of independent directors, handling changes in Board composition, providing necessary information and regulatory compliance	No significant differences

Evaluation Items	Implementation Status		Summary and Explanation	The Reason of Departure from the Corporate Governance Best Practice Principles for TWSE & TPEX Listed Companies
	Yes	No		
supervisors with necessary information, assisting directors and supervisors in complying with laws and regulations, conducting board and shareholders' meetings in accordance with laws, and preparing minutes of board and shareholders' meetings)?			support to directors and the Audit Committee, implementing matters as stipulated by the Articles of Incorporation or contractual obligations, and regularly reviewing and updating the Company's "Corporate Governance Best Practice Principles" and related procedures. This role also supports information transparency and the promotion of shareholder rights and effective corporate governance.	
5. Does the company establish communication channels with stakeholders (including but not limited to shareholders, employees, customers and suppliers, etc.), set up a special area for stakeholders on the company website, and properly respond to the important issues of corporate social responsibility the stakeholders are concerned about?	√		The Company has established a Stakeholder Section on its website, which provides contact details for the spokesperson, acting spokesperson, and business (product) liaison, along with email addresses. In addition, under the Corporate Social Responsibility section, a dedicated "Investor Relations" is provided to respond to stakeholder concerns and ensure smooth communication. Stakeholder communication disclosures are available at: http://www.ccic.com.tw/upload/doc/csr2.pdf	No significant differences

Evaluation Items	Implementation Status			The Reason of Departure from the Corporate Governance Best Practice Principles for TWSE & TPEX Listed Companies
	Yes	No	Summary and Explanation	
6. Does the company appoint a professional stock agency to handle the affairs of the Board of Shareholders?	√		The company has appointed –Yuanta Securities Co., Ltd., Shareholder Services Department, a professional shareholder services agency, to handle shareholder meeting affairs.	No significant differences
7. Information Disclosure (1) Does the company have a website that discloses financial and corporate governance information? (2) Does the company adopt other methods of information disclosure (such as setting up an English website, appointing a person to be responsible for the collection and disclosure of company information, implementing a spokesperson system, and placing judicial person briefings on the company	√ √	 √	1.The company has a corporate website (www.ccic.com.tw) where financial and corporate governance information is disclosed. The website is periodically updated to facilitate investor access. 2. The collection and disclosure of information on the company’s website are jointly handled by the Chairman’s Office and relevant departments. The company has established the “Internal Handling of Material Nonpublic Information and Prevention of Insider Trading Operation Procedures” and implements a spokesperson system. Information related to corporate briefings is not only disclosed on the Public Information Observation System but also made available on the company’s website to enhance transparency of company information. 3. The Company complies with regulatory deadlines by announcing and filing its annual financial statements as well as first, second, and third-quarter financial reports. Monthly operating results are also announced and filed in advance of statutory deadlines.	No significant differences. 將審慎評估於會計年終了後兩個月內公告並申報年財務報告之可行性。

Evaluation Items	Implementation Status			The Reason of Departure from the Corporate Governance Best Practice Principles for TWSE & TPEX Listed Companies
	Yes	No	Summary and Explanation	
website)? (3) Has the company announced and filed its annual financial report within two months after the end of the accounting year, and announced and filed its first, second, and third quarter financial reports and monthly business operations before the prescribed deadline?				
8. Does the company have other important information that helps understand the operation of corporate governance (including but not limited to employee benefits, employee care, investor relations, supplier relationships, rights of stakeholders, status of	√		(1) Employee Rights and Care: Please refer to the Company's 2024 Annual Report, Section IV – Operating Overview: "Labor-Management Relations" on pages 87–88. (2) Investor Relations: The Company has designated personnel to disclose, in compliance with regulations and through the Market Observation Post System, timely information on finance, operations, and changes in insider shareholding. A stock affairs unit and spokesperson mechanism is in place to ensure two-way communication with investors via shareholders' meetings and spokesperson channels. (3) Supplier Relations and Customer Policy Implementation:	No significant differences

Evaluation Items	Implementation Status			The Reason of Departure from the Corporate Governance Best Practice Principles for TWSE & TPEX Listed Companies
	Yes	No	Summary and Explanation	
education and training for directors and supervisors, implementation of risk management policies and risk measurement standards, execution of customer policies, and the company's purchase of liability insurance for directors and supervisors)?			<p>1. Green Procurement: The Company requires raw material suppliers to sign a declaration of non-use of hazardous substances, ensuring products are free of banned substances that may harm the environment. Compliance with customer requirements and EU RoHS (Restriction of Hazardous Substances) directives is enforced, and suppliers are subject to annual evaluations.</p> <p>2. Corporate Social Responsibility: The Company has established a "Supplier Code of Conduct" emphasizing five key areas: labor, health and safety, environment, management systems, and ethics. Suppliers are required to comply with this Code and to submit the following: "Supplier CSR Commitment Letter," "Integrity Commitment Letter," "Related Party Transaction Statement," and "Confidentiality Agreement," to ensure adherence to responsible practices.</p> <p>3. Ethical Corporate Management: With a foundation in strong corporate governance and transparent operations, the Company requires suppliers to sign an "Integrity Commitment Letter." A designated email address (Audit@ccic.com.tw) is also provided for suppliers to report conflicts of interest.</p> <p>4. In addition to offering high-quality, competitive products, the Company focuses on improving customer satisfaction. A dedicated customer service team provides timely, efficient support through diversified communication methods and an internal customer management system. Daily email exchanges ensure real-time information flow, while periodic meetings are held to track project progress. Quarterly business reviews assess cooperation effectiveness. This</p>	

Evaluation Items	Implementation Status		Summary and Explanation	The Reason of Departure from the Corporate Governance Best Practice Principles for TWSE & TPEX Listed Companies
	Yes	No		
			<p>comprehensive approach ensures close collaboration, transparent communication, and a strong customer relationship, which drives stable business growth and responsible customer management.</p> <p>(5) Stakeholder Rights: The Company discloses contact information for its spokesperson, employee service area, and supplier feedback email and phone number on its website, thereby establishing effective communication channels with customers, employees, shareholders, and suppliers, while respecting their legitimate rights.</p> <p>(6) Director Continuing Education: All directors receive continuing education annually in accordance with legal requirements. Detailed course information can be found via the Market Observation Post System under Corporate Governance > Director and Supervisor Attendance and Continuing Education, and the current status, experience, and concurrent positions of independent directors.</p> <p>(7) Implementation of Risk Management Policy and Risk Measurement Standards: The Company has formulated internal regulations in accordance with the law to perform various risk management and assessment functions.</p> <p>Our company has a risk management policy in place, which is implemented by the Executive Office. The relevant departments and units are convened based on the types of operational risks to execute risk management measures. We emphasize comprehensive risk control by all employees and maintain a proactive approach to risk prevention.</p> <p>We have established the “Business Strategy Management Guidelines” and “Risk</p>	

Evaluation Items	Implementation Status		Summary and Explanation	The Reason of Departure from the Corporate Governance Best Practice Principles for TWSE & TPEX Listed Companies
	Yes	No		
			<p>Management Guidelines,” where the management level, considering the company’s operational situation, internal and external business issues, as well as the needs and expectations of stakeholders, responds to the derived risks and opportunities. We regularly compile a “Risk Survey and Assessment Form” that is completed by various departments. The departments evaluate the likelihood and significance of identified risks, the severity of potential outcomes, and whether they involve any relevant legal regulations. Based on these evaluations, the results of the risk assessments are calculated. The responsible unit for risk management conducts a review of the overall “Risk Survey and Assessment Form” and includes risks with higher scores and greater potential impact in the “Risk Management Activity Plan Report.” Relevant departments are then notified to propose improvement plans and implement them.</p> <p>In the most recent period (early 2024 year), a total of 161 risk issues were compiled in the “Risk Survey and Assessment Form.” Among them, there were 2 risks that scored 30 points or higher, indicating a high level of potential impact. The relevant departments have already proposed corresponding strategies and action plans to mitigate operational risks and capitalize on potential opportunities.</p> <p>(8) Implementation of Customer Policy: Guided by the core values of integrity, innovation, and mutual benefit, the Company is committed to providing excellent products, on-time delivery, and honest operations. These principles are reflected in its operational performance. The Company maintains stable and positive relationships with customers and has a dedicated unit</p>	

Evaluation Items	Implementation Status		Summary and Explanation	The Reason of Departure from the Corporate Governance Best Practice Principles for TWSE & TPEX Listed Companies
	Yes	No		
			<p>to handle customer complaints.</p> <p>(9) Directors' and Officers' Liability Insurance: To implement sound corporate governance, the Company not only maintains an effective internal control system but also appoints independent directors and leverages their professional expertise. In 2024, the Company maintained a Directors and Officers (D&O) Liability Insurance policy with a coverage amount of USD 3 million. As of the date of publication of this annual report, the policy remains in force and is set to expire in early June. The Company will complete the renewal process before expiration and submit key insurance terms to the Board of Directors for review.</p>	

Evaluation Items	Implementation Status			The Reason of Departure from the Corporate Governance Best Practice Principles for TWSE & TPEX Listed Companies
	Yes	No	Summary and Explanation	
<p>9. Please explain the improvement measures implemented in response to the Corporate Governance Evaluation System results of the most recent year published by the Corporate Governance Center of Taiwan Stock Exchange; and propose improvement measures for under-performing aspects. (If the company is not included in the evaluation, no need to fill in.)</p> <p>The Company has conducted a self-assessment based on the “Corporate Governance Evaluation System” established by the Corporate Governance Center of the Taiwan Stock Exchange. In the 11th evaluation (2024), the Company was ranked in the 81% to 100% percentile bracket. For indicators not yet fulfilled, the Company will conduct ongoing review and improvement under the planning and implementation of the Sustainability Promotion Committee and its working groups.</p> <p>In the comprehensive reelection of directors and supervisors upon the expiration of their terms in 2025, the Company will elect at least one female director.</p> <p>In 2025, in line with legal requirements and business needs, the Company will propose a resolution to the Board to stipulate reporting mechanisms concerning “non-executive employees” and submit amendments to the Articles of Incorporation to both the Board and the Shareholders’ Meeting for approval.</p> <p>The Chinese and English versions of the annual shareholders’ meeting handbook and English financial statements will be uploaded at least 18 days before the shareholders’ meeting.</p> <p>Priority improvement items for the Company moving forward include:</p> <ol style="list-style-type: none"> 1. Establishment of functional committees beyond those required by law. 2. The Company has already adopted the “Business Strategy Management Policy” and the “Risk Management Policy” to carry out identification, assessment, response measures, and action plans related to corporate risk issues. In the future, implementation details will be disclosed on the Company’s website and reported to the Board at least once a year. 3. Completion of the establishment of a governance framework for promoting sustainability and revisions to related policies. 4. The Company has already adopted the “Business Strategy Management Policy” and “Risk Management Policy” to execute risk identification and response strategies. Future implementation status will be disclosed on the Company’s website and reported to the Board at least once a year. 5. Establishment of a dedicated unit to promote corporate integrity. The Company will disclose the operations and execution status of the unit on its website and in 				

Evaluation Items	Implementation Status		Summary and Explanation	The Reason of Departure from the Corporate Governance Best Practice Principles for TWSE & TPEX Listed Companies
	Yes	No		
<p>the annual report, and report to the Board at least once a year.</p> <p>6. Completion of the establishment of a governance structure and policy revisions to promote sustainability.</p>				

 CPA Independence Evaluation Criteria:

Evaluation Items	Evaluation Result	Compliance with Independence Requirements
1. Whether the CPA has any direct or material indirect financial interest in the Company.	No	Yes
2. Whether the CPA shares investments or profits with the Company or its affiliates.	No	Yes
3. Whether the CPA holds shares of the Company or its affiliates, or has financial lending arrangements with the Company or its affiliates.	No	Yes
4. Whether the CPA has any inappropriate relationship with the Company, or holds a regular position in the Company or its affiliates and receives fixed compensation.	No	Yes
5. Whether the CPA is involved in the Company's or its affiliates' decision-making management functions.	No	Yes
6. Whether the CPA has a spouse, lineal relative, in-law, or relative within the second degree of kinship working in the Company's management.	No	Yes
7. Whether the CPA engages in non-audit services that may impair independence.	No	Yes
8. Whether the CPA allows others to act in their name.	No	Yes
9. Whether the CPA receives any commissions related to business activities.	No	Yes
10. Whether the CPA has not been rotated for seven consecutive years as of the most recent certification engagement.	No	Yes
11. Whether the CPA has been penalized or violated independence principles up to the present time.	No	Yes

Director Continuing Education

The Company's directors and managerial officers possess relevant professional knowledge. The Company provides both regular and ad hoc training, and organizes seminars based on actual business needs. Below is the continuing education record for 2024:

●Director Training Overview

Title	Name	Date	Organizer	Course Titles	Hours
Chairman	Miyoshi Akihiro	2024/08/22	Securities and Futures Institute, SFI	Minimum Service Year Clauses and Non-Compete Clauses	3 hrs
Director	Nishizawa Toru	2024/05/22	Securities and Futures Institute, SFI	CPA Perspectives on Financial Statement Audits	3 hrs
		2024/08/22		Minimum Service Year Clauses and Non-Compete Clauses	3 hrs
Director	Nagai Junichi	2024/05/22	Securities and Futures Institute, SFI	CPA Perspectives on Financial Statement Audits	3 hrs
		2024/08/22		Minimum Service Year Clauses and Non-Compete Clauses	3 hrs
Director	Yamaoka Naoto	2024/05/22	Securities and Futures Institute, SFI	CPA Perspectives on Financial Statement Audits	3 hrs
		2024/08/22		Minimum Service Year Clauses and Non-Compete Clauses	3 hrs
Director	Kitao Yoshihisa	2024/05/22	Securities and Futures Institute, SFI	CPA Perspectives on Financial Statement Audits	3 hrs
		2024/08/22		Minimum Service Year Clauses and Non-Compete Clauses	3 hrs
Director	Miyamoto Eiji	2024/05/22	Securities and Futures Institute, SFI	CPA Perspectives on Financial Statement Audits	3 hrs
		2024/08/22		Minimum Service Year Clauses and Non-Compete Clauses	3 hrs
Director	Sumikawa Yohei	2024/05/22	Securities and Futures Institute, SFI	CPA Perspectives on Financial Statement Audits	3 hrs
		2024/08/22		Minimum Service Year Clauses and Non-Compete Clauses	3 hrs
Director	高澤真治 Takasawa Shinji	2024/05/22	Securities and Futures Institute, SFI	CPA Perspectives on Financial Statement Audits	3 hrs
		2024/08/22		Minimum Service Year Clauses and Non-Compete Clauses	3 hrs
Director	Matsuhashi Hidetoshi	2024/05/22	Securities and Futures Institute, SFI	CPA Perspectives on Financial Statement Audits	3 hrs
		2024/08/22		Minimum Service Year Clauses and Non-Compete Clauses	3 hrs
Director	Sano Yoshihide	2024/05/22	Securities and Futures Institute, SFI	CPA Perspectives on Financial Statement Audits	3 hrs
		2024/08/22		Minimum Service Year Clauses and Non-Compete Clauses	3 hrs
Director	Ota Shingo	2024/05/22	Securities and Futures Institute, SFI	CPA Perspectives on Financial Statement Audits	3 hrs
		2024/08/22		Minimum Service Year Clauses and Non-Compete Clauses	3 hrs

Title	Name	Date	Organizer	Course Titles	Hours
Independent Director	Hsu Ke-Wei	2024/04/25	Taiwan Institute of Directors	Global Economic Outlook (Inflation, Interest Rate Policy, Green Trade War)	3 hrs
		2024/10/24	Taiwan Institute of Directors	Generative AI Industry Development Trends	3 hrs
Independent Director	Wang Wen-Yeu	2024/08/08	Securities and Futures Institute, SFI	Global Economic Outlook for the Second Half of 2024	3 hrs
		2024/11/07		Carbon Credit Trading Mechanisms and Carbon Management Applications	3 hrs
Independent Director	Lian Jun-Hua	2024/06/20	Securities and Futures Institute, SFI	Board Performance Evaluation	3 hrs
		2024/06/19		Breach of Trust and Specific Offenses of Directors and Supervisors	3 hrs
Independent Director	Chou Chien-Hung	2024/09/05	Taiwan CPA	How to Build an Effective Anti-Money Laundering and Counter-Terrorist Financing System	3 hrs
		2024/09/10		Overview of Sustainability-Oriented Internal Controls	3 hrs
		2024/09/19		Audit of Financial Assets	3 hrs
		2024/10/08		Money Laundering Typologies Relevant to CPA Practices and Tax Crime Case Studies	3 hrs

● Managerial Officer Training Overview

Title	Name	Date	Organizer	Course Titles	Hours
Corporate Governance Officer	Wei Zi-Heng	2024/05/22	Securities and Futures Institute, SFI	CPA Perspectives on Financial Statement Audits	3 hrs
		2024/08/22		Minimum Service Year Clauses and Non-Compete Clauses	3 hrs
		2024/10/22		Intellectual Property Management — Focus on Patents and Trade Secrets	3 hrs
		2024/11/21	Taiwan Institute of Directors	Critical Guidelines for Directors	3 hrs
Accounting Officer	Chen Mei-Hua	2024/12/12	Accounting Research and Development Foundation	Ongoing Education Program for Issuers' Accounting Officers — Accounting Module	3 hrs
		2024/12/12		Ongoing Education Program for Issuers' Accounting Officers — Corporate Governance Module	3 hrs
		2024/12/13		Ongoing Education Program for Issuers' Accounting Officers — Professional Ethics and Legal Responsibilities	6 hrs
Audit Officer	Wang Hsiang-Chien	2024/08/20	The Institute of Internal Auditors, R.O.C.	Enhancing Corporate Sustainability Value Through Improved Risk Management Systems	6 hrs
		2024/11/05		Analysis of Sustainability Disclosure Policies and Key Issues in Internal Control and Internal Audit	6 hrs

■ Succession Planning for Board Members and Key Management Personnel

(1) Succession Planning for Board Members

The Company's Articles of Incorporation stipulate that the election of directors shall follow a candidate nomination system. In accordance with the Company's "Corporate Governance Best Practice Principles" and the "Regulations for the Election of Directors," the composition of the Board is planned by considering the Company's development strategy and board diversity policy, recruiting professionals in fields such as industrial technology, law, and finance/accounting. In addition to providing directors with relevant continuing education information from time to time, the Company also regularly arranges training courses covering topics such as corporate governance, internal control systems, and financial reporting responsibilities. These efforts aim to enhance the professional knowledge of the directors and serve as a foundation for identifying and planning suitable director successors.

(2) Succession Planning for Key Management Personnel

The Company organizes regular training programs each year for supervisors at all levels to cultivate a sufficient pool of management talent.

Senior executives regularly participate in key operational and strategic planning meetings led by the CEO and involving cross-departmental collaboration. These discussions are designed to encourage the exchange of ideas and experiences, facilitate organizational learning, and support knowledge transfer among management. This systematic approach contributes to the long-term sustainability of the Company and the establishment of a sound succession plan.

(4) Composition and Operation of the Remuneration Committee:

Here is the composition, qualification requirements, and attendance of the Remuneration Committee of our company:

1. Information on the Members of the Compensation Committee

Identity category	Name	Professional Qualifications and Experience	Independence status	Number of members who are also members of the compensation committee of other public corporations.
Independent Director With over 30 years of relevant work experience	Hsu Ke-Wei	Specializes in legal affairs and possesses the necessary work experience, professional knowledge, and skills in business, finance, accounting, and corporate operations. There are no circumstances as referred to in Article 30 of the Company Act.	Serves as an independent director and meets the independence criteria, including but not limited to the following: neither the individual, spouse, nor close relatives within the second degree of kinship hold positions as directors, supervisors, or employees in the company or its affiliated enterprises; does not hold any shares of the company; does not serve as a director, supervisor, or employee in companies with specific relationships to the company; has not received remuneration from providing business, legal, financial, accounting, or other services to the company or its affiliated enterprises in the past two years.	1
Independent Director With over 30 years of relevant work experience	Wang Wen-Yeu	Specializes in legal affairs and possesses the necessary work experience, professional knowledge, and skills in business, finance, accounting, and corporate operations. There are no circumstances as referred to in Article 30 of the Company Act.	Serves as an independent director and meets the independence criteria, including but not limited to the following: neither the individual, spouse, nor close relatives within the second degree of kinship hold positions as directors, supervisors, or employees in the company or its affiliated enterprises; does not hold any shares of the company; does not serve as a director, supervisor, or employee in companies with specific relationships to the company; has not received remuneration from providing business, legal, financial, accounting, or other services to the	1

			company or its affiliated enterprises in the past two years.	
The independent director has over 20 years of relevant work experience.	Lian Jun-Hua	The individual has expertise in accounting affairs, possessing a CPA license and possessing work experience and professional knowledge and skills required for business, finance, accounting, and corporate operations. There are no circumstances as referred to in Article 30 of the Company Act.	Serves as an independent director and meets the independence criteria, including but not limited to the following: neither the individual, spouse, nor close relatives within the second degree of kinship hold positions as directors, supervisors, or employees in the company or its affiliated enterprises; does not hold any shares of the company; does not serve as a director, supervisor, or employee in companies with specific relationships to the company; has not received remuneration from providing business, legal, financial, accounting, or other services to the company or its affiliated enterprises in the past two years.	1
The independent director has over 20 years of relevant work experience.	Chou Chien-Hung	The individual is a practicing accountant and currently serves as a partner at Zhanyue Certified Public Accountants. They have work experience and possess professional knowledge and skills in business, finance, accounting, and corporate operations, which are required for their role. There are no circumstances as referred to in Article 30 of the Company Act.	Serves as an independent director and meets the independence criteria, including but not limited to the following: neither the individual, spouse, nor close relatives within the second degree of kinship hold positions as directors, supervisors, or employees in the company or its affiliated enterprises; does not hold any shares of the company; does not serve as a director, supervisor, or employee in companies with specific relationships to the company; has not received remuneration from providing business, legal, financial, accounting, or other services to the company or its affiliated enterprises in the past two years.	0

2. Responsibilities of the Compensation Committee

- (1) To establish and regularly review the policies, systems, standards, and structure for performance evaluations and compensation for directors (including independent directors) and managerial officers.
- (2) To regularly evaluate and determine the compensation of directors (including independent directors) and managerial officers. The aforementioned compensation includes cash compensation, stock options, profit-sharing bonuses, retirement benefits or severance pay, allowances, and other substantive incentive measures.

3. Operation of the Remuneration Committee

- (1) There are a total of four members in the Compensation Committee of the company.
- (2) The current committee members' term of office is from June 20, 2022, to June 19, 2025. In the most recent fiscal year (fiscal year 2024), the Compensation Committee held 5 meetings, and the attendance records of the committee members are as follows:

Title	Name	Actual Attendance Count	Number of proxy attendance	Actual Attendance Rate (%)	Remarks
Committee member (Convener)	Hsu Ke-Wei	5	0	100%	—
Committee member	Wang Wen-Yeu	5	0	100%	—
Committee member	Lian Jun-Hua	5	0	100%	—
Committee member	Chou Chien-Hung	5	0	100%	—

Other items that shall be recorded:

1. If the Board of Directors does not adopt or amend the recommendations of the Compensation Committee, it shall disclose the date, session, agenda, resolution of the Board of Directors, and the company's handling of the opinions of the Compensation Committee (if the compensation approved by the Board of Directors exceeds the recommendations of the Compensation Committee, the differences and reasons should be stated): There were no such cases in the current year.
2. Regarding the decisions of the Compensation Committee, if any members have objections or reservations with recorded or written statements, the date, session, agenda, opinions of all members, and the handling of these opinions should be disclosed: There were no such cases in the current year.
3. Recent Annual Remuneration Committee Discussion and Resolution Results, and Company's Handling of Committee Opinions:

Salary and Compensation Committee Date	Discussion agenda and resolution result
The 8th meeting of the 6th term January 30, 2024	<p>Proposal:</p> <p>1. Proposal for 2023 year-end bonuses for the Company’s senior executives.</p> <p>Committee members’ opinions: No objections or reservations</p> <p>Resolution result: After the chairman consulted the opinions of all attending committee members, the proposal was passed without objections.</p> <p>Company’s handling of the Compensation Committee’s opinions: The matter was presented to the Board of Directors, and All attending directors agreed to approve. and implement it. It falls under the rules and regulations and has been publicly announced in the “Organizational Operation Regulations” section on the company’s website.</p>
The 9th meeting of the 6th term March 12, 2024	<p>Proposal:</p> <p>1. Proposal for the distribution of 2023 employee compensation and director compensation.</p> <p>Committee members’ opinions: No objections or reservations</p> <p>Resolution result: After the chairman consulted the opinions of all attending committee members, the proposal was passed without objections.</p> <p>Company’s handling of the Compensation Committee’s opinions: The matter was presented to the Board of Directors, and All attending directors agreed to approve. and implement it. It falls under the rules and regulations and has been publicly announced in the “Organizational Operation Regulations” section on the company’s website.</p>
The 10th meeting of the 6th term May 8, 2024	<p>Proposal:</p> <p>1. Proposal for promotion and salary adjustment of the Company’s senior executives.</p> <p>Committee members’ opinions: No objections or reservations</p> <p>Resolution result: After the chairman consulted the opinions of all attending committee members, the proposal was passed without objections.</p> <p>Company’s handling of the Compensation Committee’s opinions: The matter was presented to the Board of Directors, and All attending directors agreed to approve. and implement it. It falls under the rules and regulations and has been publicly announced in the “Organizational Operation Regulations” section on the company’s website.</p>
The 11th meeting of the 6th term August 7, 2024	<p>Proposal:</p> <p>1. Proposal for the distribution of 2023 employee and director/supervisor compensation.</p> <p>2. Proposal for the change of Company spokesperson.</p> <p>3. Proposal for ratification of promotion and salary adjustment of the Company’s senior executives.</p> <p>Committee members’ opinions: No objections or reservations</p> <p>Resolution result: After the chairman consulted the opinions of all attending committee members, the proposal was passed without objections.</p> <p>Company’s handling of the Compensation Committee’s opinions: The matter was presented to the Board of Directors, and All attending directors agreed to</p>

	<p>approve. and implement it. It falls under the rules and regulations and has been publicly announced in the “Organizational Operation Regulations” section on the company’s website.</p>
<p>The 12th meeting of the 6th term October 1, 2024</p>	<p>Proposal:</p> <ol style="list-style-type: none"> 1. Proposal for ratification of Vice Chairman’s compensation. 2. Proposal for review of changes in key operating executives and related compensation and benefits. <p>Committee members’ opinions: No objections or reservations Resolution result: After the chairman consulted the opinions of all attending committee members, the proposal was passed without objections. Company’s handling of the Compensation Committee’s opinions: The matter was presented to the Board of Directors, and All attending directors agreed to approve. and implement it. It falls under the rules and regulations and has been publicly announced in the “Organizational Operation Regulations” section on the company’s website.</p>

(5) Implementation status of sustainable development initiatives and differences in sustainability practices between listed and non-listed companies, along with the reasons for these differences.

Evaluation Items	Implementation Status			Any departure from the Corporate Social Responsibility Best Practice Principles for TWSE & TPEX Listed Companies and the reasons for such departure
	Ye s	No	Summary and Explanation	
1. Has the company established a governance framework to promote sustainable development and set up a dedicated unit to promote sustainable development, authorized by the board of directors to be handled by senior management, and supervised by the board of directors?	√		<p>Starting in 2024, the Company’s Administration Division began promoting sustainability governance and gradually integrated sustainability into its operational planning. Committees including the “GHG Reduction Committee,” the “RBA Committee,” and the “Occupational Safety and Health Committee” have been established. The Company also introduced the “Sustainability Information Management Guidelines” and revised the “Sustainable Development Best Practice Principles.” Each committee reports at least once a year to the Board of Directors on business-related plans and implementation results.</p> <p>In accordance with its sustainability roadmap, the Company initiated a group-wide greenhouse gas (GHG) inventory in 2023. From 2023 through 2025, organizational-level GHG accounting is being implemented, along with the formulation of carbon reduction</p>	No significant differences

Evaluation Items	Implementation Status			Any departure from the Corporate Social Responsibility Best Practice Principles for TWSE & TPEX Listed Companies and the reasons for such departure
	Yes	No	Summary and Explanation	
			<p>policies.</p> <p>The Company has established the “Corporate Governance Best Practice Principles” to build a robust corporate governance framework and effective governance structure.</p>	
2. Has the company conducted risk assessments on environmental, social, and corporate governance issues related to its operations, in accordance with the principle of materiality, and established relevant risk management policies or strategies?	√		<p>(1) Environmental and Safety Health Management:</p> <p>Our company is a professional designer and manufacturer of electronic information products and heat dissipation components. To fulfill our corporate social responsibility and minimize the environmental impact of our production and operations, we have implemented an Environmental Management System (ISO 14001) and an Occupational Health and Safety Management System (ISO 45001) to reduce adverse environmental effects. We also actively implement energy-saving and carbon reduction policies, enhance employees’ environmental awareness, and improve the efficiency of</p>	No significant differences. Relevant matters will be reported to the Board of Directors based on operational needs.

Evaluation Items	Implementation Status		Summary and Explanation	Any departure from the Corporate Social Responsibility Best Practice Principles for TWSE & TPEX Listed Companies and the reasons for such departure
	Yes	No		
			<p>resource utilization.</p> <p>We have established an Occupational Health and Safety Committee, which follows the guidelines of the “Environmental, Heal, and Safety Risk Assessment and Management Procedure” and the “Environmental, Heal, and Safety Risk and Opportunity Identification Procedure.” This committee serves as the basis for identifying significant environmental risks and opportunities, and formulating environmental, heal, and safety objectives and policies. These objectives and policies guide the improvement direction of our environmental, heal, and safety management system to achieve management performance and meet the requirements of environmental, heal, and safety standards consistently.</p> <p>(2) Operational Risk Management Strategy</p> <p>Considering the company’s circumstances, internal and external issues, and the expectations of stakeholders, we conduct risk assessments on environmental, social, and corporate governance issues related to company operations.</p>	

Evaluation Items	Implementation Status			Any departure from the Corporate Social Responsibility Best Practice Principles for TWSE & TPEX Listed Companies and the reasons for such departure						
	Yes	No	Summary and Explanation							
			<p>The company has established a “Risk Management Policy” to assess and prepare for uncertainties that may threaten business operations. Through risk assessment and contingency plan exercises, we can respond with the most appropriate measures in the shortest possible time.</p> <p>(3) Significant Operational Issues and Management Strategies:</p> <table border="1"> <thead> <tr> <th>Management Aspect</th> <th>Significant Issues</th> <th>Strategies</th> </tr> </thead> <tbody> <tr> <td>Environment.</td> <td>Water resource management, greenhouse gas management, energy resource management, waste</td> <td>.In accordance with our environmental, safety, and health policy, we are committed to implementing and operating an environmental, safety, and health management system, and complying with legal</td> </tr> </tbody> </table>	Management Aspect	Significant Issues	Strategies	Environment.	Water resource management, greenhouse gas management, energy resource management, waste	.In accordance with our environmental, safety, and health policy, we are committed to implementing and operating an environmental, safety, and health management system, and complying with legal	
Management Aspect	Significant Issues	Strategies								
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Evaluation Items	Implementation Status			Any departure from the Corporate Social Responsibility Best Practice Principles for TWSE & TPEX Listed Companies and the reasons for such departure						
	Yes	No	Summary and Explanation							
			<table border="1"> <tr> <td></td> <td>management, chemical safety, and climate change risk management.</td> <td> <ul style="list-style-type: none"> requirements. .Dedicated to environmental sustainability and the circular economy, we conduct greenhouse gas inventories for future reference in initiatives aimed at reducing emissions to address the challenges of climate change. .We fully integrate environmentally friendly HSF materials or raw materials, continuously enhancing technology and innovation to meet customer and market demands; we actively engage in green, cost-effective processes to strengthen our core competitive capabilities. </td> </tr> <tr> <td>Social</td> <td>Talent attraction and retention,</td> <td> <ul style="list-style-type: none"> .Strict adherence to labor laws, customer requirements, and </td> </tr> </table>		management, chemical safety, and climate change risk management.	<ul style="list-style-type: none"> requirements. .Dedicated to environmental sustainability and the circular economy, we conduct greenhouse gas inventories for future reference in initiatives aimed at reducing emissions to address the challenges of climate change. .We fully integrate environmentally friendly HSF materials or raw materials, continuously enhancing technology and innovation to meet customer and market demands; we actively engage in green, cost-effective processes to strengthen our core competitive capabilities. 	Social	Talent attraction and retention,	<ul style="list-style-type: none"> .Strict adherence to labor laws, customer requirements, and 	
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Evaluation Items	Implementation Status			Any departure from the Corporate Social Responsibility Best Practice Principles for TWSE & TPEX Listed Companies and the reasons for such departure
	Yes	No	Summary and Explanation	
			<p>employee development and training, human rights, social participation/community relations.</p> <p>responsible business alliance codes of conduct in the operating regions, ensuring fair employment, humane treatment, employee communication, and working conditions. Providing employees with diverse development opportunities, training, and fair compensation and benefits.</p> <ul style="list-style-type: none"> ·Complying with occupational safety, fire safety, and relevant regulations to provide a safe and healthy working environment according to environmental, health, and safety policies. ·Embracing the concept of “taking from society and giving back to society,” participating in social 	

Evaluation Items	Implementation Status			Any departure from the Corporate Social Responsibility Best Practice Principles for TWSE & TPEX Listed Companies and the reasons for such departure
	Ye s	No	Summary and Explanation	
				welfare and emergency relief activities, sharing love, and fulfilling social responsibilities as a good corporate citizen.
			Occupational Safety and Health	1. Occupational Safety: The Company has obtained ISO 45001:2015 Occupational Health and Safety Management System certification. 2. Fire drills and safety training sessions are conducted annually to enhance employees' emergency response and self-safety management capabilities.
			Product Safety	All Company products comply with government regulations and meet

Evaluation Items	Implementation Status			Any departure from the Corporate Social Responsibility Best Practice Principles for TWSE & TPEX Listed Companies and the reasons for such departure						
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			<table border="1"> <tr> <td></td> <td>the EU RoHS standards, containing no hazardous substances.</td> </tr> <tr> <td>Occupational Injuries</td> <td>New employees receive occupational safety and health training. During special pandemic periods, confirmed or high-risk employees are encouraged to work from home or take leave.</td> </tr> <tr> <td>Human Resources and Succession Management</td> <td>Recognized as a medium- to long-term risk, the Company is committed to business growth to enhance talent retention competitiveness. The management team is responsible for planning recruitment, development, selection, retention, and succession</td> </tr> </table>		the EU RoHS standards, containing no hazardous substances.	Occupational Injuries	New employees receive occupational safety and health training. During special pandemic periods, confirmed or high-risk employees are encouraged to work from home or take leave.	Human Resources and Succession Management	Recognized as a medium- to long-term risk, the Company is committed to business growth to enhance talent retention competitiveness. The management team is responsible for planning recruitment, development, selection, retention, and succession	
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Evaluation Items	Implementation Status			Any departure from the Corporate Social Responsibility Best Practice Principles for TWSE & TPEX Listed Companies and the reasons for such departure
	Ye s	No	Summary and Explanation	
				<p>(RBA) Code of Conduct management system. Adhering to relevant labor, ethical, environmental health and safety laws and regulations to establish a good corporate image.</p> <p>2. Establishing a sustainable supply chain management system and standards, maintaining regular communication with suppliers to establish stable and mutually beneficial strategic partnerships for sustainable development.</p> <p>Expanding the procurement of environmentally friendly products and adhering to the principles of the Organisation for Economic Co-</p>

Evaluation Items	Implementation Status			Any departure from the Corporate Social Responsibility Best Practice Principles for TWSE & TPEX Listed Companies and the reasons for such departure
	Yes	No	Summary and Explanation	
			<p>operation and Development (OECD) to prohibit the use of conflict minerals originating from high-risk conflict areas.</p> <p>3. Supply Chain and Inventory Management: The Company maintains strong partnerships with suppliers to ensure responsiveness and flexibility in inventory adjustments based on market conditions and supply chain needs.</p>	
			<p>Socio-Economic and Legal Compliance</p> <p>1. The Company offers internal courses on corporate governance to raise awareness of regulatory compliance among employees.</p>	

Evaluation Items	Implementation Status			Any departure from the Corporate Social Responsibility Best Practice Principles for TWSE & TPEX Listed Companies and the reasons for such departure
	Yes	No	Summary and Explanation	
			<p>2. A governance structure and internal control mechanisms are implemented to ensure that all personnel and operations comply with relevant laws and regulations.</p> <p>3. The Company applies for patents to protect the rights and interests of its developed products.</p>	
			<p>Enhancing Board Functionality</p> <p>1. Training topics are planned annually for directors, including updates on the latest regulations, systems, and policy developments.</p> <p>2. Directors are covered by Directors and Officers Liability Insurance to safeguard them in case of litigation or claims.</p>	

Evaluation Items	Implementation Status			Any departure from the Corporate Social Responsibility Best Practice Principles for TWSE & TPEX Listed Companies and the reasons for such departure				
	Yes	No	Summary and Explanation					
			<table border="1"> <tr> <td>Integrity Management Risk</td> <td>All directors and managerial officers are required to sign the Code of Conduct Statement, and new employees must sign an Integrity and Anti-Corruption Commitment Letter.</td> </tr> <tr> <td>Stakeholder Communication</td> <td> <ol style="list-style-type: none"> To prevent misunderstandings and reduce the risk of disputes or litigation due to differing perspectives between the Company and stakeholders, the Company conducts annual analyses of key stakeholders and their major concerns. Multiple communication channels are established for active engagement to minimize </td> </tr> </table>	Integrity Management Risk	All directors and managerial officers are required to sign the Code of Conduct Statement, and new employees must sign an Integrity and Anti-Corruption Commitment Letter.	Stakeholder Communication	<ol style="list-style-type: none"> To prevent misunderstandings and reduce the risk of disputes or litigation due to differing perspectives between the Company and stakeholders, the Company conducts annual analyses of key stakeholders and their major concerns. Multiple communication channels are established for active engagement to minimize 	
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	conflicts and misunderstandings. An investor email inbox is provided, and the spokesperson is responsible for responding to inquiries.							
Information Security	Within its operational capabilities, the Company gradually upgrades or replaces hardware and software to enhance information security.							
3. Environmental Issues (1) Has the company established an appropriate environmental management system based on its industry characteristics?	√		(1) The company has obtained ISO 14001: 2025 certification for its environmental management system, aiming to effectively prevent and control environmental pollution while improving resource and energy utilization efficiency.	No significant differences				
(2) Is the company committed to improving energy efficiency and utilizing low environmental impact renewable materials?	√		(2) Our Company is committed to promoting energy recycling and reuse to reduce environmental impact. We fully utilize ROHS compliant materials and the recycling and reuse of scrap					

Evaluation Items	Implementation Status			Any departure from the Corporate Social Responsibility Best Practice Principles for TWSE & TPEX Listed Companies and the reasons for such departure
	Yes	No	Summary and Explanation	
			<p>materials, with related items and steps explicitly defined in ISO14001.</p> <p>Under the ISO 14001 environmental management system, the company continuously strives for the design and manufacture of green products. This involves using materials efficiently, employing non-toxic, harmless, and easily decomposable designs. The production process utilizes raw materials supplied by qualified suppliers, minimizes waste, employs efficient equipment and material recycling, and promotes the reuse of recyclable waste. These measures aim to enhance resource utilization efficiency, protect the environment, and minimize impact on ecosystems.</p>	
(3) Does the company assess the potential risks and opportunities of climate change on its current and future operations, and implement measures to address climate-related issues?	√		<p>Our Company, adhering to the standard requirements of ISO 14064-1, uses the year 2022 as the baseline year for systematic greenhouse gas emission inventorying, verification procedures, and documentation to accurately monitor our greenhouse gas emissions. This data will serve as a reference for future greenhouse gas reduction initiatives aimed at contributing to the mitigation of global warming trends.</p>	

Evaluation Items	Implementation Status			Any departure from the Corporate Social Responsibility Best Practice Principles for TWSE & TPEX Listed Companies and the reasons for such departure
	Ye s	No	Summary and Explanation	
			Through managing the use of raw materials in production processes, consumption of energy resources, and emissions of pollutants, we aim to enhance the efficiency of our production activities and manage greenhouse gases effectively to minimize environmental impact, thereby achieving our goal of “environmentally friendly, sustainable development.”	
(4) Has the company compiled data on greenhouse gas emissions, water consumption, and total waste weight for the past two years, and developed policies for energy conservation, carbon reduction, water conservation, or other waste management?	√		<p>(1) Our Company is committed to fulfilling our corporate social responsibility by continuously promoting energy conservation and carbon reduction policies. Over the past two years (2022, 2023 and 2024), our category one and two greenhouse gas emissions were 3,360.51 tonnes CO₂e/year, 2,858.87 tonnes CO₂e/year and 2,103.01 tonnes CO₂e/year, respectively; water usage were 11,966 m³, 10,080 m³ and 10,404 m³, respectively; the amount of recyclable waste (scrap material) were 54,140 kilograms, 74,463 kilograms and 46,877 kilograms, respectively.</p> <p>(2) The company has established “Energy Resource Management Procedures” and “Waste Management Regulations” to control</p>	

Evaluation Items	Implementation Status			Any departure from the Corporate Social Responsibility Best Practice Principles for TWSE & TPEX Listed Companies and the reasons for such departure
	Yes	No	Summary and Explanation	
			<p>and conserve water and electricity usage, reduce resource waste, and conduct regular greenhouse gas inventories. If any abnormal usage or emissions are identified, the company investigates the causes and implements improvements.</p> <p>Furthermore, through proper waste management and resource recycling, the company aims to reduce environmental pollution and ecological impact. The management has implemented regulations for the proper handling of general and hazardous recyclable waste to avoid environmental harm. Additionally, since the integration of the Nidec Corporation's management team, the company has actively promoted the 3Q6S management model. Through voluntary improvement proposals, the company has not only enhanced operational efficiency but also reduced electricity and water expenses. The goal is to become a low-carbon enterprise contributing to sustainable environmental development.</p>	
4. Social Issues (I) Does the Company establish management	√		The company adheres to relevant labor laws such as the Labor Standards Act, Employment Service Act, and Gender Equality in	No significant differences

Evaluation Items	Implementation Status			Any departure from the Corporate Social Responsibility Best Practice Principles for TWSE & TPEX Listed Companies and the reasons for such departure
	Yes	No	Summary and Explanation	
<p>policies and procedures in accordance with relevant laws and regulations and international human rights conventions?</p>			<p>Employment Act, and has established internal regulations for compliance. The company also has “Corporate Social Responsibility Practice Guidelines” and “RBA (Responsible Business Alliance) Handbook” to ensure compliance with labor, health and safety, environmental, and ethical regulations. These efforts aim to fulfill the company’s social responsibilities and establish a positive corporate image.</p>	
<p>(2) Has the company established and implemented reasonable employee welfare measures (including salary, vacation, and other benefits), and appropriately reflected business performance or results in employee compensation?</p>	√		<p>The company follows the Labor Standards Act and related laws to establish various salary and welfare measures for employees. The company’s “Articles of Incorporation” clearly states the proportion of profits allocated to employee remuneration each year. Additionally, the “Personnel Management Regulations” specify the distribution of annual bonuses to employees based on the company’s operational performance and profitability for the year, demonstrating that the company appropriately reflects its business performance in employee compensation.</p>	
<p>(3) Does the Company provide a safe and healthy</p>	√		<p>The company has established “Occupational Health and Safety</p>	

Evaluation Items	Implementation Status			Any departure from the Corporate Social Responsibility Best Practice Principles for TWSE & TPEX Listed Companies and the reasons for such departure
	Yes	No	Summary and Explanation	
work environment for employees, and regularly conduct health and safety training for employees?			Work Guidelines” and an “Annual Environmental Health and Safety Monitoring Plan.” By implementing standard operating procedures for work with relatively high-risk characteristics and conducting regular monitoring of the work environment, drinking water quality, and maintenance of fire protection equipment, the company ensures that all employees have a safe and healthy working environment. Furthermore, new and existing employees receive occupational health and safety training to enhance their awareness and compliance with occupational safety regulations. The company also conducts regular health checks for employees and specific health examinations for those engaged in hazardous operations as required by regulations. Additionally, the management department periodically shares health information with employees via email to promote their physical and mental well-being.	
(4) Has the company established effective career development and training plans for employees?	√		The company has established an “Education and Training Implementation Method” and conducts internal and external on-the-job education and training for employees each year according to the	

Evaluation Items	Implementation Status			Any departure from the Corporate Social Responsibility Best Practice Principles for TWSE & TPEX Listed Companies and the reasons for such departure
	Yes	No	Summary and Explanation	
			“Annual Education and Training Plan.” These initiatives aim to enhance employees’ professional knowledge, skills, and career development capabilities.	
(5) Does the company comply with relevant laws and international standards regarding customer health and safety, customer privacy, marketing, and labeling issues related to its products and services? Additionally, has the company established policies and complaint procedures to protect consumer rights?	√		The company has established the “Customer Service Management Guidelines” and “Complaint Handling Procedures” to prioritize customer feedback. In addition to personal visits, the company also provides a business (product) contact window and an email inbox on its website. It has also set up a stakeholder section to provide channels for customers to ask questions, file complaints, or make suggestions. The company upholds the principle of integrity and handles and responds to these issues appropriately to protect customer rights.	
(6) Has the company established a supplier management policy, requiring suppliers to follow relevant regulations on environmental protection, occupational safety and health, or labor rights, and implemented such policy?	√		The company has established the “Supplier Evaluation Guidelines” and “Supplier Management Procedures for Social Responsibility,” which require suppliers to sign a “Supplier Social Responsibility Commitment” to comply with relevant regulations regarding labor conditions (including occupational health and safety) and human	

Evaluation Items	Implementation Status			Any departure from the Corporate Social Responsibility Best Practice Principles for TWSE & TPEX Listed Companies and the reasons for such departure
	Yes	No	Summary and Explanation	
			<p>rights management, fulfilling corporate social responsibility. Suppliers are also required to sign a “Supplier Environmental, Health, and Safety Requirement Notice” and an “Environmental Declaration,” partnering with suppliers to jointly promote green products, energy conservation, and carbon reduction. The aim is to provide products that comply with international standards and regulations (such as RoHS and REACH) regarding environmental policies. Non-compliance or violations will result in the termination of procurement activities and the revocation of supplier qualifications. If such actions cause any losses to the company, compensation may be sought from the supplier. In addition, the company also requires suppliers to conduct reasonable due diligence on the supply chain and sign a “Conflict-Free Minerals Commitment” to ensure that the materials provided to Nidec Chaunchoung Technology Corporation do not contain conflict minerals, fulfilling corporate social responsibility, environmental protection, and the practice of international justice.</p>	

Evaluation Items	Implementation Status			Any departure from the Corporate Social Responsibility Best Practice Principles for TWSE & TPEX Listed Companies and the reasons for such departure
	Yes	No	Summary and Explanation	
5. Does the company refer to internationally recognized reporting guidelines or frameworks to prepare non-financial information disclosure reports such as Corporate Social Responsibility reports? Has the aforementioned report obtained a confirmation or assurance opinion from a third-party verification agency?		√	The company has not yet prepared non-financial information reports such as sustainability reports. Therefore, there is no confirmation or assurance from a third-party verification entity. However, in terms of environmental protection, product responsibility, labor relations and safety, integrity in business operations, and ethics, the company has implemented the spirit of corporate social responsibility in its actual operations.	The company has not yet prepared a corporate social responsibility report. It will be evaluated in the future based on operational needs.
6. If the company has established its own corporate social responsibility guidelines in accordance with the “Practical Guidelines for CSR Practices of Listed and OTC Companies,” please specify any differences between its operations and the established guidelines: The company has established the “Corporate Social Responsibility Guidelines” to promote various aspects of corporate social responsibility, and there are no significant differences between the actual operations and the established guidelines.				
7. Other important information contributing to understanding the operation of corporate social responsibility:				

Evaluation Items	Implementation Status			Any departure from the Corporate Social Responsibility Best Practice Principles for TWSE & TPEX Listed Companies and the reasons for such departure
	Yes	No	Summary and Explanation	
<p>(1) In August 2020, the company obtained certification from the Responsible Business Alliance (RBA), demonstrating its commitment to compliance with labor, health and safety, environmental, and ethical regulations. This certification reflects the company’s fulfillment of its social responsibilities and its dedication to building a positive corporate image.</p> <p>(2) Human rights: The company places great importance on the rights of stakeholders. A stakeholder section is provided on the company’s website as a platform for effective and convenient communication. This platform aims to understand the reasonable expectations and needs of stakeholders. Queries, complaints, or suggestions raised by stakeholders are handled by the respective contact windows, which bring relevant issues to the appropriate departments. Subsequently, these departments provide thorough responses and take appropriate actions. Feedback and interaction from stakeholders through this platform are essential references for the company to adjust and enhance its operational efficiency, as well as to maintain a foundation for sustainable development.</p>				

(6) Climate-Related Information for Publicly Listed Companies

(1) Implementation of Climate-Related Information

Item	Implementation Status
1. Description of the Board of Directors and management’s oversight and governance of climate-related risks and opportunities.	The Board of Directors serves as the supreme supervisory unit for climate change risk governance at our Company, responsible for reviewing and formulating climate strategies. A GHG Greenhouse Gas Reduction Committee has been established to manage climate risks, track the achievement of environmental sustainability goals,

	<p>oversee the implementation of greenhouse gas reduction programs, and publish greenhouse gas inventory reports.</p> <p>The GHG Greenhouse Gas Reduction Committee reports to the Board at least once a year on the outcomes of climate governance efforts.</p>																																			
<p>2. Description of how identified climate risks and opportunities impact the company's business, strategy, and financials (short-term, medium-term, long-term).</p>	<p>Through meetings held by the GHG Greenhouse Gas Reduction Committee, and based on the TCFD recommendation framework, in 2024, the Company identified eight significant climate-related risks and four significant climate-related opportunities:</p> <p>(1) Climate Risks</p> <table border="1" data-bbox="1061 534 2089 1409"> <thead> <tr> <th>Risk Type</th> <th>Risk Details</th> <th>Duration</th> <th>Mitigation/Adaptation Measures</th> <th>Financial Impact</th> </tr> </thead> <tbody> <tr> <td>Transition Risk</td> <td>【Policies and Regulations】 Implementation of carbon taxes/regulations in various countries.</td> <td>Short-term</td> <td>The Company completed a self-conducted greenhouse gas (GHG) inventory for 2024 and an external verification for 2023. Based on the inventory results, the Company has formulated feasible reduction plans to achieve the goal of low-carbon production.</td> <td>Operating costs</td> </tr> <tr> <td>Transition Risk</td> <td>【Policies and Regulations】 Governmental increases in renewable energy usage standards.</td> <td>Short-term</td> <td>Purchasing renewable energy and setting renewable energy usage targets.</td> <td>Operating costs</td> </tr> <tr> <td>Transition Risk</td> <td>【Policies and Regulations】 Need to adjust or replace suppliers to comply with low-carbon trends in product carbon footprints.</td> <td>Medium-term</td> <td>Require suppliers to disclose their greenhouse gas emissions, set carbon reduction targets and timelines, and integrate an environmental assessment screening mechanism.</td> <td>Procurement costs</td> </tr> <tr> <td>Transition Risk</td> <td>【New Technology Investment】 Replacement of production equipment for energy efficiency in response to low-carbon trends.</td> <td>Medium-term</td> <td>Conduct research and purchasing evaluations of energy-saving production equipment, aligning with the Company's production plans, and plan feasibility and supporting measures.</td> <td>Capital Expenditure</td> </tr> <tr> <th>Risk Type</th> <th>Risk Details</th> <th>Duration</th> <th>Mitigation/Adaptation Measures</th> <th>Financial Impact</th> </tr> <tr> <td>Transition Risk</td> <td>【New Technology Investment】 Actively research and</td> <td>Long-term</td> <td>Establish research and development projects for low-carbon production technologies.</td> <td>Research and Development Expenditure</td> </tr> </tbody> </table>	Risk Type	Risk Details	Duration	Mitigation/Adaptation Measures	Financial Impact	Transition Risk	【Policies and Regulations】 Implementation of carbon taxes/regulations in various countries.	Short-term	The Company completed a self-conducted greenhouse gas (GHG) inventory for 2024 and an external verification for 2023. Based on the inventory results, the Company has formulated feasible reduction plans to achieve the goal of low-carbon production.	Operating costs	Transition Risk	【Policies and Regulations】 Governmental increases in renewable energy usage standards.	Short-term	Purchasing renewable energy and setting renewable energy usage targets.	Operating costs	Transition Risk	【Policies and Regulations】 Need to adjust or replace suppliers to comply with low-carbon trends in product carbon footprints.	Medium-term	Require suppliers to disclose their greenhouse gas emissions, set carbon reduction targets and timelines, and integrate an environmental assessment screening mechanism.	Procurement costs	Transition Risk	【New Technology Investment】 Replacement of production equipment for energy efficiency in response to low-carbon trends.	Medium-term	Conduct research and purchasing evaluations of energy-saving production equipment, aligning with the Company's production plans, and plan feasibility and supporting measures.	Capital Expenditure	Risk Type	Risk Details	Duration	Mitigation/Adaptation Measures	Financial Impact	Transition Risk	【New Technology Investment】 Actively research and	Long-term	Establish research and development projects for low-carbon production technologies.	Research and Development Expenditure
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		develop low-carbon production technologies in response to low-carbon trends.			
	Transition Risk	Changes in Consumer Behavior Increased demand for low-carbon products.	Long-term	Develop and provide customers with low-carbon steel products, collaborating with key suppliers in the supply chain to establish joint carbon reduction targets and timelines, effectively reducing product carbon footprints and meeting customer needs and low-carbon trends.	Operating income
	Physical Risks	【 Immediate Risks 】 Frequency of extreme weather affecting supply chains and transportation.	Long-term	Enhance the control of raw material safety inventory days and develop backup measures for dispersed purchasing from suppliers.	Operating income
	Physical Risks	【 Immediate Risks 】 Increased likelihood of water shortages due to climate change.	Long-term	Extend the safety inventory days for water storage in factories, plan support strategies for water truck allocation, and set targets for reducing water intensity.	Operating income
	(2) Climate Opportunities				
		Opportunity Content	Duration	Mitigation/Adaptation Measures	Financial Impact
		Launch low-carbon products	Medium-term	Collaborate with key suppliers in the supply chain to establish shared carbon reduction targets and timelines, effectively reducing product carbon footprints to meet customer needs and adapt to low-carbon trends.	Operating income
		Utilize renewable energy	Short-term	Purchase and use renewable energy, and set targets for renewable energy usage.	Energy costs
		Implement more efficient production methods	Long-term	Undertake projects for the development of low-carbon production technologies.	Production costs
		Improve efficiency	Medium-term	Conduct research and evaluation of energy-saving production equipment, aligning with the Company's plans for expansion of energy-efficient facilities, and plan feasibility and supporting measures.	Energy-saving equipment and energy costs
3. Explain the financial impacts of extreme weather events and transition actions.	Frequent extreme weather events affect suppliers' ability to produce or deliver shipments normally, leading to operational interruptions at factories, which result in reduced revenue for the Company. Transition actions refer to the net-zero carbon emission action plans promoted by the Company, as detailed in the table above (Item 2).				

4. Describe how the identification, assessment, and management of climate risks are integrated into the overall risk management system.	The Company utilizes the TCFD framework to identify risks and opportunities related to climate change. Department heads, considering the Company's current operational status and available resources, tailor specific and effective climate change risk management policies for significant risk items.
5. If using scenario analysis to assess resilience to climate change risks, explain the scenarios, parameters, assumptions, analysis factors, and main financial impacts used.	The Company has initiated adaptation strategies and actions in response to climate change, including promoting low-carbon energy-saving measures, greenhouse gas inventorying, and resource recycling. We are progressively seeking opportunities to reduce energy consumption across the enterprise and its products, and plan to gradually increase financial impact assessments to effectively manage the risks posed by climate change.
6. If there is a transition plan to manage climate-related risks, describe the content of the plan and the indicators and targets used to identify and manage physical and transition risks.	Please refer to the table above (Item 2).
7. If internal carbon pricing is used as a planning tool, explain the basis of price setting.	The Company has not yet planned for internal carbon pricing.
8. If climate-related targets are set, explain the activities covered, the scopes of greenhouse gas emissions, the planning period, and the annual progress achieved. If carbon offsets or renewable energy certificates (RECs) are used to achieve these targets, explain the source and quantity of the carbon offsets or the number of RECs.	<p>(1) The Company completed external verification of GHG emissions for 2022 (base year) and 2023. In February 2025, the Company completed its self-conducted GHG inventory for 2024. Based on the results, feasible reduction plans have been formulated to achieve low-carbon production targets.</p> <p>(2) In collaboration with key suppliers in the supply chain, we have established joint carbon reduction targets and timelines to effectively reduce the carbon footprint of products.</p>
9. Greenhouse gas inventory and verification status	Please refer to the following page for the greenhouse gas inventory and verification status of the last three years.

(2) Greenhouse Gas Inventory and Verification for the Past Three Years

<p>Basic Information of the Company</p> <p><input type="checkbox"/> Companies with a capital of over NT\$10 billion, steel industry, cement industry</p> <p><input type="checkbox"/> Companies with a capital of NT\$5 billion but less than NT\$10 billion</p> <p><input checked="" type="checkbox"/> Companies with a capital of less than NT\$5 billion</p>	<p>As required by the sustainability development pathway for listed companies, at least the following should be disclosed:</p> <p><input checked="" type="checkbox"/> Parent company inventory <input type="checkbox"/> Subsidiaries inventory</p> <p><input type="checkbox"/> Parent company verification <input type="checkbox"/> Subsidiaries verification</p>
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State the greenhouse gas emissions for the past two years (in tonnes CO₂e), emission intensity (tonnes CO₂e/NT\$1 million), and the scope of the data

The method used by the Company for setting organizational boundaries for the greenhouse gas inventory is the “control approach,” based on the “operational control” method. This involves inventorying facilities at two operational sites in Taiwan (Zhongxing Plant and Shengtai Plant). The emission data for the past two years is as follows:

Year	2022	2023	2024 (not yet verified)
Category 1: Direct greenhouse gas emissions	82.8392	89.5912	88.4430
Category 2: Indirect greenhouse gas emissions from purchased energy	3,272.6828	2,769.2821	2,014.5747
Total	3,355.5220	2,858.8733	2,103.0177
Emission Intensity (tonnes CO ₂ e/NT\$1 million revenue)	0.2820	0.2638	0.2589
Category 3: Indirect greenhouse gas emissions from transportation	225.9499	303.8300	29.1081
Category 4: Indirect greenhouse gas emissions from the use of products by the organization	29,388.4574	14,327.9438	13,863.3201
Category 5: Indirect emissions related to the use of company products	No data	No data	No data
Category 6: Indirect greenhouse gas emissions from other sources	No data	No data	No data

Explanation:

1. Emission intensity = (Category 1 + Category 2 greenhouse gas emissions (tonnes CO₂e)) / Revenue (NT\$1 million)
2. The greenhouse gases are externally verified by an external verification agency (AFNOR Asia Ltd.) and a verification statement is obtained.

(7) Business Integrity Practices and Differences in Business Integrity Guidelines between Listed and OTC Companies, along with the reasons for these differences:

Evaluation Items	Implementation Status		Summary and Explanation	Departure from the Ethical Corporate Management Best Practice Principles for TWSE & TPEX Listed Companies, and reasons
	Yes	No		
<p>1. Formulating Policies and Plans for Ethical Corporate Management</p> <p>(1) Has the company established a policy of ethical management approved by the board of directors and clearly stated the policy and practices of ethical management in regulations and external documents, and has the board of directors and senior management actively implemented the commitment to the management policy?</p> <p>(2) Has the company established a risk assessment mechanism for dishonest behavior, regularly analyzed and evaluated business activities with higher risk of dishonest behavior within its scope of business, and formulated measures to prevent dishonest behavior, covering at least preventive measures for each item in Article 7, Paragraph 2 of the “Code of Conduct for Integrity in Listed and OTC Companies”?</p>	√	√	<p>(1) On July 4, 2011, the Board of Directors of the company approved the establishment of the “Code of Conduct.” Subsequently, revisions were made based on legal amendments and approved by the Board of Directors on March 25, 2015, and August 10, 2020. The code has been disclosed on the Public Information Observation System and the company’s website (www.ccic.com.tw). Members of the Board of Directors and senior management of the company uphold the principle of integrity in their business operations and are responsible for overseeing the implementation of the integrity management policy.</p> <p>(2) The company has established the “Operating Procedures and Code of Conduct for Integrity Management.” It regularly analyzes and assesses business activities within its scope of operations that pose a higher risk of dishonest behavior. Based on these analyses, preventive measures are formulated, and</p>	No significant differences

Evaluation Items	Implementation Status			Departure from the Ethical Corporate Management Best Practice Principles for TWSE & TPEX Listed Companies, and reasons
	Yes	No	Summary and Explanation	
(3) Has the company clearly defined operating procedures, behavioral guidelines, disciplinary measures for violations, and appeal procedures in its plan to prevent dishonest behavior, and implemented and periodically reviewed and revised the aforementioned plan?	√		<p>specific provisions are established, including “prohibition of bribery and acceptance of bribes,” “prohibition of offering or receiving improper benefits,” “prohibition of providing or promising facilitation payments,” “prohibition of illegal political contributions,” “prohibition of improper charitable donations or sponsorships,” “prohibition of conflicts of interest,” “prohibition of disclosing trade secrets or intellectual property rights,” “prohibition of engaging in unfair competition,” “protection of the rights, health, and safety of stakeholders from product or service-related harm,” and “prohibition of insider trading.” These provisions are accompanied by preventive measures and educational campaigns to uphold the integrity management policy.</p> <p>(3) On December 26, 2014, the Board of Directors approved the establishment of the “Operating Procedures and Code of Conduct for Integrity Management.” Subsequent revisions were made based on legal amendments and approved by the Board of Directors on June 28, 2018, August 10, 2020, and March 24, 2023. These guidelines specify the precautions to be taken by company personnel during business operations. They include operational procedures and codes of conduct to prevent various</p>	

Evaluation Items	Implementation Status			Departure from the Ethical Corporate Management Best Practice Principles for TWSE & TPEX Listed Companies, and reasons
	Yes	No	Summary and Explanation	
			forms of dishonest behavior, disciplinary measures for violations, and a complaint mechanism. Training and regular communication mechanisms regarding the integrity management policy are provided for new and existing employees to ensure the effective implementation of the company's integrity management policy.	
<p>2. Implementation of Ethical Corporate Management</p> <p>(1) Does the company assess the integrity record of its business contacts and specify the terms of good faith conduct in its contracts with its business contacts?</p> <p>(2) Does the company establish a dedicated unit under the board of directors to promote corporate integrity management, and report its integrity management policies, measures to prevent dishonest behavior, and supervisory implementation to the board of directors on a regular basis (at least once a year)?</p> <p>(3) Does the company have a conflict of interest prevention policy, provide appropriate representation channels, and implement them?</p> <p>(4) Does the company have effective accounting and</p>	<p>√</p> <p>√</p>		<p>(1) The company has established "Supplier Evaluation Measures" and "Social Responsibility Supplier Management Procedures" that require suppliers to sign a "Clean Pledge" and commit to strictly adhere to all regulations regarding the integrity control management of Nidec Chaun-Choung Technology Corporation's trading partners. No improper benefits shall be provided or promised to related persons of Nidec Chaun-Choung Technology Corporation to achieve transaction objectives or fulfill transaction contracts. In addition, all financial institutions the company deals with are legally registered and well-known commercial banks, and the rights, obligations, and transaction conditions of both parties are clearly stipulated in the credit contracts, ensuring transparent and legal transactions.</p> <p>(2) The company designates the Management Department as the</p>	No significant differences

Evaluation Items	Implementation Status			Departure from the Ethical Corporate Management Best Practice Principles for TWSE & TPEX Listed Companies, and reasons
	Yes	No	Summary and Explanation	
<p>internal control systems in place to implement corporate integrity, and does the internal audit unit develop relevant audit plans based on the assessment of the risk of dishonest behavior, and use them to verify compliance with anti-dishonesty behavior plans, or commission accountants to conduct audits?</p> <p>(5) Does the company regularly conduct internal and external education and training on ethical corporate management?</p>	<p>√</p> <p>√</p>		<p>responsible unit for promoting corporate integrity management. Currently, the Internal Audit Department assists in reporting the compliance status of group-wide integrity management during regular quarterly board meetings to assist the board in understanding the implementation of the integrity management policy and measures to prevent dishonest behavior.</p> <p>(3) The “Code of Conduct,” “Operating Procedures and Code of Conduct for Integrity Management,” and “Business Ethics Management Procedures” established by the company explicitly define policies to prevent conflicts of interest and require employees to implement them. If any suspected incidents are discovered, employees are required to report them to their immediate supervisors, the dedicated unit within the company, or through the company’s whistleblower mailbox. In addition, for matters listed on the board’s agenda involving board members who have a vested interest, the company follows the provisions regarding conflict of interest avoidance in Article 15 of the “Board of Directors Meeting Regulations.”</p> <p>(4) The company has established comprehensive and effective control mechanisms in its accounting system and internal control</p>	

Evaluation Items	Implementation Status			Departure from the Ethical Corporate Management Best Practice Principles for TWSE & TPEX Listed Companies, and reasons
	Yes	No	Summary and Explanation	
	√		<p>system to manage business activities and operational processes with potential higher risks of dishonest behavior. The internal audit team includes high-risk operational procedures as audit items in the annual audit plan to enhance preventive measures. The execution of the audit plan is reported to the quarterly board meetings on a regular basis. Furthermore, with the inclusion of Nidec Corporation's management team, our company has complied with the regulations of Japanese listed companies and implemented the Japanese version of the Sarbanes-Oxley Act (J-SOX). As per J-SOX requirements, an accounting firm independent of financial statement attestation has conducted an internal control system audit to ensure the reliability of our company's financial reporting and disclosure.</p> <p>(5) The "Code of Conduct" and "Operating Procedures and Code of Conduct for Integrity Management" established by the company are disclosed on the company's website under the "Investor Relations" section in the "Corporate Governance" category, outlining the organizational operation regulations. In addition to online disclosure, internal and external education and training programs are conducted to promote the code of conduct. In fiscal year 2024, directors and supervisors participated in integrity</p>	

Evaluation Items	Implementation Status			Departure from the Ethical Corporate Management Best Practice Principles for TWSE & TPEX Listed Companies, and reasons
	Yes	No	Summary and Explanation	
	√		management training courses organized by securities regulatory agencies, with existing directors and supervisors receiving 6 hours of training and newly appointed directors and supervisors receiving 12 hours of training. The Management Department and Internal Audit Department disseminate information to all employees through internal emails regarding the “RBA Responsible Business Alliance Code of Conduct,” “Operating Procedures and Code of Conduct for Integrity Management,” and “Company’s Corporate Social Responsibility Policy Commitment,” as well as the “Channel for Reporting Dishonest Behavior.” In fiscal year 2024, approximately 3,290 individuals received this information through internal dissemination. For new employees, the Internal Audit Department has developed an educational training presentation on “Introduction to Internal Control Systems and Explanation of Operating Procedures and Code of Conduct for Integrity Management” to ensure that new employees have a clear understanding of the company’s integrity management policy. In fiscal year 2024, a total of 12 new employees received this training, with a total training duration of approximately 33 hours.	
3. Implementation of the Company’s Whistleblowing System				No significant differences

Evaluation Items	Implementation Status			Departure from the Ethical Corporate Management Best Practice Principles for TWSE & TPEX Listed Companies, and reasons
	Yes	No	Summary and Explanation	
<p>(1) Does the company have a specific whistleblowing and reward system, a convenient whistleblowing channel, and appropriate personnel assigned to handle the whistleblowing?</p> <p>(2) Whether the company has established standard operating procedures for handling whistleblower reports, procedures for conducting investigations, measures to be taken after completing the investigations, and relevant confidentiality mechanisms.</p> <p>(3) Does the company take measures to protect the whistleblower against inappropriate disciplinary actions?</p>	√		<p>(1) The “Operating Procedures and Code of Conduct for Integrity Management” of the company stipulates in Article 21 the system for reporting and rewards. If any personnel within the group suspects or discovers any dishonest behavior, they can make a report through the “Whistleblower Mailbox” on the company’s website or through a dedicated email address for internal audit. If the reported matter involves regular employees, it should be reported to the department supervisor. If the reported matter involves directors or senior executives, it should be reported to independent directors or supervisors. The company’s Integrity Management Department and the responsible supervisor or personnel should promptly investigate the relevant facts and, if necessary, seek assistance from regulatory compliance or other relevant departments.</p> <p>(2) The “Operating Procedures and Code of Conduct for Integrity Management” of the company stipulates in Article 21 the standard operating procedures for handling reported matters. The acceptance of reports, investigation process, and investigation results should be documented and retained for five years. If the reported matter is verified to be true, the relevant responsible units should be required to review internal control systems and operating procedures and propose improvement</p>	

Evaluation Items	Implementation Status			Departure from the Ethical Corporate Management Best Practice Principles for TWSE & TPEX Listed Companies, and reasons
	Yes	No	Summary and Explanation	
	√		<p>measures to prevent the recurrence of similar behavior. The dedicated unit of the company should report the reported matters, handling methods, and subsequent review and improvement measures to the board of directors.</p> <p>(3) The company is committed to maintaining the confidentiality of the identity of whistleblowers and the content of the reports and promises to protect whistleblowers from any improper treatment as a result of their reports.</p>	
<p>4. Enforcing Information Disclosure</p> <p>Has the company disclosed the content and effectiveness of its code of conduct on its website and the Public Information Observation Station?</p>	√		<p>The company has disclosed its “Code of Ethics” and its implementation on the company’s website, the Taiwan Stock Exchange (TWSE) website, and in the annual report, in accordance with Article 25 of the “Code of Ethics for Listed and OTC Companies.”</p>	No significant differences
<p>5. Regarding any differences between the company’s own code of ethics and the “Code of Ethics for Listed and OTC Companies,” the company has implemented its own “Code of Ethics” in line with its corporate culture of ethical business practices, and there are no significant differences between the actual operations and the provisions of the established code.</p>				
<p>6. Other important information relevant to the ethical corporate management of the Company: (e.g. The Company’s review and amendment to its Ethical Corporate Management Best Practice Principles)</p> <p>(1) In August 2020, the company obtained certification from the Responsible Business Alliance (RBA), and the Chairman signed a declaration of social responsibility policy and commitment. The declaration includes aspects such as clean business practices, no improper gains, information disclosure, protection of intellectual property rights, fair transactions, advertising and competition, whistleblower confidentiality and prevention of retaliation, and privacy protection. The company fulfills its social responsibility as a responsible corporate citizen.</p>				

Evaluation Items	Implementation Status			Departure from the Ethical Corporate Management Best Practice Principles for TWSE & TPEX Listed Companies, and reasons
	Yes	No	Summary and Explanation	
(2) The company has established the “Internal Handling of Material Non-Public Information and Prevention of Insider Trading Management Procedures,” which clearly states that directors, executives, and employees are prohibited from disclosing material non-public information to others. They are also prohibited from inquiring or collecting non-relevant material non-public information about the company from individuals who have access to such information. Furthermore, they are prohibited from disclosing non-public material information of the company to others, even if they have obtained such information outside the scope of their job responsibilities.				

(8) Other important information that enhances understanding of the company’s governance practices:

1. The company regularly holds corporate briefings, and related information from these briefings is disclosed on the public information disclosure platform and the company’s website for investors to access.
2. In accordance with the regulations and guidelines stipulated or amended by the competent securities authority, and taking into consideration the Company’s actual operational needs, the Company has completed the formulation or revision of the following policies and procedures: Corporate Governance Best Practice Principles, Code of Ethical Conduct, Ethical Corporate Management Best Practice Principles, Sustainable Development Best Practice Principles, Procedures for Acquisition or Disposal of Assets, Rules of Procedure for Board Meetings, Regulations for Election of Directors, Procedures for Lending of Funds to Others, Guidelines for Endorsements and Guarantees, Rules of Procedure for Board Meetings, Audit Committee Charter, and Rules of Procedure for Shareholders’ Meetings. These documents have been disclosed on the Company’s website and are available for download and reference.

(9) Implementation of Internal Control System

Declaration of Internal Control

Nidec Chaun-Choung Technology Corporation

Statement of Internal Control System

Date: March 12, 2025

Based on the results of our self-assessment, we hereby declare the following regarding the internal control system of our company for fiscal year 2024:

- I. It is the responsibility of the Board of Directors and Managers of the Company to establish, implement and maintain the internal control system, which the company has established. The purpose of the internal control system is to achieve effective and efficient operations (including profitability, performance, and safeguarding of assets), reliable and timely reporting, transparency, and compliance with relevant regulations and laws. It provides reasonable assurance in achieving these objectives.
- II. The internal control system has its inherent limitation, no matter how perfect the design is, the effective internal control system can only provide reasonable assurance for the above three objectives; moreover, the effectiveness of the internal control system may change with the change of environment and situation. However, the internal control system of the Company is provided with a self-monitoring mechanism, and the company will take corrective actions once the absence is identified.
- III. The Company shall judge whether the design and implementation of the internal control system are effective or not according to the judgment items of the effectiveness of the internal control system stipulated in the “Guidelines for the Establishment of Internal Control System by Public Owned Corporations” (hereinafter referred to as “Handling Guidelines”). The internal control system assessment criteria adopted in the “Handling Guidelines” consist of five components: 1. Control Environment, 2. Risk Assessment, 3. Control Activities, 4. Information and Communication, and 5. Monitoring Operations. Each component includes various items, which can be referred to in the provisions of the “Handling Guidelines.”
- IV. The Company has already adopted the aforementioned internal control system assessment criteria to evaluate the effectiveness of the design and implementation of the internal control system.
- V. Based on the assessment results mentioned above, the Company believes that its internal control system (including the supervision and management of subsidiaries) as of December 31, 2024, including the design and implementation of understanding the achievement of operational effectiveness and efficiency goals, reliable and timely reporting, transparency, and compliance with relevant regulations and laws, is effective. It reasonably ensures the achievement of the

aforementioned objectives.

VI. This statement will be the main content of the Company's annual report and public statement, and will be made public. If any of the contents disclosed above is found to be false, with concealment or other illegal matters, it will involve legal liabilities under Articles 20, 32, 171 and 174 of the Securities and Exchange Act.

VII. This statement has been approved by the Board of Directors of the Company on March 12, 2025. Out of the 13 directors present, 0 expressed opposition, and the rest agreed with the contents of this statement. Therefore, this statement is hereby declared.

Nidec Chaun-Choung Technology Corporation

Chairman: Miyoshi Akihiro

Signature

President: Miyoshi Akihiro

Signature

(10) Major Resolutions of the Shareholders' Meeting and the Board of Directors in the Most Recent Year and up to the Date of Publication of the Annual Report:

1. Resolutions and Implementation Status of the 2024 Annual Shareholders' Meeting held on June 24

Item	Proposal Content	Resolution and Implementation Status
Reports	1. The Company's 2023 Business Report	All items were approved unanimously by the shareholders present without objection.
	2. Audit Committee's Review Report on the 2023 Financial Statements	
	3. Report on the Distribution of 2023 Employee and Director Compensation	
Matters for Ratification	1. The Company's 2023 Business Report and Financial Statements	Approved by vote.
	2. The Company's 2023 Earnings Distribution Proposal	<p>1. Approved by vote.</p> <p>2. The Company's Board of Directors designated August 30, 2024, as the ex-dividend date and September 13, 2024, as the cash dividend distribution date. A cash dividend of NT\$1.053 per share was fully distributed.</p> <p>3. After the shareholders' meeting, the amended Articles of Incorporation were uploaded to the Company's website, and relevant operations have been carried out in accordance with the revised procedures.</p>
Discussion	1. Proposal to Amend Certain Articles of the Articles of Incorporation	Approved by vote.
Extraordinary Motions	None	None

2. Important Resolutions of the Board of Directors:

Meeting Date	Key Resolutions
The 18th Board, 9th Meeting – January 30, 2024	<ol style="list-style-type: none"> 1. Proposal for the distribution of 2023 year-end bonuses for senior executives. 2. Proposal to amend certain provisions of the Company’s Articles of Incorporation.
The 18th Board, 10th Meeting – March 24, 2024	<ol style="list-style-type: none"> 1. Issuance of the Company’s 2023 Internal Control System Statement. 2. Approval of the Company’s 2023 Business Report, Consolidated Financial Statements, and Parent Company Only Financial Statements. 3. Approval of the Company’s 2023 Earnings Distribution Proposal. 4. Approval of the distribution of 2023 employee and director compensation. 5. Proposal to lend funds to the subsidiary, Nidec Chaun Choung Vietnam Corporation. 6. Approval of the Company’s 2024 Annual Budget. 7. Appointment of the certifying CPA for 2024. 8. Proposal to convene the 2024 Annual Shareholders’ Meeting. 9. Proposal regarding the handling of shareholder proposals for the 2024 Shareholders’ Meeting.
The 18th Board, 11th Meeting – May 8, 2024	<ol style="list-style-type: none"> 1. Ratification of the "Breakthrough Innovation Incentive Plan" established by the Company. 2. Ratification of the Company’s organizational restructuring and revision of the Regulations for Organizational Authority and Internal Communication Management. 3. Proposal for the promotion and salary adjustment of senior executives. 4. Proposal to revise the Company’s Delegation of Authority (DoA) Table.
The 18th Board, 12th Meeting – August 7, 2024	<ol style="list-style-type: none"> 1. Determination of the ex-dividend date for the 2024 cash dividend distribution. 2. Approval of the distribution of 2023 employee and director/supervisor compensation. 3. Proposal to delegate internal financial reporting functions under the current NCCI Group consolidation basis to the Finance Department of the Vietnam subsidiary. 4. Resignation and re-election of the Vice Chairman.
The 18th Board, 13th Meeting – October 1, 2024	<ol style="list-style-type: none"> 1. Ratification of the Vice Chairman’s compensation. 2. Election of the Chairman. 3. Proposal regarding changes in key operating executives, and related compensation and benefits. 4. Proposal to establish the Sustainability Report Preparation and Assurance Procedures.
The 18th Board, 14th Meeting – November 11, 2024	<ol style="list-style-type: none"> 1. Proposal to revise the Internal Control System Management Regulations and Internal Audit Implementation Rules. 2. Proposal for the Company’s 2025 Internal Audit Plan. 3. Proposal to add a list of pre-approved Non-Assurance Services (NAS). 4. Proposal to adopt the Sustainability Information Management Guidelines. 5. Proposal to revise the Corporate Social Responsibility Best Practice Principles and rename it as the Sustainable Development Best Practice Principles. 6. Ratification of change in the Company’s spokesperson.

(11) Any dissenting opinions expressed by directors in board meetings regarding important resolutions in the most recent year and up to the date of publication of this Annual Report:
None.

4. Certified Public Accountant (CPA) Fee Information:

- (1) The amounts of audit and non-audit fees paid to the CPA, their firm, and affiliated enterprises, and the content of non-audit services are as follows:

Unit: NT\$ thousands

CPA Firm	CPA	Audit Period	Audit Fees	Non-Audit Fees	Total	Notes
KPMG Taiwan	Hui-Zhi Kou	2024.1.1~2024.12.31	5,486	220	5,706	Note 2
	Ji-Long Yu					

Note 1: If the Company changed CPA or CPA firm during the year, the audit period should be separately disclosed, with explanations of the reasons for the change, and the respective audit and non-audit fees paid. The content of non-audit services should also be specified.

Note 2: The non-audit service fee of NT\$220,000 for 2024 was for transfer pricing documentation.

- (2) Decrease in audit fees compared to the previous year due to change in CPA firm: None.

- (3) If audit fees decreased by more than 10% compared to the previous year, disclose the amount, percentage, and reasons for the decrease: None.

5. Information on CPA Changes: None.

6. Whether the Chairperson, President, or the managerial officer responsible for financial or accounting matters held any position at the CPA firm or its affiliates within the most recent year: None.

7. Changes in Shareholding and Pledged Shares of Directors, Supervisors, Managerial Officers, and Shareholders Holding More Than 10% of the Company's Shares in the Most Recent Year and up to the Date of the Annual Report:

(1) Changes in shareholding of directors, managerial officers, and major shareholders:

Title	Name	2024		As of March 31, 2025	
		Shares Increase/ (Decrease)	Pledged Shares Increase/ (Decrease)	Shares Increase/ (Decrease)	Pledged Shares Increase/ (Decrease)
Corporate Director & Major Shareholder	Nidec Corporation	0	0	0	0
Representative of Corporate Director (Chairman and CEO)	Miyoshi Akihiro(Note 1)	0	0	0	0
Representative of Corporate Director	Nagai Junichi(Note 3)	0	0	0	0
Representative of Corporate Director & CFO	Sumikawa Yohei	0	0	0	0
Representative of Corporate Director	Kitao Yoshihisa	0	0	0	0
Representative of Corporate Director	Miyamoto Eiji	0	0	0	0
Representative of Corporate Director	Matsuhashi Hidetoshi(Note 1)	0	0	0	0
Representative of Corporate Director	Yamaoka Naoto	0	0	0	0
Representative of Corporate Director	Sano Yoshihide(Note 1)	0	0	0	0
Representative of Corporate Director	Nishizawa Toru(Note 1)	0	0	0	0
Representative of Corporate Director	Ota Shingo(Note 2)	0	0	0	0
Representative of Corporate Director	Kino Tetsuo(Note 2)	0	0	0	0
Representative of Corporate Director	Takasawa Shinji	0	0	0	0
Independent Director	Hsu Ke-Wei	0	0	0	0
Independent Director	Lian Jun-Hua	0	0	0	0
Independent Director	Wang Wen-Yeu	0	0	0	0
Independent Director	Chou Chien-Hung	0	0	0	0
CAO	Wu Shih-Ling(Note 5)	0	0	0	0
Senior Vice President	Shen Zhi-Ye	0	0	0	0
Chief Sales Officer	Zheng Hong-Lin(Note 9)	0	0	0	0
Vice President	Lin Shi-Yuan	0	0	0	0
Vice President	Huang Meng-Zheng(Note 4)	0	0	0	0
Vice President	Yuan Shih-Chung (Note 6)	0	0	0	0
Vice President	Lin Li-Wen	0	0	0	0
NCCV Vice President	Zou Xu-Long(Note 10)	0	0	0	0
Assistant President	Hsu Chih-Wei(Note 7)	0	0	0	0
Assistant President	Lu Shao-Qian	0	0	0	0
Assistant President	Hong Ming-Hong	0	0	0	0
Assistant President	Shi Bo-Zhou	0	0	0	0

Title	Name	2024		As of March 31, 2025	
		Shares Increase/ (Decrease)	Pledged Shares Increase/ (Decrease)	Shares Increase/ (Decrease)	Pledged Shares Increase/ (Decrease)
Assistant President	Wen Lu-Fang(Note 8)	0	0	0	0
Assistant President	Lin Yi-Yong	0	0	0	0
Assistant President	Qiu Yao-Cong	0	0	0	0
Assistant President	Liu Li-Ling	0	0	0	0
Assistant President	Lin Pi-Yun (Note 11)	0	0	0	0
Assistant President	Lee Chung-Yang (Note 11)	0	0	0	0
Assistant President	Wang Hsiang-Chien (Note 11)	0	0	0	0
Assistant President	Hsieh Kuan-Yi (Note 11)	0	0	0	0
Financial/Accounting Officer	Chen Mei-Hua	0	0	0	0
Deputy Chief Financial Officer	淺野宜紀 Asano Yoshinori	0	0	0	0
Corporate Governance Officer	Wei Zi-Heng	0	0	0	0

Note 1: The representatives of legal entity director Nidec Corporation, Mr. Sano Yoshihide and Mr. Nishizawa Toru, were replaced by Mr. Matsushashi Hidetoshi and Mr. Miyoshi Akihiro on July 29, 2024. Mr. Miyoshi Akihiro was elected as Chairman on October 1, 2024.

Note 2: Mr. Kino Tetsuo, a former representative of legal entity director Nidec Corporation, was replaced by Mr. Ota Shingo on April 12, 2024.

Note 3: Mr. Nagai Junichi resigned as Chairman on October 1, 2024, to serve as an advisor for corporate succession and sustainable development.

Note 4: Mr. Huang Meng-Zheng retired and resigned from the position of Vice President on March 1, 2024.

Note 5: Ms. Wu Shih-Ling resigned as Chief Administrative Officer (CAO) on July 1, 2024, due to personal career plans.

Note 6: Mr. Yuan, Shih-Chung resigned as Vice President in January 2024 due to personal career plans.

Note 7: Ms. Hsu Chih-Wei resigned as Assistant President on November 3, 2024, due to personal career plans.

Note 8: Ms. Wen Lu-Fang resigned as Assistant President on November 10, 2024, due to personal career plans.

Note 9: Mr. Zheng Hong-Lin resigned as Chief Sales Officer on April 18, 2025, due to personal career plans.

Note 10: Mr. Zou Xu-Long resigned as Vice President of NCCI on April 1, 2025, due to personal career plans.

Note 11: Ms. Lin Pi-Yun, Ms. Hsieh Kuan-Yi, Mr. Lee Chung-Yang, and Mr. Wang Hsiang-Chien assumed office on July 5, 2024.

(2) If the counterparty to the share transfer is a related party: None.

(3) If the counterparty to the pledged shares is a related party: None.

8. Information on Relationships Among the Top Ten Shareholders, Including Whether They Are Related Parties or Have Spousal/Second-Degree Kinship

Unit: Thousand Shares; As of April 22, 2025

Name	Shareholding by the Individual		Shares Held by Spouse or Minor Children		Shares Held Under Others' Names		Top Ten Shareholders with Related-Party or Kinship Relationships		Note
	Shares Held	%	Shares Held	%	Shares Held	%	Name	Relationship	
Nidec Corporation	41,444,831	48.00%	0	0.00%	0	0.00%	None	None	
Nidec Corporation Delegate: Nagamori Shigenobu	-	0.00%	0	0.00%	0	0.00%	None	None	
Nidec Corporation Investment Account in Custody by CTBC Bank Co., Ltd.	33,070,151	38.30%	0	0.00%	0	0.00%	None	None	
Tu Shui-Cheng	1,248,000	1.45%	0	0.00%	0	0.00%	None	None	
Advanced Series Global Equity Index Fund Investment Account in Custody by Standard Chartered Bank	491,645	0.57%	0	0.00%	0	0.00%	None	None	
Vanguard Emerging Markets Stock Index Fund Investment Account in Custody by JPMorgan Chase Bank, Taipei Branch	488,000	0.57%	0	0.00%	0	0.00%	None	None	
Global Equity Market Index Trust II Investment Account in Custody by Standard Chartered Bank	257,000	0.30%	0	0.00%	0	0.00%	None	None	
Lin Chia-Yi	242,000	0.28%	0	0.00%	0	0.00%	None	None	
JP Morgan Securities Ltd. Investment Account in Custody by Standard Chartered Bank	132,000	0.15%	0	0.00%	0	0.00%	None	None	
Vanguard FTSE All-World ex-US Small-Cap Index Fund Investment Account in Custody by HSBC Bank (Taiwan) Limited	124,000	0.14%	0	0.00%	0	0.00%	None	None	
Lin Yueh-Hsiu	114,310	0.13%	0	0.00%	0	0.00%	None	None	

Note: Nidec Corporation holds shares of the Company through two accounts: one is the “Nidec Corporation” account with 41,444,831 shares (the tender offer account); the other is the “Nidec Corporation Investment Account in Custody by CTBC Bank Co., Ltd.”, which held 33,070,151 shares of the Company as of April 30, 2024. Therefore, Nidec Corporation's total shareholding in the Company as of April 30, 2024, amounted to 74,514,982 shares. For further details, please refer to Chapter III, “Information on Directors.”

9. Consolidated Shareholding in the Same Investee Enterprise by the Company’s Directors, Supervisors, Managers, and Enterprises Directly or Indirectly Controlled by the Company

Unit: Thousand Shares; As of April 30, 2025

Investee	Investment by the Company		Investment by Directors, Supervisors, Managers, and Direct or Indirectly Controlled Enterprises		Total Consolidated Investment	
	Shares Held	%	Shares Held	%	Shares Held	%
Conquer Wisdom Co., Ltd.	18,093	100%	0	0	18,093	100%
Nidec Chaun-Choung Technology America, Inc.	0	0	300	100%	300	100%
Globe Star Enterprise Ltd.	0	0	140,408	100%	140,408	100%
Kunshan Jue-Chung Electronics Co., Ltd.	0	0	Note	100%	Note	100%
Nidec Chongqing Cyun Siang High-Tech Co., Ltd.	0	0	Note	100%	Note	100%
Nidec Chaun Choung Vietnam Corporation	Note	100%	0	0	Note	100%

Note: The investee enterprise is a limited liability company and does not issue shares.

III. Fundraising Status

1. Capital and Shares of the Company

(1) Source of Capital

Unit: Shares; NTD; As of April 30, 2024

Year	Month	Issue Price (NT\$)	Authorized Capital		Paid-in Capital		Notes		
			Shares)	Amount (NT\$)	Shares)	Amount (NT\$)	Source of Capital (NT\$))	Capital Contributions in Forms Other Than Cash	Other (Approval Document Numbers)
88	11	10	28,000,000	280,000,000	17,857,143	178,571,430	Capitalized earnings: 38,571,430	None	November 18, 1999: (88)Shang-141547
89	10	10	35,000,000	350,000,000	30,214,286	302,142,860	Capital increase by cash: 70,000,000 Capitalized earnings: 53,571,430	None	June 30, 2000: (89)Tai-Cai-Zheng-(1)-Zi No.54747
91	08	10	43,000,000	430,000,000	37,040,000	370,400,000	Capitalized earnings: 68,257,140 (including employee bonuses of 10,850,000)	None	July 24, 2002: Tai-Cai-Zheng-(1)-Zi No.0910141303
92	09	10	55,800,000	558,000,000	41,618,687	416,186,870	Capitalized earnings: 45,786,870 (including employee bonuses of 5,413,270)	None	September 17, 2003: Jing-Shou-Zhong-Zi No.09232679810
93	01	10	55,800,000	558,000,000	42,399,037	423,990,370	Corporate bonds converted to common shares: 7,803,500	None	January 19, 2004: Jing-Shou-Zhong-Zi No.09331573310
93	04	10	55,800,000	558,000,000	43,420,197	434,201,970	Corporate bonds converted to common shares: 10,211,600	None	April 27, 2004: Jing-Shou-Zhong-Zi No.09332037290
93	08	10	55,800,000	558,000,000	43,498,230	434,982,300	Corporate bonds converted to common shares: 780,330	None	August 2, 2004: Jing-Shou-Zhong-Zi No.09332517160

Year	Month	Issue Price (NT\$)	Authorized Capital		Paid-in Capital		Notes		
			Shares)	Amount (NT\$)	Shares)	Amount (NT\$)	Source of Capital (NT\$))	Capital Contributions in Forms Other Than Cash	Other (Approval Document Numbers)
93	11	10	55,800,000	558,000,000	51,881,054	518,810,540	Capitalized earnings: 77,014,090 (including employee bonuses of 7,897,180) Corporate bonds converted to common shares: 6,814,150	None	November 4, 2004: Jing-Shou-Shang-Zi No.09301200260
94	02	10	55,800,000	558,000,000	53,863,713	538,637,130	Corporate bonds converted to common shares: 19,826,590	None	February 1, 2005: Jing-Shou-Shang-Zi No.09401019010
94	05	10	55,800,000	558,000,000	54,089,550	540,895,500	Corporate bonds converted to common shares: 2,258,370	None	May 5, 2005: Jing-Shou-Zhong-Zi No.09401079240
94	06	10	78,000,000	780,000,000	60,089,550	600,895,500	Capital increase by cash: 60,000,000	None	June 9, 2005: Jing-Shou-Shang-Zi No.09401102220
94	07	10	78,000,000	780,000,000	60,126,314	601,263,140	Corporate bonds converted to common shares: 367,640	None	July 22, 2005: Jing-Shou-Shang-Zi No.09401138500
94	10	10	78,000,000	780,000,000	70,706,641	707,066,410	Capitalized earnings: 105,299,200 Corporate bonds converted to common shares: 504,070	None	October 19, 2005: Jing-Shou-Shang-Zi No.09401209040
95	09	10	120,000,000	1,200,000,000	78,493,996	784,939,960	Capitalized earnings: 77,873,550 (including employee bonuses of 7,166,900)	None	September 13, 2006: Jing-Shou-Shang-Zi No.09501205590
97	09	10	120,000,000	1,200,000,000	86,343,396	863,433,960	Capitalized earnings: 78,494,000	None	September 23, 2008: Jing-Shou-Shang-Zi No.09701243310

As of April 30, 2024; Unit: Shares

Share Type	Authorized Capital			Note
	Outstanding Shares	Unissued Shares	Total	
Registered Common Shares	86,343,396	33,656,604	120,000,000	Listed stocks

Note: Out of the authorized capital of 120,000,000 shares, 500,000 shares are reserved for the exercise of stock warrants, preferred shares with warrants, or corporate bonds with warrants.

Where securities are to be offered through shelf registration, the approved amount, intended issuances, and issued securities should be disclosed: Not applicable.

(2) List of Major Shareholders: Names of shareholders holding 5% or more of the Company's shares or ranking among the top ten shareholders by shareholding ratio.

April 22, 2025 (Book-closure Date)

Name	Shares	Shares Held	%
Nidec Corporation		41,444,831	48.00%
Nidec Corporation Investment Account in Custody by CTBC Bank Co., Ltd.		3,070,151	38.30%
Tu Shui-Cheng		1,248,000	1.45%
Advanced Series Global Equity Index Fund Investment Account in Custody by Standard Chartered Bank		491,645	0.57%
Vanguard Emerging Markets Stock Index Fund Investment Account in Custody by JPMorgan Chase Bank, Taipei Branch		488,000	0.57%
Global Equity Market Index Trust II Investment Account in Custody by Standard Chartered Bank		257,000	0.30%
Lin Chia-Yi		242,000	0.28%
JP Morgan Securities Ltd. Investment Account in Custody by Standard Chartered Bank		132,000	0.15%
Vanguard FTSE All-World ex-US Small-Cap Index Fund Investment Account in Custody by HSBC Bank (Taiwan) Limited		124,000	0.14%
Lin Yueh-Hsiu		114,310	0.13%

Note: Nidec Corporation holds shares of the Company through two accounts: one under the name "Nidec Corporation," holding 41,444,831 shares (public tender offer account), and the other under

“China Trust Commercial Bank in custody for the Nidec Corporation Investment Account,” which held 33,070,151 shares as of April 30, 2024. Therefore, Nidec Corporation's total shareholding in the Company as of April 30, 2024 amounted to 74,514,982 shares. For further details, please refer to Chapter 3, “Information on Directors and Supervisors.”

(3) Dividend Policy and Execution Status

1. Dividend Policy as Stipulated in the Articles of Incorporation

According to the Company's Articles of Incorporation, if there is any profit after the final accounting at the end of a fiscal year, the profit shall first be used to pay taxes and offset accumulated losses from previous years. Then 10% of the remaining profit shall be appropriated as the legal reserve, unless the legal reserve has already reached the amount of the paid-in capital of the Company. Special reserves shall also be set aside as required by law or based on operational needs. The remaining earnings, together with undistributed earnings at the beginning of the year, shall be proposed by the Board of Directors in a distribution plan and submitted to the shareholders' meeting for resolution.

In principle, the dividend distributed by the Company shall not be less than 15% of the net income after tax for the year. Of the total dividends distributed to shareholders, the portion paid in stock shall not exceed 80%, and the portion paid in cash shall not be less than 20%.

2. Proposed Dividend Distribution for the Current Shareholders' Meeting

According to the resolution passed by the Board of Directors on March 12, 2025, the proposed 2024 earnings distribution is as follows:

- (1) Proposed cash dividend to shareholders: NT\$19,168,234, or NT\$0.222 per share.
- (2) After the proposal is approved at the 2025 Annual Shareholders' Meeting, the Board of Directors will be authorized to determine the ex-dividend date. If the total number of outstanding shares is affected by factors such as capital increases through new share issuance or share repurchase, causing changes in the dividend distribution rate, the Board of Directors will be authorized by the shareholders' meeting to adjust the dividend rate and handle related matters accordingly.

3. If There Is Expected to Be a Major Change in Dividend Policy, an Explanation Should Be Provided: None.

(4) Impact of the Proposed Capital Increase by Earnings Distribution (Stock Dividend) on Business Performance and EPS

The Company has not proposed any stock dividend distribution for this shareholders' meeting and has not disclosed financial forecasts for 2024. Therefore, this section is not applicable.

(5) Remuneration to Employees, Directors, and Supervisors

1. Remuneration Ratios or Ranges as Specified in the Articles of Incorporation

According to the Company's Articles of Incorporation, if the Company has profit for the year, not less than 3% shall be allocated as employee compensation. The distribution

shall be decided by the Board of Directors and may be paid in stock or cash to employees of the Company and its subsidiaries who meet the conditions set by the Board. The Company may also allocate, within the aforementioned 3% limit of profits, remuneration to directors and supervisors as resolved by the Board. However, if the Company still has accumulated losses, the amount needed to cover such losses shall be retained in advance before calculating employee, director, and supervisor remuneration from the remaining profit.

2. Basis for Estimation of the Amounts Accrued for Employee, Director, and Supervisor Compensation, the Basis for Calculating Employee Stock Compensation, and Accounting Treatment of Differences Between Estimated and Actual Amounts

The employee, director, and supervisor compensation for 2024 was estimated based on the pre-tax profit before deducting the relevant compensation amounts, using the percentages specified in the Articles of Incorporation. If the actual amount approved by the Board of Directors differs from the estimate, the difference will be treated as a change in accounting estimate and recognized in the profit or loss of 2025. If employee compensation is distributed in the form of stock, the number of shares shall be calculated based on the closing price of common stock on the day before the Board's resolution.

3. Board Resolution on the Distribution of Compensation

- (1) The amount of employee, director, and supervisor compensation distributed in cash or stock. If the amount differs from the amount accrued in the annual financial statements, the difference, reasons, and treatment must be disclosed:

On March 12, 2025, the Board of Directors resolved to distribute NT\$5,529 thousand as employee compensation and NT\$4,000 thousand as director and supervisor compensation for 2024. These amounts are consistent with the amounts accrued in the 2024 financial statements.

- (2) If employee compensation is distributed in stock, the amount and its percentage of the sum of after-tax net profit and total employee compensation for the current period must be disclosed: The Company did not distribute employee compensation in stock for 2024.

4. Actual Distribution of Employee, Director, and Supervisor Compensation for 2023 and Any Differences From Accrued Amounts

The actual distribution of employee, director, and supervisor compensation for 2023 was consistent with the resolution approved by the Board of Directors and the amounts recognized in the financial statements. There were no discrepancies.

- (6) Status of Share Repurchase by the Company: None.

2. Corporate Bonds: None.

3. Preferred Shares: None.

4. Employee Stock Warrants: None.

5. Issuance of New Shares Due to Mergers or Acquisitions of Other Companies: None.

6. Status of Implementation of Capital Utilization Plans

The Company has no previously issued or privately placed securities that are yet to be completed, nor are there any completed plans within the past three years where the intended benefits have yet to materialize.

IV. Business Overview

I. Business Activities

(1) Scope of Business

1. Primary Business Activities:

The Company and its subsidiaries are primarily engaged in the manufacturing, processing, and sales of thermal components, as well as providing thermal product design and optimal thermal solutions. Major products include thermal modules, heat sinks, heat pipes, and vapor chambers.

2. Current Main Products and Their Proportion of Revenue (2024):

Unit: NT\$ thousands

Product Item	Amount	Percentage (%)
Thermal Modules	6,112,194	75.24
Heat Sinks	1,496,464	18.42
Others	515,153	6.34
Total	8,123,811	100.00

3. New Products Planned for Future Development:

(1) Current Products:

Thermal modules for notebook computers, servers, and 5G base stations; thermal solutions for smartphones and network communication equipment; thermal products for high-density computing servers and in-vehicle electronics; various heat sinks, heat pipes, and vapor chambers.

(2) Technologies or Products Planned or Under Development:

- A. Continued development of 3S (Slight / Slim / Strong) thermal transfer products
- B. Cooling Distribution Unit (CDU)
- C. Thermal modules for AI chips
- D. Thermal products for third-generation semiconductors
- E. Thermal solutions for metaverse wearable devices – development of lightweight, non-copper alloy thermal components
- F. 3DVC 700-1250W development
- G. Transient thermal simulation development

(2) Industry Overview

1. Current Product Development Status:

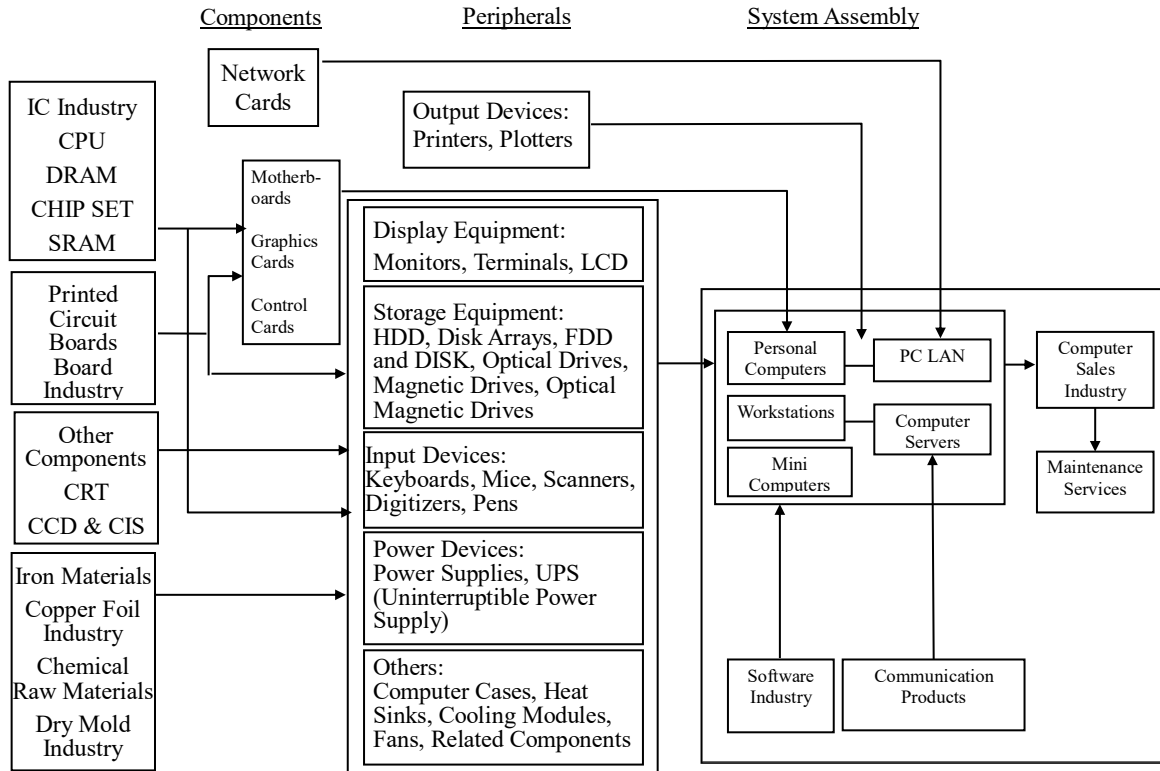
The Company's major product lines include thermal solutions for notebook computers (NB), desktop computers (DT), servers, network communication equipment, gaming consoles, smartphones, and household devices. The primary focus is on thermal solutions for PCs, servers, network communication devices, and smartphones. As CPU heat generation continues to increase and chipsets, GPUs, and other devices also require significant heat dissipation, the demand for thermal components is steadily rising. In recent years, the rapid growth of handheld mobile devices, along with the ongoing deployment of 5G systems with ultra-high transmission speeds and enhanced software/hardware performance, has driven robust global demand in the thermal market.

The Company is a specialized manufacturer dedicated to solving thermal issues in information and electronic products. In 1995, through collaboration with the Industrial Technology Research Institute (ITRI), the Company developed the key component "micro heat pipe" for notebook thermal modules. Mass production began in 1998, applying these products to PC thermal solutions (DT, NB). In 2007, the Company began mass-producing high-power heat spreaders for servers and network communication thermal applications. In 2015, the Company started mass production of ultra-thin heat plates and heat pipes for smartphone thermal management, covering most of the thermal requirements for information-related products. The Company continues to recruit R&D and design talent, improve production processes and efficiency, reduce manufacturing noise, comply with emission standards, and implement automated equipment. As a result, the Company remains one of the world's leading manufacturers in the development and production of heat pipes, vapor chambers, and thermal modules, while contributing to environmental protection and carbon reduction.

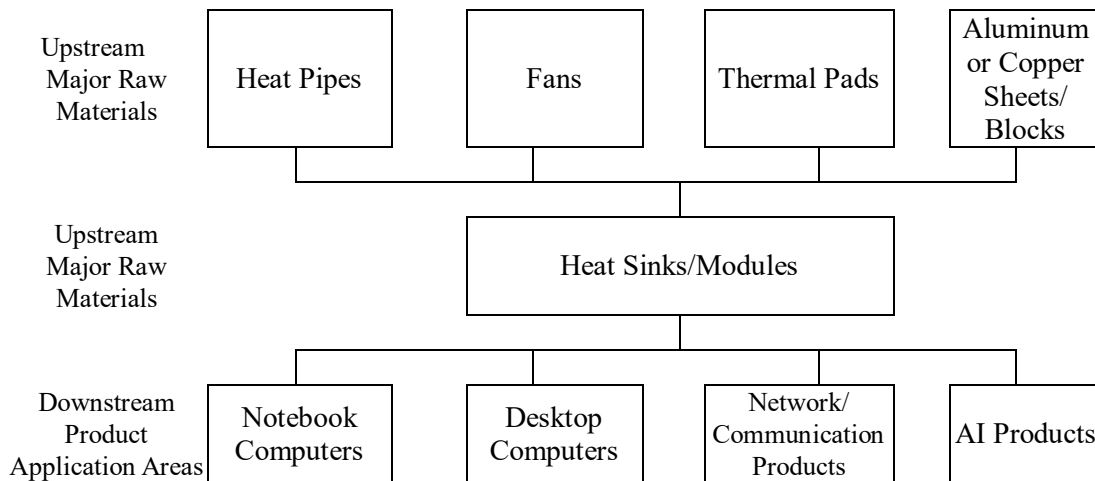
Since Nidec Corporation completed the tender offer for the Company at the end of 2018, it has formally joined the operational team and completed the re-election of directors and supervisors as well as the deployment of senior management. In recent years, both parties have actively integrated resources and leveraged group synergies. Looking ahead, the Company will continue to expand its global presence, take proactive strategic initiatives, scale up operations, and pursue higher revenue growth and profitability, thereby creating greater value for customers, shareholders, and employees.

2. Interrelationships among Upstream, Midstream, and Downstream Industries

Interrelated Product System in Taiwan's Information Industry



The Company's main current products are thermal modules and heat sinks, primarily applied in the information and electronic components industry. The industrial supply chain associated with these products is illustrated in the diagram above. A summary of upstream raw materials and downstream application fields is provided as follows:



(1) Upstream Raw Material Supply Status

The heat pipes required for producing computer thermal modules are mostly self-developed by the Company. Raw materials that need to be purchased externally are supplied by long-term partner vendors, with most having at least two or more suppliers. Therefore, the Company's primary raw material sources are considered stable.

(2) Downstream Product Application Fields

Precision electronic products typically require specific thermal solutions. Since thermal modules were first introduced into notebook computers in 1997, they have become an indispensable key component. With information and electronic products becoming increasingly lightweight, compact, and functionally enhanced, thermal modules are expanding into new application fields across information, communication, and consumer electronics.

3. Product Development Trends

The PC industry has experienced negative growth for several consecutive years. In response, the Company has actively transitioned to explore new opportunities in non-PC sectors. As various electronic and mobile devices evolve and require higher power consumption, new thermal demands have emerged, particularly in the rapidly growing networking and communication markets. Backed by keen industry insight and professional judgment, the Company's R&D team has developed advanced thermal solutions for handheld devices. Looking ahead, the Company will continue to cultivate opportunities in new markets such as compact mobile communication devices, cloud computing, power modules, and automotive electronics.

4. Competitive Landscape of Products

The evolving functions of electronic products have accelerated the expansion of the thermal market and attracted many international and domestic competitors, including well-known multinational enterprises and thermal module manufacturers from mainland China. However, given the rapid pace of change in the electronics market and the exponential advancement in electronic application technologies, the Company maintains an edge. Having invested in thermal research and development since 1995, and with long-standing cooperation with major domestic and international system manufacturers, the Company enjoys superior industry leadership and responsiveness. Facing competitive pressure, Nidec Chaun-Choung has earned client trust through its rapid response capabilities and flexible production, ensuring steady long-term orders. The Company continues to enhance competitiveness through the following efforts:

- (1) Organizational and managerial transformation
- (2) Strengthening R&D capabilities
- (3) Forming strategic alliances with upstream and downstream industries
- (4) Developing thermal products for handheld mobile devices, gaming consoles, automotive electronics, and cloud computing systems

(3) Technology and R&D Overview

1. R&D Expenses in the Most Recent Year and up to the Date of the Annual Report

Unit: NT\$ thousands

Item \ Year	2023	2024	2025Q1
Amount of R&D Expenses	591,822	586,199	148,880
Percentage of Annual Revenue (%)	5.50	7.22	7.24

2. Successfully Developed Technologies or Products

- (1) Thermal products for smartphones – completion of ultra-thin vapor chambers under 0.3 mm
- (2) Thermal modules for high-density computing servers – completion of air-cooling modules exceeding 300 watts
- (3) Thermal modules for network communication equipment – completion of air-cooling modules exceeding 600 watts
- (4) Thermal modules for in-vehicle IGBT systems – completion of liquid-cooling modules exceeding 2 kW

(4) Short- and Long-Term Business Development Plans

1. Short-Term Development Plan

The Company's primary thermal-related product lines include thermal solutions for personal computers (PC: notebooks, desktops, and all-in-ones), servers, data centers/storage devices, network communication, smartphones, gaming consoles, as well as other related information electronics, graphics cards, automotive, and liquid cooling systems. The short-term plan aims to expand production capacity across various plants, enhance manufacturing technologies and automation, accelerate the development of new customers and product lines, and strengthen the deployment of mid- and high-level management and R&D personnel to achieve revenue growth and improved profitability. The short-term strategic plans are as follows:

- (1) Capacity Expansion Plan: Phase I of the major investment project for the new factory in Hanoi, Vietnam was completed in mid-2021 (end of May) and has entered mass production. The Company will continue to enhance and optimize capacity utilization at its Kunshan (Jiangsu), Chongqing, and Taipei headquarters facilities.
 - (2) Manufacturing Technology Engineering Department: Continue enhancing manufacturing technology and automation capabilities, and gradually implement the Group's manufacturing technologies across all factory sites to improve automation levels.
 - (3) Accelerating Development of New Customers and Product Lines:
 - A. Potential customers in existing product lines where no current business relationship exists (PC/Server/HPC/Cloud/Smartphone/Network/Game Console...).
 - B. Development of potential customers for new product lines and new products (Automotive/Liquid Cooling/AIoT/Graphic Card/Base Station/5G Applications and Industry 4.0...).
- (1) Strengthening Human Resources: Strategically increasing mid- and high-level management personnel to support revenue growth and enhanced profitability.
 - (2) Initiating R&D Project Plans: The R&D center has established concrete technology R&D items, aiming to complete research within two years and deliver products for commercialization and mass production. The project has also received approval from the Industrial Development Bureau, Ministry of Economic Affairs, as part of a government-incentivized R&D program.

2. Mid-Term Plan:

- (1) Capacity Expansion Plan: Implement Phase II expansion at the Hanoi plant in Vietnam to support continued revenue growth. The Company will also enhance and optimize capacity at the Kunshan (Jiangsu) and Chongqing plants to meet increasing customer demand.
- (2) Improving Manufacturing Technology and Automation: Apply R&D achievements across Group facilities to improve manufacturing efficiency and automation, enhance product quality and stability, and reduce production costs.
- (3) Realization of New Customer and Product Line Development Results:
 - A. Effectively expand the customer base of existing product lines (PC/Server/HPC/Cloud/Smartphone/Network/Game Console)
 - B. Achieve concrete outcomes in the development of potential customers for new product lines and technologies (Automotive/Liquid Cooling/Graphic Card/Base Station/Metaverse/AIoT/5G Applications and Industry 4.0.....) °
- (4) Ongoing Commercialization of New R&D Outputs: Increase the Company's overall technological content and product application diversity to become a technological leader in the thermal industry.
- (5) Integration of Active and Passive Cooling Solutions: In cooperation with the parent company, Nidec Corporation (Japan), the Company will combine active and passive thermal components into integrated designs to offer customers more comprehensive, one-stop services.

3. Long-Term Plan:

- (1) Capacity Expansion Plan: Pursue long-term expansion of the Hanoi plant in Vietnam to continuously support revenue growth. Simultaneously, continue to enhance and optimize the capacity of the Kunshan (Jiangsu) and Chongqing plants to meet growing customer demands and achieve economies of scale.
- (2) Enhancing Manufacturing Technology and Automation: Continue applying R&D outcomes across Group factories to improve efficiency and automation, raise product quality and stability, reduce production costs, and position the Company as the leader in advanced manufacturing technologies within the industry.
- (3) Results from New Customer and Product Line Development: Expand the customer base of existing product lines and achieve concrete outcomes in the development of new customers for emerging product lines and technologies, with the goal of becoming the world's largest thermal solution provider.

- (4) Continual Strengthening of Core R&D Capabilities (3S): Strengthen the development of thermal technology products that are Slight, Slim, and Strong (high-power), expand application fields, enhance technical advantages, increase overall technological content and diversity of applications, and solidify the Company's position as a technological leader in the thermal industry.

II. Market and Production/Sales Overview

(1) Market Analysis

1. Major Product Sales Regions

Unit: NT\$ thousands

Region \ Year	2024	
	Amount	%
Mainland China	5,035,552	61.99
Singapore	838,341	10.32
Taiwan	658,173	8.10
Other Countries	1,591,745	19.59
Total	8,123,811	100.00

2. Market Share

According to research institute data, global PC shipments in 2023 declined by 14.8% to 242 million units. Industry intelligence sources indicate that the generative AI boom has continued to drive growth in global AI server shipments. In 2023, the production value of AI servers accounted for over half of the total global server market. Taiwan's server industry alone contributed more than 80% of global server shipments, with AI server assembly and manufacturing services accounting for 90% of the global market. The institute forecasts global AI server shipments in 2024 to reach 1.942 million units. Based on the Company's internal estimates, the market share of its main products in the PC, server, and 5G network equipment segments is approximately 20–25%, 20%, and 15%, respectively. Orders mainly come from customers in the United States, China, Japan, South Korea, and Taiwan.

3. Future Supply-Demand Trends and Growth Potential

The Company's products used in thermal modules for personal computers (desktop and notebook) account for approximately 41% of total revenue. Thermal products for servers/network communication equipment represent around 29%, gaming consoles about 25%, smartphone thermal solutions around 1%, and other product categories make up about 4%.

4. Competitive Advantages

The Company's competitive advantages include:

- (1) Over 10 years of accumulated practical experience and more than 1,000 thermal module/component projects, along with continuous innovation in core product R&D.
- (2) A broad and stable cooperative supplier chain.
- (3) Sufficient production capacity and flexible production processes across all manufacturing sites.
- (4) In-house design and development capabilities for key thermal components.
- (5) An efficient and experienced planning/marketing/project team.
- (6) Certified by major domestic and international brands for thermal product specifications, forming long-term partnerships.

5. Favorable and Unfavorable Factors for Future Outlook and Corresponding Countermeasures

(1) Favorable Factors

A. Comprehensive R&D and production capabilities in heat pipes, ultra-thin pipes, vapor chambers, and related products

With the increasing diversity of functionality in information and electronic product design, the demand for thermal performance and quality continues to rise. This makes suppliers' ability to rapidly adapt to technological advancements in applied products increasingly critical. Since the successful mass production of heat pipes in 1997, the Company has accumulated mature technical expertise in heat pipe manufacturing, established strong design and development capabilities for critical thermal components, and amassed more than 10 years of experience across over 1,000 thermal module/component projects. With a strong R&D team and fully automated production equipment, the Company boasts highly competitive manufacturing efficiency. In recent years, the Company has further expanded the application of its core technologies. Leveraging the high thermal conductivity and compact size of heat pipes, and through its notebook cooling module technology, the Company has developed mini heat pipes, finned vapor chambers, high-end interface cards, video processors, Ultrabook cooling modules, and supercomputer thermal solutions.

B. Comprehensive and Experienced Planning/Marketing/Project Team

Since the successful mass production of notebook cooling modules in 1998, the Company has passed evaluations by several renowned global system manufacturers. Its customer base spans the U.S., Europe, and the Asia-Pacific region. With a well-

executed marketing strategy, the Company has steadily accelerated its globalization efforts and is gradually advancing toward becoming a world-class professional thermal solution provider.

(2) Unfavorable Factors and Countermeasures

I. Unfavorable Factors

- i. Diverse product specifications and short product life cycles.
- ii. Rise of diversified thermal applications and accelerated industry consolidation.
- iii. Strong buyer market dominance over pricing.

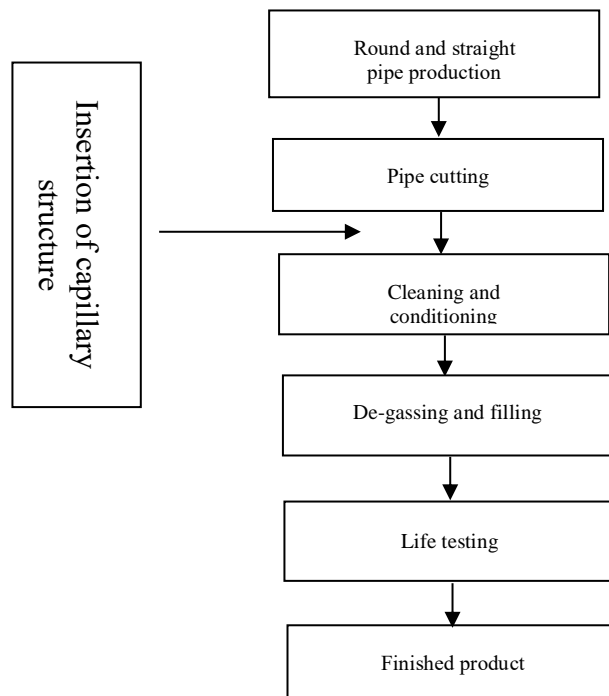
II. Countermeasures

- i. Focus on thermal materials, technological R&D, and improvements in production processes to maintain a competitive edge.
- ii. Monitor industry development trends and customer schedules for new product launches to adjust R&D and mold development progress accordingly.
- iii. Diversify customer base to reduce the risk of sales concentration.
- iv. Exercise strict inventory control to avoid excessive obsolete stock.
- v. Integrate related thermal industries and launch market-aligned thermal products in a timely manner while continuously developing other application sectors.
- vi. Develop new products based on new markets, new applications, and new customer demands.
- vii. Effectively utilize production capacities of vapor chambers (VC), ultra-thin pipes, and heat pipes, with flexible adjustments according to customer needs to meet diversified market growth.

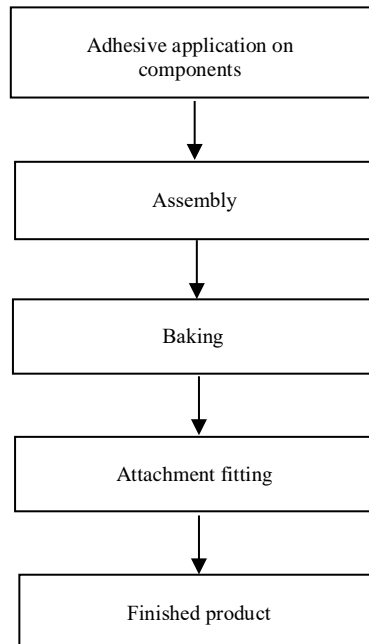
(2) Main Functions of Products and Manufacturing Processes:

The company's primary production includes heat pipes, heat sinks, and heat modules, which are mainly used in products such as notebook computers, desktop computers, servers, and power supplies to provide uniform temperature heat dissipation.

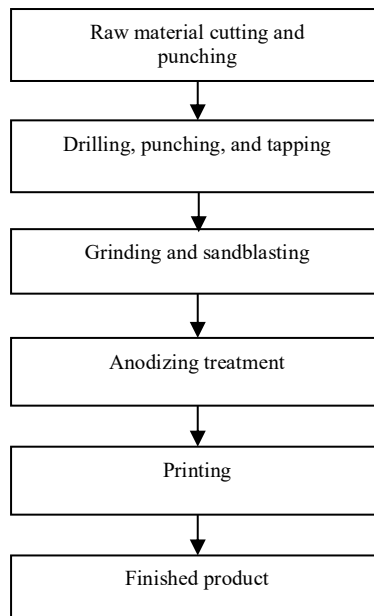
1. Heat Pipe Manufacturing



2. Heat Sink Module Assembly



3. Heat Sinks



(3) Supply Status of Major Raw Materials

Major Raw Material	Supply Location	Supply Status
Aluminum Die Casting Parts	Mainland China	Sufficient
Aluminum Extrusions	Taiwan, Mainland China	Sufficient
Copper Extrusions	Mainland China	Sufficient
Fans	Mainland China	Sufficient
Heat Pipes	Mainland China, Taiwan	Sufficient
Copper Tubes	Mainland China, Taiwan, Japan	Sufficient
Stamping Parts	Taiwan, Mainland China	Sufficient

(4) Major Customers and Suppliers in the Past Two Fiscal Years

1. Customers with Annual Sales Accounting for 10% or More of Net Revenue

Unit: NT\$ thousands

Year Item	2023				2024				As of Q1 of 2025			
	Name	Amount	Percentage of the net sales of the year (%)	Relation to the issuer	Name	Amount	Percentage of the net sales of the year (%)	Relation to the issuer	Name	Amount	Percentage of the net sales of the year (%)	Relation to the issuer
1	Nidec Group	3,071,812	28.55	Related party	DEL001	2,394,417	29.47	Non-related party	DEL001	529,393	25.76	Non-related party
2	DEL001	2,202,841	20.47	Non-related party	HON001	1,197,323	14.74	Non-related party	HON001	418,602	20.37	Non-related party
3	HON001	1,355,070	12.59	Non-related party	Nidec Group	839,112	10.33	Related party	FLE001	244,540	11.90	Non-related party
4	Others	4,129,369	38.39	Non-related party	Others	3,692,959	45.46	Non-related party	Others	862,753	41.97	Non-related party
	Net Sales	10,759,092	100.00		Net Sales	8,123,811	100.00		Net Sales	2,055,288	100.00	

The Company is a professional thermal component manufacturer. Its primary sales products include thermal modules for notebook computers, thermal modules for desktop computers, and heatsinks for peripheral devices of IT and consumer products. Major customers are globally recognized PC brands, and sales are mainly concentrated in computer thermal modules. The Company's customer base is considered stable.

2. Suppliers with Annual Purchase Amounts Accounting for 10% or More of Total Net Purchases

Unit: NT\$ thousands

Year Item	2023				2024				As of Q1 of 2025			
	Name	Amount	Percentage of net purchase amount for the full year. (%)	Relation to the issuer	Name	Amount	Percentage of net purchase amount for the full year. (%)	Relation to the issuer	Name	Amount	Percentage of net purchase amount for the full year. (%)	Relation to the issuer
1	JIFU	1,064,270	17.27	Non-related party	JIFU	941,963	20.59	Non-related party	JIFU	289,044	23.75	Non-related party
2	Others	5,097,860	82.73	Non-related party	Others	3,633,579	79.41	Non-related party	Others	927,728	76.25	Non-related party
	Net Purchase	6,162,130	100.00		Net Purchase	4,575,542	100.00		Net Purchase	1,216,772	100.00	

The Company's main raw materials include heat pipes, aluminum die casting parts, aluminum stamping parts, thermal interface pads, heatsinks, and fans. It maintains long-term and strong cooperative relationships with suppliers, and sources of raw materials are sufficient and secure.

III. Employees

(1) Employee Structure

Item		Year	2022	2023	2024Q1
		Number of Employees	Indirect Personnel		1,253	1,040	1,017
Direct Personnel			2,079	1,354	1,341
Total			3,332	2,394	2,358
Average Age			34	35	35
Average Years of Service (Years)			3.27	4.43	4.43
Educational Background Distribution (%)	Doctorate		0.09%	0.08%	0.04%
	Master's Degree		2.32%	2.13%	2.04%
	College/University		26.75%	24.64%	24.17%
	High School		36.13%	30.79%	31.13%
	Below High School		34.71%	42.36%	42.62%

IV. Environmental Protection Expenditure Information

(1) Total Loss and Penalties Due to Environmental Pollution in the Most Recent Fiscal Year and up to the Date of Publication of this Annual Report: None.

(2) Future Countermeasures and Potential Expenditures:

The Company has implemented the ISO 14001/ISO 45001 (Environmental, Health, and Safety Management System) for over a decade. Considerable funds have been invested in environmental pollution prevention and improvement of employee workspaces. In the future, the Company will continue conducting risk assessments and pollution prevention in accordance with the management system to minimize the environmental impact caused by operational activities.

(3) All current products of the Company comply with RoHS specifications regarding restricted substances. Additionally, all products delivered to customers or sourced from suppliers conform to RoHS directives.

V. Labor Relations

(1) Employee Welfare Measures and Implementation Status

Since its establishment, the Company has placed great emphasis on labor-management relations, which have always remained harmonious. In addition to explicitly declaring the management philosophy of "Integrity, Innovation, Mutual Benefit," the Company also maintains various communication channels to understand the thoughts and opinions of employees at all levels. Current employee welfare measures and their implementation are as follows:

1. The Company provides employees with labor insurance, health insurance, group insurance, regular health check-ups, retirement pension payments, holiday bonuses, employee compensation, salary adjustments, and education and training opportunities.
2. In accordance with legal requirements, the Company has established an Employee Welfare Committee and selected committee members to manage various employee welfare activities. Welfare funds are allocated based on a fixed percentage derived from the Company's capital, monthly revenue, employee salaries, and scrap sales income. Annual plans and budgets are formulated to conduct activities such as employee trips, banquets, subsidies for weddings and funerals, scholarships, recreational activities, and birthday gift distributions.
3. The Company has established an Employee Compensation Distribution Policy to enhance employee loyalty and cohesion.

(2) Employee Training and Development

As a certified company under ISO 9001, ISO 14001, and ISO 45001, the Company places high importance on occupational safety and professional competency training. Each year, it formulates an "Annual Education and Training Plan" at the end of the preceding year. This plan is executed through the Quality/Environment/Health and Safety Management Systems to ensure employees continually improve their knowledge and experience along with the Company's growth. The Company is committed to talent cultivation and classifies training into pre-employment training and on-the-job training, aiming to strengthen employees' core skills through continuous learning. Course content includes:

1. Education and training programs for new employees covering: Company overview, environment introduction, occupational safety and health training, code of ethical conduct, and internal control systems.
2. Training on company regulations and ISO management systems.
3. Professional skills training and statutory certification courses for on-the-job employees (including internal and external training).
4. Fire drills.

5. In 2024, a total of 4,636 participants attended internal and external training programs, with total annual training expenses amounting to NT\$596,000.

(3) Retirement System and Its Implementation

The Company's overseas business entities establish retirement systems in accordance with local labor laws and regulations and have fully contributed to individual retirement accounts or designated reserve accounts as required by local authorities.

Domestically, in order to ensure a stable retirement life for employees, the Company has enacted retirement measures in compliance with the law and established a Labor Pension Reserve Supervisory Committee. A retirement reserve fund is allocated monthly at a rate of 3.6% of the total salary expense and deposited in a special account with Bank of Taiwan (formerly Central Trust of China) to safeguard employee rights. Starting from July 1, 2005, the Company has also adopted the government's new pension scheme concurrently, contributing 6% of each employee's monthly salary to their personal pension account. For employees who voluntarily contribute to their pension, the Company withholds the agreed-upon amount from monthly salaries and remits it to their personal pension account with the Bureau of Labor Insurance.

The Company applies the provisions of the Labor Standards Act as follows:

1. Voluntary Retirement:

Employees may apply for voluntary retirement under the following circumstances (those choosing to adopt the Labor Pension Act shall follow the provisions of that Act):

- (1) Having worked for 15 years and aged 55 or above.
- (2) Having worked for 25 years or more.
- (3) Having worked for 10 years and aged 60 or above.

2. Mandatory Retirement:

The Company may not mandate an employee to retire unless under the following conditions:

- (1) The employee is aged 65 or above.
- (2) The employee is physically or mentally unable to perform job duties.

The mandatory retirement age specified in item (1) may be adjusted upon approval from the central competent authority for employees engaged in hazardous or physically demanding work, but may not be set below age 55.

3. Pension Payment Standards:

- (1) For years of service accrued before and after the enforcement of the Labor Standards

Act and for those who opt to continue using the retirement provisions under the Labor Standards Act (or retain years of service accrued before switching to the Labor Pension Act), pension payments are calculated in accordance with Articles 84-2 and 55 of the Labor Standards Act.

(2) For employees who are mandatorily retired under Article 54, Paragraph 1, Item 2 of the Labor Standards Act and whose physical or mental disability is caused by job performance, an additional 20% shall be paid in accordance with Article 55, Paragraph 1, Item 2 of the Labor Standards Act.

(3) For employees subject to the retirement pension provisions of the Labor Pension Act, the Company contributes 6% of the employee's monthly salary to their individual pension account.

4. Pension Payments:

The pension payable by the Company shall be handled in accordance with the most recent provisions of the Labor Standards Act.

(4) Employee Code of Conduct and Ethics

To help employees at all levels understand ethical values, obligations, rights, and codes of conduct, the Company has established relevant policies and regulations to ensure consistent adherence. The key policies are summarized below:

1. Approval Authority Matrix: Clearly defines the authority limits at all levels, serving as the basis for decentralized responsibility and enhancing overall operational efficiency.
2. Organizational Duties and Communication Management Guidelines: Specifies the Company's overall organizational structure, departmental responsibilities, and the scope of duties for each position.
3. Implementation Guidelines for Education and Training:
 - (1) New employees are trained on occupational safety and health, personnel regulations, ISO standards, internal controls, and ethical business conduct to understand their responsibilities and obligations.
 - (2) Through external and internal training programs, the Company equips professionals with the essential skills and knowledge required for their roles.

(5) Status of Labor-Management Agreements and Measures to Protect Employee Rights

The Company emphasizes human-centered management, and maintaining harmonious labor-management relations is a key focus of the Company's human resources strategy.

To ensure gender equality in the workplace and protect the dignity of all employees,

the Company has implemented procedures in accordance with current regulations, such as the Gender Equality in Employment Act. This includes the establishment of procedures to protect female employees and the enactment of measures for the prevention of sexual harassment. In addition, complaint channels have been established, allowing employees to submit written complaints to a dedicated mailbox or directly report to the Administration Department. Appropriate actions are taken immediately based on the situation to protect employee rights and enhance workplace safety.

Upholding the principles of integrity and responsibility, all labor-management initiatives are communicated thoroughly with both parties. Labor-management meetings are held quarterly, during which employee representatives share feedback, concerns, and suggestions. These are discussed and addressed with reasonable response plans to build consensus and promote labor-management harmony.

In addition, the Company has lawfully established an Employee Welfare Committee to manage various welfare activities. The Company also organizes cultural and recreational events from time to time to enhance workplace cohesion and foster a harmonious working environment.

(6) Implementation of Gender Equality

The Company values gender equality in the workplace. As of the end of December 2024, the Company had a total of 356 employees, including 233 male and 123 female employees. Female employees accounted for 34.55% of the total workforce, and female managers made up 29.78% of all managerial positions. The Company has implemented internal policies such as the “Employee Handbook,” “Personnel Management Regulations,” and the “Sustainable Development Best Practice Principles,” which explicitly safeguard employee rights with respect to working hours, leave, and gender equality. Pregnant employees receive special attention and support. The Company is committed to fostering a friendly and inclusive work environment that promotes gender equality, enabling female employees to fully demonstrate their capabilities and become exemplary leaders in the industry.

(7) Workplace Environment and Measures to Ensure Employee Safety

1. Occupational Safety and Health:

- (1) A “Labor Safety and Health Plan” is prepared annually in accordance with legal requirements, covering workplace environment measurements, employee training, health examinations, and compliance with relevant regulations.
- (2) Any changes in occupational safety personnel are reported and updated according to the law.
- (3) Standard operating procedures are established for all machinery and equipment.
- (4) ISO 45001 is implemented to continuously improve occupational safety and health.

2. Environmental Protection: :

- (1) Waste disposal is reported to the Environmental Protection Administration in accordance with regulations.
- (2) ISO 14001 is implemented to promote ongoing improvements in environmental protection.

3. Fire Safety:

- (1) Fire drills are conducted every six months.
- (2) Monthly visual and functional inspections of fire safety equipment are conducted in-house.
- (3) Annual fire safety inspections and declarations are carried out by certified fire safety institutions.

(7) Losses Incurred Due to Labor Disputes in the Most Recent Fiscal Year and Up to the Date of Report Publication: None.

(8) Disclosure of Estimated Losses That May Occur and Response Measures

The Company places great emphasis on labor relations and prioritizes labor-management communication. Regular labor-management meetings are held to ensure both parties are fully informed and engaged. Since its establishment, the Company has maintained harmonious labor relations with no recorded losses due to labor disputes. The Company will continue to promote various employee welfare initiatives to enhance morale and maintain positive labor-management relations.

VI. Information and Communication Security Management

To strengthen information security management, the Company is committed to maintaining the confidentiality, integrity, and availability of its information assets. All employees are obliged to actively participate in promoting the information security policy to ensure the continuous operation of the Company's information systems, equipment, and network-related business environments. These efforts also aim to ensure compliance with relevant regulations and to prevent both internal and external intentional or accidental threats, thereby achieving the goal of continuous information operation.

(1) Framework for Information Security Risk Management, Information Security Policies, Specific Management Measures, and Resources Invested in Information Security Management:

1. Information Security Management Strategy and Structure:

The Information Department is the responsible unit for the Company's information security. It is headed by one Information Manager and supported by several professional IT personnel. Their responsibilities include formulating internal information security policies,

planning and implementing information security operations, and promoting and enforcing information security policies.

The Audit Office serves as the supervisory unit for information security oversight. It is staffed by one Audit Manager and several full-time audit personnel. In accordance with ISO 9001, IATF 16949, ISO 27001, and Japan's J-SOX audit standards, the Audit Office supervises the implementation of internal information security. If any deficiencies are found during audits, the audited unit is required to propose improvement plans and specific measures. The improvements are tracked regularly to reduce internal information security risks.

2. Information Security Policies:

- 2.1 All information security management regulations of the Company must comply with relevant government laws and regulations (e.g., Cyber Security Management Act, Criminal Code, National Secrets Protection Act, Patent Act, Trademark Act, Copyright Act, Personal Data Protection Act, etc.).
- 2.2 An Information Security Management Organization has been established to be responsible for the development and promotion of the information security framework.
- 2.3 Information security training is conducted regularly to promote awareness of the Company's information security policies and related implementation regulations.
- 2.4 A management mechanism has been established for the use of computers and networks to centrally manage and allocate resources.
- 2.5 The use of the network system is clearly regulated to prevent unauthorized access.
- 2.6 An internal audit plan has been established for the information security management system. Regular reviews are conducted on the use of personnel and equipment within the scope of the Company's information security management system, and corrective and preventive measures are formulated and implemented based on audit reports.
- 2.7 All personnel of the Company are responsible for maintaining information and communication security and must comply with relevant information security management regulations.

3. Specific Management Measures

3.1 Computer Equipment Security Management

- 3.1.1 The Company's application servers and related equipment are housed in a dedicated server room, where access records are maintained for future reference.
- 3.1.2 The server room is equipped with independent air conditioning to maintain an appropriate temperature for computer equipment and is also equipped with gas fire extinguishers suitable for electrical fires.
- 3.1.3 The mainframe systems in the server room are equipped with uninterruptible power supply (UPS) and voltage regulation devices to prevent unexpected power outages from causing system crashes and to ensure the continuous operation of

computer applications during temporary power failures.

3.2 Network Security Management

3.2.1 The network gateway connecting to external networks is equipped with enterprise-grade firewalls to block unauthorized intrusions. Network policies are configured to filter out threatening IP addresses and content, thereby strengthening network security.

3.2.2 Employees accessing internal systems remotely must apply for a VPN account and connect via a secure VPN channel. All usage is logged and auditable.

3.3 Virus Protection and Management

3.3.1 The Company has established antivirus servers and installed endpoint protection software on all employee devices. Virus definitions are automatically updated to detect and block the latest threats and prevent potentially harmful behavior.

3.4 System Access Control

3.4.1 Employees must submit an Information Service Request Form via the BPM system to request access to specific systems. Access rights are granted after approval by the responsible manager, and the Information Department creates the system account, which is authorized by system administrators based on the requested functions.

3.4.2 Passwords must meet defined complexity requirements, including a combination of upper and lower case letters, numbers, and special characters (at least three types), and must be updated regularly.

3.5 Information System Backup

3.5.1 System and Database Backup: The Company has implemented off-site backup systems. Backup data is stored in separate data centers, and redundant systems are deployed to ensure the security of both systems and data.

3.5.2 Disaster Recovery Drills: Annual recovery drills are conducted for each system. After selecting a recovery reference date, backup media is used to restore data to the system host. Users confirm the data integrity in writing to ensure the accuracy and effectiveness of the backup media.

3.5.3 Two data circuits are leased from telecommunications companies and connected in parallel with bandwidth management devices for mutual backup, ensuring uninterrupted network communication.

3.6 Information Security Awareness and Training

3.6.1 Awareness Campaigns: The Company provides employees with documentation and case studies on information security.

3.6.2 Education and Training: New employees undergo orientation training, including information security awareness. All employees are required to comply with security policies.

4. Execution of Specific Management Measures and Resources Invested in Information Security Management: Security measures include firewall protection, antivirus software, internal and external network access control, file access control, email

security management, website protection mechanisms, data backup strategies, off-site storage of backups, maintenance logs, information security awareness campaigns, operating system updates, and regular information security audits. These ensure the implementation of information security policies and the protection of information, systems, equipment, and network infrastructure.

(2) Losses, Potential Impacts, and Response Measures Arising from Major Information Security Incidents in the Most Recent Year and Up to the Date of Publication of This Annual Report: N/A.

VII. Material Contracts

As of the publication date of this annual report, the following sales and purchase agreements, technical cooperation agreements, construction contracts, long-term loan agreements, and other material contracts that remain effective or expired in the most recent fiscal year and may affect the rights and interests of investors are as follows:

Type of Contract	Parties	Contract Period	Main Terms	Restrictive Clauses
Loan Agreement	The Company and Nidec Corporation	From December 1, 2020 to March 31, 2025	Medium- to long-term loan agreement to serve as the source of funding for the Company's cash capital increase in its Vietnamese subsidiary, Nidec Chaun Choung Vietnam Corporation.	Subject to approval by the Investment Commission.
Land Lease Agreement	Subsidiary Nidec Chaun Choung Vietnam Corporation and FPT Hoa Lac Hi-Tech Park Development Company Limited, Vietnam	From April 3, 2020 to August 30, 2060	The subsidiary leases part of the land in the Hoa Lac Hi-Tech Park in Hanoi, Vietnam, for the purpose of constructing a manufacturing facility.	None
Building Lease Agreement	The Company and AV TECH CORPORATION	From December 25, 2020 to December 31, 2025	The Company leases a building located in Sanchong District, New Taipei City, for use as office and production space.	None

V. Review and Analysis of Financial Condition, Financial Performance, and Risk Matters

1. Review and Analysis of Financial Condition

Unit: NT\$ thousands

Item \ Year	2024	2023	Difference	
			Amount	%
Current Assets	7,574,832	7,349,302	225,530	3.07
Other Assets	2,720,714	2,955,965	(235,251)	(7.96)
Total Assets	10,295,546	10,305,267	(9,721)	(0.09)
Current Liabilities	3,361,789	3,237,624	124,165	3.84
Non-current Liabilities	935,136	1,332,262	(397,126)	(29.81)
Total Liabilities	4,296,925	4,569,886	(272,961)	(5.97)
Capital Stock	863,434	863,434	0	0.00
Capital Surplus	531,823	531,823	0	0.00
Retained Earnings	4,593,850	4,553,909	39,941	0.88
Other Equity	9,514	(213,785)	223,299	(104.45)
Total Equity	5,998,621	5,735,381	263,240	4.59

Explanation of Items with Significant Changes (changes over NT\$10 million and exceeding 20%):

1. Non-current Liabilities: Primarily due to repayments of long-term loans and reclassification of long-term loans due within one year.
2. Other Equity: Mainly due to translation differences arising from exchange rate fluctuations when converting the financial statements of foreign operations.

■ Impact of Significant Changes in Financial Condition Over the Past Two Years and Future Response Plan:

Based on the above analysis, the significant changes in the Company's financial condition over the past two years were the result of normal operating activities.

2. Comparative Analysis of Operating Results

Unit: NT\$ thousands

Item \ Year	2024	2023	Difference	
			Amount	%
Operating Revenue	8,123,811	10,759,092	(2,635,281)	(24.49)
Operating Costs	6,653,538	8,652,765	(1,999,227)	(23.11)
Gross Profit	1,470,273	2,106,327	(636,054)	(30.20)
Operating Expenses	1,363,150	1,404,704	(41,554)	(2.96)
Operating Income	107,123	701,623	(594,500)	(84.73)
Non-operating Income and Expenses	110,790	179,336	(68,546)	(38.22)
Income Before Tax	217,913	880,959	(663,046)	(75.26)
Income Tax Expense	90,400	275,183	(184,783)	(67.15)
Net Income for the Period	127,513	605,776	(478,263)	(78.95)

1. Explanation for changes over 20% and exceeding NT\$10 million over the past two years:
The consolidated operating revenue decreased compared to 2023, mainly due to a decline in overall business scale, which also led to reduced profitability.

2. Forecasted Sales Volume, Supporting Basis, and Potential Impact on Future Financial and Business Conditions and Response Plan:
The Company will endeavor to increase operating revenue in 2025. For details on operational priorities, please refer to the "Business Plan Overview and Future Development Strategies" in the Message to Shareholders.

3. Cash Flow Analysis

(1) Liquidity Analysis for the Most Recent Two Years:

Unit: NT\$ thousands

Item	Year		Increased (Decreased) Amount	Change (%)
	2024	2023		
Net Cash Inflows (Outflows) from Operating Activities	743,269	1,423,573	(680,304)	(47.79)
Net Cash Inflows (Outflows) from Investing Activities	(171,480)	(266,380)	94,900	(35.63)
Net Cash Inflows (Outflows) from Financing Activities	(458,151)	(969,413)	511,262	(52.74)
Explanation of Variations in Proportion and Amount:				
(1) Decrease in net cash inflows from operating activities: Mainly due to a reduction in accounts receivable (including related parties) in 2024.				
(2) Decrease in net cash outflows from investing activities: Primarily due to lower capital expenditures on new plants and equipment in 2024.				
(3) Decrease in net cash outflows from financing activities: Due to repayment of short-term borrowings in 2023.				

(2) Cash Liquidity Analysis for the Coming Year:

Unit: NT\$ thousands

Beginning Cash Balance	Estimated Annual Net Cash Flow from Operating Activities	Estimated Annual Cash Outflows	Estimated Cash Surplus (Shortfall)	Measures for Addressing Cash Shortfalls	
				Investment Plan	Financial Management Plan
3,208,584	750,000	500,000	3,458,584	—	—
(1) Operating Activities: With no changes in trading conditions expected in 2025, the net cash flow from operating activities is projected to remain positive.					
(2) Investing and Financing Activities: Capital will be allocated for plant construction and equipment purchase or replacement. Additional investments will also be made in automation-related equipment, resulting in an increase in net cash outflows from investing activities.					

4. Impact of Major Capital Expenditures on Financial and Business Operations in the Most Recent Year:

In 2024, the Company invested NT\$181,078 thousand in property, plant, and equipment for the purpose of improving production processes, replacing or upgrading production equipment, and automating production lines. These efforts aim to maintain the current customer base and actively develop potential customers and new product application markets to secure more orders in the future.

5. Investment Policies, Major Causes of Profit or Loss from Investments, Improvement Plans, and Investment Plans for the Coming Year

(1) Investment Policy:

The Company's investment decisions are based on considerations such as internationalization, business growth needs, regulatory compliance, and investment environment factors. By leveraging third-party regional investments, the Company has established production bases in Kunshan and Chongqing (China) and Hanoi (Vietnam) to serve customers more efficiently by shortening lead times and transportation distances. Additionally, the Company has set up a base in the United States to better serve local clients, stay informed of real-time industry developments, and explore market opportunities.

(二) Investment Analysis Table

Unit: NT\$ thousands

Investment Entity	Description	Recognized Investment Gains (Losses) in 2024	Main Reasons for Profit or Loss	Improvement Plans	Investment Plans for the Coming Year
Conquer Wisdom Co., Ltd.		222,553	Recognized investment income from invested entities	None	None
Nidec Chaun Choung Vietnam Corporation		(199,158)	Capacity adjustment in response to demand	Actively seek orders to reach economies of scale as soon as possible	Increase investment based on operational needs and timing
Nidec Chaun-Choung Technology America, Inc.		(64)	Enhanced development of the U.S. market	None	None
Globe Star Enterprise Limited		231,110	Recognized investment income from invested entities	None	None
Kunshan Jue-Chung Electronics Co., Ltd.		223,178	Capacity adjustment in response to demand	None	None
Nidec Chiuan-Vector Industrial (Dongguan) Co., Ltd. (Note)		140	Still in market development stage	None	None
Nidec Chongqing Cyun Siang High-Tech Co., Ltd.		8,413	Capacity adjustment in response to demand	None	None

(Note) The liquidation procedures were completed on December 27, 2024.

VI. Risk Management – Analysis and Assessment

(1) Risk Management Policies and Organizational Structure

The Board of Directors of the Company is fully responsible for establishing and overseeing the risk management framework of the consolidated entity. Under the Board of Directors, the Office of the Chairman and the Group Operations Center are designated to develop and control risk management policies for the consolidated entity. These policies and systems are periodically reviewed to reflect market changes and operational developments. A disciplined and constructive control environment is promoted through training, internal control measures, and operational procedures to ensure employees understand their roles and responsibilities.

1. Operational Risk

The President of the Company convenes the general managers of subsidiaries to develop business strategies and conduct risk assessments, followed by performance reviews to ensure that business objectives are achieved.

2. Financial Risk

The Company is exposed to credit risk, liquidity risk, and market risk due to the use of financial instruments. The primary source of credit risk is accounts receivable from

customers. The Company has established a credit policy to individually assess the credit ratings of each customer, set credit limits accordingly, and conduct regular reviews. Transactions with customers who do not meet the minimum credit rating criteria are conducted only on a prepayment basis. The Company maintains an allowance account to reflect estimated losses on accounts receivable. As of the balance sheet date, the Company identifies individual accounts based on materiality and evaluates whether there is objective evidence of significant impairment. For accounts with identified significant impairment, a 100% allowance for doubtful accounts is recognized. For accounts not meeting the materiality threshold but showing signs of impairment, individual assessments are also conducted. The remaining accounts without objective evidence of impairment are grouped based on credit risk characteristics, and impairment is recognized by applying a loss rate—calculated based on the historical loss experience (i.e., the ratio of bad debts to sales) over the past three years—to each risk group.

(2) Impact of Interest Rate, Exchange Rate Fluctuations, and Inflation on the Company's Profit or Loss for the Most Recent Year and Up to the Date of the Annual Report, and Future Response Measures:

1. Impact of Interest Rate Fluctuations on Profit or Loss and Future Response Measures:

The Company adheres to a conservative and prudent approach in its funding strategy. Working capital required for business expansion is financed through loans from the parent company within the Group. Since the Company has consistently maintained profitability sufficient to support operational cash flow, short-term interest rate fluctuations have not had a material impact on the Company's borrowing costs.

2. Impact of Exchange Rate Fluctuations and Response Measures:

The Company and its subsidiaries derive more than 90% of their revenue from export business, with transactions primarily denominated in US dollars. In 2024, net exchange gain amounted to NT\$110,741 thousand, representing 1.36% of net revenue. To manage the risks arising from exchange rate fluctuations, the Company and its subsidiaries have adopted the following measures:

A. Monitor exchange rate trends and use foreign currency accounts to adjust foreign exchange positions as needed, thereby mitigating the adverse impact of exchange rate volatility.

B. Conduct payments to suppliers in US dollars to naturally hedge against US dollar exposure generated from export transactions.

3. Impact of Inflation on Profit or Loss and Future Response Measures:

In 2024, there were no significant operational impacts caused by inflation in the regions where the Company and its subsidiaries operate.

(3) Policy, Profit or Loss Reasons, and Future Response Measures Related to High-Risk and Highly Leveraged Investments, Loans to Others, Endorsements and Guarantees, and Derivatives Transactions for the Most Recent Year and Up to the Date of the Annual Report:

1. The Company prohibits engaging in high-risk and highly leveraged investments. In 2024, the Company did not engage in any such investments or derivative transactions that resulted in profit or loss.
2. According to the Company's "Endorsement and Guarantee Procedures," the total amount of external endorsements and guarantees is limited to 30% of the Company's net worth, while the limit for endorsements and guarantees for any single entity is set at 20% of the Company's net worth. Neither the Company nor its subsidiaries provided any endorsements or guarantees for others in 2024.
3. The Company: In accordance with the "Procedures for Lending Funds to Others" established by the Company, funds may be loaned to parties with business relationships or those with short-term financing needs. The total amount of loans shall not exceed 40% of the Company's net worth as shown in the most recent financial statements audited or reviewed by a certified public accountant. The amount loaned to any individual counterparty with short-term financing needs shall not exceed 10% of the Company's net worth.
4. The Company's Subsidiary: According to the "Procedures for Lending Funds to Others" adopted by Kunshan Jue-Chung Electronics Co., Ltd., loans may be extended to overseas subsidiaries in which the Company holds, directly or indirectly, 100% of the voting shares. The total loan amount and the loan amount to any individual entity due to short-term financing needs shall not exceed Kunshan Jue-Chung Electronics Co., Ltd.'s net worth as shown in the most recent financial statements audited or reviewed by a certified public accountant.

(4) Future R&D Plans and Estimated R&D Expenditures

The Company's estimated total R&D expenditure for 2024 is NT\$500,000 thousand. The future development directions of R&D work, categorized by research domain, are as follows:

R&D Domain	Planned R&D Content	Planned R&D Period
Power	Development of ultra-high power 80W 1.3mm ultra-thin thermal module heat transfer components	2024.01.01-2025.12.31
Industrial/ Communication	Development of three-dimensional loop-type heat sinks for AI chips	2024.01.01-2026.12.31

(5) Impact of Major Domestic and International Policy and Legal Changes on the Company's

Financial and Business Operations for the Most Recent Year and Up to the Date of the Annual Report, and Response Measures

The Company operates in Taiwan, Mainland China, and the United States. In recent years, both Taiwan and Mainland China have successively revised labor laws to promote a more friendly workplace and enhance labor rights. In response to the increase in personnel costs compared to the past, the Company has placed greater emphasis on employee training to improve work efficiency and mitigate cost impacts. In addition, the Company continuously monitors the development trends of domestic and international policies and regulatory changes, gathers relevant information to assist management in decision-making, or consults external professional organizations to take appropriate response measures. These changes have not had any material impact on the Company's financial or business operations.

(6) Impact of Technological Advancements and Industry Changes on the Company's Financial and Business Operations for the Most Recent Year and Up to the Date of the Annual Report, and Response Measures

With technological advancement and the rise of cloud service systems, the increasing use of tablets and smartphones by consumers has indeed impacted the global shipment volume of notebook computers. However, whether in information electronics or communication products, the trends of miniaturization and functional enhancement continue. The CPU's ability to process communication and graphic functions continues to improve and integrate, and the trend of increasing chip heat output year by year has not changed significantly. To ensure that electronic components operate smoothly in high-temperature environments and maintain product stability and reliability, thermal management has become essential and increasingly important to the 3C and communication industries. This trend aligns precisely with the R&D direction of NIDEC CHAUN-CHOUNG.

Currently, heat sinks and thermal modules are still predominantly applied in the PC market within the information electronics industry, mainly used for electronic components such as CPUs, chipsets, VGA (graphics cards), and MCMs (monolithic and multi-chip modules). Downstream products include desktop computers, notebook computers, servers, workstations, and power supplies. The Company continues to expand into industries beyond traditional PC devices, applying thermal solutions in a broader and more diverse range.

Looking ahead, in addition to consolidating its existing market share in PC thermal products, the Company will actively respond to rapid changes in the computer industry and the growing demand for thermal solutions in networking and communication sectors. It will continue to recruit top R&D talent, enhance product thermal performance, and explore new application areas to improve competitiveness. Therefore, technological advancements are expected to bring new business opportunities in thermal management, providing positive contributions to the Company's financial and business operations.

(7) Impact of Corporate Image Changes on Crisis Management and Response Measures for the Most Recent Year and Up to the Date of the Annual Report

Since Nidec Group joined the Company's management team, internal control and corporate governance have been further strengthened, which has positively contributed to the Company's reputation and corporate image, as well as to its long-term sustainable development. The Company is committed to consolidating its position as a leading thermal solution provider and actively expanding its international business operations to achieve maximum efficiency and profitability, sharing operational results with all shareholders and employees. Moreover, the Company's business model emphasizes corporate image and responsibility, and as of the date of this report, no significant incidents affecting the Company's corporate image have occurred.

(8) Expected Benefits, Potential Risks, and Response Measures Related to Mergers and Acquisitions:

The Company did not engage in any mergers or acquisitions in 2024 or up to the date of this annual report.

(9) Expected Benefits, Potential Risks, and Response Measures Related to Plant Expansion:

The Company will plan optimal capacity allocation based on market supply and demand, leveraging the advantages and characteristics of each production base. Additionally, to seize the opportunities arising from the development of the 5G industry, expand production capacity, and establish a new core manufacturing site, the Company initiated plant construction and major investment in Hanoi, Vietnam, in 2020. This move is expected to facilitate business expansion and capture more business opportunities. However, plant expansion increases cash outflow, operational costs, and expenses; failure to generate corresponding revenues may negatively impact the Company's financial performance. Backed by the abundant resources and support of its parent company, Nidec Corporation, the Company will continue monitoring industry and market supply-demand dynamics, maintain close cooperation with existing customers, and actively develop new customers to mitigate potential negative financial impacts from expansion.

(10) Risks Arising from Sales or Procurement Concentration and Response Measures

1. The Company's products are mainly sold as thermal modules, heat sinks, and thermal components for notebook computers (NB), desktop computers (DT), and consumer electronics. Most of the Company's customers are renowned domestic and international information technology brands. As the sales of IT products become increasingly concentrated among a few global players, the Company relies on its comprehensive R&D capabilities, well-established international sales channels, and customer-recognized quality and production technologies to maintain long-term, stable

cooperation with both domestic and overseas clients. Additionally, the Company continues to invest in R&D resources for thermal-related products to attract a broader base of new customers in the computer and networking product markets, thereby mitigating customer concentration risk.

2. The primary raw materials used in the Company's thermal modules and heat sinks include heat pipes, aluminum die-casting components, aluminum stamping parts, thermal interface materials, heat fins, and fans. Since these materials are not monopolized by any irreplaceable suppliers and the sources of supply remain relatively abundant, the Company adheres to a diversified procurement strategy, generally sourcing each type of raw material from more than two suppliers. Therefore, the Company is not exposed to significant procurement concentration risk.

(11) Impacts, Risks, and Response Measures Related to Significant Transfers or Changes in Shareholdings of Directors, Supervisors, or Major Shareholders Holding More Than 10% of Shares:

Information regarding significant shareholding transfers by the Company's directors, supervisors, or major shareholders holding more than 10% of shares during the most recent year and up to the date of this annual report is detailed on page 71.

(12) Impacts, Risks, and Response Measures Related to Changes in Control of the Company:

Following the full re-election of the Company's board of directors and supervisors on January 29, 2019, there has been no change in the Company's business model or operating items. No impacts or risks have resulted from the change in board composition.

(13) Litigation or Non-litigation Matters

1. For any significant litigation, non-litigation, or administrative proceedings involving the Company's directors, supervisors, President, substantive responsible persons, major shareholders holding more than 10% of shares, or subsidiaries during the most recent year and up to the date of this annual report, where the outcome may significantly affect shareholder rights or the market price of securities, the facts of the dispute, claim amount, litigation start date, key parties involved, and current status are as follows: None.
2. Any events stipulated under Article 157 of the Securities and Exchange Act involving the Company's directors, supervisors, managers, or major shareholders holding more than 10% of shares during the most recent year and up to the date of this annual report, and the Company's current handling of such matters: None.

(14) Other Significant Risks and Response Measures

Description of Information Security Risk Assessment and Analysis: The Information Technology Department is the unit responsible for implementing information security for the

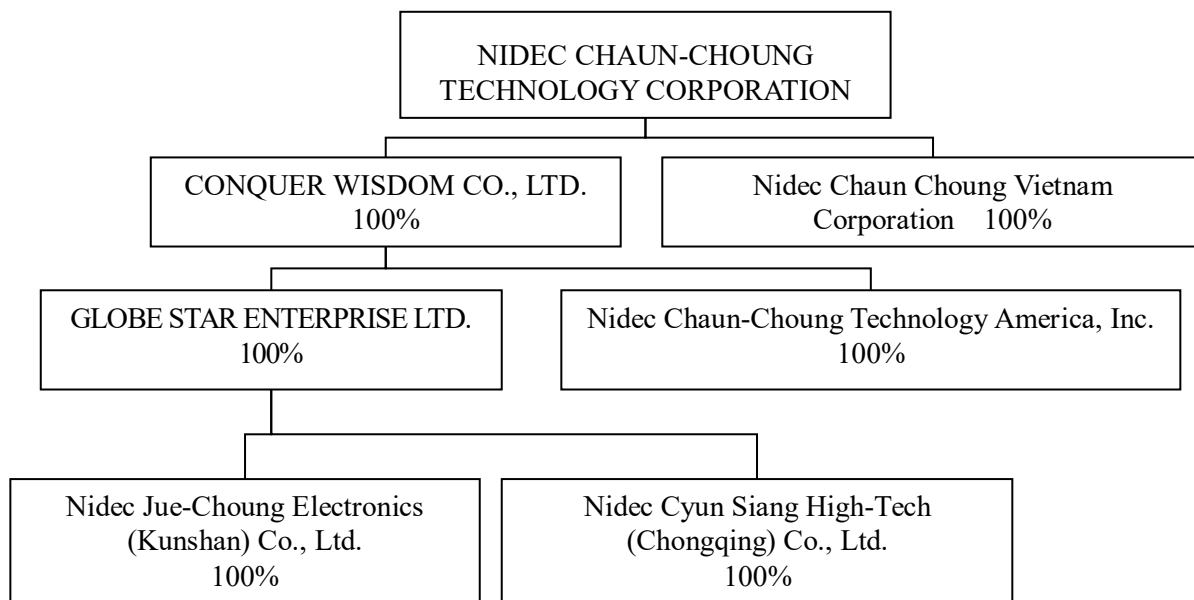
Company's internal computer systems, networks, and platforms. To prevent internal and external cybersecurity threats that may affect daily operations or be used to launch external attacks, the Company has implemented robust firewalls, email security systems, and endpoint protections for personal computers. In addition to conducting periodic internal cybersecurity awareness campaigns, the Company has established a high-availability backup and redundancy mechanism at the system and network levels to reduce the risks associated with disasters. Network administrators closely monitor external cybersecurity alerts and apply updates in a timely manner. Regular audits are conducted by internal auditors and independent accounting firms. To date, the Company has not experienced any major cybersecurity incidents that have affected its operations.

VII. Other Significant Matters: None.

VI. Other Notes

1. Related information on affiliated companies

(1) Organizational chart of affiliated companies



(2) Basic information of each affiliated company

Unit: NT\$ thousands, as of Dec. 31, 2023

Name of affiliated company	Date of Establishment	Location	Paid-in capital	Primary business items
Conquer Wisdom Co, Ltd.	2000.08.14	British Virgin Islands	737,240	Investment
Nidec Chaun-Choung Technology America, Inc.	2003.11.01	USA	9,836	Production and sales of computer cooling modules
Globe Star Enterprise Limited	2008.04.02	Hong Kong	591,507	Investment
Kunshan Jue-Chung Electronics Co., Ltd.	2001.02.28	China	754,055	Production and sales of computer cooling modules
Nidec Chongqing Cyun Siang High-Tech Co., Ltd.	2011.06.08	China	262,280	Production and sales of computer cooling modules
Nidec Chaun Choung Vietnam Corporation	2020.03.31	Vietnam	1,002,134	Production and sales of cooling components

(3) There is no presumed control or subsidiary relationship with the same shareholders.

(4) Business activities and division of affiliated companies:

1. Conquer Wisdom Co., Ltd.

Main business: Engaged in investment holding

2. Nidec Chaun-Choung Technology America, Inc.

The company serves customers in proximity, grasps real-time information about customers and industries, and develops new customers through indirectly investing in subsidiaries in third regions. Engaged in the sales of computer cooling modules and other cooling components.

3. GLOBE STAR ENTERPRISE LIMITED

Main business: Engaged in investment holding in mainland China

4. Kunshan Jue-Chung Electronics Co., Ltd.

This is a mainland subsidiary indirectly invested by the company through Conquer Wisdom Co., Ltd., which further invests in GLOBE STAR ENTERPRISE LIMITED. Involved in the production of computer cooling modules and other cooling components.

5. Nidec Chongqing Cyun Siang High-Tech Co., Ltd.

This is a mainland subsidiary indirectly invested by the company through Conquer Wisdom Co., Ltd., which further invests in GLOBE STAR ENTERPRISE LIMITED. Involved in the production of computer cooling modules and other cooling components.

6. Nidec Chaun Choung Vietnam Corporation

Mainly engaged in the production and sales of cooling components

(5) Information on Directors, Supervisors, and Presidents of Affiliated Enterprises:

Unit: Thousand Shares

Company Name	Title	Name or Representative	Number of Shares Held	
			Shares	%
Conquer Wisdom Co., Ltd.	Director	Miyoshi Akihiro	–	–
Nidec Chaun-Choung Technology America, Inc.	Chairman	Miyoshi Akihiro	–	–
	Vice Chairman	Sumikawa Yohei	–	–
	Director	Yamaoka Naoto	–	–
GLOBE STAR ENTERPRISE LIMITED	Director	Miyoshi Akihiro	–	–
Kunshan Jue-Chung Electronics Co., Ltd. (Note 1)	Chairman	Miyoshi Akihiro	–	–
	Director & Vice President	Shen Zhi-Ye	–	–
	Director	Sumikawa Yohei	–	–
Nidec Chongqing Cyun Siang High-Tech Co., Ltd. (Note 1)	Chairman	Miyoshi Akihiro	–	–
	Director & Vice President	Takasawa Shinji	–	–
	Director	Sumikawa Yohei	–	–
	Supervisor	Wang Hsiang-Chien	–	–
NIDEC CHAUN CHOUNG VIETNAM CORPORATION	Chairman	Miyoshi Akihiro	–	–
	Director	Sumikawa Yohei	–	–
	Director	Yamaoka Naoto	–	–
	Director	巽昭生		
	Supervisor	Wang Hsiang-Chien	–	–

Note 1: Shares have not been issued.

Note 2: The above list of directors and supervisors reflects information as of April 30, 2025.

(6) Operational Overview of Affiliated Enterprises

Dec. 31, 2023 ; Unit: NT\$ thousands

Company Name	Paid-in Capital	Total Assets	Total Liabilities	Net Worth	Operating Revenue	Operating Profit	Net Income (After Tax)	Earnings Per Share (NT\$, after tax)
Conquer Wisdom Co, Ltd	737,240	5,841,962	0	5,841,962	0	-212	230,420	12.74
Nidec Chaun Choung Vietnam Corporation	1,002,134	1,138,761	539,993	598,768	252,797	-23,795	-228,794	Note
Nidec Chaun-Choung Technology America, Inc.	9,836	62,588	45,015	17,573	188,604	-42	-64	-0.21
Globe Star Enterprise Limited	591,507	5,762,793	436	5,762,357	0	-487	231,110	1.65
Kunshan Jue-Chung Electronics Co., Ltd.	754,055	4,803,717	1,350,033	3,453,684	3,648,752	152,330	217,430	Note
Nidec Chiuan-Vector Industrial (Dongguan) Co., Ltd.	-	-	-	-	-	-	140	Note 1
Nidec Chongqing Cyun Siang High-Tech Co., Ltd.	262,280	3,201,692	879,563	2,322,129	2,408,512	-25,957	8,413	Note

Note 1: Shares have not been issued.

Note 2: Nidec Chiuan-Vector Industrial (Dongguan) Co., Ltd. completed its liquidation process on December 27, 2024.

(7) For the consolidated financial statements of affiliated enterprises, please refer to the Market Observation Post System (MOPS):

https://doc.twse.com.tw/server-java/t57sb01?step=1&colorchg=1&seamon=&mtype=A&co_id=6230&year=113

(8) Related Party Report

According to Article 369-12 of the Company Act, as a subsidiary company that is not publicly traded, the Company is not required to prepare a related party report.

II. Private Placement of Securities During the Most Recent Fiscal Year and Up to the Date of This Annual Report: None.

III. Other Necessary Supplemental Explanations: None.

Appendix

【Appendx 1】 AUDIT COMMITTEE'S REVIEW REPORT

NIDEC CHAUN-CHOUNG TECHNOLOGY CORPORATION

AUDIT COMMITTEE'S REVIEW REPORT

The Board of Directors has submitted the 2024 Business Report, Financial Statements, and the Earnings Distribution Proposal of the Company. The Financial Statements have been audited by KPMG Taiwan and a corresponding audit report has been issued. The Audit Committee has reviewed the aforementioned Business Report, Financial Statements, and Earnings Distribution Proposal and found no discrepancies. In accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, this report is hereby submitted for review.

To the 2024 Annual Shareholders Meeting of
Nidec Chaun-Choung Technology Corporation

Convener of Audit Committee:

Chou Chien-Hung

March 12, 2025

VII. Matters with Significant Impact on Shareholders' Equity or Securities Prices

During the most recent fiscal year and up to the date of publication of this annual report, there were no matters as stipulated in Article 36, Paragraph 3, Subparagraph 2 of the Securities and Exchange Act that had a significant impact on shareholders' equity or the price of the Company's securities.

NIDEC CHAUN-CHOUNG TECHNOLOGY
CORPORATION

Chairman: Miyoshi Akihiro