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# UNIVERSAL MICROELECTRONICS CO., LTD.

## 2024 ANNUAL REPORT



Printed on: May 8, 2025

**1. Name, title, contact numbers and email addresses of the spokesperson and acting spokesperson of the Company**

Spokesperson:

Name: MA, JONG-JYR

Title: Senior manager, Management Department

Telephone: (04) 23590096#1200

E-mail address: kevin\_mar@umec.com.tw

Acting spokesperson

Name: YEN, HWEI-FANG

Title: Deputy general manager, General Manager Office

Telephone: (04)23590096#1601

E-mail address: felicia@umec.com.tw

**2. Addresses and contact numbers of head office, branches and factories**

Head office: No. 3, 27th Rd., Taichung Industrial Park. Taichung, Taiwan

Telephone: (04)23590096

Taipei office: 10F-1. No. 10, Lane 609, Sec. 5, Chongsin Rd., Sanchong Dist., New Taipei City, Taiwan

Telephone: (02)29953718

Factory: No. 2 and 3, 27th Rd., Taichung Industrial Park. Taichung, Taiwan

Telephone: (04)23590096

Addresses and contact numbers of branches: Not applicable.

**3. Name, address, website and contact number of share transfer agent**

Name: Stock Transfer Agency Department of President Securities of Corporation

Address: B1F., No. 8, Dongxing Rd., Songshan Dist., Taipei City, Taiwan

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

Telephone: (02)27463797

**4. The CPA for the annual report for the most recent year**

Name: LO, WEN-CHEN 、 HUANG, CHING-YA

Accounting firm: EY Taiwan

Address: 26F., No. 186, Shizheng N. 7th Rd., Xitun Dist., Taichung City, Taiwan

Website: <http://www.ey.com/>

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**5. The name of the marketplace where the overseas securities are listed for trading and information on overseas securities: Not applicable.**

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

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## I. Letter to shareholders

Dear shareholders,

Thank you for attending this year's annual general meeting. The following is the report on the business performance in 2024 and the business plans for 2025.

### i. 2024 business report

#### (i) Implementation results of business plan

Due to the impact of inventory clearance by end customers, customer orders have slowed down, resulting in a 29.82% year-over-year decrease in the Group's consolidated revenue for 2024. The Group's utilization rate declined, leading to increased production costs and a resulting loss. In 2024, the Group recorded a consolidated net loss after tax of NT\$55,860 thousand, with a net loss attributable to owners of the parent amounting to NT\$55,488 thousand.

(ii) Budget execution status in 2024: The Company did not issue a financial forecast; therefore, it is not applicable.

#### (iii) Financial income and expense analysis

Unit: NT\$ thousand

Item \ Year	Parent only financial information in the last two years			
	2024	2023	Increase (Decrease) Amount	Increase (Decrease) %
Operating revenue	3,714,431	5,147,932	-1,433,501	-27.85%
Operating costs	3,310,898	4,641,034	-1,330,136	-28.66%
Gross profit from operations	403,496	506,862	-103,366	-20.39%
Net (loss) profit before tax	-85,436	121,493	-206,929	-170.32%
Current net (loss) profit	-55,488	106,486	-161,974	-152.11%

Unit: NT\$ thousand

Item \ Year	Consolidated financial information in the last two years			
	2024	2023	Increase (Decrease) Amount	Increase (Decrease) %
Operating revenue	3,231,025	4,603,781	-1,372,756	-29.82%
Operating costs	2,838,031	3,918,917	-1,080,886	-27.58%
Gross profit from operations	392,994	684,864	-291,870	-42.62%
Net (loss) profit before tax	-82,691	130,372	-213,063	-163.43%
Current net (loss) profit	-55,860	106,046	-161,906	-152.68%
Net (loss) profit attributable to owners of the parent	-55,488	106,486	-161,974	-152.11%

(iv) Profitability analysis

Parent only financial analysis item		2024	2023
Return on assets (%)		-0.61	2.76
Return on equity (%)		-2.80	5.25
Capital adequacy ratio %	Net operating income (loss)	-2.37	5.53
	Net income(loss) before tax	-6.71	9.54
Net (loss) profit margin (%)		-1.49	2.07
(Loss) earning per share (NT\$)		-0.44	0.84

Consolidated financial analysis item		2024	2023
Return on assets (%)		-0.58	2.58
Return on equity (%)		-2.81	5.23
Capital adequacy ratio %	Net operating income (loss)	-14.89	6.71
	Net income (loss) before tax	-6.49	10.23
Net (loss) profit margin (%)		-1.72	2.30
(Loss) earning per share (NT\$)		-0.44	0.84

(v) Research and development status

1. In 2024, the Company and its subsidiaries collectively invested NT\$205,900 thousand in research and development, accounting for 6.37% of the consolidated operating revenue.
2. Newly developed successful technologies and products in 2024 are as follows:

**(1) Technologies and R&D outcomes related to magnetic component product (TR)**

- ① Developed design platforms for automotive power transformers #EP13LH16 and #EP13LH10, both of which have passed the automotive standard AEC-Q200 qualification, meeting the high reliability requirements for automotive applications.
- ② Completed the development of push-pull power transformers using compact EP5 and EP7 design platforms, resulting in the successful launch of the 07-38D and 08-38D product series.
- ③ Completed the development of Gate-Drive-Transformer using the EP7 design platform, leading to the successful launch of the 09-38D product series.
- ④ Completed the development of the 02-19D series of push-pull/gate-drive transformers, featuring a low-profile SMD package design. These transformers are designed for use in push-pull DC/DC converters and isolation interfaces such as CAN, I2C, low-power LAN, RS485, RS422, and RS232.
- ⑤ Completed the development of the 19-21D series of Data and Signal Line Chokes, including CMCs and isolation inductors, utilizing a compact K5S package design. These products are intended for industrial Single Pair Ethernet (SPE) applications, including 10BASE-T1L (in compliance with the IEEE 802.3cg standard), and support Single Pair Ethernet Power (SPoE) and Power over Data Line (PoDL) technologies

- ⑥ Completed the development of TLVR (Trans-Inductor Voltage Regulator) and VRM (Voltage Regulator Module) inductors, specifically the 15-34D and 23-30D product series. These inductors are designed for applications in AI servers, industrial PCs, data networking and storage systems, and support new voltage regulator architectures such as TLVR.

## **(2) Technologies and R&D outcomes related to switching power supply (SPS)**

- ① Completed the development of a miniaturized 2\*1 inch, 30W high-voltage power module featuring an 18:1 wide input range. This high-reliability module is suitable for applications in railway transportation, industrial automation, telecommunications, defense and military systems, maritime equipment, and the Internet of Things (IoT).
- ② Completed the development of a 30W three-phase four-wire AC power module dedicated to Power Line Communication (PLC), designed to meet the high-speed transmission demands of wireless broadband and mobile communications.
- ③ Completed the development of a high-efficiency 250W adapter utilizing a PFC + LLC circuit architecture. This adapter is widely applicable in information and communications technology, industrial control, and Internet of Things (IoT) fields.
- ④ Completed the development of an 800W smart multi-unit charger compliant with UL1236 charging standards, featuring IP68 waterproof rating, remote control, and Bluetooth connectivity. This charger is designed to meet advanced requirements for maritime environments, vessels, and recreational vehicles.
- ⑤ Completed the development of a high-efficiency 1/8 brick 300W power module, designed for applications in 5G communication base stations, edge computing routers, and switches.
- ⑥ Completed the development of a 112W high-reliability DC power module and 5A & 10A high-reliability EMI filter modules for use in low Earth orbit satellite communication network equipment.
- ⑦ Integrated the original PoE and 12V CPRS series models to develop digitally controlled power supplies combined with modular design, aiming to provide customers with more comprehensive solution options.

## **(3) Technologies and R&D outcomes related to information and communication product (ICP)**

- ① Successfully developed a 60GHz low-power, low-cost radar, which was successfully adopted by a South Korean automaker. The first production vehicle featuring this radar was officially launched in September 2024. Over the next three years, this technology is planned to be introduced in more than twenty additional vehicle models.
- ② Successfully initiated a collaboration with the bicycle manufacturer Kick off to develop a next-generation 77GHz radar specifically for E-Bikes, which is scheduled to be launched in 2026.

#### **(4) Optical communication product-related technologies and product research and development results**

- ① Completion of product development for high-speed optical cables in data centers, including 100G, 40G QSFP, 25G, 10G SFP+. and the OEM production of 800G products.
- ② Completion of product development for high-speed connectivity solutions in the consumer market, including USB 3.1 Type-C, type-C ALT mode transceiver for image transmission, HDMI 2.1, DisplayPort (DP), KVM, and others. Customized product development was also carried out for applications in general households, drones, and educational systems.

#### **ii. 2025 business plan**

##### **(i) Business objectives**

The Company focuses on developing competitive products that meet the market demands by emphasizing technological prowess, quality, service, and marketing capabilities in order to develop competitive products that meet the market demands by focusing on technological prowess, quality, service, and marketing capabilities. The Company's fundamental objectives are to create and distribute profits to shareholders, while also sharing profits with employees to enhance their job performance and loyalty. Which leads to improved customer satisfaction, driving sustainable profit growth and forming a positive profit cycle.

##### **(ii) Sales forecast**

Unit: 1,000 pcs	
Main product	Sales volume forecast
Magnetic components	37,073
Power supply unit	16,876
Information and communication technology product	12,268
Optical communication products	21

The Company continuously develops new products based on industry trends and market demand, while maintaining high-quality standards to enhance customer satisfaction.

(iii) Important production and sales policies:

1. Develop energy integration to enhance the added value of the Company's product line:

Each product line will undergo R&D upgrade tasks. In addition to the existing product range, each product line will allocate a certain proportion of R&D manpower to develop higher-level specifications. By collaborating with cross-product line development units, we aim to provide customers with quasi-system product services. This efficient approach effectively enhances the added value of our products.

2. Supply chain optimization:

In response to rapidly changing international political and economic conditions, the Company has undertaken supply chain optimization initiatives aimed at enhancing supply chain resilience and cost competitiveness.

- Expanding the scope of alternative materials and introducing competitive suppliers have been designated as key strategic objectives of the Company.
- Geographical diversification of alternative materials, the alternative materials should be sourced from production regions different from the primary materials.

3. Deepening the cultivation of core customers:

Forming project teams to serve core customers with the objective of accelerating the volume production schedule for core customer projects to expand sales revenue and profitability.

iii. The Company's future development strategy, and the effect of external competition, the legal environment, and the overall business environment

Utilizing the Company's expertise in passive components, power supplies, automotive electronics, and marine electronics integration design, the Company is strategically planning the development of products that align with market trends such as electrification of vehicles, artificial intelligence computing, and next-generation communication architectures. The Company's objective is to maximize efficiency and further expand revenue and profitability.

In response to global politics, rapid changes in economics, and fluctuations in the availability of human resources in production bases, the Company must strengthen innovation, research and development, and automate the entire product process. It is to ensure the Company's ability to adapt to changing circumstances and enhance capabilities in material procurement and inventory management. By this means, the Company aims to improve price competitiveness and profitability.

The Company is committed to manufacturing world-class products and actively expanding into global markets while practicing sustainable business practices for the benefit of society. In addition to complying with the International Financial Reporting Standards (IFRS) and fulfilling corporate social responsibilities, the Company continuously monitors and assesses the impact of important domestic and international policies and laws on the Company. The Company takes appropriate measures to adapt accordingly. Our ultimate goal is to create maximum well-being for all employees, shareholders, society, and stakeholders.

Wishing all shareholders good health and good luck

Chairman: OU, JEN-CHIEH

## II. Corporate Governance Report

### i. Information on the directors, general managers, deputy general managers, senior managers of departments or division:

#### (i) Information of the directors

##### I. Information on directors (including independent directors)

21 April 2025

Title	Nationality	Name	Gender Age	Date of office	Tenure	Date of the first term of office	Quantity of shares held at the time of elected to office		Quantity of shares currently held		Shares held by spouse and underage children		Shares held in the name of a third party		Major work (education) experience	Concurrent positions with the Company and other companies	Other officer or director who is the spouse or kindred within the 2nd tier			Remark
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation ship	
Chairman	R.,O.C.	Zhao Zan Investme nt Co., Ltd,	-	20 June 2022	3 years	20 June 2022	687,000	0.54	844,000	0.66	-	-	-	-	-	-	-	-	-	None
	R.,O.C.	Represent ative: OU, JEN- CHIEH (Took office on 15 January 2025)	M 41-50 years old				-	-	-	-	-	-	-	-	Ph.d., Department of ElectricalEngine ering, Case WesternReserve University.  Deputy General Manager, Universal Microelectronics Co.,LTD.	Universal Microelectronics Co., LTD. : General manager, deputy general manager of business department Other company : Chairman, Zhao Zan Investment Co., Ltd. Chairman, OUMEIYA INVESTMENT CO., LTD. Chairman, Tian Long Investment Co., Ltd. Representative, Cayman Islands Lightel Corporation Representative, UMEC Investment (B.V. I) Co., Ltd. Representative, Global Development Co., Ltd. Representative, UMEC(H.K.) Company Ltd. Director, UMEC USA Inc. Director, Advanced Radar Technology Co., Ltd. (ARadTek), Director, AMIT system service Ltd., Director, Photonicore Technologies Co., Ltd., Director, Yuan Rong Investment Co., Ltd., Director, Wanan Investment Co., Ltd., Director, Taiwan Full Long Industrial Co., Ltd., Director, Millilab Co., Ltd. Director, ASIA PACIFIC MICROSYSTEMS, INC. Director, Phoenix 3 Venture Capital Co., Ltd., etc.	Director	OU, CHENG- MING	Father and son	Note 1
																	Director	OU, TZU- HUEI	Father and daughter	

Title	Nationality	Name	Gender Age	Date of office	Tenure	Date of the first term of office	Quantity of shares held at the time of elected to office		Quantity of shares currently held		Shares held by spouse and underage children		Shares held in the name of a third party		Major work (education) experience	Concurrent positions with the Company and other companies	Other officer or director who is the spouse or kindred within the 2nd tier			Remark
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Director	R.O.C.	OU, CHENG-MING (Dismiss on 20 February 2025)	M 81-90 years old	20 June 2022	3 years	26 January 1984	34,870,964	27.38	34,870,964	27.38	5,002,778	3.93	-	-	Department of Electronic Engineering, National Cheng Kung University  Chairman, Universal Microelectronics Co., LTD.  Deputy General Manager, Universal Scientific Industrial Co., Ltd.	Universal Microelectronics Co., Ltd.: None. Other company : Independent director, Bao Qian Co., Ltd., Independent director, Futron Corporation, Independent director, Lelon Electronics Corp, Independent director, Sweeten Real Estate Development, etc.	Director	OU, JEN-CHIEH	Father and son	Note 2
Director	R.O.C.	HSU, KUANCHUN	M 71-80 years old	20 June 2022	3 years	8 July 1984	1,748,177	1.37	1,748,177	1.37	137,828	0.11	-	-	EMBA, National Cheng Kung University Chairman, Nine Fine Co., Ltd.	Universal Microelectronics Co., Ltd.: None. Other company : Chairman, Nine Fine Co., Ltd., Kai Yang Investment Co., Ltd., etc. Director, Tian Long Investment Co., Ltd., A-ZPRO CORPORATION), Cutes Corporation, etc.	-	-	-	
Director	R.O.C.	Yuan Rong Investment Co., Ltd.	-	20 June 2022	3 years	20 June 2022	659,000	0.52	803,000	0.63	-	-	-	-	-	-	-	-	-	None
Director	R.O.C.	Representative: OU, TZU-HUEI	F 41-50 years old	20 June 2022	3 years	20 June 2022	-	-	-	-	-	-	-	-	Master, Electrical Engineering, Arizona State University  Ph.d., Institute of Communications Engineering, National Yang Ming Chiao Tung University Engineer.  International Intellectual Property Promotion Department, Industrial Technology Research Institute.  General Manager, Planning and Promotion Operations Center, Institute of Biomedical Sciences Industrial Technology Research Institute.	Universal Microelectronics Co., Ltd.: None. Other company : Chairman, Advanced Radar Technology Co., Ltd. (ARadTek) Chairman, Yuan Rong Investment Co., Ltd. Director, OUMEIYA INVESTMENT CO., LTD. Director, Zhao Zan Investment Co., Ltd., etc. Supervisor, Tian Long Investment Co., Ltd., Supervisor, Wanan Investment Co., Ltd. Supervisor, Taiwan Full Long Industrial Co., Ltd.	Director  Chairman	OU, CHENG-MING  OU, JEN-CHIEH	Father and daughter  Sister and brother	None

Title	Nationality	Name	Gender Age	Date of office	Tenure	Date of the first term of office	Quantity of shares held at the time of elected to office		Quantity of shares currently held		Shares held by spouse and underage children		Shares held in the name of a third party		Major work (education) experience	Concurrent positions with the Company and other companies	Other officer or director who is the spouse or kindred within the 2nd tier			Remark
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation ship	
Director	R.,O.C.	LIEN, TSUNG- FU	M 71-80 years old	20 June 2022	3 years	15 August 1992	798,146	0.63	798,146	0.63	-	-	-	-	Department of Telecommunicat ion, National Yang Ming Chiao Tung University Universal Scientific Industrial Co., Ltd.  Deputy general manager, Quality assurance department, Universal Microelectronics Co., Ltd.	Universal Microelectronics Co., Ltd.: None. Other company : None.	-	-	-	None
Director	R.,O.C.	TSAI, KUO- CHI	M 61-70 years old	20 June 2022	3 years	16 October 1995	700,929	0.55	700,929	0.55	109,780	0.09	-	-	Department of Industrial and Engineering, Chung Yuan Christian University  Senior specialist Ability Enterprise Co., Ltd. deputy general manager of material department, Universal Microelectronics Co., Ltd.	Universal Microelectronics Co., Ltd.: None. Other company : None.	-	-	-	Note 3
Director	R.,O.C.	YANG, SHANG- JU	M 41-50 years old	20 June 2022	3 years	20 June 2022	-	-	-	-	-	-	-	-	Department of Mechanical Engineering, Hsiupng University、 EMBA at National Chung Hsing University Manager Director, Awea Mechantronic CO., LTD.	Universal Microelectronics Co., Ltd.: None. Other company : General manager and Director, Awea Mechantronic CO., LTD Director, FITTECH CO., LTD. Director, Zong Han Investment Ltd., etc. Corporate director, Awea Mechantronic (Suzhou) Ltd. Corporate director, YIH CHUAN MACHINERY INDUSTRY CO., LTD.	-	-	-	None

Title	Nationality	Name	Gender Age	Date of office	Tenure	Date of the first term of office	Quantity of shares held at the time of elected to office		Quantity of shares currently held		Shares held by spouse and underage children		Shares held in the name of a third party		Major work (education) experience	Concurrent positions with the Company and other companies	Other officer or director who is the spouse or kindred within the 2nd tier			Remark
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation ship	
Independent director	R.,O.C.	TSOU, YEN- CHUNG	M 61-70 years old	20 June 2022	3 years	21 June 2016	-	-	-	-	-	-	-	-	Department of Accountancy, National Cheng Kung University Person in charge, Sun Young CPAs Firm CPA, EY Taiwan	Universal Microelectronics Co., Ltd.: None. Other company : Person in charge, Sun Young CPAs Firm Independent director, Liton Technology Corp., Sunko Ink Co., Ltd., etc.	-	-	-	None
Independent director	R.,O.C.	WU, TEH- CHUAN	M 81-90 years old	20 June 2022	3 years	21 June 2016	-	-	-	-	-	-	-	-	Department of Electrical Engineering National Cheng Kung University  Chairman, Lelon Electronics Corp,	Universal Microelectronics Co., Ltd.: None. Other company : Chairman, Lelon Electronics Corp, Chairman, EVERTECH CAPA CO., LTD., Chairman, Li-Yang Estate Development Co., Ltd., Chairman, ALL FULL ENTERPRISE CO., LTD. Director, Lelon Electronics Corp, Director, Bao Qian Co., Ltd. Director, Lelon Electronics Corp.(Huizhou), etc.	-	-	-	None
Independent director	R.,O.C.	WU, HUEL- HUANG	M 71-80 years old	20 June 2022	3 years	21 June 2016	-	-	-	-	-	-	-	-	National Yang Ming Chiao Tung University Department of Electronic Engineering  Director/General manager, Univers al Scientific Industrial Co., Ltd., Independent director/Kinsus Interconnect Technology Corp.	Universal Microelectronics Co., Ltd.: None. Other company : Independent director, Merry Electronics Co., Ltd.	-	-	-	None

Title	Nationality	Name	Gender Age	Date of office	Tenure	Date of the first term of office	Quantity of shares held at the time of elected to office		Quantity of shares currently held		Shares held by spouse and underage children		Shares held in the name of a third party		Major work (education) experience	Concurrent positions with the Company and other companies	Other officer or director who is the spouse or kindred within the 2nd tier			Remark
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Independent director	R.O.C.	KO, HSIN-SUI	M 71-80 years old	20 June 2022	3 years	20 June 2022	-	-	-	-	-	-	-	-	Department of Business Administration, National Chung Hsing University Master, College of Management, National Chung Hsing University Chairman, Sweeten Real Estate Development Co., Ltd.	Universal Microelectronics Co., Ltd.: None. Othe company : Chairman, Sweeten Real Estate Development Co., Ltd., JINGLE CONSTRUCTION CO., LTD., Shun Ding Construction Co., Ltd., Sweeten Huan Enterprise Co., Ltd., Tai Da Xing Co., Ltd., Tian Qi Investment Co., Ltd. Corporate Sweeten Culture and Education Foundation, etc.; Director, Lelon Electronics Corp., China Electric Mfg. Corp., Tien Hsing Investment Co., Ltd., Tien Sheng Investment Co., Ltd., etc.	-	-	-	None

Note 1 : On 15 January 2025, the Board of Directors resolved to appoint OU, JEN-CHIEH, formerly serving as Director of UNIVERSAL MICROELECTRONICS CO., LTD., as Chairman.

Note 2 : OU CHENG-MING, former Chairman of UNIVERSAL MICROELECTRONICS CO., LTD., retired on 14 January 2025, and was subsequently removed from his position as Director due to his passing on 20 February 2025.

Note 3 : Director TSAI, KUO-CHI, former deputy general manager of material department, at Universal Microelectronics Co., Ltd., retired on 28 March 2024.

Note 4 : Where the chairman and general manager or equivalent position (highest level executive officer) is the same person, the spouse, or a first-degree relative, the reason, reasonableness, necessity, and response measures (such as increasing the number of independent director seats and more than half of all directors not concurrently serving as employees or executive officers) must be disclosed:

The chairman of the Company also serves as the general manager, in order to improve operational efficiency and decision-making capability. However, to strengthen the independence of the board of directors, the Company has actively trained suitable candidates. The chairman and the directors have fully communicated the Company's operating policy, and the Company's Articles of Incorporation have been revised to increase the number of independent directors. The specific measures are as follows:

1. The Company has a total of eleven directors, including four independent directors, each specializing in the fields of finance, accounting, and electronic components. With their expertise, they will be able to effectively fulfill their supervisory roles.
2. All directors are arranged to actively participate in professional courses for directors of external organizations to improve the operational efficiency of the board of directors.
3. All functional committees thoroughly deliberate on all proposals and provide recommendations to the Board of Directors to support the implementation of sound corporate governance.
4. More than half of the board members are also not serving as employees or managers.

## II. Major shareholders of institutional shareholders

21 April 2025

Name of Institutional Shareholders	Major Shareholders
Zhao Zan Investment Co., Ltd.	Shareholding of OU, JEN-CHIEH : 34.4% Shareholding of LIN, HSUEH-HWA : 32.6% Shareholding of OU, TZU-HUEI : 32.6% Shareholding of OU, CHENG-MING : 0.4%
Yuan Rong Investment Co., Ltd.	Shareholding of OU, TZU-HUEI : 34.4% Shareholding of LIN, HSUEH-HWA : 32.6% Shareholding of OU, JEN-CHIEH : 32.6% Shareholding of OU, CHENG-MING : 0.4%

## III. Disclosure of the information on the professional designation and independence of the directors:

Condition Name	Professional designation and work experience	Status of independence	Number of public companies where the independent director also holds positions as Independent Director
Representative of Zhao Zan Investment Co., Ltd.: OU, JEN-CHIEH (Note 1)	Currently serves as the deputy general manager; chairman of Zhao Zan Investment Co., Ltd.; director of Advanced Radar Technology Co., Ltd.(ARadTek). He possessed more than five years of work experience in business, finance and corporate business, and deeply cultivated in the related fields of electronic components. Also, he possesses professional leadership, marketing, operation management and strategic planning capabilities.	None of the circumstances listed in Article 30 of the Company Act.	0
OU, CHENG-MING Director (Note 2)	Currently serves as the director and general manager of the Company; independent director of Lelon Electronics Corp., and Sweeten Real Estate Development Co., Ltd. He possesses more than five years of work experience in business, finance and corporate business and committed to the field of electronic components for more than 40 years. Also, he possesses professional leadership, marketing, operations management and strategic planning capabilities.	None of the circumstances listed in Article 30 of the Company Act.	2
HSU, KUAN-CHUN Director	Currently serves as the chairman of Nine Fine Co., Ltd.; director of Tian Long Investment Co., Ltd., Cutes Corporation, etc. He possesses more than five years of work experience in business, finance and corporate business and committed to electronics-related fields for more than 40 years. Also, he possesses professional leadership, marketing, operations management and strategic planning capabilities.	None of the circumstances listed in Article 30 of the Company Act.	0
Representative of Yuan Rong Investment Co., Ltd.: OU, TZU-HUEI	Currently serves as the chairman of Advanced Radar Technology Co., Ltd. (ARadTek) and Yuan Rong Investment Co., Ltd.: She possesses more than five years of work experience in business, finance and corporate business and has been deeply cultivating in the related fields of electronic components. Also, she possesses professional leadership, marketing, operation management and strategic planning capabilities.	None of the circumstances listed in Article 30 of the Company Act.	0

Condition Name	Professional designation and work experience	Status of independence	Number of public companies where the independent director also holds positions as Independent Director
LIEN, TSUNG-FU Director	Formerly served as the deputy general manager of the Company and the quality assurance department of Universal Scientific Industrial Co., Ltd. He possesses more than five years of work experience in business, finance and corporate business. Also, he possesses professional leadership, marketing, operations management and strategic planning capabilities.	None of the circumstances listed in Article 30 of the Company Act.	0
TSAI, KUO-CHI Director (Note 3)	Formerly served as the material department deputy general manager of the Company. He possesses more than five years of work experience in business, finance and corporate business and has been deeply cultivating in the related fields of electronic components. Also, he possesses professional leadership, marketing, operation management and strategic planning capabilities.	None of the circumstances listed in Article 30 of the Company Act.	0
YANG, SHANG-JU Director	Currently serves as the general manager of Awea Mechantronic CO., LTD.; Director of Zong Han Investment Ltd. and FITTECH CO., LTD. He possesses more than five years of work experience in business, finance and corporate business. Also, he possesses professional leadership, marketing, operations management and strategic planning capabilities.	None of the circumstances listed in Article 30 of the Company Act.	0
WU, TEH-CHUAN Independent director	Formerly serves as the chairman of Lelon Electronics Corp., Liton Technology Corp., etc. He possesses more than five years of work experience in business, finance and corporate business and has been deeply cultivating in the related fields of electronic components, with professional leadership, marketing, operation management and strategic planning capabilities.	Prior to the appointment and throughout the tenure, all independence assessment criteria have been met. (Note 4)	0
WU, HUEI-HUANG Independent director	Currently serves as the independent director of Merry Electronics Co., Ltd., etc., He possesses more than five years of work experience in business, finance and corporate business and has been deeply cultivating in the related fields of electronic components. Also, he possesses professional leadership, marketing, operation management and strategic planning capabilities.		1
TSOU, YEN-CHUNG Independent director	Currently serves as the person in charge of Sun Young CPAs Firm; independent director of Liton Technology Corp., Sunko Ink Co., Ltd., etc. He possesses more than five years of work experience in business, legal affairs, finance, accounting and corporate business. And is a professional and technical personnel who has passed the national examinations and obtained certificates for judges, prosecutors, lawyers, accountants, or others required for the company's business.		2

Name \ Condition	Professional designation and work experience	Status of independence	Number of public companies where the independent director also holds positions as Independent Director
KO, HSIN-SUI Independent director	Currently serves as the chairman of Sweeten Real Estate Development Co., Ltd., JINGLE CONSTRUCTION CO., LTD., Shun Ding Construction Co., Ltd., etc.; director of Lelon Electronics Corp., China Electric Mfg. Corp., etc. He possesses more than five years of work experience in business, legal affairs, finance, accounting and corporate business. Also, he possesses professional leadership, marketing, operations management and strategic planning capabilities.		0

Note 1 : On 15 January 2025, the Board of Directors resolved to appoint OU, JEN-CHIEH, formerly serving as Director of UNIVERSAL MICROELECTRONICS CO., LTD., as Chairman.

Note 2 : OU, CHENG-MING, former Chairman of UNIVERSAL MICROELECTRONICS CO., LTD., retired on 14 January 2025, and was subsequently removed from his position as Director due to his passing on 20 February 2025.

Note 3 : Director TSAI, KUO-CHI, former deputy general manager of material department, at Universal Microelectronics Co., Ltd., retired on 28 March 2024.

Note 4 :

- (1) Not an employee of the Company or any of its affiliates.
- (2) Not a director or supervisor of the Company or any of its affiliates
- (3) Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of one percent or more of the total number of issued shares of the company or ranking in the top 10 in holdings.
- (4) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of a managerial officer under (1) or any of the persons in (2) and (3).
- (5) Not a director, supervisor, or employee of a corporate shareholder that directly holds five percent or more of the total number of issued shares of the Company, or that ranks among the top five in shareholdings, or that designates its representative to serve as a director or supervisor of the Company under Article 27, Paragraph 1 or 2 of the Company Act.
- (6) Not a director, supervisor, or employee of another company in which a majority of the company's director seats or voting shares and those of any other companies are controlled by the same person.
- (7) Not a director (or governor), supervisor, or employee of another company or institution in which the chairperson, general manager, or person holding an equivalent position in the company and a person in any of those positions at another company or institution are the same person or are spouses.
- (8) Not a director, supervisor, officer, or shareholder holding five percent or more of the shares, of a specified company or institution that has a financial or business relationship with the Company.
- (9) Not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the company or any affiliate of the company, or that provides commercial, legal, financial, accounting or related services to the company or any affiliate of the company for which the provider in the past 2 years has received cumulative compensation exceeding NT\$500,000, or a spouse thereof; provided, this restriction does not apply to a member of the remuneration committee, public tender offer review committee, or special committee for merger/consolidation and acquisition, who exercises powers pursuant to the Act or to the Business Mergers and Acquisitions Act or related laws or regulations.
- (10) No spousal or close family relationship within the second degree exists with other directors.
- (11) None of the circumstances listed in Article 30 of the Company Act.
- (12) No election has been made under Article 27 of the Company Act for government, corporation, or representative.

#### IV. Diversity and independence of the board :

##### (1) Diversity of the board

To strengthen corporate governance and enhance the functioning of the Board of Directors, the Company has assembled a Board composed of members with diverse genders, ages, expertise, and backgrounds, thereby fostering a diversified and professional board structure.

The 13th Board of Directors comprises eleven members, including seven directors and four independent directors, one of whom is female. The members possess core competencies in areas such as industry expertise, business operations, management, risk management, finance and accounting, and legal affairs. With their varied professional backgrounds, each director effectively fulfills their responsibilities, which include establishing sound board governance practices, overseeing management, and enhancing operational effectiveness, all in pursuit of maximizing the interests of stakeholders.

Name	Title	Gender	Age				Tenure of independent director		If one also serves as an employee	Diversity Core Item (The most important five capabilities)								
			41-50	61-70	71-80	81-90	Less than 3 years	7-9 years		Finance	Electronic	Manufacture	Business	Accounting	Law	Information Technology	Marketing Management	Risk Management
OU, JEN-CHIEH (Note 1)	Chairman, Corporate director representative	M	√				N/A		√		√	√	√				√	√
OU, CHENG-MING (Note 2)	Director	M				√	N/A		√		√	√	√				√	√
HSU, KUANCHUN	Director	M			√		N/A				√	√	√				√	√
OU, TZU-HUEI	Corporate director representative	F	√				N/A				√	√	√			√		√
LIEN, TSUNGFU	Director	M		√			N/A				√	√	√			√		√
TSAI KUO CHI (Note 3)	Director	M		√			N/A				√	√	√				√	√
YANG, SHANGJU	Director	M	√				N/A					√	√			√	√	√
WU, TEH-CHUAN	Independent director	M				√		√			√	√	√		√		√	√
WU, HUEL-	Independent director	M			√			√			√	√	√		√			√

Name	Title	Gender	Age				Tenure of independent director		If one also serves as an employee	Diversity Core Item (The most important five capabilities)								
			41-50	61-70	71-80	81-90	Less than 3 years	7-9 years		Finance	Electronic	Manufacture	Business	Accounting	Law	Information Technology	Marketing Management	Risk Management
HUANG																		
TSOU, YEN-CHUNG	Independent director	M		√				√		√			√	√	√			√
KO, HSIN-SUI	Independent director	M			√		√			√		√	√			√	√	√

Note 1 : On 15 January 2025, the Board of Directors resolved to appoint OU, JEN-CHIEH, formerly serving as Director of UNIVERSAL MICROELECTRONICS CO., LTD., as Chairman.

Note 2 : OU CHENG-MING, former Chairman of UNIVERSAL MICROELECTRONICS CO., LTD., retired on 14 January 2025, and subsequently removed from his position as Director due to his passing on 20 February 2025.

Note 3 : Director TSAI, KUO-CHI, former deputy general manager of material department, at Universal Microelectronics Co., Ltd., retired on 28 March 2024.

According to Article 20 of our company's "Corporate Governance Best Practice Principles," the composition of the board of directors should consider diversity and establish appropriate diversity policies based on its operations, business model, and development needs. This includes, but is not limited to, the following two major aspects:

1. Basic Conditions and Values: Gender, age, nationality, and culture, etc.
2. Professional Knowledge and Skills: Professional background (such as law, accounting, industry, finance, marketing, or technology), professional skills, and industry experience, etc.

## (2) Independence of the board

The Company currently has a total of 11 seats (including one vacant seat) on the board of directors, of which four are independent directors. The proportion of directors with employee status is 2:9, and the independent directors account for 4:7. The Company also pays attention to gender equality in the composition of the board of directors, with female directors accounting for 1:10. For the length of tenure of independent directors, the three independent directors have 6 years of experience and one independent director with a tenure of less than three years. Moreover, their qualifications are in compliance with the independent director regulations stipulated by laws and regulations, and they are familiar with the Company's financial and operating conditions.

(3) Specific management goals and achievement status of the board diversity policy:

Diversity Standards	Management goals	Achievement status/ Improvement measures
Composition of Seats	Does the number of independent directors constitute at least one-third of the total board seats	Achieved
Gender	<ul style="list-style-type: none"> <li>● At least one director of the Board shall be of a different gender.</li> </ul>	Achieved
	<ul style="list-style-type: none"> <li>● Directors of any single gender shall not constitute less than one-third of the total number of board seats.</li> </ul>	Not achieved
Term	<ul style="list-style-type: none"> <li>● The consecutive term of an independent director shall not exceed three terms; however, upon review and approval by the Board, the term may be extended to a fourth term.</li> <li>● The majority of independent directors shall not serve more than three consecutive terms.</li> </ul>	Achieved
Concurrent Positions	<ul style="list-style-type: none"> <li>● The number of directors concurrently serving as managerial officers of the Company shall not exceed one-third of the total number of board seats.</li> <li>● Independent directors shall not concurrently serve as independent directors in more than three other companies.</li> </ul>	Achieved
Professional Competence	Board members shall collectively possess expertise in fields such as finance, electronic technology, production management, business operations, accounting, law, information technology, marketing management, and risk management.	Achieved
Degree of Engagement	The attendance rate of each director at board meetings shall not be lower than 80%.	Achieved

In the event that the number of directors of either gender does not reach one-third of the total board seats in a listed company, the reasons shall be explained along with the planned measures to improve gender diversity on the Board. For the current term, the gender ratio of directors is 1 to 10. It is planned that, during the next board election in 2025, gender diversity will be prioritized as a key evaluation criterion in the nomination process for director candidates.

(ii) Information on the Company general manager, deputy general manager, senior manager of departments or division

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Title	Nationality	Name	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		Shares held in the name of a third party		Major work experience (education)	Other Position	Manager who is spouse or kindred within the 2nd tier.			Remark
					Quantity of shares	Proportion of shareholding	Quantity of shares	Proportion of shareholding	Quantity of shares	Proportion of shareholding			Title	Name	Relation	
Chairman and general manager	R.O.C.	OU, JEN-CHIEH	M	1 January 2011	1,391,582	1.09	-	-	844,000	0.66	Ph.D. Electrical Engineering, Case Western Reserve University  FARADAY TECHNOLOGY CORPORATION	Chairman, Zhao Zan Investment Co., Ltd., OUMEIYA INVESTMENT CO., LTD., Tian Long Investment Co., Ltd. Representative of Cayman Islands Lightel Corporation, UMEC Investment(B.V.I) Co., Ltd., Global Development Co., Ltd, UMEC(H.K.) Company Ltd. UMEC USA Inc , Advanced Radar Technology Co., Ltd. (ARadTek), AMIT System Service Ltd., Photonicore Technologies Co., Ltd., Yuan Rong Investment Co., Ltd., Wanan Investment Co., Ltd., Taiwan Full Long Industrial Co., Ltd., Millilab Co., Ltd., ASIA PACIFIC MICROSYSTEMS, INC., Phoenix 3 Venture Capital Co., Ltd.	Chairman	OU, CHENG-MING	Father and son	Note 1
Quality assurance department, deputy general manager	R.O.C.	CHANG, WEN-WING	M	1 February 2013	196,705	0.15	69,070	0.05	-	-	Industrial Engineering, Tunghai University  Senior specialist, KENSTONE METAL CO., LTD.	None	-	-	-	None
Overseas business department, deputy general manager	R.O.C.	OU, CHING-CHUAN	M	1 July 2006	167,105	0.13	8,168	0.01	-	-	Automotive repair department, Taichung Municipal Dongshih Industrial High School  JA-LONG TECHNOLOGY CO., LTD.	General Manager. JA-LONG TECHNOLOGY CO., LTD. (Shenzhen)	-	-	-	None
General manager Office, deputy general manager,	R.O.C.	YEN, HWEL-FANG	F	28 August 2006	65,944	0.05	44,056	0.03	-	-	Master's degree, University of Wisconsin System  Universal Scientific Industrial Co., Ltd.	None	-	-	-	None

Title	Nationality	Name	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		Shares held in the name of a third party		Major work experience (education)	Other Position	Manager who is spouse or kindred within the 2nd tier.			Remark
					Quantity of shares	Proportion of shareholding	Quantity of shares	Proportion of shareholding	Quantity of shares	Proportion of shareholding			Title	Name	Relation	
Information and communication product, deputy general manager	R.O.C.	CHAN, CHIA-NAN	M	14 February 2011	10,000	0.01	-	-	-	-	Institute of Electrical Engineering, National Cheng Kung University Assistant manager, Pegatron Corporation and Unihan Corporation,; Senior manager, UniMax Electronics Inc.,	Director, Advanced Radar Technology Co., Ltd. (ARadTek)	-	-	-	None
Power product department, deputy general manager	R.O.C.	TSAI, CHIN-TE	M	1 July 2011	100,159	0.08	-	-	-	-	Electrical Engineering, Feng-Chia University UNIVERSAL MICROELECTRONICS CO., LTD.	None	-	-	-	None
Manufacturing center, deputy general manager,	R.O.C.	WANG, NAN-KUEI	M	2 January 2013	10,000	0.01	-	-	-	-	Industrial Engineering, Zhongyuan University Ampere computer corp.	None	-	-	-	None
Material section, deputy general manager	R.O.C.	HSIEH, CHEN-MING	M	1 April 2024	15,000	0.01	-	-	-	-	Industrial Engineering, Tunhai University ADI CORPORATION, UNIVERSAL Material section, senior manager of MICROELECTRONICS CO., LTD.	None	-	-	-	None
General manager's office, senior manager,	R.O.C.	LIU, JAW-JUEH	M	13 August 2012	-	-	-	-	-	-	Institute of Communications Engineering, National Yang Ming Chiao Tung University Jjing Wang Industrial Co., Ltd., Multicom System Integrated Ltd.,	None	-	-	-	None
General manager's office, senior manager,	R.O.C.	LIN, WAN-CHI	M	15 January 2015	10,000	0.01	-	-	-	-	National Chin-Yi University of Technology (NCUT), Department of Industrial Electronic Engineering Manager of LITEON Technology	None	-	-	-	None

Title	Nationality	Name	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		Shares held in the name of a third party		Major work experience (education)	Other Position	Manager who is spouse or kindred within the 2nd tier.			Remark
					Quantity of shares	Proportion of shareholding	Quantity of shares	Proportion of shareholding	Quantity of shares	Proportion of shareholding			Title	Name	Relation	
General manager's office, senior manager,	R.O.C.	LI,CHUN-LIN	M	1 April 2024	10,092	0.01	-	-	-	-	Taiwan Industrial Technology College, Department of Electronic Engineering and Technology SNS Manager of LITEON Technology	None	-	-	-	None
Senior manager and spokesman	R.O.C.	MA, JONG-JYR	M	11 June 2007	11,000	0.01	-	-	-	-	Institute of Information Management, University of West Florida  Section chief, LITE-ON Technology Corporation	None	-	-	-	None
Business section, senior manager,	R.O.C.	WU, CHUN-HSIEN	M	28 August 2006	5,000	-	-	-	-	-	Industrial management, National Cheng Kung University  General manager, Eastern Broadband Telecommunications Co., Ltd.	Corporate director of the Company's subsidiary, Advanced Radar Technology Co., Ltd. (ARadTek) Representative of the Company's subsidiary, Tian Long Investment Co., Ltd.	-	-	-	None
Magnetic development department 1, senior manager	R.O.C.	ZENG,JI-HONG	M	1 April 2014	10,580	0.01	-	-	-	-	National Chin-Yi University of Technology (NCUT),Department of Industrial Electronic Engineering	None	-	-	-	None
Overseas business section, senior manager	R.O.C.	LIAO, CHIEN-HSUN	M	2 January 2013	10,000	0.01	-	-	-	-	Electrical Engineering, National Cheng Kung University  Assistant manager, Universal Scientific Industrial Co., Ltd., Jiang Chiang Co.,Ltd.; General manager, Jiang Hou Electronics., Co.Ltd.	Deputy general manager of Assurance section of the Company's subsidiary, JA-LONG TECHNOLOGY (Shenzhen) CO., LTD.	-	-	-	None
Finance department and accounting department, Senior manager and Corporate Governance Supervisor	R.O.C.	HSUEH, CHING-YI	F	1 April 2015 16 March 2023	30,000	0.20	-	-	-	-	Accountancy, National Cheng Kung University  Deputy general manager, Pou Chen Corporation	Supervisor of the Company's subsidiary, Advanced Radar Technology Co., Ltd. None (ARadTek)	-	-	-	None
IT department, senior manager	R.O.C.	CHANG, FANG-MING	M	1 April 2024	5,000	-	-	-	-	-	Department of Industrial Engineering, Tsinghua University  Assistant manager of IT department, WINTEK Corporation;	None	-	-	-	None

Title	Nationality	Name	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		Shares held in the name of a third party		Major work experience (education)	Other Position	Manager who is spouse or kindred within the 2nd tier.			Remark
					Quantity of shares	Proportion of shareholding	Quantity of shares	Proportion of shareholding	Quantity of shares	Proportion of shareholding			Title	Name	Relation	
Audit office, Manager	R.O.C.	LIAO,ZHI-WEI (Newly-appointed on 12 February 2025)	M	12 February 2025	5,000	-	-	-	-	-	Department of Materials Science and Engineering, NYCU Power Products Manager of UNIVERSAL MICROELECTRONICS CO., LTD.	None	-	-	-	None

Note1 : On 15 January 2025, the Board of Directors resolved to appoint OU, JEN-CHIEH, formerly serving as Director of UNIVERSAL MICROELECTRONICS CO., LTD., as Chairman.

Where the chairman and general manager or equivalent position (highest level executive officer) is the same person, the spouse, or a first-degree relative, the reason, reasonableness, necessity, and response measures (such as increasing the number of independent director seats and more than half of all directors not concurrently serving as employees or executive officers) must be disclosed :

The chairman of the Company also serves as the general manager, to improve operational efficiency and decision-making execution. However, in order to strengthen the independence of the board of directors, the Company has actively trained suitable candidates. Furthermore, the chairman of the board and the directors have been in close contact with each other and have fully communicated the Company's operating policies, etc., and the Company's Articles of Incorporation have been revised to increase the number of independent directors. The specific measures are as follows:

1. The Company's Board of Directors consists of eleven seats, including 4 seats of independent directors, each specializing in the fields of finance, accounting, and electronic components. With their expertise, they will be much able to effectively fulfill their supervisory roles.
2. All directors are arranged to actively participate in professional courses for directors of external organizations to improve the operational efficiency of the board of directors.
3. All functional committees thoroughly deliberate on all proposals and provide recommendations to the Board of Directors to support the implementation of sound corporate governance.
4. More than half of the board members are not also serving as employees or managers.

ii. Remuneration to the directors, supervisor, general manager and deputy general manager in the previous period

(i) Remuneration to directors and independent directors (disclosure of the names in relevant bracket of the payment scale)

31 December 2024; Unit: NT\$1,000

Title	Name	Remuneration to directors								The sum of A, B, C and D in proportion to net income				Related payment in performing the duties as employees								The sum of A, B, C, D, E, F and G in proportion to net income				Any payment from direct investee companies other than the subsidiaries or the parent company
		Remuneration (A)		Pension and severance payment (B)		Remuneration to directors (C)		Professional allowances (D)						Salaries, bonus and special expense account (E)		Pension and severance payment (F)		Remuneration to employees (G)								
		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	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	Stock	Cash	Stock							
Chairman	OU, CHEN G-MING	129	129	-	-	-	-	30	30	159	-0.29%	159	-0.29%	3,155	3,155	-	-	-	-	-	-	3,314	-5.97%	3,314	-5.97%	None
Director	HSU, KUANG-CHUN	129	129	-	-	-	-	30	30	159	-0.29%	159	-0.29%	-	-	-	-	-	-	-	-	159	-0.29%	159	-0.29%	None
Director	LIEN, TSUNG-FU	130	130	-	-	-	-	25	25	155	-0.27%	155	-0.27%	-	-	-	-	-	-	-	-	155	-0.27%	155	-0.27%	None
Director	TSAI, KUO-CHI	129	129	-	-	-	-	35	35	164	-0.30%	164	-0.30%	475	475	9	9	-	-	-	-	648	-1.16%	648	-1.16%	None
Director	YANG, SHANG-JU	129	129	-	-	-	-	25	25	154	-0.28%	154	-0.28%	-	-	-	-	-	-	-	-	154	-0.28%	154	-0.28%	None
Director	OU, JEN-CHIEH	126	126	-	-	-	-	25	25	151	-0.26%	151	-0.26%	1,761	1,761	94	94	-	-	-	-	2,006	-3.62%	2,006	-3.62%	None
Director	OU, TZU-HUEI	129	129	-	-	-	-	35	35	164	-0.30%	164	-0.30%	-	1,854	-	-	-	-	-	-	164	-0.30%	2,018	-3.63%	None
Independent director	TSOU, YEN-CHUNG	323	323	-	-	-	-	75	75	398	-0.72%	398	-0.72%	-	-	-	-	-	-	-	-	398	-0.72%	398	-0.72%	None

Title	Name	Remuneration to directors								The sum of A, B, C and D in proportion to net income				Related payment in performing the duties as employees								The sum of A, B, C, D, E, F and G in proportion to net income				Any payment from direct investee companies other than the subsidiaries or the parent company
		Remuneration (A)		Pension and severance payment (B)		Remuneration to directors (C)		Professional allowances (D)						Salaries, bonus and special expense account (E)		Pension and severance payment (F)		Remuneration to employees (G)								
		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	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	Stock	Cash	Stock							
Independent director	WU, TEH-CHUAN	323	323	-	-	-	-	60	60	383	-0.69%	383	-0.69%	-	-	-	-	-	-	-	-	383	-0.69%	383	-0.69%	None
Independent director	WU, HUEI-HUANG	323	323	-	-	-	-	75	75	398	-0.72%	398	-0.72%	-	-	-	-	-	-	-	-	398	-0.72%	398	-0.72%	None
Independent director	KO, HSIN-SUI	323	323	-	-	-	-	70	70	393	-0.71%	393	-0.71%	-	-	-	-	-	-	-	-	393	-0.71%	393	-0.71%	None
Total		2193	2193	-	-	-	-	485	485	2,678	-4.83%	2,678	-4.83%	5,391	7,245	103	103	-	-	-	-	8,172	-14.73%	10,026	-18.06%	
1. Specify the policy, system, standard and structure of the fees for independent directors, and the association between the duties performed, the risk, the commitment of time and related factors and the amount of payment: The remuneration of the independent directors of the Company is implemented in accordance with the Company's Articles of Incorporation and the remuneration payment measure for functional committees. The remuneration of directors is based on the degree of participation in the Company's operations and the value of their contributions, and recommendations shall be made after considering the domestic industry standards and submitted to the board of directors for resolution.																										
2. Aside from what is disclosed in the above table, the remuneration earned by directors providing services (e. g. consultant as a non-employee) to the Company: None.																										

(ii) Remuneration to supervisors: Not applicable.

(iii) Remuneration to general managers and deputy general managers (summarized in accordance with disclosed scale)

31 December 2024; Unit: NT1,000

Title	Name	Salary(A)		Severance pay (B)		Bonus and allowance (C)		Profit sharing-employee bonus (D)				Ratio of total compensation (A+B+C+D) to net income (%)				Remuneration from ventures other than subsidiaries or from the parent company
		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			
General manager	OU, CHENG-MING	13,070	15,029	709	709	3,023	2,223	-	-	-	-	16,801	-30.28%	17,960	-32.37%	-
Deputy general manager	CHAN, CHIA- NAN															
Deputy general manager	OU, CHING-CHUAN															
Deputy general manager	TSAI, KUO-CHI (Retired on 28 March 2024)															
Deputy general manager	TSAI, CHIN-TE															
Deputy general manager	OU, JEN-CHIEH															
Deputy general manager	CHANG, WEN- MING															
Deputy general manager	YEN, HWEI-FANG															
Deputy general manager	WANG, NAN-KUEI															
Deputy general manager	HSIEH, CHEN-MING															
The Company's policy, standards, combination, procedures and its relationship with operating performance and future risks in paying managers' remuneration: The amount of remuneration distributed to the managers of the Company is based on their duties, contributions, the Company's operating performance in the year and consideration of future risks. It will be reviewed by the Remuneration Committee and sent to the board of directors for resolution.																

### Remuneration scale

Remuneration to individual general managers and deputy general managers along the payment scale	Name of general manager and deputy general manager	
	The Company	All companies included in the financial statements
Less than NT\$1,000,000	-	-
NT\$1,000,000 (inclusive)-NT\$2,000,000 (exclusive)	OU, JEN-CHIEH, WANG, NAN-KUEI, CHANG, WEN-MING, TSAI, KUO-CHI, TSAI, CHIN-TE, OU, CHING-CHUAN, YEN, HWEI-FANG, HSIEH, CHEN-MING	OU, JEN-CHIEH, WANG, NAN-KUEI, CHANG, WEN-MING, TSAI, KUO-CHI, TSAI, CHIN-TE, YEN, HWEI-FANG, HSIEH, CHEN-MING
NT\$2,000,000 (inclusive)-NT\$3,500,000 (exclusive)	OU, CHENG-MING, CHAN, CHIA-NAN	OU, CHENG-MING, CHAN, CHIA-NAN, OU, CHING-CHUAN
NT\$3,500,000 (inclusive)-NT\$5,000,000 (exclusive)	-	-
NT\$5,000,000 (inclusive)-NT\$10,000,000 (exclusive)	-	-
NT\$10,000,000 (inclusive)-NT\$15,000,000 (exclusive)	-	-
NT\$15,000,000 (inclusive) -NT\$30,000,000 (exclusive)	-	-
NT\$30,000,000 (inclusive) -NT\$50,000,000 (exclusive)	-	-
NT\$50,000,000 (inclusive)-NT\$100,000,000 (exclusive)	-	-
More than NT\$100,000,000	-	-
Total	10 persons	10 persons

(iv) Remuneration of the top 5 highest-paid supervisors of the Company (individual disclosure of names and remuneration methods)

(iv) Remuneration of the top 5 highest paid supervisors of the Company (individual disclosure of names and remuneration methods)																
Title	Name	Salary(A)		Severance pay (B)		Bonus and allowance (C)		Profit sharing-employee bonus (D)				Ratio of total compensation (A+B+C+D) to net income (%)				Remuneration from ventures other than subsidiaries or from the parent company
		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	Stock	Cash	Stock					
General manager (Note 1)	OU, CHENG-MING	2,868	2,868	-	-	287	287	-	-	-	-	3,155	-5.69%	3,155	-5.69%	None
Deputy general manager	OU, CHING-CHUAN	2,109	2,880	25	25	230	230	-	-	-		2,364	-4.26%	3,135	-5.65%	None
Deputy general manager	CHAN, CHIA-NAN	1,878	1,878	108	108	401	401	-	-	-	-	2,387	-4.30%	2,387	-4.30%	None
Deputy general manager (Note 2)	OU, JEN-CHIEH	1,200	1,200	94	94	561	561	-	-	-	-	1,855	-3.34%	1,855	-3.34%	
Deputy general manager	TSAI, CHIN-TE	1,440	1,440	115	115	176	176	-	-	-	-	1,731	-3.12%	1,731	-3.12%	None
Note 1: OU, CHENG-MING retired on 14 January 2025 Note 2: OU, JEN-CHIEH assumed the positions of chairman and general manager on 15 January 2025. The Company's policy, standards, combination, procedures and its relationship with operating performance and future risks in paying managers' remuneration: The amount of remuneration distributed to the managers of the Company is based on their duties, contributions, the Company's operating performance in the year and consideration of future risks. It will be reviewed by the Remuneration Committee and sent to the board of directors for resolution.																

- (v) Names of managers with remuneration as employees and the disbursement: The Company did not allocate employee remuneration for 2024.
  - (vi) The total payment from the Company and all companies included in the financial statements to the directors, general manager and deputy general manager as remuneration in the last two years in proportion to the net income and related analysis, and explain the policy, standard and components of payment, the procedure for setting the amount of payment, and the association with the operation performance and the risks in the future.
1. Analysis of the total amount of remuneration paid by the company and all companies in the financial report to the Company's directors, general managers and deputy general managers in the last two years as a percentage of the net profit after tax of the individual or individual financial reports:

	Total amount of remuneration to net profit after tax in 2024		Total amount of remuneration to net profit after tax in 2023	
	The Company	All companies included in the consolidated statements	The Company	All companies included in the consolidated statements
Director	-34.25%	-39.68%	21.92%	23.82%
General manager and deputy general manager				

2. Explain the policy, standard and components of payment, the procedure for setting the amount of payment, and the association with the operation performance and the risks in the future:

- (1) The remuneration policy for directors (including independent directors):

Implemented in accordance with the Company's Articles of Incorporation and the remuneration payment method for directors and functional members. The remuneration of directors shall be determined by the board of directors according to their participation in the operation of the company and the value of their contributions and with reference to the domestic industry standards. However, the remuneration of each director shall be a maximum of NT\$1,000,000 per year. If the Company has a profit in the year, it should allocate no less than 4% as employee remuneration and no more than 3% as director's remuneration. However, when the Company still has accumulated losses, it should reserve the amount in advance to make up for it. The distribution of employee remuneration and directors' remuneration shall be carried out by the board of directors with the presence of more than two-thirds of the directors and a resolution approved by more than half of the directors present and reported to the shareholders' meeting. On 11 March 2025, the Board of Directors resolved that the undistributed earnings as of the end of 2024 amounted to NT\$253,198,049. In consideration of the Company's overall operational funding needs, no directors' remuneration will be distributed for 2024.

- (2) The remuneration policy for the general manager and deputy general manager:  
Owing that the manager's management ability, strategic planning and execution are the important forces to create the Company's operating performance. In order to closely integrate the personal goals of managers with the long-term and short-term business goals of the Company and the interests of shareholders, the principle of the Company's manager's salary policy is that the fixed salary is at a competitive level in the market, and the variable salary is based on the reasonable cooperation between the Company's operation and personal performance. And the Company also put emphasis on long-term incentive salaries and consideration of future risk for the purpose of encouraging managers to pay attention to the Company's long-term business goals and create a win-win situation for the Company, employees and shareholders. On 11 March 2025, the Board of Directors resolved that, in consideration of the Company's overall operational funding needs, no employee remuneration would be distributed for 2024.

### iii. Implementation of corporate governance

#### (i) Operations of the board of directors

The Company convened a total of 6 (A) board of directors' meetings in the recent period. The attendance status of directors and supervisors was as follows:

Title	Name	Actual frequency attendance (as observer) (B)	Frequency of attendance by proxy	Actual attendance rate (%) 【B/A】	Remark
Chairman	Zhao Zan Investment Co., Ltd. Representative: OU, JEN-CHIEH	5	1	83%	Re-elected on 20 June 2022  Elected as chairman on 15 January 2025.
Director	OU, CHENG-MING	5	1	83%	Re-elected on 20 June 2022 Retired as chairman and was reappointed as director on 14 January 2025.  Relieved of duties due to passing on 20 February 2025.
Director	LIEN, TSUNG-FU	4	2	67%	Re-elected on 20 June 2022
Director	HSU, KUAN-CHUN	6	0	100%	Re-elected on 20 June 2022
Director	TSAI, KUO-CHI	6	0	100%	Re-elected on 20 June 2022
Director	YANG, SHANG-JU	4	2	67%	Date of newly appointment: 20 June 2022
Corporate director	Yuan Rong Investment Co., Ltd. Representative: OU, TZU-HUEI	6	0	100%	Date of newly appointment: 20 June 2022
Independent director	TSOU, YEN-CHUNG	6	0	100%	Re-elected on 20 June 2022
Independent director	WU, TEH-CHUAN	5	1	83%	Re-elected on 20 June 2022
Independent director	WU, HUEI-HUANG	6	0	100%	Re-elected on 20 June 2022
Independent director	KO, HSIN-SUI	6	0	100%	Date of newly appointment: 20 June 2022
Attendance of independent directors at <u>6</u> board meetings in 2024					

Year	2024				
Name	1/31	3/12	5/8	8/12	11/7
WU, TEH-CHUAN	●	●	●	●	○
WU, HUEI-HUANG	●	●	●	●	●
TSOU, YEN-CHUNG	●	●	●	●	●
KO, HSIN-SUI	●	●	●	●	●

Note : attend in person● attend by proxy○ absent◎

Other items required to be stated :

- i. In the event of the following occurrences, the dates of the meetings, sessions, contents of motion, all independent directors' opinions and the Company's response thereto should be specified :
  - (i) Items listed in Article 14-3 of the Securities and Exchange Act:  
2024 and up to the date of publication of the annual report, and the content of the resolutions of the board of directors is as shown in the annual report. III, IV (XI) 2. Details of important resolutions of the board of directors. All independent directors have no objection to the matters listed in Article 14-3 of the Securities and Exchange Act.
  - (ii) Except for the previously mentioned matters, other matters resolved by the board of directors with objections or reservations of independent directors and with records or written statements: None.
- ii. Execution of the director's recusal of the interest proposal shall state the name of the director, the content of the proposal, the reason for the recusal of interest, and the circumstances of participation in voting:
  - (i) The board discussion on 31 January 2024
    1. The Company reviewed the proposal for year-end bonus and top-level manager allocation in 2023. This proposal involves the self-interest of director OU, CHENG MING, director TSAI, KUO-CHI, director OU, JEN-CHIEH and director OU, TZU-HUEI, according to the law, they abstained from attending the meeting and did not participate in the discussion and voting. With the consent of all the remaining directors present, the proposal was passed without objection.
    2. The Company reviewed the proposal for annual remuneration for top-level managers in 2023. This proposal involves the self-interest of director OU, CHENG-MING, director TSAI, KUO-CHI, director OU, JEN-CHIEH and director OU, TZU-HUEI, according to the law, they abstained from attending the meeting and did not participate in the discussion and voting. With the consent of all the remaining directors present, the proposal was passed without objection.
  - (ii) The board discussion on 8 May 2024
    1. The Company reviewed the proposal for employee remuneration and top-level manager allocation in 2023. This proposal involves the self-interest of director OU, CHENG-MING, director OU, JEN-CHIEH, and director OU, TZU-HUEI, according to the law, they abstained from attending the meeting and did not participate in the discussion and voting. With the consent of all the remaining directors present, the proposal was passed without objection.
  - (iii) The board discussion on 15 January 2025
    1. The Company reviewed the year-end bonus and distribution proposal for senior executives for 2024.  
This proposal involves the self-interest of director OU, CHENG-MING, director OU, JEN-CHIEH and OU, TZU-HUEI, according to the law, they abstained from attending the meeting and did not participate in the discussion and voting. With the consent of all the remaining directors present, the proposal was passed without objection.

2. The Company reviewed the annual remuneration of senior executives for 2024.  
This proposal involves the self-interest of director OU, CHENG-MING, director OU, JEN-CHIEH and OU, TZU-HUEI, according to the law, they abstained from attending the meeting and did not participate in the discussion and voting. With the consent of all the remaining directors present, the proposal was passed without objection.
  3. The Company reviewed the proposed retirement pension plan for the general manager.  
This proposal involves the self-interest of director OU, CHENG-MING, director OU, JEN-CHIEH and OU, TZU-HUEI, according to the law, they abstained from attending the meeting and did not participate in the discussion and voting. With the consent of all the remaining directors present, the proposal was passed without objection.
  4. The Company reviewed the proposal for the appointment and dismissal of directors in the invested subsidiary.  
This proposal involves the self-interest of director OU, CHENG-MING, director OU, JEN-CHIEH and OU, TZU-HUEI, according to the law, they abstained from attending the meeting and did not participate in the discussion and voting. With the consent of all the remaining directors present, the proposal was passed without objection.
- (iv) The board discussion on 31 March 2025
1. The Company reviewed the transfer of repurchased common shares to employees.  
This proposal involves the self-interest of director OU, JEN-CHIEH and director OU, TZU-HUEI, according to the law, they abstained from attending the meeting and did not participate in the discussion and voting. With the consent of all the remaining directors present, the proposal was passed without objection.
- (v) The board discussion on 8 May 2025
1. The Company reviewed the proposal to release the non-competition restrictions on newly elected directors following the board re-election  
This proposal involves the personal interests of all directors, according to the law, they abstained from attending the meeting and did not participate in the discussion and voting. With the consent of all the remaining directors present, the proposal was passed without objection.
- iii. The evaluation cycle and period, the scope of the evaluation, evaluation method, and evaluation items of the self (or peer) evaluations conducted by the board of directors are as follows:

Evaluation cycle	Evaluation period	Scope of evaluation	Evaluation method	Evaluation items
Once a year regularly	1 January 2024 – 31 December 2024	The board of directors and board members	Internal self-evaluation of the board of directors, self-evaluation of board members and peer evaluation	<p>(I)The measurement items for the performance evaluation of the board of directors include:</p> <ol style="list-style-type: none"> <li>1. Level of participation in the operation of the Company.</li> <li>2. The quality of decision-making of the Board.</li> <li>3. The composition and structure of the board.</li> <li>4. Election of directors and continuing education.</li> <li>5. Internal control, etc.</li> </ol> <p>(II)The measurement for the evaluation of the performance of individual board members includes:</p> <ol style="list-style-type: none"> <li>1. The control of the objective and mission of the Company.</li> <li>2. Awareness of the duties of the</li> </ol>

				<p>directors.</p> <ol style="list-style-type: none"> <li>3. Level of participation in the operation of the Company.</li> <li>4. Cultivation of internal relation and communication</li> <li>5. Professional designated and continuing education of the directors.</li> <li>6. Internal control</li> </ol> <p>(III) The measurement for the evaluation of the performance of Audit Committee includes:</p> <ol style="list-style-type: none"> <li>1. The control of the objective and mission of the Company.</li> <li>2. Awareness of the duties of Audit Committee.</li> <li>3. Improve the quality of decision-making of the Board.</li> <li>4. The composition and selection of board members.</li> <li>5. Internal control</li> </ol> <p>(IV) The measurement for the evaluation of the performance of Compensation Committee includes:</p> <ol style="list-style-type: none"> <li>1. Level of participation in the operation of the Company.</li> <li>2. Awareness of the duties of Compensation Committee</li> <li>3. Improve the quality of decision-making of the Compensation Committee.</li> <li>4. The composition and selection of board members.</li> <li>5. Internal control</li> </ol>
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iv. Goals for strengthening the functions of the board of directors in the current year and the recent year (e.g. establishing an Audit Committee, enhancing information transparency, etc.) and evaluation of their implementation status:

- (i) In order to promote corporate governance and effectively strengthen the authority of the board of directors, the Company has established a corporate governance supervisor in accordance with the regulations of the “Operation Directions for Compliance with the Establishment of Board of Directors by TWSE Listed Companies and the Board's Exercise of Powers”.
- (ii) In order to implement corporate governance and enhance the functions of the board of directors to establish performance goals and strengthen the efficiency of board of directors’ operations, the Company has formulated a method for evaluating the performance of the board of directors. The performance evaluation for 2024 was completed in the first quarter of 2025, and the results were reported to the board of directors on 11 March 2025.

The self-assessment results of the board of directors indicate that the overall operation is

relatively satisfactory. The board of directors has effectively fulfilled its responsibilities in guiding and overseeing company strategies, significant business activities, and risk management. It has also established appropriate internal control systems, resulting in a good overall operational situation that aligns with the spirit of corporate governance. The individual self-assessment results of board members indicate that the directors of the Company have positively evaluated the efficiency and effectiveness of operations concerning various evaluation criteria.

- (iii) To enhance operational transparency and safeguard shareholder interests, the Company discloses corporate governance information on its website every quarter and provides important decisions of the board of directors and functional committees for investors to search.
- (iv) The Company emphasizes diversity of board members, evaluating nominees based on their abilities in business management, crisis handling, financial and accounting expertise, etc. It places importance on gender equality, and the proportion of female directors among all board members is 1:10, ensuring gender equality is implemented.
- (v) Important resolutions of the Company's Board of Directors have been disclosed on the Company's website, in the Finance and Investor Information section, for investors' reference.

(ii) Audit Committee's operation status

1. Audit Committee establishment status: The Company has established an Audit Committee since 21 June 2016, assisting in supervising the fair presentation of the Company's financial statements, the selection (dismissal) and independence and performance of CPAs, the effective implementation of the Company's internal control, the Company's compliance with relevant laws and regulations, and the management and control of the Company's existing or potential risks. There is a total of four Audit Committee members.
2. Information on the operation of the Audit Committee:  
The Company convened a total of 5 (A) meetings of the Audit Committee in 2024. The attendance of independent directors was as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance rate (%) 【 B / A 】	Remarks
Independent director (convenor)	TSOU, YEN-CHUNG	5	0	100%	Re-elected on 20 June 2022
Independent director (committee member)	WU, TEH-CHUAN	4	0	80%	Re-elected on 20 June 2022
Independent director (committee member)	WU, HUEI-HUANG	5	0	100%	Re-elected on 20 June 2022
Independent director (committee member)	KO, HSIN-SUI	5	0	100%	Date of newly appointment: 20 June 2022

Other items required to be stated:

i. In the event of the following occurrences, the dates of the meetings, sessions, contents of motion, dissenting opinions or reserved opinions from independent directors, or significant recommendations, the resolution of the Audit Committee and the Company's response thereto should be specified.

(i) Items listed in Article 14-5 of the Securities and Exchange Act.

Date and term of the Audit Committee	Content of proposal	Independent directors' opinions and the Company's handling of the opinions:	Audit Committee resolution results and the Company's handling of the Audit Committee's opinions:
12 March 2024 (The 3rd Audit Committee, The 9th meeting)	<ul style="list-style-type: none"> <li>● The resolution has been passed for the Company's 2023 annual business report and financial statement.</li> <li>● The resolution has been passed for the Company's 2023 earnings distribution.</li> <li>● The resolution has been passed to provide funding loans between the Company and the investee companies.</li> <li>● The resolution has been passed for the Company's "Statement of Internal Control System" for 2023.</li> <li>● The resolution has been passed for the periodic assessment of the independence and suitability of the Company's CPAs.</li> <li>● The resolution has been passed to review non-assurance services provided by Ernst &amp; Young, Taiwan and its associates.</li> <li>● The resolution has been passed for the audit of the Company's CPA fees of financial statement and tax report for 2024.</li> <li>● The resolution has been passed to amend certain articles of the "Audit Committee Charter" of the Company.</li> </ul>	All independent directors approved the resolution without objection.	All proposals were unanimously approved by the Audit Committee, and subsequently ratified by the Board of Directors in accordance with the Audit Committee's recommendations.
8 May	<ul style="list-style-type: none"> <li>● The resolution has been</li> </ul>	All independent	All proposals were

2024 (The 3rd Audit Committee, The 10th meeting)	passed for the Company's consolidated financial statements for the first quarter of 2024.	directors approved the resolution without objection.	unanimously approved by the Audit Committee, and subsequently ratified by the Board of Directors in accordance with the Audit Committee's recommendations.
8 July 2024 (The 3rd Audit Committee, The 11th meeting)	No proposals related to matters stipulated in Article 14-5 of the Securities and Exchange Act.		
12 August 2024 (The 3rd Audit Committee, The 12th meeting)	<ul style="list-style-type: none"> <li>● The resolution has been passed for the Company's consolidated financial statements for the second quarter of 2024.</li> <li>● The resolution has been passed to review non-assurance services provided by Ernst &amp; Young, Taiwan and its associates.</li> <li>● The resolution has been passed to provide funding loans between the Company and the investee companies.</li> <li>● The resolution has been passed to approve endorsements and guarantees between the Company and its investee companies.</li> </ul>	All independent directors approved the resolution without objection.	All proposals were unanimously approved by the Audit Committee, and subsequently ratified by the Board of Directors in accordance with the Audit Committee's recommendations.
7 November 2024 (The 3rd Audit Committee, The 13th meeting)	<ul style="list-style-type: none"> <li>● The resolution has been passed for the Company's consolidated financial statements for the third quarter of 2024.</li> <li>● The resolution has been passed to approve the addition and amendment of certain provisions in the Company's "Internal Control System" and "Internal Audit Implementation Rules"</li> <li>● The resolution has been</li> </ul>	All independent directors approved the resolution without objection.	All proposals were unanimously approved by the Audit Committee, and subsequently ratified by the Board of Directors in accordance with the Audit Committee's recommendations.

	<p>passed to approve the addition of the Company's 2025 audit plan.</p> <ul style="list-style-type: none"> <li>● The resolution has been passed to approve the amendment of certain provisions in the Company's "Procedures for Lending Funds to Others".</li> </ul>		
15 January 2025 (The 3rd Audit Committee, The 14th meeting)	<ul style="list-style-type: none"> <li>● The resolution has been passed to approve the appointment and dismissal of directors in the investee company.</li> </ul>	All independent directors approved the resolution without objection.	All proposals were unanimously approved by the Audit Committee, and subsequently ratified by the Board of Directors in accordance with the Audit Committee's recommendations.
11 March 2025 (The 3rd Audit Committee, The 15th meeting)	<ul style="list-style-type: none"> <li>● The resolution has been passed for the Company's 2024 annual business report and financial statement.</li> <li>● The resolution has been passed for the Company's 2024 earnings distribution.</li> <li>● The resolution has been passed to approve the amendment of certain provisions in the Company's "Procedures for Lending Funds to Others".</li> <li>● The resolution has been passed to provide funding loans between the Company and the investee companies.</li> <li>● The resolution has been passed to approve endorsements and guarantees between the Company and its investee companies.</li> <li>● The resolution has been passed to approve the amendment of certain provisions in the Company's "2020 First Share Repurchase and</li> </ul>	All independent directors approved the resolution without objection.	All proposals were unanimously approved by the Audit Committee, and subsequently ratified by the Board of Directors in accordance with the Audit Committee's recommendations.

	<p>Transfer to Employees Guidelines”.</p> <ul style="list-style-type: none"> <li>● The resolution has been passed to approve the transfer of the Company's repurchased common shares to employees.</li> <li>● The resolution has been passed for the Company's “Statement of Internal Control System” for 2024.</li> <li>● The resolution has been passed for the periodic assessment of the independence and suitability of the Company's CPAs.</li> <li>● The resolution has been passed to review non-assurance services provided by Ernst &amp; Young, Taiwan and its associates.</li> <li>● The resolution has been passed for the audit of the Company's CPA fees of financial statement and tax report for 2025.</li> <li>● The resolution has been passed to approve the appointment of the Company's Chief Internal Auditor.</li> </ul>		
8 May 2025 (The 3rd Audit Committee, The 16th meeting)	<ul style="list-style-type: none"> <li>● The resolution has been passed for the Company's consolidated financial statements for the first quarter of 2025.</li> <li>● The resolution has been passed to waive the non-competition restriction for the newly elected directors following the Company's recent board re-election.</li> </ul>	All independent directors approved the resolution without objection.	All proposals were unanimously approved by the Audit Committee, and subsequently ratified by the Board of Directors in accordance with the Audit Committee's recommendations.

- (ii) Except for the previously mentioned affairs, other affairs have not been approved by the Audit Committee but have been approved by more than two-thirds of all directors: None.
- ii. In situations where independent directors recuse themselves due to conflict of interest, the independent director's name, content of the resolution, reason for recusal, and his or her voting participation should be properly recorded: None.

- iii. Communication between independent directors and internal audit supervisors and CPAs (regarding issues such as company financial and operational status, procedures, and results)
- (i) The independent directors and internal audit supervisors usually communicate via email, telephone or meeting. And conduct internal audit reports at quarterly Audit Committee meetings. In case of special circumstances, report to the Audit Committee immediately. The Material Communication Content between the Auditing Committee and the head of internal audit is as follows:

Date	The point of communication	Result
12 March 2024	1. Discussion and communication on the internal audit business execution report from December 2023 to January 2024. 2. Discussions and resolution on the summary report of the internal control self-assessment for 2023.	After the discussion and communication, the independent directors have no objection to the results of the audit business execution report, the summary report of the internal control self-assessment for 2023.
8 May 2024	Discussion and communication on the internal audit business execution report from February 2024 to March 2024.	After the discussion and communication, the independent directors have no objection to the results of the audit business execution report.
12 August 2024	Discussion and communication on the internal audit business execution report from April 2024 to June 2024.	After the discussion and communication, the independent directors have no objection to the results of the audit business execution report.
7 November 2024	1. Discussion and communication on the internal audit business execution report from July 2024 to September 2024. 2. Discussions and resolution on the amendment of the regulations governing of internal control systems and the implementation details of internal audit. 3. Discussion and communication on the internal audit plan for 2025.	After the discussion and communication, the independent directors have no objection to the results of the audit business execution report, the internal audit plan for 2025, and the results of the addition of the regulations governing and implementation details of internal control systems.

- (ii) In addition to reporting the audit or review of the financial report to the independent directors, the CPAs of the Company also give suggestions and relevant countermeasures on the Company's overall operation, internal control audit, update publicity of financial and tax laws, etc. Furthermore, the CPAs attend the Audit Committee from time to time (twice a year) and report the audit status of financial statements. The main communication content between CPAs and independent directors in 2024 is as follows:

Date	The point of communication	Result
12 March 2024	<ol style="list-style-type: none"> <li>1. The resolution has been passed for the Company's 2023 annual business report and financial statement.</li> <li>2. Auditor's explanation on Audit Quality Indicators (AQI) and the establishment of non-assurance services by Ernst &amp; Young and its associates.</li> <li>3. An explanation was provided regarding the communication matters between the auditors, the corporate governance unit, and the management team.</li> <li>4. Promotion of financial and tax law updates.</li> </ol>	Independent directors had no objection.
7 November 2024	<ol style="list-style-type: none"> <li>1. The resolution has been passed for the third quarter of the Company's 2024 annual business report and financial statement.</li> <li>2. An explanation was provided regarding the communication matters between the auditors, the corporate governance unit, and the management team.</li> </ol>	Independent directors had no objection.

(iii) The Company's website/corporate governance corner has set up the communication status of independent directors and regularly updates the communication progress. Website address:<http://www.umec.com.tw/Investor/CorporateGovernance>

3. Participation of supervisors in the operation of the board of directors: Not applicable.

(iii) Pursuit of corporate governance varied with the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies”, and the reason for the variation:

Items of evaluation	The pursuit			Variation from the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies”, and the reason for the variation
	Yes	No	Summary Explanation	
i. Does the company establish and disclose the “Corporate Governance Best-Practice Principles based on “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies”?”	✓		The Company has established the Corporate Governance Best Practice Principles, handling and continuing to promote corporate governance operations in accordance with relevant regulations.	No deviation
ii. Shareholding structure & shareholders’ rights (i) Does the company establish an internal operating procedure to deal with shareholders’ suggestions, doubts, disputes and litigations, and implement based on the procedure?	✓		(i) The company has established a spokesperson system to deal with shareholders' issues, and there are spokespersons and proxy spokespersons to effectively handle shareholder suggestions or disputes and other related issues. If the law is involved, it will be handled by the legal counsel.	No deviation
(ii) Does the company possess the list of its major shareholders as well as the ultimate owners of those shares?	✓		(ii) The Company has established a stock undertaking staff responsible for handling related matters, and appointed the shareholder service agency “the shareholder services department of President Securities Corporation” to assist in processing and can effectively grasp the list of major shareholders.	No deviation
(iii) Does the company establish and executes the risk control and firewall mechanism with the affiliated enterprise?	✓		(iii) The Company's internal control covers the risk management at the enterprise level and operational activities at the operational level. In addition, there are regulations on the supervision of subsidiaries to implement the risk control mechanism for subsidiaries and the audit unit conducts regular audits.	No deviation

Items of evaluation	The pursuit			Variation from the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies”, and the reason for the variation
	Yes	No	Summary Explanation	
(iv) Does the company formulate the internal specification to prohibit the corporate insiders to buy or sell negotiable securities by using the information undisclosed in market?	✓		(iv) The Company has stipulated the “Procedures for Handling Material Inside Information” and “Code of Conduct for Employees “to prevent improper disclosure of undisclosed information. Internal personnel is informed about relevant laws and penalties regarding insider trading. Directors and executives are required to sign confidentiality agreements and faithfully abide by them. An educational campaign on preventing insider trading should be conducted at least once a year for directors, executives, and employees.	No deviation
iii. The organization and function of the board (i) Does the board of directors draft the diversification policy, specific management objective and implements it in terms of the member composition?	✓		(i) 1. The Company's " Corporate Governance Best Practice Principles " has stipulated that the composition of the board of directors should consider diversity, and formulate an appropriate diversification policy according to its own operation, operation type and development needs. The policy is that the board members should generally possess the knowledge, skills and qualities that are required to perform their duties. 2. There are 11 board members in this session, of which about 2:9 are also served as employees, about 4:7 are independent directors, and 1:10 are female directors to implement gender equality. There are a total of four independent directors in the third term, three of whom have served for six years to the current date. There are three independent directors in the second session, and the tenure until the current term of office is about six years. All directors of the company possess the professional knowledge,	No deviation

Items of evaluation	The pursuit			Variation from the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies”, and the reason for the variation
	Yes	No	Summary Explanation	
			<p>skills and qualities to perform their duties. Those directors with industry experience account for about 91%, and those with professional qualifications account for about 9%. Please refer to this handbook for professional background information on directors (3.2.1 Information on directors and supervisors). For the gender ratio and professional background of the board members, please refer to Investor /Director Member Information on the official website of UMEC.</p> <p>3. Specific management objectives and achievement of the diversity policy: The board of directors should contain at least one female member and an independent director shall serve no more than three consecutive terms, the mentioned goal had been achieved. (Please refer to Investor/ Corporate Governance/Director Diversification Implementation Situation on the official website of UMEC. <a href="https://www.umec.com.tw/Investor/CorporateGovernance">https://www.umec.com.tw/Investor/CorporateGovernance</a>.</p>	
(ii) Does the company voluntarily set other functional committees apart from the Remuneration committee and Audit?		✓	(ii) In addition to the Remuneration Committee and the Audit Committee, the company currently has no other functional committees.	Yet to be evaluated.

Items of evaluation	The pursuit			Variation from the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies”, and the reason for the variation
	Yes	No	Summary Explanation	
(iii) Does the company establish a standard to measure the performance of the Board and implement it annually, and are performance evaluation results submitted to the Board of Directors and referenced when determining the remuneration of individual directors and nominations for reelection?	✓		(iii) The Company has established the “Rules for Performance Evaluation of Board of Directors” and has completed the evaluation of the board of directors’ performance for 2024. The results were reported to the board of directors on 11 March 2025, and will be utilized as references for individual director remuneration and nomination for reelection. Relevant information has been disclosed on the Company's official website under the Corporate Governance section.	No deviation.
(iv) Does the company regularly evaluate the independence of CPAs?	✓		(iv) The independence and adequacy of the CPAs are regularly assessed by the Audit Committee every year, and confirm whether it is a director, shareholder or non-interested person of the company according to the evaluation procedure. Also, require the CPAs to provide a "Declaration of Independence" to confirm that his/her audit or review work complies with the relevant regulations of the independence of issue No. 10 of the Code of Professional Ethics for Accountants of the R.O.C. and there is no violation of relevant regulations that affect the independence of the accounting firm. 1. The accountant has no direct or material indirect financial interest in the company. 2. The accountant has no financing or guarantee with the directors of the company. 3. There is no significant commercial relationship between the accountants and the members of	No deviation.

Items of evaluation	The pursuit			Variation from the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies”, and the reason for the variation
	Yes	No	Summary Explanation	
			<p>their audit service team and the Company.</p> <p>4. The family members of the accountants and members of the audit service team do not hold the positions of directors, supervisors, managers or any direct and significant influence on the audit work of the Company.</p> <p>5. The CPAs and members of the audit service team do not hold the positions of directors, supervisors, managers, or any direct and significant influence on the audit work of the Company.</p> <p>6. The company does not provide gifts or special offers relevant to business habits to members of the audit service team or significant abnormal social customs.</p> <p>7. The accountant has served as the lead accountant of the company for less than seven years and can be returned to the office after at least two years of job rotation.</p> <p>8. Accountants are in accordance with the independence for non-audit services provided by the company.</p> <p>9. Obtain a declaration of independence from the accountant for the board members.</p>	
iv. Has the Company appointed a competent and appropriate number of personnel to perform the function of corporate governance, and a designated Corporate Governance Officer charged with corporate governance and related affairs (including but not limited to supplying the Directors and the Supervisors with information required for their performance of duties, assistance to the	✓		The Company has approved the appointment of the director of corporate governance during the board meeting held on 16 March 2023. The position will be concurrently held by the senior manager of the finance and accounting department. Furthermore, the appointee has the qualifications of having served as a financial, shareholder, and corporate governance affairs manager in a public company for over three years. Currently, the responsibilities related to	No deviation.

Items of evaluation	The pursuit			Variation from the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies”, and the reason for the variation
	Yes	No	Summary Explanation	
Directors and the Supervisors in law and compliance, administrative affairs pertinent to the convention of the Board and the Shareholders Meeting, keeping minutes of meeting on record for the convention of the Board and the Shareholders Meeting)?			<p>corporate governance are jointly handled by the management department and the finance department. The primary duties include the following:</p> <p>(i) The management department is responsible for planning the organizational structure and related laws and regulations and setting up a special corner for stakeholders and communication channels. The personnel will be responsible for dealing with the relevant stakeholders' response matters and respecting the rights and interests of stakeholders. In addition, a corporate governance corner has been set up, and relevant regulations and implementation status are updated on the Company's website in real time to improve information transparency. The Company's website address: <a href="http://www.umec.com.tw/Investor/CorporateGovernance">http://www.umec.com.tw/Investor/CorporateGovernance</a></p> <p>(ii) The finance department assists in providing the information required by the directors to execute their business and it is also responsible for handling shareholders' meetings and the convening of the board of directors. Before the shareholders' meeting, it seeks opinions from various departments and directors to plan and formulate the agenda, register the date of the shareholders' meeting within the prescribed time limit, and prepare the proceedings manual and minutes. Additionally, the Company appointed the shareholder service agency “the shareholder services department of President Securities Corporation” for handling shareholders' stock affairs and protecting shareholders' rights and</p>	

Items of evaluation	The pursuit			Variation from the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies”, and the reason for the variation
	Yes	No	Summary Explanation	
			interests.	
v. Does the company establish a communication channel and build a designated section on its website for stakeholders (including but not limited to shareholders, employees, customers, and suppliers), as well as handle all the issues they care for in terms of corporate social responsibilities?	✓		(i) The Company has set up the “Corporate Social Responsibility Corner” and “Stakeholders Corner” on the Company’s website, providing stakeholders with non-stakeholder contact channels other than shareholders, employees, customers, suppliers and investors. In addition, providing a dedicated staff that is responsible for responding to relevant questions. (ii) Contact methods include telephone and dedicated e-mail to establish communication channels with stakeholders. (iii) Please refer to the Company’s website for relevant information: <a href="http://www.umec.com.tw/Investor">http://www.umec.com.tw/Investor</a>	No deviation.
vi. Does the company appoint a professional shareholder service agency to deal with shareholder affairs?	✓		The Company appointed “the shareholder services department of President Securities Corporation” to handle shareholder meeting affairs.	No deviation.
vii. Information Disclosure (i) Does the company have a corporate website to disclose both financial standings and the status of corporate governance?	✓		The Company has set up a company website. Company website address: <a href="http://www.umec.com.tw/Investor/FinanceAndShareholders">http://www.umec.com.tw/Investor/FinanceAndShareholders</a> , and establish an “Investor Corner” to expose various financial, operational and corporate governance-related information.	No deviation.

Items of evaluation	The pursuit			Variation from the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies”, and the reason for the variation
	Yes	No	Summary Explanation	
(ii) Does the company have other information disclosure channels (e.g. building an English website, appointing designated people to handle information collection and disclosure, creating a spokesman system, webcasting investor conferences)?	✓		(ii) The Company has set up three language web pages in traditional Chinese, English and Japanese, and provides dedicated e-mail mailboxes for related businesses. And has established "internal material information processing operation procedures" to establish a good internal material information processing and disclosure mechanism. Also, there is a dedicated person responsible for the collection and disclosure of information. And implement the spokesperson system as a bridge for external communication, and the spokesperson and dedicated person will disclose important information online. In addition to announcing monthly consolidated revenue, the company regularly discloses the results of quarterly board resolutions and financial reports on the company's official website to improve the Company's information disclosure.	No deviation.
(iii) Does the company announce and report annual financial statements within two months after the end of each fiscal year, and announce and report Q1, Q2, and Q3 financial statements, as well as monthly operation results, before the prescribed time limit?		✓	(iii) The issue is still under discussion. At present, there are not enough internal and external resources to announce in advance.	Still under discussion.
viii. Is there any other important information to facilitate a better understanding of the company's corporate governance practices (e.g., including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' and supervisors' training records,	✓		(i) Employee Rights: Employees are the most important asset of the Company. In addition to regularly convening labor-management meetings internally, the Company also prioritizes providing channels for employees to voice their opinions and complaints, ensuring open lines of communication. The Company aims to provide a	No deviation.

Items of evaluation	The pursuit			Variation from the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies”, and the reason for the variation
	Yes	No	Summary Explanation	
the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing insurance for directors and supervisors?			<p>conducive work environment for all employees so that they can fully utilize their talents. All employees of UNIVERSAL MICROELECTRONICS can provide feedback on their personal rights, benefits, management, and working environment at any time. Feedback can be submitted through dedicated lines, emails, or written submissions to immediate supervisors or the management department, and can also be directly deposited into physical suggestion boxes. The Company's internal employee webpage outlines various management policies, specifies employee rights, obligations, and benefits, and holds regular meetings to review benefit contents to safeguard employee rights. The Company established an Employee Welfare Committee on February 1994 to implement the pension system, and take out group insurance for employees, plan for further education and training of employees, attach importance to labor relations, and ensure employees' rights and interests.</p> <p>(ii) Employee Care: The Company provides employee group insurance for complete employee health management, and regularly conducts employee education and training to motivate talents in a timely manner. The Company's welfare system stabilizes the life of employees through various activities and benefits, such as organizing domestic and foreign travel for employees, subsidies for club activities, subsidies for departmental dinners, subsidies for employees' weddings, subsidies for employees' maternity, Labor Day on 1 May, the celebration for</p>	

Items of evaluation	The pursuit			Variation from the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies”, and the reason for the variation
	Yes	No	Summary Explanation	
			<p>employees’ birthdays, Mid-Autumn Festival and other gifts (coupons), year-end bonuses, provision of staff dormitories, and physical fitness Gym, 24HR ATM, employee car parking lot, etc.</p> <p>(iii) Investor Relation: The Company is required to disclose information in the public information observatory according to laws and regulations to protect the rights and interests of investors, and the investor mailboxes and spokesperson contact channels are stated on the company's website. Every year, the shareholders' meeting is convened in accordance with the provisions of the Company Law and relevant laws and regulations, and shareholders are also given sufficient opportunities to speak or make proposals. There is also a spokesperson system to deal with shareholder suggestions, doubts and disputes. The company also formulates the rules of procedure for shareholders' meetings and handles relevant information announcements and declarations in accordance with the regulations of the competent authorities, and timely provides various information that may affect investors' decision-making.</p> <p>(iv) Supplier Relation: The Company keeps in touch with suppliers at any time, adhering to the principle of reciprocity to create a win-win partnership. The supplier's opinion mailbox and the contact channel of the dedicated personnel for handling complaints are stated on the Company’s website.</p> <p>(v) Stakeholder Rights: The Company's website <a href="http://www.umec.com.tw">www.umec.com.tw</a> has a “Stakeholders Corner”</p>	

Items of evaluation	The pursuit			Variation from the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies”, and the reason for the variation
	Yes	No	Summary Explanation	
			<p>for disclosing financial and business-related information and setting up mailboxes for stakeholders to raise relevant questions and suggestions. The Company's share transfer agent “the stock transfer agency department of President Securities of Corporation” also assists in handling related issues and suggestions from shareholders and the Company's stakeholders, etc. If legal issues are involved, professional lawyers will be appointed to deal with them to safeguard the rights and interests of stakeholders. In addition, the directors of the company adhere to the principle of high self-discipline, and those who have interests in the board of directors shall not participate in the voting.</p> <p>(vi) The Continuing Education of the Directors: The directors of the Company focus on industry development and continuous education in corporate governance, and the Company regularly arranges for directors to participate in refresher courses such as corporate governance. For relevant information please refer to the explanation of “Status of directors further education” of the annual report (3.4.8 Disclosure of directors’ further education).</p> <p>(vii) The Implementation Status of Risk Management Policy and Risk Assessment Standard : The company has set up an audit office, formulated various internal regulations according to law, carried out various risk management and assessment, and strictly controlled risks.</p> <p>(viii) The Implementation Status of Customer Policy: The Company and customers have always</p>	

Items of evaluation	The pursuit			Variation from the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies”, and the reason for the variation
	Yes	No	Summary Explanation	
			<p>maintained a stable and good relationship. The Company's website has set up a “Stakeholders Corner” and the following is the Company’s website address:  <a href="http://www.umec.com.tw/Investor">http://www.umec.com.tw/Investor</a>  Set up a mailbox and telephone handled by a dedicated person for customer opinions and provide a channel for stakeholders to put forward relevant questions and suggestions.</p> <p>(ix) The Status of Taking Liability Insurance for the Company’s Directors and Supervisors:  The Company has taken out liability insurance for directors (including independent directors) in 2024 and adopted an annual review of the policy content to improve the renewal conditions. And reported the director's liability insurance items, amount, coverage and other matters at the board meeting on 8 May 2024.</p>	
<p>ix. Explain the corrective action taken in response to the evaluation result released by the Corporate Governance Center of Taiwan Stock Exchange Corporation in the most recent year, and special attention and additional effort on issues that needed to be addressed as top priority:</p> <p>According to the evaluation of 11th corporate governance evaluation (evaluation for the 2024), the evaluation result was ranked 66%~80% companies, the following is an explanation of the areas in which the Company did not score and the improvements made:</p> <p>(i) Improvements made by the Company in 2025 are as follows:</p> <ol style="list-style-type: none"> <li>1. No more than two directors of the Company are related by marriage or within the second degree of kinship.</li> <li>2. The Company has prepared its Sustainability Report in accordance with the Global Reporting Initiative (GRI) Standards and has disclosed it on the Market Observation Post System and the Company's official website.</li> <li>3. The Company has invested in sustainable development financial products, including green bonds.</li> </ol>				

Items of evaluation	The pursuit			Variation from the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies”, and the reason for the variation
	Yes	No	Summary Explanation	
4. The Company's Sustainability Report has been submitted to and approved by the Board of Directors.				
(ii) The Company will continue to assess the feasibility of future improvements regarding the areas where we have not scored well, in order to meet corporate governance requirements.				

(iv) Composition, responsibilities, and operation of the Remuneration Committee:

On 27 December 2011, the board of directors of the Company formulated the articles of association of the Remuneration Committee in accordance with the "Measures for the Establishment and Execution of Powers of the Remuneration Committee of Companies Listed in Stocks or Trading in the Business Office of Securities Firms", and appointed WU, TEH-CHUAN, WU, HUEI-HUANG, TSOU, YEN-CHUNG and KO, HSIN-SUI, etc. as members of the 5<sup>th</sup> Remuneration Committee of the Company. It is stipulated in the Articles of Incorporation that members shall perform their duties faithfully with the attention of the fiduciary, and submit their suggestions to the board of directors for discussion.

# 1. Profiles of the members of the Remuneration Committee

8 May 2025

Condition		Professional qualifications and work experience	Independence status	Number of companies where the members of the Remuneration Committee also hold concurrent position as members of Remuneration Committee
Identity	Name			
Independent Director	WU, HUEI-HUANG	National Yang Ming Chiao Tung University Department of Electronic Engineering  Independent director, Kinsus Interconnect Technology Corp. Independent director, Merry Electronics Co., Ltd.,	Compliant with Article 6 of the Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee regarding independence	1
Independent Director	WU, TEH-CHUAN	Department of Electrical Engineering National Cheng Kung University  Chairman, Lelon Electronics Corp,	Compliant with Article 6 of the Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee regarding independence	0
Independent Director	TSOU, YEN-CHUNG	Department of Accountancy, National Cheng Kung University Director, Sun Young CPAs Firm	Compliant with Article 6 of the Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee regarding independence	2
Independent Director	KO, HSIN-SUI	Master, College of Management, National Chung Hsing University  Chairman, Sweeten Real Estate Development Co., Ltd.	Compliant with Article 6 of the Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee regarding independence	0

2. Information on the function of the Remuneration Committee:

(1) The Remuneration Committee of the Company consists of 4 members.

(2) Tenure of the members in the current term: the previous term of office lasted from 8 August 2022 to 19 June 2025. The committee has convened 3 meetings(A). The eligibility of the members and attendance to committee sessions of the members are specified below:

Title	Name	Actual frequency of attendance (B)	Frequency of attendance by proxy	Actual attendance rate (%) (B/A)	Remark
Convener	WU, HUEI-HUANG	3	0	100%	Re-elected on 8 August 2022
Member	WU, TEH-CHUAN	3	0	100%	Re-elected on 8 August 2022
Member	TSOU, YEN-CHUNG	3	0	100%	Re-elected on 8 August 2022
Member	KO, HSIN-SUI	3	0	100%	Re-elected on 8 August 2022

Additional information:

- i. If the board does not adopt or amend the suggestions of the Remuneration Committee, it shall state the date, term, proposal content, resolution results of the board of directors and the Company's response to the Remuneration Committee (such as the remuneration approved by the board of directors is better than the suggestions of the Remuneration Committee, should explain the discrepancy and its reasons):  
None.
- ii. Should a committee member oppose or retain their opinion regarding any decision made by the Remuneration Committee and their opinion has been recorded or submitted in a written statement, the committee meeting date, session, content of the resolution, opinions of all members, and the response to the opinions shall be recorded: None.
- iii. The proposals and results of the meeting and the Company's response to members' opinions:

Date	Proposal details and resolution results
The 7 <sup>th</sup> Meeting, The 5 <sup>th</sup> Remuneration Committee (31 January 2024)	Proposal: 1. Year-end bonus and allocation of senior managers in 2023. 2. The proposal of annual remuneration for senior managers in 2023.
	Opinions of members: No objection or unqualified opinion. Resolution result: The chairman consulted all the attending members and passed the proposal without objection. The Company's response to the opinions of the Remuneration Committee: All members of the committee acted in favor of these motions in common consent and submit to the board.
The 8 <sup>th</sup> Meeting, The 5 <sup>th</sup> Remuneration Committee (12 March 2024)	Proposal: 1. Review the Company's allocation of director remuneration and compensation for 2023. 2. Review the Company's allocation of employee remuneration for 2023.
	Opinions of members: No objection or unqualified opinion. Resolution result: The chairman consulted all the attending members and passed the proposal without objection. The Company's response to the opinions of the Remuneration Committee: All members of the committee acted in favor of these motions in common consent and submit to the board.
The 9 <sup>th</sup> Meeting, The 5 <sup>th</sup> Remuneration Committee (8 May 2024)	Proposal: 1. The Company's the allocation of employee remuneration and senior managers for 2023. 2. Review of the promotion of senior management personnel for 2024.
	Opinions of members: No objections or unqualified opinions. Resolution result: The chairman consulted all the attending members and passed the proposal without objection. The Company's response to the opinions of the Remuneration Committee: All members of the committee acted in favor of these motions in common consent and submit to the board.

<p>The 10th Meeting, The 5<sup>th</sup> Remuneration (15 January 2025)</p>	<p>Proposal:</p> <ol style="list-style-type: none"> <li>1. Review of year-end bonus and allocation of senior managers in 2023.</li> <li>2. Review of the annual remuneration for senior managers in 2023.</li> <li>3. Review of the retirement pension for the former General Manager of the Company.</li> </ol> <p>Opinions of members: No objections or unqualified opinions. Resolution result: The chairman consulted all the attending members and passed the proposal without objection. The Company's response to the opinions of the Remuneration Committee: All members of the committee acted in favor of these motions in common consent and submit to the board.</p>
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(v) The advocacy of sustainable development and variation from the “Sustainable Development Best Practice Principles of TWSE/TPEx Listed Companies”, and the reason:

Evaluation Item	Implementation Status			Deviations from the “Sustainable Development Best Practice Principles of TWSE Listed/TPEx Listed Companies” and Reasons
	Yes	No	Brief Explanation	
i. Does the company establish a governance structure to promote sustainable development, and set up a dedicated (part-time) position to promote sustainable development, which is authorized by the board of directors to handle senior managers, and the board of directors supervises the situation?	✓		The company adheres to its corporate sustainability policy and vision. In August 2015, the “CSR Promotion Team” was established, and in May 2022, it was renamed the “Sustainable Information Disclosure Team”. Led by the management department and in collaboration with various departments, the team regularly reviews the Company’s operational capabilities in accordance with the governance strategies promoted by competent authorities and continuously promotes policies, systems, management guidelines, and specific plans in sustainability governance, sustainability environment, and social responsibility. It assesses progress towards goals, plans future initiatives, identifies sustainability issues of concern to stakeholders, and develops and implements annual plans while tracking the effectiveness of previous year's initiatives. The board of directors recommends that the “Sustainable Information Disclosure Team” and relevant department heads participate in government-organized ESG and greenhouse gas reduction courses to understand the government’s current low-carbon policies. In the fourth quarter of	No deviation.

Evaluation Item	Implementation Status			Deviations from the “Sustainable Development Best Practice Principles of TWSE Listed/TPEX Listed Companies” and Reasons
	Yes	No	Brief Explanation	
			2024, the Company completed the previous year’s “ESG Corporate Sustainability Report”. This year, greenhouse gas inventory operations will be conducted at the Taiwan headquarters, Vietnamese subsidiary (UMEC Vietnam Co., Ltd.), and Mainland China subsidiary (JA-LONG) according to the schedule. Upon completion of the inventory, the results will be included in this year’s “ESG Corporate Sustainability Report” and reported to the board of directors. Quarterly reports on ESG and greenhouse gas inventory will be submitted to the board of directors regularly, with the Company’s formulation of strategies.	
ii. Does the Company conduct risk assessments on environmental, social and corporate governance issues related to the company’s operations in accordance with the principle of materiality, and formulate relevant risk management policies or strategies? (Note2)	✓		1. This disclosure covers the sustainability performance of the Company's major subsidiaries in Taiwan, Vietnam, and Mainland China from January 2024 to December 2024. The risk assessment boundary is primarily based on the Company and includes Taiwan, Mainland China, and Vietnam, etc. The subsidiaries, JA-LONG TECHNOLOGY CO., LTD. (Shenzhen) and UMEC Vietnam Co., Ltd. are included in the scope based on their relevance to the Company’s core operations and the significance of their impact on major themes.	No deviation.

Evaluation Item	Implementation Status			Deviations from the “Sustainable Development Best Practice Principles of TWSE Listed/TPEX Listed Companies” and Reasons
	Yes	No	Brief Explanation	
			2. The Sustainable Development Committee conducts analyses based on the materiality principles of sustainability reports, communicates with internal and external stakeholders, and reviews domestic and international research reports, literature, and integrate assessment data from various departments and subsidiaries. This information is used to evaluate significant ESG issues, establish effective risk management policies for identification, measurement, assessment, monitoring, and control, and implement concrete action plans to reduce the impact of related risks.	
iii. Environmental Issue (i) Does the company establish proper environmental management systems based on the characteristics of their industries?	✓		1. In response to international trends and customer requirements, the Company has implemented the ISO 14001:2015 Environmental Management System. In August 2024, the Company successfully passed the annual surveillance audit conducted by SGS and was issued a renewed certificate valid through 2025. 2. The Company continues to conduct organization-level greenhouse gas (GHG) inventories in accordance with ISO 14064-1:2018. The GHG	No deviation.

Evaluation Item	Implementation Status			Deviations from the “Sustainable Development Best Practice Principles of TWSE Listed/TPEX Listed Companies” and Reasons
	Yes	No	Brief Explanation	
			inventory results for 2023 were verified by SGS, and a verification statement has been issued and published on the official website of Enlong Technology. The 2024 GHG inventory has been completed and is scheduled for third-party verification by SGS in August 2025.	
(ii) Does the Company make effort in upgrading energy efficiency and using regenerated materials for mitigating the impact on the environment?	✓		<ol style="list-style-type: none"> <li>1. The Company actively promotes resource reuse efficiency, including internal document recycling and reusing the paper, comprehensive replacement of water-saving faucets, contributing to the improvement of overall environmental quality.</li> <li>2. In 2024, the Company installed a new variable-frequency exhaust system with a scrubber (fixed pollution source), aiming to reduce electricity consumption and enhance energy efficiency.</li> </ol>	Relevant with the principle.

Evaluation Item	Implementation Status			Deviations from the “Sustainable Development Best Practice Principles of TWSE Listed/TPEX Listed Companies” and Reasons
	Yes	No	Brief Explanation	
(iii) Does the Company assess the potential risk and opportunity for the enterprise to bring about by climate change, and take appropriate measures in responding to climate change issues?	✓		The Company has also started to vigorously promote energy-saving measures and green factory construction, such as promoting the construction of rooftop photovoltaics and ground photovoltaics, eliminating low-efficiency motors to improve energy conservation, setting the temperature of air conditioners, turning off lights when leaving, saving water, etc. Saving electricity consumption by 1% per year is the energy saving and emission reduction goal, and the Company strives to achieve them.	Relevant with the principle.
(iv) Does the company count greenhouse gas emissions, water consumption and total weight of waste in the past two years, and formulate policies for energy saving and carbon reduction, greenhouse gas reduction, water use reduction or other waste management?	✓		1. Greenhouse gas emissions status: In 2023, the greenhouse gas emissions (operational headquarters and manufacturing plants) amounted to 4221.921 metric tons of CO <sub>2</sub> e (Reviewed by SGS, a third-party certification body. The ‘Inspection Statement’ has been published on the official website of the Company). In 2024, the greenhouse gas emissions amounted to 4247.292 metric tons of CO <sub>2</sub> e (preliminary self-assessment, pending SGS review). Which represents an increase of 0.60% compared to the previous year.	Relevant with the principle.

Evaluation Item	Implementation Status			Deviations from the “Sustainable Development Best Practice Principles of TWSE Listed/TPEX Listed Companies” and Reasons
	Yes	No	Brief Explanation	
			<p>2. The total water consumption for 2023 was 25,619 units, and for 2024 was 24,530 units. Which represents an decrease of 4.25% compared to the previous year.</p> <p>3. The total weight of business waste for 2023 was 15.75 metric tons, and for 2024 was 14.62 metric tons. Which represents an decrease of 7.17% compared to the previous year.</p> <p>4. The Company replaced faucets with misting ones to reduce water resource wastage.</p> <p>5. The Company continues to replace indoor LED lighting fixtures to reduce electricity consumption.</p> <p>6. The Company continues to enhance paperless processes to reduce paper usage, waste paper, and increase material recycling.</p> <p>7. To actively reduce the Company's greenhouse gas emissions, a variable frequency drive was installed in the air conditioning ice storage system in 2022, and variable frequency air compressors were purchased in 2023. From 2024 to 2025, the Company completed the installation of a variable-frequency exhaust</p>	

Evaluation Item	Implementation Status			Deviations from the “Sustainable Development Best Practice Principles of TWSE Listed/TPEX Listed Companies” and Reasons
	Yes	No	Brief Explanation	
			system with a scrubber. In 2025, the Company plans to replace the fixed-speed air compressors used in the SMT process with variable-frequency air compressors to reduce electricity consumption.	
iv. Social Issue (i) Does the Company set up management policy and procedures in accordance with relevant laws and regulations and international human rights conventions?	✓		The Company abides by the Responsible Business Alliance (RBA) and the labor acts and international human rights principles where it operates. The Company does not force labor, does not use child labor, and does not use foreign illegal laborers, providing a safe and healthy working environment, improving the quality of products and services, the stability of production, and the loyalty and morale of employees. Strictly prohibit underaged employees from engaging in dangerous work, and all wages, working conditions and safety and health standards are established in accordance with national and regional laws and regulations. In terms of capital management, institutionalization and humanization are absolutely taken into account. In terms of appointment and employment, salary and reward, education and training, performance evaluation, job	Relevant with the principle.

Evaluation Item	Implementation Status			Deviations from the “Sustainable Development Best Practice Principles of TWSE Listed/TPEX Listed Companies” and Reasons
	Yes	No	Brief Explanation	
			promotion, transfer and dismissal, retirement, etc., it is not affected by factors such as race, social class, gender or political party orientation, there are no circumstances as discrimination. Moreover, the Company deals with employees’ labor health insurance, and provides labor pensions to ensure labor rights and interests. Additionally, taking out insurance for all employees with commercial insurance such as group accident insurance and life insurance. During the manufacturing process, minimizing the adverse impacts on communities, the environment and natural resources, while safeguarding the health and safety of the public. Adhere to the highest standards of integrity in all business interactions and adopt a zero-tolerance policy that prohibits any form of bribery, embezzlement, extortion and misappropriation of public funds. Respect intellectual property rights; transfer technical and production knowledge in a way that protects intellectual property rights; and protect customer and supplier information.	

Evaluation Item	Implementation Status			Deviations from the “Sustainable Development Best Practice Principles of TWSE Listed/TPEX Listed Companies” and Reasons
	Yes	No	Brief Explanation	
(ii) Does the Company establish appropriately managed employee welfare measures (including salary, leave, and other benefits), and is its operational performance and achievements reflected in their pay?	✓		The Company formulates working conditions and various salary and welfare measures for employees in accordance with government labor-related laws and regulations, and according to the job title, function, learning experience, performance, market conditions, future development of the company and other factors, taking into account the retention of outstanding colleagues and shareholders' rights, pay a market-competitive salary level.	Relevant with the principle.
(iii) Does the Company provide employees with a safe and healthy work environment and regularly implement safety and health education programs for employees?	✓		<ol style="list-style-type: none"> <li>1. The Company is committed to providing employees with a safe and healthy working environment, and regularly implements safety and health education through education and training opportunities for new employees.</li> <li>2. The Company has passed the ISO45001 management system certification.</li> <li>3. The Company recorded a total of three work-related incidents, and three of them were commuting accidents. The occupational injury rate accounts for 0.26% of the total number of employees. The Company has provided relevant education, training, and awareness campaigns for employees who have experienced work-related incidents.</li> </ol>	Relevant with the principle.

Evaluation Item	Implementation Status			Deviations from the “Sustainable Development Best Practice Principles of TWSE Listed/TPEX Listed Companies” and Reasons
	Yes	No	Brief Explanation	
(iv) Does the Company establish an effective competency development career training program for employees?	✓		The Company cooperates with well-known schools and departments to maintain a close relationship between industry and academia based on operational strategies and employee career development, and actively participates in the government's employment promotion programs to cultivate talents and their career planning.	Relevant with the principle.
(v) Does the Company comply with relevant regulations and international standards in customer health and safety, customer privacy, marketing and labeling of products and services, and does it establish consumer or customer rights protection policies and complaint procedures?	✓		The Company's marketing and labeling of products and services follows relevant regulations and international standards. For the products we sell, relevant regulations and international standards certificates or declarations will be issued according to customer needs. Such as compliance with EU REACH regulations, RoSH environmental protection regulations, WEEE regulations, EuP directives, halogen-free requirements and other international regulations. The privacy of customers abides by the confidentiality agreement and the personal data protection law and has established a customer service unit and a corner for stakeholders to protect consumer rights and provide a channel for complaints.	Relevant with the principle.
(vi) Does the Company establish policies for the management of suppliers and	✓		The Company has established a “Supplier Control Program” for the management of suppliers. An	Relevant with the principle.

Evaluation Item	Implementation Status			Deviations from the “Sustainable Development Best Practice Principles of TWSE Listed/TPEX Listed Companies” and Reasons
	Yes	No	Brief Explanation	
required suppliers to comply with applicable rules and regulations governing environmental protection, occupational safety and health, or human rights of the labor, and the pursuit of these policies?			evaluation team is formed by engineering, R&D, quality assurance and procurement or production management personnel to conduct written and on-site evaluation of suppliers. It focuses on the assurance of quality and product safety, regular and irregular audits of all suppliers with transactions, quality management and management of hazardous substances. And conduct an annual evaluation of the environmental protection, safety and health management system and performance of important suppliers. Use the company's influence to promote environmental protection and safety management to the company's main suppliers through supply chain management and Ensure that suppliers comply with environmental protection, safety and health-related regulations, ensure that their raw materials comply with regulations to ensure safe use, require suppliers to comply with laws and social norms, and ensure information security, human rights, labor safety and health, and evaluate the performance of corporate social responsibility, and only the suppliers who passed the evaluation can be listed as qualified suppliers. Most of the company's domestic and foreign suppliers are long-term cooperative manufacturers, and if there is a concern that the supplier may have a negative impact on the major environment, labor conditions, human rights, society, etc., the Company may terminate or rescind the	

Evaluation Item	Implementation Status			Deviations from the “Sustainable Development Best Practice Principles of TWSE Listed/TPEX Listed Companies” and Reasons
	Yes	No	Brief Explanation	
			contract.	
v. Does the Company consult the internationally adopted standard or guide in compiling its Sustainability Report for disclosure of non-financial information on the Company? Have the aforementioned reports been accredited or guaranteed by a third-party accreditation institution?	✓	✓	<ol style="list-style-type: none"> <li>1. In 2024, the Company completed the compilation and formatting of the ESG Sustainability Report for 2023. The report structure refers to the Universal Standards 2021 published by the GRI Association in 2021 as the basis for information disclosure in the report. It aligns with the 'Sustainable Development Practice Guidelines for Listed and OTC Companies', the Task Force on Climate-related Financial Disclosures (TCFD), and the Sustainability Accounting Standards Board (SASB) sustainability accounting standards.</li> <li>2. The Company’s ESG report for December 2024 has been published on the official website <a href="https://www.umec.com.tw/CorporateSocialResponsibility">https://www.umec.com.tw/CorporateSocialResponsibility</a>, and the ESG sustainability report was uploaded to the Stock Exchange for filing in December 2024.</li> <li>3. The third-party verification process for the Company’s ESG sustainability report is still under evaluation and is expected to be conducted in 2026.</li> </ol>	Relevant with the principle.

Evaluation Item	Implementation Status			Deviations from the “Sustainable Development Best Practice Principles of TWSE Listed/TPEX Listed Companies” and Reasons
	Yes	No	Brief Explanation	
vi. If the Company has established the “Sustainable Development Best Practice Principles” in accordance with the “Sustainable Development Best Practice Principles for TWSE Listed and TPEX Listed Companies”, specify the variation between the practice and the principles: The Company has formulated the "Sustainable Development Code of Practice" and has followed the code accordingly. No deviation.				
vii. Other important information that helps to understand the implementation of sustainable development: 1. The Company and its overseas subsidiaries have strengthened the values that employees should dedicate what they get from society, so they frequently participate in public welfare activities around the world to fulfill corporate social responsibility and care for the land. On 7 September 2024, the Company’s employees participated in an accessible environmental ecology tour organized by the TSZ-AI Intelligence in Taichung Catholic Develops Center. 2. The Company collaborates with universities for technical exchanges and course training. It has also established cross-disciplinary practical field collaborations with universities such as National Chin-Yi University of Technology and National Formosa University to cultivate talents.				

Note 1: The principle of materiality refers to those who have a significant impact on the company's investors and other stakeholders in relation to environmental, social and corporate governance issues.

(vi) Execution Status of Climate-related Information

Item	Execution Status
<p>1. Disclosure of the Supervision and Governance of Climate-related Risks and Opportunities by the Board of Directors and Management.</p>	<p>Board Supervision of Climate-related Risks and Opportunities:  The board members who have a long-term focus on climate change and a thorough understanding of its importance and impact. Therefore, when reviewing significant capital investment cases, the board can incorporate climate change issues into consideration.  The Company seizes business opportunities arising from climate change and carbon reduction by providing carbon-reducing and low-carbon application products and services through research and innovation. We assist both new and existing customers in fulfilling their carbon reduction commitments and targets, resulting in increased sales of our new products and services. Moreover, based on the environmental and load demands during product operation, the Company automatically adjusts carbon emission hotspots to reduce Scope 3 carbon emissions and lower energy consumption. We have installed new high-efficiency plant facilities, including chilled water systems, air conditioning systems, compressed air systems, and energy-saving lighting systems, to reduce energy resource usage and pollutant emissions. Currently, the Company is actively engaged in afforestation efforts in Beinan Township, Taitung County, covering a total area of 9 hectares with 15,000 tree seedlings planted. Through tree planting and carbon management, we contribute to mitigating global warming.</p>
<p>2. Description of How Identified Climate Risks and Opportunities Impact the Business, Strategy, and Fiance of the Company (Short-term, Medium-term, Long-term).</p>	<p>The Company's definitions of short-, medium-, and long-term horizons and major climate-related risks are as follows:</p> <ol style="list-style-type: none"> <li>1. Short-term (1–3 years): (Physical) Increased severity of extreme climate events.</li> <li>2. Medium-term (3–6 years): (Transition) Strengthened obligations for emissions reporting.  (Transition) Increased costs related to greenhouse gas emissions.  (Transition) Products and services being replaced by low-carbon technologies.  (Transition) Increased raw material costs.  (Physical) Increased severity of extreme weather events.  (Transition) Increased stakeholder concerns and negative feedback.</li> <li>3. Long-term (7–10 years):</li> </ol>

Item	Execution Status
	<p>(Transition) Products and services being replaced by low-carbon technologies.</p> <p>(Transition) Increased raw material costs.</p> <p>(Physical) Increased severity of extreme weather events.</p>
<p>3. Description of the Financial Impact of Extreme Weather Events and Transformation Actions.</p>	<p>In the past decade, JA-LONG TECHNOLOGY CO., LTD. (Shenzhen), a subsidiary located in Shenzhen, Guangdong Province, has experienced multiple severe rainstorms due to typhoon circulations and monsoon effects. In September 2024, Typhoon Yagi, the most intense autumn typhoon on record, made landfall in Hainan and Guangdong Provinces, causing widespread disruptions to communication and electricity systems and affecting over one million people. The typhoon also impacted northern Vietnam, including Quang Ninh Province and Hanoi, with nearly 110,000 hectares of rice paddies flooded or destroyed.</p> <p>Potential impacts on the Company from such disasters include: increased intensity of weather events compared to previous years; potential inadequacy of existing infrastructure to cope with the events; reduced employee productivity and occupational safety; increased disaster prevention costs; and possible production line interruptions due to flooding or water supply outages.</p> <p>Possible impacts on employees include: shortened lifespan of equipment and facilities due to extreme weather changes; adverse effects on employee health; higher incidence of vector-borne diseases; challenges in commuting and business travel; instability of municipal water supply; and increased uncertainty in operational costs, raising pressure on cost control.</p> <p>Additionally, under the threat of physical climate risks, the lack of alternative response mechanisms may lead to delivery delays, resulting in decreased revenue.</p>
<p>4. Description of How the Identification, Assessment, and Management Process of Climate Risks are Integrated into the Overall Risk Management System</p>	<p>Climate-related risks and opportunities potentially faced by the electrical and electronics industry to which the Company belongs→(Narrowing) Based on the types of products and services, climate changes at operating locations, regulatory development trends in operating and sales markets, and the climate change strategies of major clients, the climate-related risks and opportunities relevant to the Company are identified.→(Materiality Assessment) Senior management evaluates and scores the risks based on the likelihood of occurrence and the potential impact on the Company.→(Strategic Response) Corresponding strategies are assessed and formulated, including major investments or expenditures.</p> <p>For material climate-related risks and opportunities, the Sustainability Committee analyzes the causes and degree of impact on the organization, and proposes response</p>

Item	Execution Status
	strategies and action plans. The Committee also evaluates the resources and costs required. Once the strategic direction is determined, the Committee reports to the Board of Directors. Business action plans involving significant resource input and cost must be approved by the Board before implementation.
5. If using scenario analysis to assess resilience to climate change risks, the scenario, parameters, assumptions, analysis factors, and major financial impacts should be explained.	<p>In the context of three scenario analyses completed for physical risks and transformation risks and opportunities, a water shortage issue was identified at the manufacturing plant:</p> <p>Regarding direct operational aspects, in addition to internal water conservation goals, the current and future water shortage risks were evaluated based on IPCC AR4 (assuming a temperature increase of 2°C). Resilience of regional water resources was strengthened to achieve sustainable water use. The resulting risk values from the analysis were incorporated into the basis for estimating financial impacts.</p> <p>Regarding electricity generation:</p> <p>In addition to internal energy-saving goals, continuous improvement of electricity efficiency was pursued. Based on IPCC AR4 and BAU scenario settings, the current and future electricity shortage risks were evaluated. The resulting risk values from the analysis were incorporated into the basis for estimating financial impacts.</p>
6. If there is a transformation plan to address climate-related risks, describe the contents of the plan, as well as the indicators and objectives used for identifying and managing physical risks and transformation risks.	<p>The Company has designated 2022 as the base year for greenhouse gas inventory. The primary reduction target is 1.5% annually, with an increased reduction rate of 4% per year from 2026 to 2030, aiming to meet international carbon emission standards by 2050.</p> <p>In 2023, the Company achieved a carbon reduction of 535.251 metric tons of CO<sub>2</sub>e, representing an 11.25% decrease compared to the base year—surpassing the reduction target ahead of schedule. In 2024, the carbon reduction results remained generally consistent with those of 2023.</p>
7. If using internal carbon pricing as a planning tool, the basis for price determination should be explained.	Currently, the company has not implemented an internal carbon pricing mechanism. In the future, the company will refer to the carbon fee collection standards set by the Environmental Protection Administration of the Executive Yuan (NT\$300 per metric ton of CO <sub>2</sub> e) to establish the basis for internal carbon pricing and encourage production (process) units and research and development units to assist in energy conservation and carbon reduction efforts.
8. If climate-related targets are set, the covered activities, scope of greenhouse gas emissions, planning timeline, annual	1. The scope of greenhouse gas emissions covered by the ISO14064-1 system of the management department includes all manufacturing plants of the group. The

Item	Execution Status
<p>progress, etc., should be explained. If carbon offsetting or Renewable Energy Certificates (RECs) are used to achieve relevant targets, the source and quantity of offset carbon emissions or the number of RECs should be explained.</p>	<p>greenhouse gas inventory planning timeline for 2024 includes the Taiwan headquarters and manufacturing Plant 2, the subsidiary in Vietnam (UMEC Vietnam Co., Ltd.), and the subsidiary in China (JA-LONG). The inventory planning timeline for 2025 includes the Taiwan headquarters and manufacturing Plant 2, the subsidiary in Vietnam (UMEC Vietnam Co., Ltd.), and the subsidiaries in China (JA-LONG and Renlong). The inventory planning timeline for 2026 includes the Taiwan headquarters and manufacturing Plant 2, the subsidiary in Vietnam (UMEC Vietnam Co., Ltd.), and the subsidiaries in China (JA-LONG , Renlong, and Fulong).</p> <p>2. According to the "Greenhouse Gas Offset Project Management Measures" of the Environmental Protection Administration, the company is not required to register as a process type for the first batch of greenhouse gas emission sources listed by the Environmental Protection Administration, and its annual greenhouse gas emissions do not exceed 25,000 metric tons of carbon dioxide equivalent, so it is not required to use the carbon offset mechanism.</p>
<p>9. Explanation of Greenhouse Gas Inventory and Assurance Status, Reduction Targets, Strategies, and Specific Action Plans (to be filled in sections 1-1 and 1-2)</p>	<p>Please refer to the attached table for details.</p>

## Explanation:1-1 Greenhouse Gas Inventory and Assurance Status for the Past Two Years.

### 1-1-1 Greenhouse Gas Inventory Information.

Explanation of Greenhouse Gas Emissions, Intensity (metric tons CO2e per million NT dollars), and Data Coverage for the Last Two Years.
<p>Greenhouse Gas Inventory Information for 2023 (Verified by External Audit):</p> <p>Direct emissions (Scope 1): 275.2996 metric tons CO2e</p> <p>Energy indirect emissions (Scope 2 and other indirect emissions under Scope 3): 3946.6214 metric tons CO2e</p> <p>Total greenhouse gas carbon emissions: 4221.921 metric tons CO2e</p> <p>Greenhouse gas carbon emission intensity: 0.8733 metric tons CO2e per million NT dollars</p> <p>Data Coverage: UNIVERSAL MICROELECTRONICS CO., LTD. (No. 2, Gongyequ 27th Rd., Nantun Dist., Taichung City 408217 , Taiwan (R.O.C.);No. 3, Gongyequ 27th Rd., Nantun Dist., Taichung City 408217 , Taiwan (R.O.C.)).</p> <p>Greenhouse Gas Inventory Information for 2024 (Not Yet Verified by External Audit):</p> <p>Direct emissions (Scope 1): 155.2228 metric tons CO2e</p> <p>Energy indirect emissions (Scope 2 and Scope 3 Other indirect emissons): 4092.0692 metric tons CO2e</p> <p>Total greenhouse gas carbon emissions: 4247.292 metric tons CO2e</p> <p>Greenhouse gas carbon emission intensity: 1.3145 metric tons CO2e per million NT dollars</p> <p>Data Coverage: UNIVERSAL MICROELECTRONICS CO., LTD. (No. 2, Gongyequ 27th Rd., Nantun Dist., Taichung City 408217 , Taiwan (R.O.C.);No. 3, Gongyequ 27th Rd., Nantun Dist., Taichung City 408217 , Taiwan (R.O.C.) ).</p>

Note 1: Direct emissions (Scope 1,emissions directly from sources owned or controlled by the Company),energy indirect emissions (Scope 2,emissions resulting from the consumption of purchased electricity,heat,or steam)and other indirect emissions (Scope3,emissions from activites not owned or controlled by the company , but resulting from its activities).

Note 2: The coverage of direct emissions and energy indirect emissions data shall be processed according to the schedule specified in Article 10,Paragraph 2 of this standard.Information on other indirect emissions may be voluntarily disclosed.

Note 3: Greenhouse Gas Inventory Standard: The Greenhouse Gas Protocol (GHG Protocol)or ISO 14064-1 published by the International Organization for Standardization (ISO).

Note 4: Greenhouse gas emissione intensity may be calculated per unit of product / service or revenue,but data should be at least provided in terms of revenue (in million NT dollars).

## 1-1-2 Greenhouse Gas Assurance Information

Explanation of the assurance status for the most recent two years up to the date of printing of the annual report, including the scope of assurance, assurance provider, assurance criteria, and assurance opinion.
<p>Greenhouse Gas Assurance Information for 2022:</p> <p>Scope of assurance: UNIVERSAL MICROELECTRONICS CO., LTD. (No. 2, Gongyequ 27th Rd., Nantun Dist., Taichung City 408217 , Taiwan (R.O.C.);No. 3, Gongyequ 27th Rd., Nantun Dist., Taichung City 408217 , Taiwan (R.O.C.))</p> <p>Coverage period of disclosed information: From January 1, 2022, to December 31, 2022</p> <p>Assurance provider: Taiwan Inspection Technology Co., Ltd. (SGS)</p> <p>Assurance criteria: In accordance with ISO 14064-1:2018, ISO 14064-3:2006 (with reference to Global Warming Potential (GWP) values from IPCC 2021 Sixth Assessment Report)</p> <p>Greenhouse Gas Assurance Information for 2023:</p> <p>Scope of assurance: UNIVERSAL MICROELECTRONICS CO., LTD. (No. 2, Gongyequ 27th Rd., Nantun Dist., Taichung City 408217 , Taiwan (R.O.C.);No. 3, Gongyequ 27th Rd., Nantun Dist., Taichung City 408217 , Taiwan (R.O.C.))</p> <p>Coverage period of disclosed information: From January 1, 2023, to December 31, 2023</p> <p>Assurance provider: Taiwan Inspection Technology Co., Ltd. (SGS)</p> <p>Assurance criteria: In accordance with ISO 14064-1:2018, ISO 14064-3:2019 (with reference to Global Warming Potential (GWP) values from IPCC 2021 Sixth Assessment Report)</p>

Note 1: According to the schedule specified in Article 10, Paragraph 2 of this standard, if the company fails to obtain a complete assurance opinion on greenhouse gases by the date of the annual report printing, it shall indicate "Complete assurance information will be disclosed in the sustainability report." If the company has not prepared a sustainability report, it shall indicate "Complete assurance information will be disclosed on the Public Information Observation Platform," and the complete assurance information shall be disclosed in the following year's annual report.

Note 2: The assurance provider shall comply with the relevant regulations on assurance institutions for sustainability reports stipulated by the Taiwan Stock Exchange Corporation and the Taiwan Depository & Clearing Corporation.

Note 3: The disclosure content can refer to the best practice reference examples on the Corporate Governance Center website of the Taiwan Stock Exchange.

1-2 Greenhouse Gas Reduction Targets, Strategies and Specific Action Plans

<p>This section outlines the greenhouse gas reduction baseline year and its data, reduction targets, strategies, specific action plans, and the achievement of reduction targets.</p>
<p>Greenhouse Gas Reduction Baseline Year: The baseline year for greenhouse gas reduction is set as 2022, with a total emissions of 4757.172 metric tons of CO<sub>2</sub>e (Scope: Operational Headquarters and Manufacturing Plant 2). [Direct Emissions (Scope 1): 257.1963 metric tons of CO<sub>2</sub>e, Energy Indirect Emissions (Scope 2 and Other Indirect Emissions in Scope 3): 4499.9756 metric tons of CO<sub>2</sub>e]</p> <p>In 2023, energy-saving and carbon reduction measures were implemented to reduce greenhouse gas emissions (Actual reduction is 11.25%):</p> <ol style="list-style-type: none"><li>1. Gradual replacement of lighting fixtures in Manufacturing Plant 2 (replacement of fluorescent lights with LED), approximately 100 fixtures, resulting in an estimated 2% reduction in greenhouse gas emissions.</li><li>2. Installation of variable frequency air compressors in Manufacturing Plant 2 (adjusting original fixed-frequency air compressors to standby mode), resulting in an estimated 3% reduction in greenhouse gas emissions.</li></ol> <p>The total greenhouse gas emissions within the assurance boundary—including the headquarters and Manufacturing Plant 2—amounted to 4,221.921 metric tons of CO<sub>2</sub>e. (Direct emissions (Scope 1): 275.2996 metric tons of CO<sub>2</sub>e; Energy indirect emissions (Scope 2 and other indirect emissions under Scope 3): 3,946.6214 metric tons of CO<sub>2</sub>e)</p> <p>In 2024, energy-saving and carbon reduction measures remain to be implemented (An estimated further reduction of 4% in greenhouse gas carbon emissions. The results are pending verification by SGS.):</p> <ol style="list-style-type: none"><li>1. Gradual replacement of lighting fixtures in Operational Headquarters (replacement of fluorescent lights with LED), approximately 100 fixtures, estimating a reduction of 2% in greenhouse gas carbon emissions.</li><li>2. Replacement of air pollution control equipment [Integration of 46 motors (2HP) into 3 variable frequency motors (75HP2, 30HP1)], estimating a reduction of 2% in greenhouse gas carbon emissions.</li></ol> <p>In 2025, energy-saving and carbon reduction measures will continue to be implemented: the fixed-frequency air compressor in the SMT process will be replaced with a variable-frequency air compressor, which is estimated to reduce greenhouse gas emissions by 2%.</p>

Note 1 : The procedures should be conducted in accordance with the schedule set forth in Article 10, Paragraph 2 of this guideline.

Note 2 : The base year should be the year in which the examination of the consolidated financial statements is completed at the boundary. For example, according to the provision in Article 10, Paragraph 2 of this guideline, companies with a capital of over 10 billion NT dollars should complete the examination of the consolidated financial statements for the year 2025 by 2024. Therefore, the base year is 2024. If the company has already completed the examination of the consolidated financial statements in advance, the earlier year may be used as the base year. Additionally, the data for the base year may be calculated based on a single year or the average of several years.

Note 3 : Disclosure content can be referred to the best practice reference examples on the Corporate Governance Center website of the Taiwan Stock Exchange.

(vii) Fulfillment of Ethical Corporate Management and Deviations from the “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies”, and the reason for the variation.

Items Evaluated	Implementation Status (Note)			Variations from the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” and Reasons
	<u>Yes</u>	<u>No</u>	Brief Explanation	
i. Establishment of the ethical corporate management (i) Does the Company make policies of ethical corporate management passed by the board, and explicitly stated the ethical corporate management policy and related action plans, and the commitment of the Board and the senior management in the proper pursuit of the ethical corporate management policy?	✓		The Company has formulated the "Code of Integrity Management", which can be found on the Company website/Investor corner/Corporate Governance corner ( <a href="http://www.umec.com.tw/Investor/CorporateGovernance">http://www.umec.com.tw/Investor/CorporateGovernance</a> ) The code stipulated that the board of directors, managers and employees of the Company should abide by laws and regulations and prevent dishonest behavior in the execution of business.	No deviation.
(ii) Does the Company develop the mechanisms for the assessment of the risk of unethical practices, and conducted analysis and assessed the kind of business activities vulnerable to the risk of unethical practices within the scope of operation at regular intervals, and mapped out the solution for preventing such practices covering at least the preventive measures as stated in Paragraph 2 under Article 7 of the “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies ”?	✓		The “Corporate Governance Best Practice Principles” stipulated by the Company have detailed regulations prohibiting the directors, managers and all employees of the Company from engaging in any activities that fall within the scope of Article 7, paragraph 2 or other business scopes of the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies". There is a “Procedures for Ethical Management and Guidelines for Conduct”. which clearly stipulates the relevant provisions of the Company's personnel prohibiting the provision or acceptance of illegitimate benefits and setting up reporting and appealing channels and appealing units to prevent dishonest behaviors.	No deviation.

Items Evaluated	Implementation Status (Note)			Variations from the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” and Reasons
	<u>Yes</u>	<u>No</u>	Brief Explanation	
(iii) Does the Company map out the solution for preventing unethical practices, and specified the operation procedures, code of conduct, penalty on violation and the system for complaints in the solutions, and properly implemented the plans with routine review and revision of the aforementioned solutions	✓		The Company has formulated the "Corporate Governance Best Practice Principles", which clearly defines the operating procedures, behavior guidelines, punishment and complaint systems for violations, and carry out the implementation. In 2024, when the board of directors presented its executive report in each quarter, the Company's “Corporate Governance Best Practice Principles” will be re-examined that whether it needs to be revised.	No deviation.
ii. Practice of ethical corporate management (i) Does the Company assess the record of integrity on the counterparties of trade, and explicitly stated the integrity clause in the contracts binding the counterparties and the Company?	✓		The Company has evaluated the integrity records of its business partners, and we have not found any instances of trading with individuals or entities with a poor integrity record.	No deviation. °
(ii) Does the Company establish a designated body charged with the advocacy of business integrity under ethical corporate management on a full-time (part-time) basis under the direct supervision of the Board, and report to the Board of the ethical corporate management policy and the plans for prevention of unethical practices with monitoring the enforcement of the plans at regular intervals (at least once a year)?	✓		The Company's management department is responsible for planning and promoting the development of ethical management policies and prevention plans, and the audit unit supervises the implementation status, regularly reports to the board of directors on a quarterly basis on its integrity management policies and plans for preventing dishonest behavior and supervises business implementation.	No deviation.
(iii) Does the Company establish the policies for the prevention of the conflict of interest and appropriate channels for expression, and properly pursued these policies?	✓		The Company has formulated the “Procedures for Ethical Management and Guidelines for Conduct”, and clearly defined the policy of interest conflict and provided appropriate channels for statements.	No deviation.

Items Evaluated	Implementation Status (Note)			Variations from the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” and Reasons
	<u>Yes</u>	<u>No</u>	Brief Explanation	
(iv) For the proper pursuit of ethical corporate management, has the Company established an effective accounting system and internal control system, with related audit plans designed by the internal audit function on the basis of the findings of the assessment on the risk of unethical practices basing on which audit on prevention of unethical practice will be conducted, or CPAs will be delegated for conducting the audit?	✓		The Company has established an accounting system and internal control system. In addition to the regular audit by the internal audit unit, it is also entrusted to the accountants to conduct regular audit.	No deviation.
(v) Does the Company hold internal and external ethical corporate behavior training regularly?	✓		The Company has been actively advocating the concept of ethical management to employees.	No deviation.
iii. Status for enforcing the whistle-blowing system (i) Does the Company establish a specific whistleblowing and reward system, set up convenient channels, and designate appropriate personnel to handle the investigations, depending on the identity of the personbeing reported?	✓		The Company has formulated the “Procedures for Ethical Management and Guidelines for Conduct” and has also clearly formulated the reporting and complaint channels. Complaints can be reported by the dedicated mailbox set up by the company, and a dedicated unit has been established to handle related affairs by the management department.	No deviation.
(ii) Does the Company establish a standard investigation procedure, follow-up measures, and relevant mechanisms to ensure confidentiality?	✓		The Company has formulated the “Procedures for Ethical Management and Guidelines for Conduct”, and the investigation procedures for reported matters is managed by the management department.	No deviation.
(iii) Does the Company adopt protection against possible mistreatment arising from reporting violations?	✓		The Company has formulated the “Procedures for Ethical Management and Guidelines for Conduct”, and has taken measures to protect whistleblowers, so as not to be mistreated due to whistleblowing.	No deviation.
iv. Enhance information disclosure Does the Company disclose the content of its Best Practice Principles and its effectiveness on its website	✓		The Company currently discloses relevant information on the Company's website and the	No deviation.

Items Evaluated	Implementation Status (Note)			Variations from the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” and Reasons
	<u>Yes</u>	<u>No</u>	Brief Explanation	
and the TWSE market observation post system?			Market Observation Post System.	
v. If the Company has established a “Corporate Governance Best Practice Principles” based on the “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies”, please specify the variations and implementation below: The Company has established a “Corporate Governance Best Practice Principles” based on the “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies” that complies with the provisions of the “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies” issued by the TWSE. In terms of operation, the Company also requires the relevant departments of the Company to implement in line with the code, and there is no material difference from the stipulated code.				
vi. Other information that facilitates the understanding of Ethical Corporate Best Practice Principles: The Company discloses the implementation status of ethical management on its company website/Investor corner/Disclosure of the implementation status of corporate best practice principles ( <a href="http://www.umec.com.tw">http://www.umec.com.tw</a> )				

(viii) Other important information that facilitates the understanding of the implementation status of corporate governance may be disclosed:

1. For the implementation effectiveness of corporate governance, please refer to the Corporate Governance section on the Company’s official website and the Sustainability Report.
2. In 2024, the further studies of directors are as follows:

Title	Name	Date of election	Date of course	Organizer	Name of Course	Study hours	Total hours
Chairman/Representative of corporate director (Newly-appointed on 15 January 2025)	OU, JEN-CHIEH	20 June 2022	6 September 2024	Securities and Futures Institute	Prevention of Insider Trading Campaign for 2024	3	6
		20 June 2022	12 September 2024	Taiwan Corporate Governance Association	A Comprehensive Perspective on Corporate Legal Compliance: From Ethical Corporate Management and Breach of Trust to Practical Aspects of Labor Laws (Including Gender Equality in Employment Act)	3	

Title	Name	Date of election	Date of course	Organizer	Name of Course	Study hours	Total hours
Director (Retired on 14 January 2025)	OU, CHENG-MING	20 June 2022	9 May 2024	Corporate Governance and Sustainable Development Association	Corporate Governance and Securities Regulations – Information Disclosure System and Relevant Regulations for TWSE and TPEX Listed Companies	3	15
			20 July 2024	Commerce Development Research Institute	Corporate Governance and Sustainable Business Operations Workshop	3	
			21 July 2024	Taiwan Corporate Governance Association	Functions and Prospects of the Carbon Exchange & How the Board of Directors Oversees the Establishment and Enhancement of Corporate Risk Management Mechanisms	3	
			6 September 2024	Securities and Futures Institute	Prevention of Insider Trading Campaign for 2024	3	
			12 September 2024	Taiwan Corporate Governance Association	A Comprehensive Perspective on Corporate Legal Compliance: From Ethical Corporate Management and Breach of Trust to Practical Aspects of Labor Laws (Including Gender Equality in Employment Act)	3	
Representative of corporate director	OU, TZU-HUEI	20 June 2022	6 September 2024	Securities and Futures Institute	Prevention of Insider Trading Campaign for 2024	3	6
			12 September 2024	Taiwan Corporate Governance Association	A Comprehensive Perspective on Corporate Legal Compliance: From Ethical Corporate Management and Breach of Trust to Practical Aspects of Labor Laws (Including Gender Equality in Employment Act)	3	
Director		20 June 2022	6 September 2024	Securities and Futures Institute	Prevention of Insider Trading Campaign for 2024	3	6

Title	Name	Date of election	Date of course	Organizer	Name of Course	Study hours	Total hours
	TSAI, KUO-CHI		12 September 2024	Taiwan Corporate Governance Association	A Comprehensive Perspective on Corporate Legal Compliance: From Ethical Corporate Management and Breach of Trust to Practical Aspects of Labor Laws (Including Gender Equality in Employment Act)	3	
Director	YANG, SHANG-JU	20 June 2022	10 May 2024	Securities and Futures Institute	Global Economic Outlook for the Second Half of 2024	3	6
			27 August 2024	Taiwan Corporate Governance Association	Discussion on the Three Major Guidelines: Ethical Corporate Management, Corporate Governance, and Sustainable Operations, with Practical Case Studies	3	
Director	LIEN, TSUNG-FU	20 June 2022	12 April 2024	Taiwan Academy of Banking and Finance	Corporate Governance and Sustainable Business Operations Workshop	3	6
			12 September 2024	Taiwan Corporate Governance Association	A Comprehensive Perspective on Corporate Legal Compliance: From Ethical Corporate Management and Breach of Trust to Practical Aspects of Labor Laws (Including Gender Equality in Employment Act)	3	
Director	HSU, KUAN-CHUN	20 June 2022	6 September 2024	Securities and Futures Institute	Prevention of Insider Trading Campaign for 2024	3	6
			12 September 2024	Taiwan Corporate Governance Association	A Comprehensive Perspective on Corporate Legal Compliance: From Ethical Corporate Management and Breach of Trust to Practical Aspects of Labor Laws (Including Workplace Sexual Harassment Prevention)	3	
Independent director		20 June 2022	12 April 2024	Taiwan Academy of Banking and Finance	Corporate Governance and Sustainable Business Operations Workshop	3	6

Title	Name	Date of election	Date of course	Organizer	Name of Course	Study hours	Total hours
	TSOU, YEN-CHUNG		12 September 2024	Taiwan Corporate Governance Association	A Comprehensive Perspective on Corporate Legal Compliance: From Ethical Corporate Management and Breach of Trust to Practical Aspects of Labor Laws (Including Gender Equality in Employment Act)	3	
Independent director	WU, TEH-CHUAN	20 June 2022	3 July 2024	TWSE	Cathay Sustainable Finance and Climate Change Summit for 2024	6	9
			12 September 2024	Taiwan Corporate Governance Association	A Comprehensive Perspective on Corporate Legal Compliance: From Ethical Corporate Management and Breach of Trust to Practical Aspects of Labor Laws (Including Gender Equality in Employment Act)	3	
Independent director	WU, HUEI-HUANG	20 June 2022	12 April 2024	Taiwan Academy of Banking and Finance	Corporate Governance and Sustainable Business Operations Workshop	3	9
			29 April 2024	Taiwan Corporate Governance Association	The New Era of Artificial Intelligence: How ChatGPT is Transforming Emerging Industry Trends	3	
			12 September 2024	Taiwan Corporate Governance Association	A Comprehensive Perspective on Corporate Legal Compliance: From Ethical Corporate Management and Breach of Trust to Practical Aspects of Labor Laws (Including Gender Equality in Employment Act)	3	
Independent director	KO, HSIN-SUI	20 June 2022	3 July 2024	TWSE	2024 Cathay Sustainable Finance and Climate Change Summit	6	9
			20 July 2024	Commerce Development Research Institute	Practical Seminar on Sustainable Development	3	

(ix) Internal control system execution status

1. Statement of Internal Control System

UNIVERSAL MICROELECTRONICS CO., LTD.

Statement of Internal Control System

11 March 2025

Based on the findings of a self-assessment, UNIVERSAL MICROELECTRONICS CO., LTD. states the following with regard to its internal control system during the year 2024:

1. UNIVERSAL MICROELECTRONICS CO.'s Board of Directors and management are responsible for establishing, implementing, and maintaining an adequate internal control system. Internal control system is designed to provide reasonable assurance over the effectiveness and efficiency of our operations (including profitability, performance and safeguarding of assets), reliability, timeliness, transparency and regulatory compliance of our reporting, and compliance with applicable rulings, laws and regulations.
2. An internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can provide only reasonable assurance of accomplishing its stated objectives. Moreover, the effectiveness of an internal control system may be subject to changes due to extenuating circumstances beyond our control. Nevertheless, our internal control system contains self-monitoring mechanisms, and UNIVERSAL MICROELECTRONICS CO., LTD. takes immediate remedial actions in response to any identified deficiencies.
3. UNIVERSAL MICROELECTRONICS CO., LTD. evaluates the design and operating effectiveness of its internal control system based on the criteria provided in the Regulations Governing the Establishment of Internal Control Systems by Public Companies (herein below, the Regulations). The criteria adopted by the Regulations identify five key components of managerial internal control: (1) control environment, (2) risk assessment, (3) control activities, (4) information and communication, and (5) monitoring activities. Each component also includes several items which can be found in the Regulations
4. UNIVERSAL MICROELECTRONICS CO., LTD. has evaluated the design and operating effectiveness of its internal control system according to the aforesaid Regulations.
5. Based on the findings of such evaluation, UNIVERSAL MICROELECTRONICS CO., LTD. believes that, on 31 December 2024, it has maintained, in all material respects, an effective internal control system (that includes the supervision and management of our subsidiaries), to provide reasonable assurance over our operational effectiveness and efficiency, reliability, timeliness, transparency and regulatory compliance of reporting, and compliance with applicable rulings, laws and regulations
6. This Statement is an integral part of UNIVERSAL MICROELECTRONICS CO., LTD.'s annual report and prospectus, and will be made public. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchange Law.
7. This Statement was passed by the Board of Directors in their meeting held on 11 March 2025, with none of the ten attending directors expressing dissenting opinions, and the remainder all affirming the content of this Statement.

UNIVERSAL MICROELECTRONICS CO., LTD.

Chairman: OU, JEN-CHIEH

General Manager: OU, JEN-CHIEH

2. The CPA audit review must be disclosed as the internal control system is audited by a CPA: None.

(x) Major resolutions made and execution status at the shareholders' meeting and board meeting in the last year and by the publishing date of the report:

1. Major resolutions made at the shareholders' meeting and the implementation status after the meeting of 2024:

Date	Major resolutions made and execution status
26 June 2024 regular shareholders' meeting	<ol style="list-style-type: none"> <li>1. The resolution has been passed for the Company's 2023 annual business report and financial statement. Implementation status: After the resolution was passed at the shareholders' meeting, it will be implemented immediately.</li> <li>2. The resolution has been passed for the Company's 2023 profit and loss appropriation. Implementation status: The shareholders' meeting resolved to distribute a cash dividend of NTD 0.2 for the current year. The ex-dividend date was 2 September 2024, and the dividend was fully paid on 16 September 2024.</li> </ol>

2. Details of major resolutions of the board of directors from 1 January 2024 to 8 May 2025 (printing date):

Date/Period	Major resolutions
31 January 2024 (The 13th board of directors The 10th meeting)	<p>Report items:</p> <ol style="list-style-type: none"> <li>1. Minutes and implementation status of the previous meeting.</li> <li>2. The Company's major financial business reports.</li> <li>3. The Company's internal audit business report from October 2023 to November 2023.</li> </ol> <p>Discussion items:</p> <ol style="list-style-type: none"> <li>1. The resolution has been passed for the Company's year-end bonus and allocation for senior managers in 2023.</li> <li>2. The resolution has been passed for the annual remuneration for senior managers in 2023.</li> <li>3. The resolution has passed for the loan limit between the Company and financial institutions.</li> </ol>
12 March 2024 (The 13th board of directors The 11th meeting)	<p>Report items:</p> <ol style="list-style-type: none"> <li>1. Minutes and implementation status of the previous meeting.</li> <li>2. The Company's major financial business reports.</li> <li>3. The Company's external endorsement and guarantee status.</li> <li>4. The Company's internal audit business report.</li> <li>5. The Company's corporate social responsibility business report for the fourth quarter of 2023.</li> <li>6. Progress report on the greenhouse gas inventory and verification schedule for the fourth quarter of 2023.</li> <li>7. Result of the board of directors' performance evaluation for 2023.</li> <li>8. The report on the Company's "Whether disguised financial transactions need to be disclosed as loaning funds to others announcement".</li> </ol> <p>Discussion items:</p> <ol style="list-style-type: none"> <li>1. The resolution has been passed for the Company's 2023 annual business</li> </ol>

Date/Period	Major resolutions
	<p>report and financial statement.</p> <ol style="list-style-type: none"> <li>The resolution has been passed for the Company's 2023 profit and loss appropriation.</li> <li>The resolution has been passed for the allocation of director remuneration for 2023.</li> <li>The resolution has been passed for the allocation of employee remuneration for 2023.</li> <li>The resolution has been passed to provide funding loans</li> <li>The resolution has been passed for the Company's "Statement of Internal Control System" for 2023.</li> <li>The resolution has been passed for the periodic assessment of the independence and suitability of the Company's CPAs.</li> <li>The resolution has been passed to review non-assurance services provided by Ernst &amp; Young and its associates.</li> <li>The resolution has been passed for the review of the Company's CPA fees of 2024 financial statement and tax report.</li> <li>The resolution has been passed for the amendment of the certain articles of the Company's "Audit Committee Charter".</li> <li>The resolution has been passed for the amendment of the certain articles of the Company's "Rules of Procedure for Board of Directors Meetings".</li> <li>The resolution has been passed for the amendment of the certain articles of the Company's "Rules for Performance Evaluation of Board of Directors".</li> <li>The resolution has passed to schedule the regular shareholders' meeting of 2024. The meeting will be held on 26 June 2024(Wednesday), at 9:00 a.m. in the Company's 5 th floor conference room.</li> <li>The resolution has passed for the loan limit between the Company and financial institutions.</li> </ol>
8 May 2024 (The 13th board of directors The 12th meeting)	<p>Report items:</p> <ol style="list-style-type: none"> <li>Minutes and implementation status of the previous meeting.</li> <li>The Company's major financial business reports.</li> <li>The Company's internal audit business report.</li> <li>The Company's corporate social responsibility business report for the first quarter of 2024.</li> <li>The Company's report on the overview of liability insurance report of directors for 2024.</li> <li>Progress report on the greenhouse gas inventory and verification schedule for the first quarter of 2024.</li> <li>The report on the Company's "Whether disguised financial transactions need to be disclosed as loaning funds to others announcement".</li> </ol> <p>Discussion items:</p> <ol style="list-style-type: none"> <li>The resolution has passed for the Company's consolidated financial statement report for the first quarter of 2024.</li> <li>The resolution has passed for the Company's employee remuneration and the allocation of senior managers for 2023.</li> <li>The resolution has been passed for the Company's promotion of senior managers in 2024.</li> <li>The resolution has passed for the loan limit between the Company and financial institutions.</li> </ol>
8 July 2024 (The 13th	<p>Report items:</p> <ol style="list-style-type: none"> <li>Minutes and implementation status of the previous meeting.</li> <li>The Company's major financial business reports.</li> </ol>

Date/Period	Major resolutions
board of directors The 13th meeting)	Discussion items: 1. The resolution has passed for the dissolution of the subsidiary UMEC Renlong Electronics Co., Ltd. (Meizhou).
12 August 2024 (The 13th board of directors The 14th meeting)	Report items: 1. Minutes and implementation status of the previous meeting. 2. The Company's major financial business reports. 3. The Company's internal audit business report. 4. The Company's corporate social responsibility business report for the second quarter of 2024. 5. Progress report on the greenhouse gas inventory and verification schedule for the second quarter of 2024. 6. The report on the 2023 (10th Term) Corporate Governance Evaluation Results and Related Improvement Plan of the Company 7. The report on the Company's "Whether disguised financial transactions need to be disclosed as loaning funds to others announcement". 8. The report on the Company's improvement plan in response to the 2023 internal control recommendations 9. The report on the expropriation of land by the shenzhen municipal government for the "zongdi north access gongmian road" project affecting subsidiary JA-LONG TECHNOLOGY CO., LTD. (Shenzhen). 10. Progress report on the dissolution and liquidation of subsidiary, UMEC Renlong Electronics Co., Ltd. (Meizhou). Discussion items: 1. The resolution has been passed for the Company's consolidated financial statement report for the second quarter of 2024. 2. The resolution has been passed to review non-assurance services provided by Ernst & Young, Taiwan and its associates. 3. The resolution has been passed to provide funding loans 4. The resolution has been passed to approve endorsements and guarantees between the Company and its investee companies. 5. Resolution passed to set the ex-dividend date for cash dividends for 2024 of the Company. Cash dividend payment date: 16 September 2024 6. The resolution has passed for the loan limit between the Company and financial institutions.
7 November 2024 (The 13th board of directors The 15th meeting)	Report items: 1. Minutes and implementation status of the previous meeting. 2. The Company's major financial business reports. 3. The Company's internal audit business report. 4. The Company's corporate social responsibility business report for the third quarter of 2024. 5. Progress report on the greenhouse gas inventory and verification schedule for the third quarter of 2024. 6. The report on 2024 information security and risk management report of the Company. 7. The report on the qualification review results of independent directors during their tenure in 2024 8. The report on the Company's "Whether disguised financial transactions need to be disclosed as loaning funds to others announcement". 9. Progress report on the dissolution and liquidation of subsidiary, UMEC Renlong Electronics Co., Ltd. (Meizhou). Discussion items:

Date/Period	Major resolutions
	<ol style="list-style-type: none"> <li>1. The resolution has been passed for the Company's consolidated financial statement report for the third quarter of 2024.</li> <li>2. The resolution has been passed for the amendments to certain provisions of the Company's "Internal Control System" and "Regulations Governing the Implementation of Internal Audits".</li> <li>3. The resolution has been passed for the Company's 2025 Audit Plan</li> <li>4. The resolution has been passed for the preparation of the Company's 2023 Sustainability Report.</li> <li>5. The resolution has been passed for the Company's 2025 Business Plan Summary.</li> <li>6. The resolution has been passed for the amendments to certain provisions of the "Procedures for Lending Funds to Others".</li> <li>7. The resolution has passed for the loan limit between the Company and financial institutions.</li> </ol>
15 January 2025 (The 13th board of directors The 16th meeting)	<p>Election items:</p> <ol style="list-style-type: none"> <li>1. Chairman election of the Company Result: All attending directors unanimously elected Director OU JEN-CHIEH (Representative of Zhao Zan Investment Co., Ltd.) as Chairman of the Board.</li> </ol> <p>Report items:</p> <ol style="list-style-type: none"> <li>1. Minutes and implementation status of the previous meeting.</li> <li>2. The Company's major financial business reports.</li> <li>3. The report on the change of the Company's Chief Internal Auditor.</li> </ol> <p>Discussion items:</p> <ol style="list-style-type: none"> <li>1. The resolution has been passed for appointing OU, CHENG-MING, former chairman, as the honorary chairman of the Company.</li> <li>2. The resolution has been passed for the appointment of the Company's general manager, whereby OU, JEN-CHIEH, deputy general manager of the Business Division, was appointed as President of the Company.</li> <li>3. The resolution has been passed for year-end bonus and allocation of senior managers in 2024.</li> <li>4. The resolution has been passed for the annual remuneration for senior managers in 2024.</li> <li>5. The resolution has been passed for the retirement pension for the former general manager of the Company.</li> <li>6. The resolution has been passed for the allocation of director remuneration for 2024.</li> <li>7. The resolution has been passed for the change of directors of the Company's investee companies. All attending directors unanimously agreed to appoint OU, JEN-CHIEH as the Company's authorized representative, and to replace the sole director of the investee companies UMEC Investment (B.V.I) Co., Ltd (British Virgin Islands, 182236) and Global Development Company Ltd(Cayman, 104826) from OU, CHENG-MING to OU, JEN-CHIEH.</li> </ol>
11 March 2025 (The 13th board of directors The 17th meeting)	<p>Report items:</p> <ol style="list-style-type: none"> <li>1. Minutes and implementation status of the previous meeting.</li> <li>2. The Company's major financial business reports.</li> <li>3. The Company's External Endorsement and Guarantee Status °</li> <li>4. The Company's internal audit business report.</li> <li>5. The Company's corporate social responsibility business report for the fourth quarter of 2025.</li> <li>6. Progress report on the greenhouse gas inventory and verification</li> </ol>

Date/Period	Major resolutions
	<p>schedule for the fourth quarter of 2024.</p> <p>7. Execution results of the 2024 Board of Directors and functional committees performance evaluation of the Company</p> <p>8. The report on the Company's "Whether disguised financial transactions need to be disclosed as loaning funds to others announcement".</p> <p>9. Progress report on the dissolution and liquidation of subsidiary, UMEC Renlong Electronics Co., Ltd. (Meizhou).</p> <p>Discussion items:</p> <p>1. The resolution has been passed for the Company's 2024 annual business report and financial statement.</p> <p>2. The resolution has been passed for the Company's 2024 earnings distribution.</p> <p>3. The resolution has been passed to approve the amendment of certain provisions in the Company's "Procedures for Lending Funds to Others".</p> <p>4. The resolution has been passed to provide funding loans between the Company and the investee companies.</p> <p>5. The resolution has been passed to approve endorsements and guarantees between the Company and its investee companies.</p> <p>6. The resolution has been passed to approve the amendment of certain provisions in the Company's "2020 First Share Repurchase and Transfer to Employees Guidelines".</p> <p>7. The resolution has been passed to approve the transfer of the Company's repurchased common shares to employees.</p> <p>8 The resolution has been passed for the Company's "Statement of Internal Control System" for 2024.</p> <p>9. The resolution has been passed for the periodic assessment of the independence and suitability of the Company's CPAs.</p> <p>10. The resolution has been passed to review non-assurance services provided by Ernst &amp; Young, Taiwan and its associates.</p> <p>11. The resolution has been passed for the audit of the Company's CPA fees of financial statement and tax report for 2025.</p> <p>12. The resolution has been passed for the appointment of the Company's Internal Audit Supervisor.</p> <p>13. The resolution has been passed for the re-election of the Company's directors.</p> <p>14. The resolution has been passed for the arrangements for the 2025 annual general meeting of shareholders. The 2025 annual general meeting of shareholders shall be held on Thursday, 19 June 2025, at 9:00 AM in the Company's 5th Floor Conference Room.</p> <p>15. The resolution has passed for the loan limit between the Company and financial institutions.</p>
8 May 2025 (The 13th board of directors The 18th meeting)	<p>Report items:</p> <p>1. Minutes and implementation status of the previous meeting.</p> <p>2. The Company's major financial business reports.</p> <p>3. The Company's internal audit business report.</p> <p>4. The report on the Company's directors' liability insurance coverage for 2025</p> <p>5. Progress report on the greenhouse gas inventory and verification schedule for the first quarter of 2025.</p> <p>6. The report on the Company's "Whether disguised financial transactions need to be disclosed as loaning funds to others announcement".</p> <p>7. Progress report on the dissolution and liquidation of subsidiary, UMEC</p>

Date/Period	Major resolutions
	<p>Renlong Electronics Co., Ltd. (Meizhou).</p> <p>8. Proposed dissolution report of Subsidiary UMEC (H.K) COMPANY LTD.</p> <p>Discussion items:</p> <p>1. The resolution has been passed for the Company's consolidated financial statement report for the first quarter of 2025.</p> <p>2. The resolution has been passed for the nomination list of director (independent director) candidates proposed by the Board of Directors, and to review the qualifications and related requirements of the independent directors.</p> <p>3. The resolution has been passed for the amendments to certain provisions of the Company's "Articles of Incorporation".</p> <p>4. The resolution has been passed for the revision of the Company's approval authority limits.</p>

- (x) Summary of opinion differences in major resolutions at the board meeting between directors or supervisors in the last year and by the report publishing date with written records or statements: None.

#### iv. Information Regarding the Company's Audit Fee

##### (i) Audit fee

Unit: NT\$ (in thousands)

Accounting Firm	Name of CPA	Period Covered by CPA's Audit	Audit fees	Non-audit fees	Total	Remarks
EY Taiwan	LO, WEN-CHEN	1 January 2024-31 December 2024	3,905	1,460	5,365	Non-audit fees mainly include tax verification, transfer pricing, and master file
	HUANG, CHING-YA					

- (ii) If the accounting firm is changed and the audit fee paid in the year of change is lower than the audit fee of the year before the change, the amount, proportion and reason for the decrease in audit fee shall be disclosed: None.
- (iii) If the audit fee is reduced by more than 10% compared with the previous year, the amount, proportion and reason for the reduction of the audit fee shall be disclosed: None.

#### v. Replacement of CPA: Not applicable.

- vi. The Company's chairman, general manager, and managers in charge of its finance and accounting business who hold any positions in the Company's accounting firm or its affiliates during the most recent year. The term "affiliates of the firm to which the CPA belongs" means the CPA of the accounting firm that holds more than 50% of the shares or has obtained more than half of the directors' seats, or companies or institutions listed as affiliates in the information released or published by the accounting firm: None.

- vii. Share transfer and share mortgage of directors, supervisors, managers, and shareholders holding over 10% of shares in the last year and by the report publishing date. If the counterparty of the equity transfer or equity pledge is a related person, the name of the counterparty, the number of shares acquired or pledged, and the relationship with the company, directors, supervisors, and shareholders who hold more than 10% of the shares, shall be disclosed.

(i) Share transfer of directors, supervisors, managers, and major shareholders:

Unit: Share

Title	Name	2024		2025 as of 30 April	
		Increase (decrease) of shareholdings	Increase (decrease) of shares pledged	Increase (decrease) of shareholdings	Increase (decrease) of shares pledged
Corporate director, chairman and the general manager	Zhao Zan Investment Co., Ltd.	157,000	-	-	-
	Representative: OU, JEN-CHIEH (Note 1)	-	-	26,000	-
Director	OU, CHENG-MING (Note 2)	-	-	N/A	-
Director	HSU, KUAN-CHUN	-	-	-	-
Director	LIEN, TSUNG-FU	-	-	-	-
Director	TSAI, KUO-CHI	-	-	-	-
Director	YANG, SHANG-JU	-	-	-	-
Corporate director	Yuan Rong Investment Co., Ltd.	144,000	-	-	-
	Representative: OU, TZU-HUEI	-	-	-	-
Independent director	WU, TEH-CHUAN	-	-	-	-
Independent director	WU, HUEI-HUANG	-	-	-	-
Independent director	TSOU, YEN-CHUNG	-	-	-	-
Independent director	KO, HSIN-SUI	-	-	-	-
Manager	CHANG, WEN-MING	-	-	-	-
Manager	OU, CHING-CHUAN	-	-	10,000	-
Manager	MA, JONG-JYR	-	-	10,000	-
Manager	YEN, HWEI-FANG	-	-	10,000	-
Manager	CHAN, CHIA-NAN	-	-	10,000	-
Manager	TSAI, CHIN-TE	-	-	10,000	-
Manager	LIU, JAW-JUEH	-	-	-	-
Manager	WANG, NAN-KUEI	-	-	10,000	-
Manager	LIAO, CHIEN-HSUN	-	-	10,000	-
Manager	TSENG, CHI-HUNG	-	-	5,000	-
Manager	WU, CHUN-HSIEN	-	-	5,000	-
Manager	LIN, WAN-CHIH	-	-	10,000	-

Title	Name	2024		2025 as of 30 April	
		Increase (decrease) of shareholdings	Increase (decrease) of shares pledged	Increase (decrease) of shareholdings	Increase (decrease) of shares pledged
Manager	WANG, CHIN-YI (Note 3)	(1,000)	-	-	-
Manager	HSIEH, CHEN-MING	-	-	10,000	-
Manager	SHEN, CHING-WEN (Note 4)	-	-	-	-
Manager	HSUEH, CHING-YI	-	-	10,000	-
Manager	LI, CHUN-LIN	-	-	10,000	-
Manager	CHANG, FANG-MING	-	-	5,000	-
Manager	LIAO,ZHI-WEI (Note 5)	N/A	N/A	5,000	-

Note 1: Chairman OU, JEN-CHIEH, formerly director of the Company, was elected chairman by the Board of Directors' resolution on 15 January 2025.

Note 2: Director OU, CHENG-MING, formerly chairman and general manager of the Company, retired on 14 January 2025.

Note 3: Assistant manager WANG, CHIN-YI retired on 27 March 2025.

Note 4: Assistant manager SHEN, CHING-WEN retired on 31 March 2025.

Note 5: Manager LIAO,ZHI-WEI was newly appointed on 12 February 2025.

(ii) Information on shares transfer of affiliates: None.

Name	Reasons for transfer	Transaction date	Transaction counterparty	Relationship between the transaction counterparty and the Company, directors, supervisors, managers, and shareholders holding over 10% of shares	Shares	Transaction price (NT\$/share)
N/A						

(iii) Information on the shares pledge of affiliates: None.

Name	Reasons for pledge	Transaction date	Transaction counterparty	Relationship between the transaction counterparty and the Company, directors, supervisors, managers, and shareholders holding over 10% of shares	Shares	Shareholding ratio	Pledge rate	Pledge (redemption) amount
N/A								

## viii. Information on the relationship among the top ten shareholders with shareholding ratio

21 April 2025 Unit: share; %

NO.	Name	Current shareholding		Spouse's/minor's shareholding		Shareholding by nominee arrangement		Name and relationship between the Company's top ten shareholders, or spouses or relatives within two degrees	
		Shares	%	Shares	%	Shares	%	Name	Relationship
1	OU, CHENG-MING	34,870,964	27.38	5,002,778	3.93	-	-	LIN, HSUEH-HWA	Spouse
								OU, JEN-CHIEH	Son
								OU, TZU-HUEI	Daughter
2	Representative of OUMEIYA INVESTMENT CO.,LTD.: OU, JEN-CHIEH	12,693,541	9.97	N/A	N/A	N/A	N/A	LIN, HSUEH-HWA	Supervisor of the Company
								OU, TZU-HUEI	Director of the Company
		1,391,582	1.09	-	-	844,000	0.66	OU, CHENG-MING	Father
								LIN, HSUEH-HWA	Mother
								OU, TZU-HUEI	Sister
3	LIN, HSUEH-HWA	5,002,778	3.93	34,870,964	27.38	-	-	OU, CHENG-MING	Spouse
								OUMEIYA INVESTMENT CO., LTD.	Supervisor of the Company
								OU, JEN-CHIEH	Son
								OU, TZU-HUEI	Daughter
4	WANG, KE-LI	2,547,083	2.00	-	-	-	-	None	None
5	KGI Commercial Bank Co., Ltd. Custodian of Advanced Electronic Technology Co., Ltd.	2,420,000	1.90	N/A	N/A	N/A	N/A	None	None
6	YANG, TE-HUA	2,415,639	1.90	-	-	-	-	None	None
7	HSU, KUAN-CHUN	1,748,177	1.37	137,828	0.11	-	-	None	None
8	OU, JEN-CHIEH	1,391,582	1.09	-	-	844,000	0.66	OU, CHENG-MING	Father
								LIN, HSUEH-HWA	Mother
								OUMEIYA INVESTMENT CO., LTD.	Director of the Company
								OU, TZU-HUEI	Sister
9	OU, TZU-HUEI	1,354,356	1.06	-	-	803,000	0.63	OU, CHENG-MING	Father
								LIN, HSUEH-HWA	Mother
								OUMEIYA INVESTMENT	Director of the Company

								CO., LTD.	
								OU, JEN-CHIEH	Brother
10	LIN, CHIH-KANG	1,104,936	0.87	906,932	0.71	-	-	None	None

ix. The total number of shares and total equity stake held in any single enterprise by the company, its directors and supervisors, manager, and any companies controlled either directly or indirectly by the company.

31 December 2024; Unit: 1,000 shares; %

Affiliates (Note)	Ownership by the Company		Direct or indirect ownership by directors/supervisors/managers		Total ownership	
	Shares	%	Shares	%	Shares	%
UMEC Investment (B.V.I.) Co., Ltd.	22,961	100.00	-	-	22,961	100.00
Tian Long Investment Co., Ltd.	8,800	100.00	-	-	8,800	100.00
PT UMEC Green Tech Indonesia	-	60.00	-	-	-	60.00
UMEC JAPAN Co., Ltd.	-	100.00	-	-	-	100.00
UMEC USA Inc	-	99.99	-	-	-	99.99
UMEC VIETNAM Co., Ltd.	-	100.00	-	-	-	100.00
Advanced Radar Technology Co., Ltd. (ARadTek)	4,256	84.78	542	10.80	4,798	95.58
Cayman Islands Lightel Corporation	5,082	23.55	-	-	5,082	23.55
PORIS Electronics Co., Ltd.	-	-	1,202	33.55	1,202	33.55
UMEC (H.K.) Company Ltd.	-	-	1,782	100.00	1,782	100.00
Global Development Co., Ltd.	-	-	23,215	100.00	23,214	100.00

Note: Investments adopted the equity method.

### III. Fundraising

#### i. Capital and Shares

##### (i) Capitalization

##### 1. Capitalization

Month/ Year	Issue Price	Authorized Shares/Capital		Capital Stock		Remarks		
		Shares	Amount (NT\$)	Shares	Amount (NT\$)	Sources of Capital	Non-cash Capital Increase	Other
February 1984	10	6,000,000	60,000,000	1,500,000	15,000,000	Establishment with cash	None	(73)Qi-San-Jian-San-Zi-No. 54326 dated February 18, 1984
April 1984	10	6,000,000	60,000,000	1,700,000	17,000,000	Cash capital increase at 2,000,000	None	(73)Qi-San-Jian-San-Zi-No. 95283 dated April 23, 1984
July 1989	10	6,000,000	60,000,000	3,600,000	36,000,000	Cash capital increase at 4,550,000 Amortization of premiums at 14,450,000	None	(78)Qi-Ba-Jian-Yi-Zi-No. 179806 dated July 24, 1989
November 1990	10	7,600,000	76,000,000	7,600,000	76,000,000	Cash capital increase at 31,000,000 Amortization of premiums at 9,000,000	None	Jing(80)Shang-No. 105310 dated March 21, 1991
August 1991	10	10,640,000	106,400,000	10,640,000	106,400,000	Amortization of premiums at 30,400,000	None	Jing(80)Shang-No. 125156 dated November 7, 1991
December 1993	10	13,200,000	132,000,000	13,200,000	132,000,000	Cash capital increase at 25,600,000	None	Jing(83)Shang-No. 101879 dated February 15, 1994
April 1996	10	15,840,000	158,400,000	15,840,000	158,400,000	Amortization of premiums at 26,400,000	None	Jing (85)Shang-No. 106207 dated May 9, 1996
December 1996	10	19,980,000	199,800,000	19,980,000	199,800,000	Cash capital increase at 41,400,000	None	Jing (86)Shang-No. 122514 dated January 8, 1997
July 1997	10	51,680,000	516,800,000	28,000,000	280,000,000	Amortization of premiums at 39,960,000 Cash capital increase at 40,240,000	None	(86)Tai-Tsai-Cheng-(Yi) No. 25754 dated March 27, 1997
May 1998	10	51,680,000	516,800,000	36,400,000	364,000,000	Amortization of premiums at 84,000,000	None	(88)Tai-Tsai-Cheng-(Yi) No. 43597 dated May 18, 1998
August 1999	10	87,186,000	871,860,000	60,570,000	605,700,000	Amortization of premiums at 138,320,000 Cash capital increase at 100,000,000 New share issue through capitalization of employee bonus at 3,380,000	None	(88)Tai-Tsai-Cheng-(Yi) No. 47241 dated June 1, 1998
April 2000	10	87,186,000	871,860,000	66,570,000	665,700,000	Cash capital increase at 60,000,000	None	(89)Tai-Tsai-Cheng-(Yi) No. 18369 dated February 23, 2000

Month/ Year	Issue Price	Authorized Shares/Capital		Capital Stock		Remarks		
		Shares	Amount (NT\$)	Shares	Amount (NT\$)	Sources of Capital	Non-cash Capital Increase	Other
July 2000	10	163,200,000	1,632,000,000	93,698,000	936,980,000	Amortization of premiums at 232,995,000 Capital surplus transferred to capital at 33,285,000 New share issue through capitalization of employee bonus at 5,000,000	None	(89)Tai-Tsai-Cheng-(Yi) No. 45250 dated May 25, 2000
September 2001	10	202,746,000	2,027,460,000	120,586,500	1,205,865,000	Amortization of premiums at 215,505,400 Capital surplus transferred to capital at 46,849,000 New share issue through capitalization of employee bonus at 6,530,600	None	(90)Tai-Tsai-Cheng-(Yi) No.144448 dated July 11, 2001
March 2002	10	202,746,000	2,027,460,000	120,386,500	1,203,865,000	Capital reduction by mature stock repurchases at 2,000,000	None	(90) Tai-Tsai-Cheng-(San) No. 173212 dated 10 December 2001
September 2002	10	202,746,000	2,027,460,000	139,000,000	1,390,000,000	Amortization of premiums at 144,463,800 Capital surplus transferred to capital at 36,115,950 New share issue through capitalization of employee bonus at 5,555,250	None	(91)Tai-Tsai-Cheng-(Yi) No. 0910135306 dated June 28 2002
August 2003	10	204,746,000	2,047,460,000	143,270,000	1,432,700,000	Amortization of premiums at 40,200,000 New share issue through capitalization of employee bonus at 2,500,000	None	(92)Tai-Tsai-Cheng-(Yi) No. 0920129804 dated July 4, 2003
October200 4	10	204,746,000	2,047,460,000	138,270,000	1,382,700,000	Capital reduction by mature stock repurchases at 50,000,000	None	(93)Tai-Tsai-Cheng-(San) No. 0930138355 dated August 26, 2004
October200 6	10	204,746,000	2,047,460,000	133,270,000	1,332,700,000	Capital reduction by mature stock repurchases at 50,000,000	None	(91)Tai-Tsai-Cheng-(San) No. 0910168228 dated December 26, 2002
April 2008	10	204,746,000	2,047,460,000	132,980,000	1,329,800,000	Capital reduction by mature stock repurchases at 2,900,000	None	(94)Jin-Guan-Zheng-San-Zi No. 0940110141 dated March 22, 2005
August 2008	10	204,746,000	2,047,460,000	136,454,200	1,364,542,000	Amortization of premiums at 32,242,000 New share issue through capitalization of employee bonus at 2,500,000	None	(94)Jin-Guan-Zheng-Yi-Zi No. 0970034068 dated July 8, 2008

Month/ Year	Issue Price	Authorized Shares/Capital		Capital Stock		Remarks		
		Shares	Amount (NT\$)	Shares	Amount (NT\$)	Sources of Capital	Non-cash Capital Increase	Other
January 2009	10	204,746,000	2,047,460,000	132,252,200	1,322,522,000	Capital reduction by mature stock repurchases at 42,020,000	None	(97)Jin-Guan-Zheng -San-Zi No. 0970045385 dated August 29, 2008 (94) Jin-Guan-Zheng-Sa n-Zi No. 0940160023 dated December 29, 2005
February 2011	10	204,746,000	2,047,460,000	129,252,200	1,292,522,000	Capital reduction by mature stock repurchases at 30,000,000	None	(97)Jin-Guan-Zheng -San-Zi No. 0970006012 dated February 15, 2008
January 2012	10	204,746,000	2,047,460,000	127,359,200	1,273,592,000	Capital reduction by mature stock repurchases at 18,930,000	None	(100) Jin-Guan-Zheng-Jia o-Zi no. 1000046913 dated September 26, 2011

## 2. Type of shares

Share Type	Authorized Shares/Capital			Remarks
	Externally circulated shares	Unissued Shares	Total	
Common stock	127,359,200	77,386,800	204,746,000	Stock of TWSE listed company

### (ii) List of major shareholders

21 April 2025 / Unit : Share

Major shareholders	Shares	%
OU, CHENG-MING	34,870,964	27.38
OUMEIYA INVESTMENT CO., LTD.	12,693,541	9.97
LIN, HSUEH-HWA	5,002,778	3.93
WANG, KE-LI	2,547,083	2.00
KGI Commercial Bank is entrusted with the custody of Advanced Electronic Technology Co., Ltd.	2,420,000	1.90
YANG, TE-HUA	2,415,639	1.90
HSU, KUAN-CHUN	1,748,177	1.37
OU, JEN-CHIEH	1,391,582	1.09
OU, TZU-HUEI	1,354,356	1.06
LIN, CHIH-KANG	1,104,936	0.87

(iii) Dividends policy and implementation

1. Dividend policy stipulated in the Articles of Incorporation

If the general final accounting of the year shows profits, it shall be distributed in the following order:

- (1) Payment of taxes.
- (2) Make up for the losses of previous years.
- (3) 10% of the deposit should be set aside as legal reserves. However, when the legal reserve amounts to the total paid-in capital, this shall not apply. The remaining shall be withdrawn or transferred to the special reserve according to laws and regulations; If there is a remaining balance, together with the accumulated undistributed earnings, the board of directors would formulate a surplus of profits distribution proposal and resolve in the shareholders' meeting to distribute dividends to shareholders.
- (4) The Company's dividend policy is determined in accordance with the current and future development plans, considering the investment environment, capital needs and domestic and foreign competition conditions as well as taking the interests of shareholders and other factors into account. When distributing dividends to shareholders, they may be distributed through the issuance of new shares of the Company or cash, in which cash dividends shall not be less than 10% of the total dividends.

2. Implementation status:

As resolved by the Board of Directors on 11 March 2025, the Company's undistributed earnings as of the end of 2024 amount to NT\$253,198,049. In consideration of the Company's overall operational funding needs, no dividends will be distributed for 2024.

3. When major changes in dividend policy are expected, an explanation should be made:  
None.

(iv) Effect of stock grants planned at current shareholders' meeting on business performance and EPS: Not applicable.

(v) Employee, director, and supervisor remuneration:

1. Percentage or range of employee, director and supervisor remuneration specified in the Articles of Incorporation:

- (1) If the Company makes a profit in the year, it should allocate no less than 4% as employee remuneration.
- (2) If the Company makes a profit in the year, it should allocate no less than 3% as director remuneration.

Where the Company has accumulated losses, it should set aside an amount for future offsetting.

Employee remuneration may be distributed in the form of stocks or cash, and the recipients of such distributions may include eligible employees of subsidiary companies, subject to certain conditions.

2. The estimation basis for the current period's employee, director, and supervisor remuneration, calculation basis for the allocation of stock dividends, and accounting treatment for any differences between the actual distribution amount and the estimated amount:

The estimation basis is determined based on the profitability of the current year for distribution purposes. The aforementioned amounts are recorded under the salary expense category. If there are differences between the estimated amounts and the actual distribution amounts as determined by the board of directors, they will be recognized in the income statement of the following year.

3. The board of directors approved the distribution of remuneration and related matters:
  - (1) The Company's undistributed earnings as of the end of 2024 amounted to NTD253,198,049, with a net loss attributable to owners of the parent of NTD-55,488,309. In consideration of the Company's overall operational funding requirements, no directors' remuneration or employees' compensation will be distributed for 2024.
  - (2) The ratio of the amount of employee remuneration distributed in stock to the total amount of after-tax net profit and total employee remuneration in the current period's parent company only financial statement: Not applicable.

4. Distribution of employee remunerations for employees, directors and supervisors in the previous year (2023):

Unit: NT\$1,000

Items	Recipients	Amount by the board of directors' resolution	Actual distribution amount	Distribution variance amount and reasons	Distribution method
Employee remuneration	Employees of the Company and eligible employees of affiliated companies meeting certain criteria	13,778	13,778	-	Cash
Director remuneration	Directors of the Company (including independent directors)	2,508	2,508	-	Cash
<b>Total</b>		16,286	16,286		

- (vi) Repurchase of the Company's shares (completed): None.
- ii. Issue of corporate bonds: None.
- iii. Issue of preferred stocks: None.

- iv. Issue of overseas depositary receipts: None.
- v. Issue of employee stock option: None.
- vi. Issue of employee restricted shares: None.
- vii. Mergers and acquisitions or issuance of new shares by the transferee of other company's shares: None.
- viii. Items to be disclosed in capital utilization plans and their implementation status: There has been no issuance or private placement of securities in the past three years and the quarter preceding the publication date of the annual report.
  - (i) On 18 March 2022, the Company approved the resolution at the first extraordinary shareholders' meeting to conduct a cash capital increase through private placement of common shares. However, on 16 March 2023, the Company's board of directors resolved not to proceed with the private placement of common shares for cash capital increase.
  - (ii) On 26 June 2023, the shareholders' meeting resolved not to approve the private placement of ordinary shares for cash capital increase.

#### IV. Operational highlights

##### i. Content of business:

###### (i) Business scope:

###### 1. The main content of the Company's business:

- (1) CC01080 Electronics Components Manufacturing
- (2) CC01070 Telecommunication Equipment and Apparatus Manufacturing
- (3) CC01100 Controlled Telecommunications Radio-Frequency Devices and Materials Manufacturing
- (4) CC01040 Lighting Equipment Manufacturing
- (5) CC01030 Electrical Appliances and Audiovisual Electronic Products Manufacturing
- (6) CC01020 Electric Wires and Cables Manufacturing
- (7) CC01010 Electric Power Supply, Electric Transmission and Power Distribution Machinery Manufacturing
- (8) CC01110 Computer and Peripheral Equipment Manufacturing
- (9) CC01990 Electrical Machinery, Supplies Manufacturing
- (10) CD01030 Motor Vehicles and Parts Manufacturing
- (11) CE01030 Optical Instruments Manufacturing
- (12) F401021 Restrained Telecom Radio Frequency Equipments and Materials Import
- (13) F113010 Wholesale of Machinery
- (14) F113020 Wholesale of Household Appliance
- (15) F113030 Wholesale of Precision Instruments
- (16) F113050 Wholesale of Computers and Clerical Machinery Equipment
- (17) F113070 Wholesale of Telecommunication Apparatus
- (18) F114030 Wholesale of Motor Vehicle Parts and Motorcycle Parts, Accessories
- (19) F119010 Wholesale of Electronic Materials
- (20) F401010 International Trade
- (21) IG03010 Energy Technical Services
- (22) I501010 Product Designing
- (23) C802041 Drugs and Medicines Manufacturing
- (24) CF01011 Medical Devices Manufacturing
- (25) F108021 Wholesale of Western Pharmaceutical
- (26) F108031 Wholesale of Medical Devices
- (27) F208021 Retail Sale of Western Pharmaceutical
- (28) F208031 Retail Sale of Medical Apparatus
- (29) ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

###### 2. Revenue distribution

The revenue distribution of each major product of the Company and its subsidiaries in 2024 is as follows:

Item	Total sales	(%) of Total Sales
Magnetic Parts	289,194	8.95%
Power Supplies	1,436,466	44.46%
Information and Communication products	1,476,393	45.69%
Other Items	28,972	0.90%
Total	3,231,025	100%

3. The Company's current products (services), and new products (services) planned for development:
  - (1) Current products (services): electromagnetic parts, power supplies, communication electronics, Optical Communication Products.
  - (2) New products (services) planned for development: Please refer to i(iii)5.  
The expected research development direction in 2025
- (ii) The overview of the industry:
  1. The current status and development of the industry
 

At present, the electronics industry can be broadly divided into three categories: information, network communication and consumer electronics. The Company's major products are electromagnetic parts, power supplies, information and communication products, etc. The current status of each industry is as follows:

    - (1) Magnetic parts
 

Magnetic components mainly include transformers and inductors used for power supply, communications, and automotive electronics. The market conditions in their respective application fields significantly influence product development.

The SPoE (Single Pair Ethernet) and PoDL (Power over Data Line) markets are expected to grow rapidly with the rise of smart buildings, automated factories, and edge devices. These technologies are applied not only in factory and building automation but also extend to smart sensors, Internet of Things (IoT) devices, and remote power supply applications. According to a report by Allied Market Research, the global automotive Ethernet market is projected to reach USD8.5 billion by 2030, with a compound annual growth rate (CAGR) of approximately 14.5%. Additionally, Grand View Research reports that the global industrial automation market is expected to reach USD395 billion by 2030, with a CAGR of 9.8%. With the development of IIoT (Industrial Internet of Things) and smart manufacturing, PoDL technology will play a key role in simplifying cabling in automated equipment. As a low-power, cost-effective solution for power supply and data transmission, PoDL is expected to capture a share of the IoT market, potentially expanding the overall scale of the magnetic components industry. The global electric vehicle (EV) charging station market is also experiencing rapid growth, projected to reach USD 257 billion by 2032, with a CAGR of approximately 35.6% from 2024 to 2032. This growth is driven by the increasing adoption of electric vehicles, supportive government policies, and increased investment in infrastructure—particularly in the Asia-Pacific region, led by proactive EV initiatives in China and India.
    - (2) Power supply
 

Power supplies feature high power density, high conversion efficiency, and wide input voltage range. Over time, they have become indispensable key components in power electronic products. Depending on functionality and basic structure, power supplies are widely applied across consumer electronics, enterprise cloud, networking systems, industrial equipment, medical devices, lighting, defense, electric vehicles, aerospace, and new energy equipment.

The demand for generative AI requires significant computing power, prompting North America's four major cloud providers to resume rapid capital expenditure growth, driving the construction of data centers (IDCs). With evolving design needs, data centers are advancing toward higher power, higher density, higher efficiency, and liquid-cooled thermal solutions. Backup power solutions in cloud data centers are gradually shifting from traditional UPS systems to BBU (Battery Backup Units). BBUs, which use lithium batteries and DC-to-DC designs, enhance power supply efficiency and reduce energy loss. With AI technology development, the BBU market is expected to expand, thereby

increasing demand for DC converters.

In the consumer electronics segment, while manufacturers face price competition, the emergence of AI PCs not only supports overall market recovery but also drives demand in the high-end and AI gaming PC markets, boosting the need for high-specification power supplies.

The rapid growth of electric and hybrid vehicles has significantly increased demand for charging infrastructure and energy storage systems. Power supplies with modular, scalable, efficient, and waterproof features play a crucial role in this trend. Commercial off-the-shelf (COTS) power products are increasingly used in defense and aerospace power supply applications, provided they meet military specifications. Recent global conflicts have driven increased defense spending, thereby boosting demand for power supplies used in defense industries and low Earth orbit satellite applications.

### (3) Information and communication products

Information and communication products refer to the system integration and manufacturing of electronic products. The Company's ICT products are primarily associated with radar technology. The current status and development of radar applications in commercial and industrial sectors are as follows:

Commercial Applications:

① Traffic Management: Radar technology is widely applied in traffic flow monitoring and management systems. It enables real-time vehicle tracking, assisting authorities in optimizing traffic signals and alleviating congestion.

② Autonomous Driving: In autonomous vehicles, radar is used for environmental sensing and obstacle detection, providing highly accurate data to ensure safe driving in various weather and lighting conditions.

③ Warehouse Management: Radar is broadly applied in automated warehouses, supporting navigation and obstacle avoidance for autonomous mobile robots (AMRs), enhancing warehouse operational efficiency.

Industrial Applications:

① Robotic Navigation and Obstacle Avoidance: Radar plays a key role in robotic automation, particularly in navigation and obstacle detection. It generates precise environmental maps to help robots identify barriers and plan optimal paths.

② Industrial Inspection and Measurement: Radar technology has wide applications in industrial inspection and measurement due to its high accuracy, allowing for detailed measurements and defect detection in industrial products.

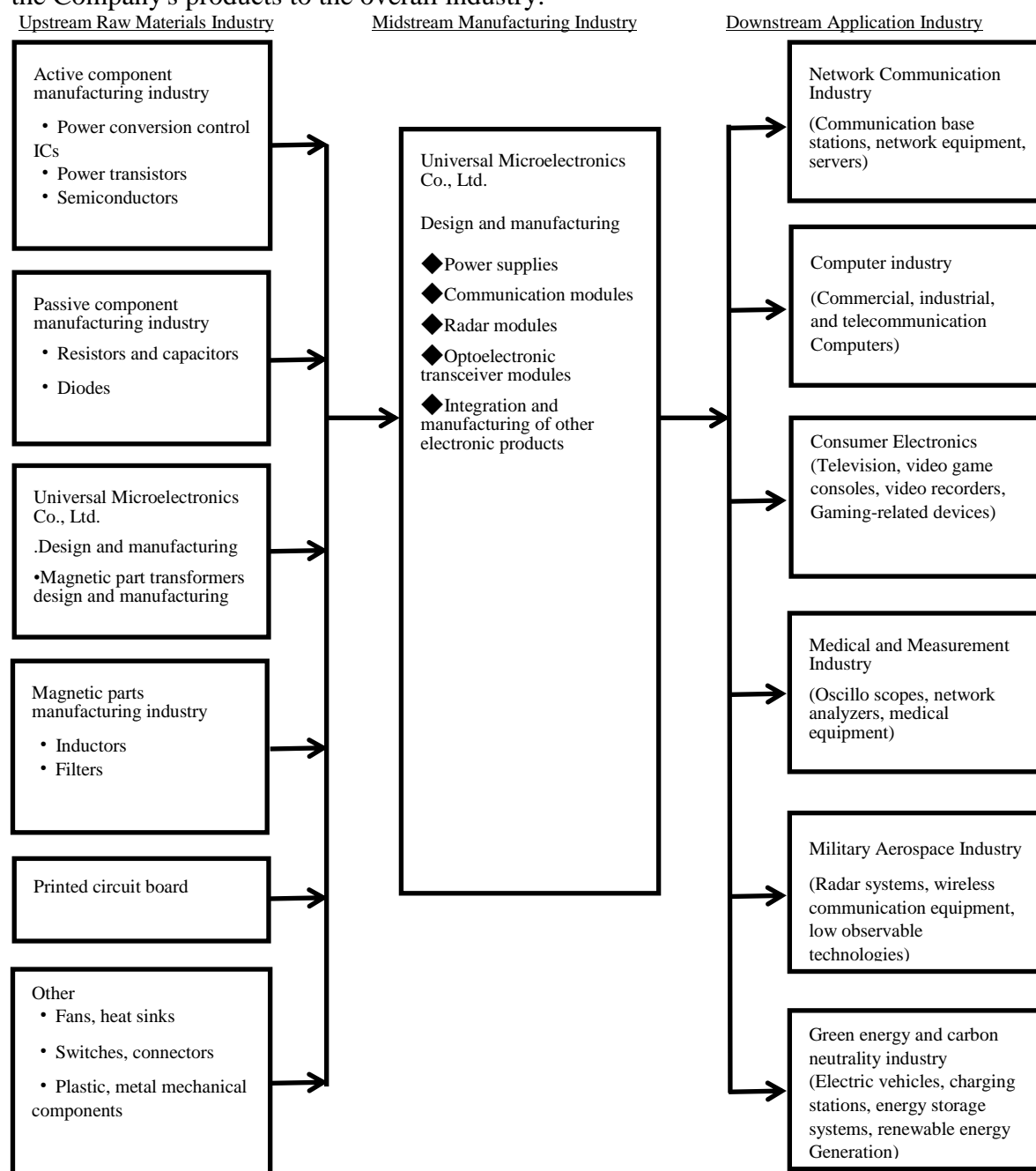
③ Equipment Monitoring: Radar can be used to monitor equipment operation within factories, providing accurate real-time data. This enables factory managers to detect and address potential issues promptly, minimizing downtime and improving productivity.

## 2. The links between the upstream, midstream, and downstream segments of the industry, and development trends and competition for the Company's products

With the recovery of the global information and electronic products industry, the expansion of the telecommunications sector, the increasing prevalence of multimedia, and the rapid development of personal computers, coupled with the strong demand for smartphones, fax machines, and electronic stabilizers, the demand for electronic components is expected to increase. Looking ahead, as the industry and government in our country gradually succeed in the development of key materials, the self-production and design capabilities of companies are significantly enhanced, the comprehensive introduction of automated production, and the continuous breakthroughs in key technologies, the communication electronic component industry in which our company operates should have significant growth potential. Furthermore, the Company's efforts to integrate various technologies and develop in the field of network and fiber optic communications applications will also better

cater to future market trends.

The Company's main products include magnetic components, power transformers, information and communication products. The following table summarizes the relevance of the Company's products to the overall industry:



(iii) The overview of the Company's technologies and research

1. Focus on R&D and striving for innovation has always been the goal of Universal Microelectronics Co., Ltd.
2. Starting from producing electronic components to manufacturing computers and communication peripherals, UNIVERSAL MICROELECTRONICS has gradually moved towards the production of finished products. It has successfully developed the TLVR (Trans-

Inductor Voltage Regulator) and VRM (Voltage Regulator Module) inductors, including the 15-34D and 23-30D series, which are applied in AI servers, industrial computers, data networking, and storage systems. The Company has completed the development of a 65W high-density mini adapter supporting USB Type-C with PD functionality; a full range of 150W to 4200W digital server power supplies for cloud computing data centers, compliant with the latest Energy Star and 80Plus energy-saving standards; IP68-rated digital intelligent marine/RV battery chargers; 150W to 1300W high-reliability server and networking power supplies designed for broad environmental adaptability; PoE single and dual output (12V & 54V) power supplies with surge protection up to 6KV and EMC Class B compliance for switches and routers; and 300W to 700W high-power, high-efficiency DC/DC converters for telecom DC power systems. Additionally, the Company has expanded its transportation product line from 15W to 500W, launching ultra-wide input voltage power modules ranging from 15W to 200W, and developed COTS-grade DC power and EMI filter modules for low Earth orbit (LEO) satellites. The Company has also completed the development of a 60GHz low-power, low-cost radar system, which has been successfully adopted and mass-produced for use in parking facilities in Korea.

3. To ensure the guarantee of “top products”, Universal Microelectronics Co., Ltd. actively cultivates talents. Currently, the Company has over a hundred R&D personnel, accounting for 30% of the indirect workforce. Additionally, the Company allocates approximately 4-6% of its annual revenue as R&D expenses. Universal Microelectronics Co., Ltd. also engages in collaborative development and research with domestic and international research institutions, while simultaneously collaborating with world-leading companies to introduce the most advanced technologies and accumulate research and development experience.
4. To improve R&D skills and develop the application of new technology, the Company and its subsidiaries have invested a total of NT\$255,961 thousand in R&D expenses since 2024 and as of the first quarter of 2025.

Unit: NT\$(in thousands)

Year	January-March 2025	2024
R&D expenses	50,061	205,900
R&D expenses to revenue	6.13%	6.37%

5. The expected research development direction in 2025 is as follows:

(1) R&D of magnetic products

- ①Development of magnetic components for networking and power line communication technology applications.
- ②Development of magnetic components for networking remote power supply, power management, and medical electronic technology applications.
- ③Establish a design platform for automotive passive components compliant with AEC-Q200 qualification and certified under the IATF 16949 quality management system, to support the future development and promotion of automotive electronic passive components.
- ④Expand the application areas of automotive electronic electromagnetic components in applications such as automotive communication (Controller Area Network - CAN), reverse ultrasonic radar, power management, automatic lighting in electric vehicles, and battery charging.
- ⑤Develop magnetic components for applications in the Internet of Things (IoT), industrial

automation, cloud computing, and energy storage, while providing customized solutions to meet specific customer needs.

(2) R&D of power supply products:

- ① Development of high-efficiency 1/4 brick 600W power module for use in 5G communication base stations, edge computing routers, and switches.
- ② Development of chassis-mount, natural convection-cooled, plug-and-play 300–500W power supplies for railway applications, capable of operating under OT4 + ST1 & ST2 standards within a wide temperature range of -40°C to +85°C.
- ③ Development of 140W and 240W USB PD chargers suitable for battery charging of ICT products such as laptops and smartphones, as well as small electric power tools.
- ④ Development of DIN rail-mounted power supplies for transportation communication power equipment, also applicable in industrial control, smart building, and industrial automation systems.
- ⑤ Development of 1.2KW to 1.6KW 12V/54V dual-output high-efficiency AC/DC open-frame power supplies for use in network switches, communication, and industrial applications.
- ⑥ Development of high power density 4KW power supplies for AI server applications to meet the demands of GPU-intensive parallel computing and comply with future mCRPS specifications.

(3) R&D of information and communication products:

- ① Continue collaboration with Korean automobile manufacturers to integrate DVR radar systems into various new vehicle models.
- ② Develop a new-generation E-Bike radar system in cooperation with bicycle manufacturers.

(iv) The Company's long- and short-term business development plans

1. Short-term business development plans

- (1) Marketing strategy: Achieving the optimal balance between product sales revenue and profit involves determining the proportion of standard specification products and custom specification products.

(2) Production policy:

- ① Rationalize the arrangement of existing plants and consistently optimize the manufacturing process to maximize production efficiency.
- ② Improve productivity and activation. etc. to maximize the benefits of investment. Reduce production costs and enhance the international competitiveness of the Company's products through on-site management.

2. Long-term business development plans

- (1) Marketing strategy: The industry in which the Company operates is a global industry, and the mastery of its channels is of great help to its business expansion. Therefore, the Company will continue to expand its overseas business presence at the right timing and locations to provide more direct services to local customers, agents, and distributors. This

will enable the Company to increase its market share.

- (2) Manufacturing policy: In response to the changing global political and economic landscape, the Company will leverage the advantages of its cross-domain manufacturing facilities to provide the production services that its customers require. The Company will also adhere to the ESG policies of each country, ensuring a commitment to sustainable business practices for the benefit of its customers and shareholders. The Company's main focus is on OEM and ODM products, continuously developing new products to enhance their value-added features.
- (3) Product development direction: In the field of professional products, the Company will continue to develop products with the latest specifications and maintain competitiveness in key technologies through patent applications. In response to the thriving development of electrification and artificial intelligence-related applications, the Company has expanded the research and development teams for high-power product lines and millimeter-wave sensor product lines to strive for the introduction into more new application markets.
- (4) Operation scale and financial cooperation direction: In order to cope with the growth of business scale, the Company is supported by equity funds or bank loans and handle cash capital increase, issuance of corporate bonds or issuance of other financial products to raise long-term funds to participate in operations.

## ii. Market and sales overview

### (i) Market analysis

#### 1. Sales region of the Company's main products and services

The manufacture and sales of the Company and its subsidiaries' magnetic parts, power supply, information and communication products, and optical communication products. The sales contents and ratios are as follows :

Unit: NT\$ (in thousands)		
Item \ Year	2024	
	Amount (NT\$)	%
Magnetic parts	289,194	8.95%
Power supply	1,436,466	44.46%
Information and communication products	1,476,393	45.69%
Other items	28,972	0.90%
Total	3,231,025	100%

The sales distribution of the Company and its subsidiaries are mainly focused on exports with domestic sales as a supplement. The Company's main sales areas are Asia and the United States, and their relevant information is as follows

Unit: NT\$ (in thousands)

Sales area \ Year		2024	
		Amount (NT\$)	%
Local	R.O.C.	890,368	27.56%
Export	Asia	819,769	25.37%
	The U.S.	1,372,050	42.46%
	Other countries	148,838	4.61%
	Subtotal	2,340,657	72.44%
Total		3,231,025	100%

## 2. The demand and supply conditions for the market in the future

### (1) Magnetic parts

Due to the strong demand for passive components, the transformer industry is also promising, with a focus on automation and high-value-added product manufacturing. It is expected that the rapid market growth in the future will drive domestic and international players to continuously expand their production capacity to meet the demand. With excellent production technology, cost control, a complete industrial chain, and flexible order acceptance, domestic players are expected to maintain good growth. The transformer industry is part of the passive electronic component sector, which is an essential component in circuits. According to statistics, the global market size of passive electronic components has been growing year by year. As the demand for transformers is derived from downstream electronic component manufacturers, the future growth of downstream customers is crucial for the development of the transformer industry. The demand for upstream transformers will continue to grow with the development of smart home networks, IoT, smart grids, network remote power supply, smart lighting, automotive electronics, medical electronics, and wired broadband access communication products.

### (2) Power supply

The rapid development of generative AI, cloud computing, electric vehicles, low Earth orbit (LEO) satellites, smart devices, and new energy technologies—coupled with the growing demand for high-performance computing and artificial intelligence applications—has created significant new opportunities for the power supply industry. Leveraging strong technical capabilities, cost advantages, and a well-integrated supply chain, Taiwanese manufacturers have emerged as key players in the global market. With global attention increasingly focused on ESG initiatives and carbon reduction, and the widespread consensus around the United Nations' 2050 net-zero emissions target, demand for smart information and communication technologies (ICT) to reduce carbon emissions and energy consumption in buildings is expected to surge, further accelerating market growth.

The Company possesses advanced technology and flexible customization capabilities through collaborations with world-class manufacturers. The Company specializes in AC/DC power supplies, server power solutions, and DC conversion modules. With strong expertise in power supply R&D and the advantage of a diversified product portfolio, the Company offers a wide range of power solutions for consumer, enterprise, networking, transportation, and industrial applications. Backed by multinational manufacturing facilities, production capacity is flexibly adjusted in response to customer demand. The implementation of automated production systems ensures product quality, timely delivery, and customer satisfaction. The Company is progressing toward becoming a comprehensive provider of power management system solutions.

### (3) Information and communication products

- Applications of 60GHz Radar

- ① Industrial Automation: The 60GHz millimeter-wave radar is widely applied in industrial automation for precise object detection and distance measurement.
- ② Consumer Electronics: These radars are used in gesture recognition systems for smart devices, enhancing user experience. The global market size for 60GHz millimeter-wave radar was approximately USD 23.7 million in 2022 and is projected to reach USD 210.35 million by 2029, with a compound annual growth rate (CAGR) of 38.33%.

- Applications of 77GHz Radar

- ① Automotive Industry: The 77GHz radar is widely used in the automotive sector, especially in autonomous driving and Advanced Driver Assistance Systems (ADAS), providing high-resolution and high-precision object detection and tracking capabilities.
- ② Security and Surveillance: Used for object detection under various weather conditions to enhance safety. The global market size for 77GHz radar was approximately USD 18 million in 2023 and is projected to reach USD 229 million by 2030, with a compound annual growth rate (CAGR) of 42.8%.

#### Overall Radar Market

The global radar market size was approximately USD 36.61 billion in 2023 and is projected to grow at a compound annual growth rate (CAGR) of 8.6% through 2030.

### 3. Positive and negative factors contributing to the developmental prospects

#### (1) Positive factor

- ① Product diversification and broad market coverage

In addition to a strong technological foundation, it is crucial for the company to have a deep understanding of market information and industry developments. Our company follows the principle of developing both OEM/ODM and standard products and actively pursues diversified and decentralized market expansion. Currently, we collaborate with our marketing channels, sales representatives, and distributors to gather market and industry intelligence from various regions. We also engage in joint development and design with our customers to stay informed about technology trends and make informed business decisions. By adopting a strategy of product diversification and broad market coverage, our company is able to adapt to the diverse economic characteristics and industry cycles of different regions, effectively capturing market dynamics and mitigating risks.

- ② Leading R&D technology and possessing high process capabilities.

The electronics industry is characterized by short product life cycles, making product research and development crucial for the survival and growth of high-tech companies. The enhancement of process capabilities serves as the foundation for the success of product development. Recognizing this, the Company has been dedicated to talent cultivation since its establishment. Currently, we have a team of over a hundred R&D professionals who develop a range of products in-house. Additionally, the Company collaborates with domestic and international research institutions or customers to introduce advanced technologies and accumulate experience. In terms of process technology, we have expertise in various SMT (Surface Mount Technology) applications, such as BGA (Ball Grid Array) and CSP (Chip Scale Packaging). We complement our capabilities with high-precision assembly equipment and computer-aided design tools (CAD). This ensures that our product research, design, and process capabilities meet global standards. The Company has successfully developed multiple electronic components and peripheral products, which are sold to numerous

internationally renowned enterprises.

③ Well-established management system and excellent product quality

The Company has implemented a comprehensive computerized information system to manage various processes, including product development, order processing, material management, production control, on-site operations, and shipping. This allows us to have full control and visibility over each stage of the production cycle. Additionally, the Company's research and development team continuously conducts studies on alternative materials to improve product yield and reduce costs, leveraging economies of scale. Through meticulous management and dedicated research efforts, The Company has achieved superior product quality. Its commitment to quality has been recognized through multiple quality awards, and we have obtained certifications such as ISO 14001, ISO 45001, ISO 9001, TL 9000, and IATF16949. We have also obtained various factory certifications including Japan's PSE, USA's UL, Germany's TUV, China's CCC, and the European CE Mark, comprising a total of 14 safety certifications. The Company's excellent product quality has earned the trust of international major companies, leading to long-term and stable cooperative relationships. These factors contribute to a stable source of orders, as the Company's superior product quality has been trusted by international clients for many years.

④ The Company has achieved excellent control over the sourcing of raw materials and components

Over the years, the Company has maintained long-term and strong OEM/ODM relationships with our customers. This has greatly facilitated its access to reliable suppliers of raw materials and components. The Company's established relationships with these suppliers enable us to have a high degree of control over the sourcing of critical raw materials and components. Having a trusted network of suppliers allows us to explore alternative parts and components, seek out different sources of supply, and ultimately reduce procurement costs. This enhances the Company's market competitiveness and enables it to adapt to changing market conditions effectively.

⑤ Enter the internet communication and automotive electronics industries in a timely manner

In response to the trend of integration within the 3C (Computer, Communication, and Consumer Electronics) industry, our company not only maintains its existing power supply products and communication transformers but also focuses on developing ODM products in areas such as satellite navigation systems (GPS), information and communication technology products, and digital home networking modules.

⑥ Financial strategy

The Company adheres to a prudent and conservative financial approach, emphasizing financial planning and maintaining good relationships with partner banks. The Company also utilizes various financial instruments to address the funding requirements that arise from the expansion of our operations. By ensuring a sound financial structure, the Company establishes a solid foundation for the company's growth and expansion.

(2) Negative factors and countermeasures

① With a high proportion of the Company's sales coming from exports, the Company is susceptible to the impact of exchange rate fluctuations

Over the past three years, the Company's average proportion of export sales to net revenue has been approximately 80%. As a result, the Company's sales revenue is highly susceptible to exchange rate fluctuations. However, it is worth noting that around 70% of our purchased materials are denominated in foreign currencies. Therefore, exchange rate volatility affects both the Company's selling prices and costs.

Countermeasure:

To mitigate the impact of exchange rate fluctuations, the Company has implemented several strategies. Firstly, the Company utilizes receivables from export regions to offset the local procurement costs for raw materials and components, thereby achieving a balance in foreign currency assets and liabilities. Additionally, the Company actively expands its business in other markets, gradually diversifying the risks associated with currency fluctuations. Furthermore, the Company adopts the currency chosen by its major competitors as the pricing benchmark, allowing it to align its quotes with market trends and minimize the exchange rate risk.

②Rising labor costs in Chinese factories

As the Chinese economy continues to grow and with the implementation of government policies, the cost of labor in the region has been steadily increasing.

Countermeasure:

Products with more labor-intensive processes have been relocated to countries like Vietnam where labor costs are relatively low. On the other hand, efforts have been made to increase the level of automation in product manufacturing. Research and development personnel are actively engaged in product innovation and technological advancements, continually improving processes and equipment to reduce labor costs and maintain competitiveness.

③The market is characterized by intense competition with numerous competitors

Due to the short product lifecycle and rapid flow of market information in the electronic communication industry, both domestic and international manufacturers are increasingly entering the market, leading to intensifying competition.

Countermeasure:

The Company utilizes its existing technology development and excellent manufacturing processes, along with diversified product development, to quickly grasp market trends and enhance competitiveness. It actively embraces the development of network communications and adjusts production configuration accordingly. Additionally, it strategically enters the automotive electronics market to seize development opportunities.

(ii) The usage and manufacturing processes for the Company's main products

1. Magnetic parts:

The electromagnetic parts manufactured by the Company include:

(1) Various inductive components used in switch mode power supplies

(2) Various inductive components used in telecommunications equipment and communications equipment

Manufacturing process: Wiring→Assembly→Semi-finished product testing→Varnished (epoxy potting) →Finished product testing→ Finished products packaging and storage

2. Switch mode power supplies:

(1) Servers, networking power supplies: High-end and mid-range servers, networking, and data storage equipment power supplies.

(2) Adapter: Ice machine power supply, laptop, AIO computer, printer, PoE power supply, medical equipment, USB Type-C PD charger and smart home equipment application.

(3) AC/DC & DC/DC: Power supply solutions for various types of data center equipment, server computers, workstation computers, networking systems, transportation, industrial control, medical, defense, aerospace and new energy

applications.

(4) Charger: Applications include robots, electric bicycles, and power tools.

Manufacturing process: SMT automatic placement / Manual insertion →

Welding → Repair welding → Assembly of the bottom → Functional test →

Aging test → Finished product testing → Finished products packaging and

storage , KJUMI,. Power supply solutions for various types of data center

equipment, server computers, workstation computers, network communication

systems, transportation, industrial control, medical, defense, aerospace, and new

energy applications.

### 3. Information and communication products:

According to the accumulated experience and design specifications, the active and passive parts such as IC and transistors are surface-mount technology on the circuit substrate. Then, carry out the assembly work to make this substrate product have its unique functions. The application scopes are the information industry. communication industry, consumer electronics, medical electronic equipment, automotive electronics, and radar products.

General manufacturing process:

Solder paste printing → SMT Automatic Placement → Infrared Welding → Solder pot →

Artificial Plugin → Cleansing → Repair Welding → In-Circuit-Test → Burn-in test →

Functional test → Finished products packaging and storage

The manufacturing process of high-frequency millimeter waves products:

Solder paste printing → SMT Automatic Placement → Infrared Welding → Solder

pot → Artificial Plugin → Cleansing → Repair Welding → In-Circuit-Test → mmWave IF

test → Burn-in test → High-frequency millimeter wave performance Monopulse

testing → Finished products packaging and storage

#### (iii) The supply situation for the Company's major raw materials:

The raw materials used by the Company are not special materials and are easy to obtain in the market. The Company has been cooperating with raw material suppliers for many years and has maintained a good relationship with these suppliers. Furthermore, the Company has maintained more than two suppliers to ensure the supply of raw materials and reduce the risk of material shortage. So far, the supply of raw materials is stable and good, and the price can respond appropriately to the market conditions of the information electronics industry in a timely manner. As a result, the Company's supply situation of major raw materials is good.

Main Product	Major Raw Materials	Supply Situation
Magnetic products	Magnetic core (Core)	The main suppliers are leading international companies and domestic TPEX listed companies with stable quality and supply.
	Magnet wire (Wire)	The main suppliers are domestic TWSE and TPEX listed companies, and the supply has been stable for many years.
Power supplies and information and communication product	Printed circuit board	The Company has long-term cooperation with many suppliers. The quality and supply of these suppliers have been stable.
	Mechanical parts	Mainly includes a number of suppliers of plastic parts and metal parts, and are being audited regularly. The suppliers are stable in quality and supply.
	Semiconductor parts	The main materials are all products of major semiconductor leading companies in the world and the products of TWSE and TPEX listed companies. The Company has interacted with major agents and original factories, and can flexibly utilize various resources scheduling when out of stock. The recent lead times have eased, and the supply is stable.
	Passive components	Mainly includes an electrolytic capacitor, multi-layer Ceramic Capacitor (MLCC), chip resistors, etc. The main suppliers are domestic TWSE and TPEX listed companies, and the quality has been stable for many years.
	Transformer and inductor	Mostly are made by Universal Microelectronics Co., Ltd. to stabilize the supply, increase the self-made rate and reduce the cost.

(iv) List of major purchase and sale customers

- Suppliers and clients accounting for 10 percent or more of the Company's total sales amount in either of the 2 most recent fiscal years, the amounts sold to each, the percentage of total sales accounted for by each.

Unit: NT\$ (in thousands)

2023				2024				2025 as of the previous quarter			
Company Name	Amount	Percentage (%)	Relation with Issuer	Company Name	Amount	Percentage (%)	Relation with Issuer	Company Name	Amount	Percentage (%)	Relation with Issuer
Customer A	1,892,658	41.11%	None	Customer A	1,019,047	31.54%	None	Customer A	214,859	26.33%	None
Customer B	519,389	11.28%	None	Customer B	160,598	4.97%	None	Customer B	42,363	5.19%	None
Other	2,191,734	47.61%		Other	2,051,380	63.49%		Other	558,854	68.48%	
Total	4,603,781	100%		Total	3,231,025	100%		Total	816,076	100%	

(1) Customer A was the largest sales customer in 2024, mainly selling information and communication products. The customer's orders remained stable and the order status was good. As of the fourth quarter of 2024, it was still the largest sales customer.

(2) Customer B mainly sells power supply products. Due to the fulfillment of previously lacking materials and subsequent concentrated shipments, the sales amount for 2023 increased.

2. Manufacturers accounting for 10 percent or more of the Company's total procurement amount in either of the 2 most recent fiscal years, the amounts bought from each, the percentage of total sales accounted for by each: None.

### iii. Employee statistics for the most recent 2 years up to the annual report publication date

Year		End of 2023	End of 2024	As of 31 March 2025
Number of Employees	Direct labor	1,738	1,257	1,355
	Indirect labor	655	664	596
	Total	2,393	1,921	1,951
Average age		35.78	35.76	36.80
Average years of service		7.71	7.69	8.58
Education Distribution Percentage (%)	Ph.D.	0.17%	0.23%	0.25%
	Master's Degree	2.96%	3.01%	2.79%
	Bachelor's Degree	33.07%	33.93%	33.19%
	Senior High School	39.55%	39.83%	39.09%
	Below Senior High School	24.25%	23.01%	24.69%

### iv. Environmental protection expenditure

- (i) Losses suffered by the Company in the most recent fiscal year and up to the annual report publication date due to environmental pollution incidents (including any compensation paid and any violations of environmental protection laws or regulations found in the environmental inspection, specifying the disposition dates, disposition reference numbers, the articles of law

violated, and the content of the dispositions), and disclosing an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken: Up to now, there have been no violations.

- (ii) Estimate of possible expenses that could be incurred in the future and measures (including improvement measures) being or to be taken: The expense of air pollution prevention and control treatment (including equipment maintenance and servicing) at the manufacturing plant is NT\$400 thousand per year.
- (iii) In response to the implementation of RoHS, the Company has abided by the relevant regulations of the industry. Countermeasures have been taken for environmental protection and lead-free process, and at the same time to ensure that the Company's product quality can be sold to countries around the world without concern. Therefore, the implementation of the restriction has no significant impact on the Company.

#### v. Labor relations

- (i) Employee benefit plans, continuing education, training, retirement systems, and the status of their implementation, and the status of labor-management agreements and measures for preserving employees' rights and interests:

##### 1. Employee Welfare

Employee benefits planning is an important factor in maintaining labor relations other than salary. Since the establishment of the Employee Welfare Committee on February 1994, the Company has planned various welfare measures (including holiday bonuses, birthday gifts, gift certificates, company trips, subsidies for special occasions, contracted merchants, etc.), employee dormitories, employee food allowance, special discounts for contracted hospitals and medical institutions, regular health checks, employee emergency aid, group insurance, etc.

The current welfare measures are as follows:

- (1) Meal reimbursement for each department, gifts for Labor Day, Mid-Autumn Festival gifts, club subsidy, incentive bonus, employees patent application reward, employee proposal reward °
- (2) Birthday gift certificates
- (3) Take out labor insurance, national health insurance, labor pension, employee group insurance, employee emergency aid
- (4) Wedding gifts, gifts of money to the family of the deceased, maternity leave, tocolysis leave for pregnant women, pregnancy checkup accompaniment, pregnancy checkup leave, parental leave, maternity benefits
- (5) Year-end bonus, lucky draw, birthday celebration, club subsidy, travel subsidy for domestic tourism and international travel, providing books and magazines, holding various volunteer services or recreational activities, etc.
- (6) On-the-job training for employees
- (7) Regular health checks, special discounts for contracted hospitals and medical institutions
- (8) Contracted merchants, group buying platform
- (9) Staff uniforms, staff canteen, meal reimbursement for employees, employee dormitory, parking lot for cars and motorcycles, gym, 24HR ATM

##### 2. Continuing education and training:

- (1) To cultivate employees' correct working attitude and methods and stimulate their potential, the Company has stipulated an "SOP for training". The Company implemented this by introducing the human resource management system of the TTQS system. Allow the Company maintains outstanding competitiveness in the fiercely competitive global market and continues to create and demonstrate high-performance business result.

Employees' continuing education and training in 2024 are as follows:

Employees' continuing education and training			
Year	2024		
Number of participants	7,676		
Item	Number of Courses	Total Participants	Total Hours
New employee orientation	18	652	2,608
Vocational skills training	363	5,180	10,244
Management training course	28	1,844	4,049
Total	409	7,676	16,901

## (2) Training and development

- ① Take the Company's overall development goals as the direction, the Company implements the procedure of selecting, educating, employing, and retaining for introducing outstanding talents, continuing on-the-job training, and promoting trained talents on the basis of a vocational system to realize the mutual development of the Company and each employee.
- ② Sound training system
  - a. Pre-employment training for new employees
  - b. Vocational training
  - c. Job position(post) training
  - d. Special and professional training
- ③ Combine a performance management system and sound promotion system to achieve the goal of talent development

## 3. Retirement system and implementation status

In order to ensure the well-being of the Company's employees during their employment and to support their post-retirement lives, the Company has established an Employee Retirement Policy. According to this policy, eligible employees who meet the requirements are entitled to receive retirement benefits in accordance with the relevant provisions of the Labor Standards Act. To ensure the proper allocation of retirement funds, we have established the Labor Retirement Fund Supervisory Committee, which regularly monitors the allocation and execution of retirement funds. Since September 1994, the Supervisory Committee of Labor Retirement Reserve has been responsible for monthly contributions to the retirement fund, which is held in a separate account managed by the Central Trust of China. As of 31 March 2025, the balance of the retirement fund account is NT\$154,218 thousand. Employees can review the allocated amount in their monthly salary statement for easy reference and verification.

### (1) The employee who is under any of the following circumstances may apply for retirement:

- ① Who has completed more than 15 years of service and is aged 55 or above.
- ② Who has completed more than 25 years of service.
- ③ Who has completed more than 10 years of service and is aged 60 or above.

### (2) The employee who is under any of the following circumstances will be compulsorily retired by the Company:

- ①Aged 60.
- ②Who is incapable of his/her work due to mental or physical disability.
- ③Other special employees who have been approved by the competent authority for compulsory retirement.

The standard for the conversion of pension bases is the average monthly salary at the time of being approved for retirement

(3) Grant of pension:

- ①The pension payment standards for the employee who is applicable to the Labor Standards Act (the old system) is as follows:
  - a. Who has completed less than 15 years of service will be granted two bases every full year.
  - b. Who has completed more than 15 years of service will be granted a base annually. The total should be under 45 bases. Those who haven't completed half a year of service should be counted as half a year, and those who have completed half a year of service should be counted as one year.
  - c. Those who were compulsorily retired according to the two paragraphs of the preceding article, If the mental or physical disability was caused by the performance of duties, an additional 20% of the pension should be paid in accordance with the provisions of the preceding two paragraphs.

- ②The pension payment standards for the employee who is applicable to the Labor Pension Act (the new system) is as follows:

According to the classification of labor pension, 6% of the employees' monthly salary will be contributed as the labor pension on a monthly basis.

The retirees who have been approved and completed the resignation procedures will be granted pensions within 30 days from the date of retirement. However, if the Company is in financial difficulty, the pension will be paid in installments after being reported to the competent authority for approval.

4. The code of conduct for employees, personal safety and working environment, employee relations and communication:

(1) The code of conduct for employees

The Company has stipulated an employee manual and placed it on the company's website. The employee manual has written the details of relevant regulations, welfare, rewards and punishments, labor safety, labor-management harmony, etc. that employees should abide by.

(2) Personal safety and working environment

The Company conducts regular health check-ups for employees, arranges safety and health management personnel, formulates various labor safety management rules, conducts safety and health management training, conducts fire drills, etc. according to the regulation of the Occupational Safety and Health Act. To avoid accidents and disasters, automated external defibrillators were installed in the factories to protect the safety of employees.

(3) Employee Relations and Communication

The Company focuses on the employees' capabilities of self-esteem, self-respect, and self growth. The Company cares about the employees' needs and provides them with a safe working environment. Promote mutual understanding between labor and management through different channels (departmental meetings, bulletin boards, online announcements, etc.), and further leads the employees to work on the common goals efficiently.

(4) The Company strictly abides by domestic and foreign labor and human rights regulations and treats all the employees equally, including:

- ① Formulate labor conditions in accordance with government labor-related laws and regulations.
- ② Comply with the “Employment Service Act” and provide open, fair, and just job opportunities to all job seekers.
- ③ Set up multiple complaint channels, and the employees can appeal anytime and anywhere if their rights and interests have been violated or improperly handled.
- ④ Pay attention to the publicity of sexual harassment prevention and provide employees with clear complaint channels to ensure the rights and interests of the employees.
- ⑤ Regularly hold labor-management meetings and related seminars to provide channels for the employees to communicate directly and express their opinions.

5. Labor-management agreement and various employee rights and interests protection measures:

- (1) Set up multiple complaint channels, and the employees can appeal anytime and anywhere if their rights and interests have been violated or improperly handled. The Company pays attention to the publicity of sexual harassment prevention and provides employees with clear complaint channels to ensure the rights and interests of the employees. Regularly hold labor-management meetings and related seminars to provide channels for the employees to communicate directly and express their opinions.
- (2) If there is any problem between the labor and management of the Company, the representatives of both parties can fully express and communicate in the labor-management coordination meeting and seek the best solution in the spirit of coordination and cooperation. The Company provides various welfare such as staff uniforms, staff canteen subsidies, birthday gifts, holiday bonus, emergency aid and marriage and death subsidies. Furthermore, holding labor training courses regularly, or holding various entertaining activities from time to time for the relaxation of the employees’ bodies and minds.

- (ii) List any losses suffered by the Company in the most recent fiscal year and up to the annual report publication date due to labor disputes (including any violations of the Labor Standards Act found in labor inspection, specifying the disposition dates, disposition reference numbers, the articles of law violated, the substance of the legal violations and the content of the dispositions), and disclosing an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken: None.

vi. Cyber security management:

- (i) The cyber security risk management framework, cyber security policies, concrete management programs, and investments in resources for cyber security management

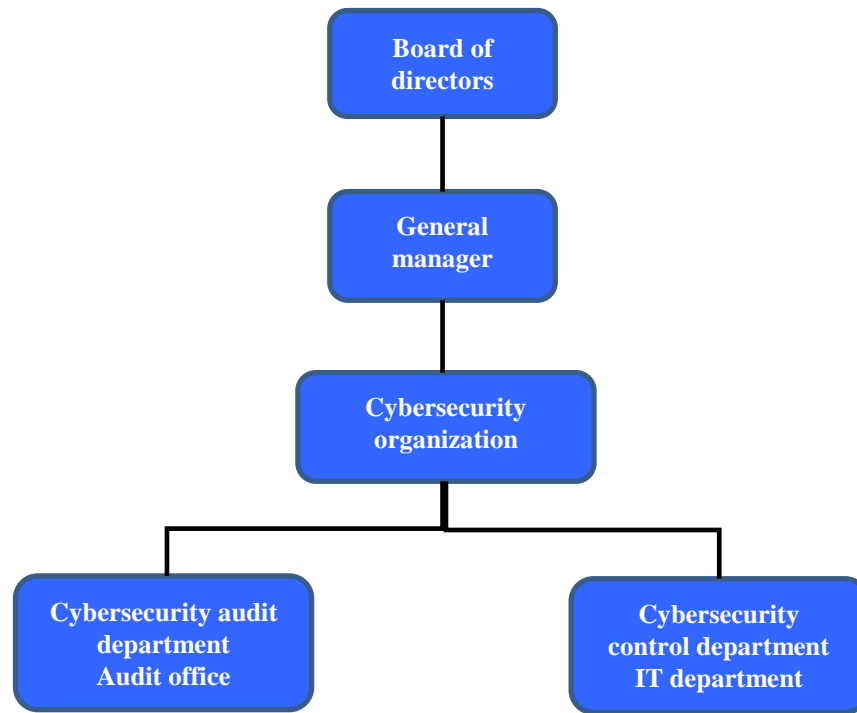
1. The cyber security risk management framework:

(1) Corporate information security governance organization

Universal Microelectronics Co., Ltd. established a “cyber security organization” in 2022, which manages the IT department and is responsible for formulating, implementing risk management, and the compliance check of the relevant policies on cyber security and protection. The top executive of the cyber security organization reports the effectiveness of cyber security management, issues, and directions related to cyber security to the board of directors every year. The organization holds meetings every six months to review and makes resolutions on cyber security and information

protection guidelines and policies and implements the effectiveness of cyber security management measures.

(2) Cyber security risk management framework of Universal Microelectronics Co., Ltd.

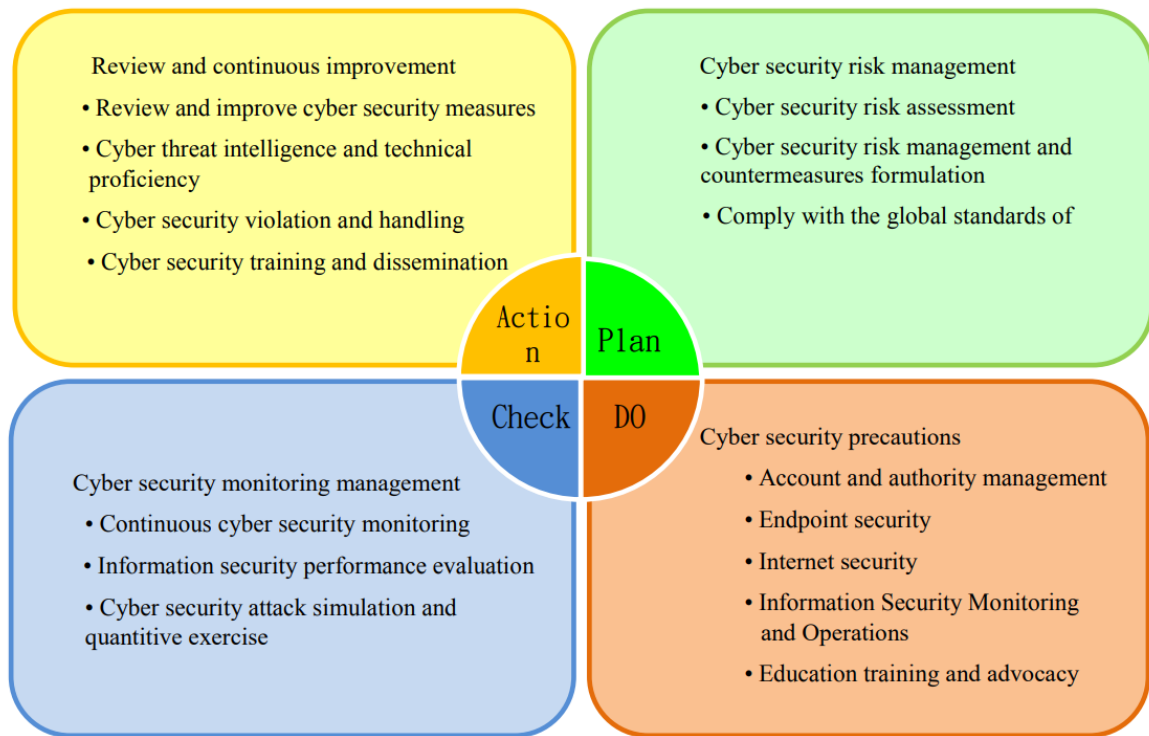


2. Cyber security policy:

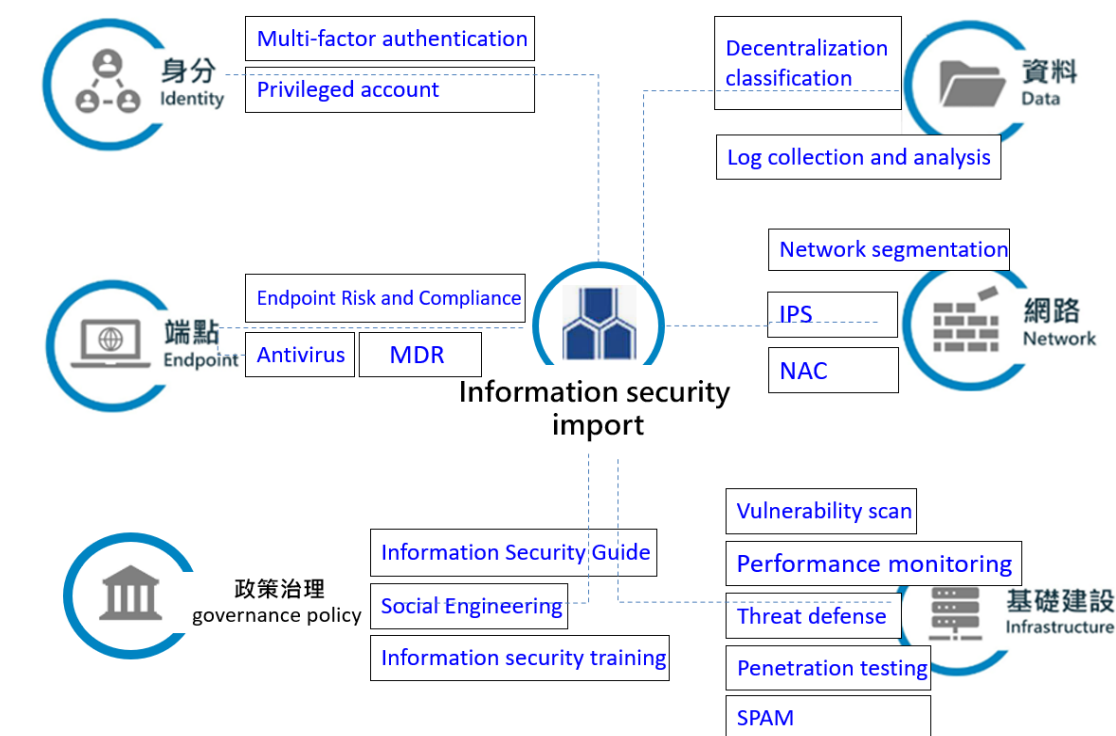
(1) Cyber security policies and frameworks

The IT department is the responsible business unit for cyber security. The department is comprised of an IT manager and several IT professionals, and the department is responsible for the formulation of internal cyber security policies, the planning and implementation of cyber security operations, and the promotion and implementation of cyber security policies. Every year, the audit office conducts regular inspections. If any deficiencies are found during the inspection, the inspected unit will be immediately required to propose improvement measures and regularly track improvement results to reduce internal cyber security risks. Also, reporting the result of cyber security management and implementation to the board of directors every year.

(2) Corporate cyber security risk management and continuous improvement framework



### (3) Specific management plan for information security



#### (1) Identity security

- Introduce two-factor authentication to enhance the security of account verification for external/internal access.
- Regularly conduct audits of privileged accounts.

#### (2) Endpoint security

- Establish MDR services for core hosts and computers, with 7\*24 continuous monitoring to prevent malicious attack behaviors.
- Deploy control measures such as endpoint antivirus, asset inventory, and installation permission in accordance with computer types.

#### (3) Data security

- Establish permissions for accessing content by unit and open access to corresponding functions in each system based on permissions.
- Save trajectory records through a centralized management platform.

#### (4) Internet security

- Implement Network Access Control (NAC) to block external devices from accessing the network.
- Strengthen network firewall control to prevent the spread of viruses across zones.

#### (5) Infrastructure (monitor, operation)

- Establish system, network monitoring platforms, and abnormal alarm services.

- Regularly conduct vulnerability scans, security patching, and penetration testing.
- Implement email protection filtering to enhance email security.

(6) Governance policies

- Establish a cyber security audit team to formulate and review cyber security policies and objectives in accordance with cyber security guidelines, and report regularly to the board of directors.
- Regularly conduct cyber security education and training and email social engineering drills to provide employees with cyber security awareness.

(4) The Resource Devoted to Cyber Security Management:

**Policies**

**14 standards**

Addition of amendments to 1 cyber security standards:	
2024	1
2023	7
2022	2
Before 2021	4

**Outsourced cybersecurity services**

- ❑ Establish MDR 7\*24 monitoring services for core systems to prevent malicious attack behaviors.
- ❑ External system penetration testing and vulnerability patching.
- ❑ SIEM/SOC for log collection and trace analysis for anomaly

**Training/ Promotion**

**2 email social engineering drills**

All **201** new employees in 2024 have completed the information security education training course.

Performed 7 email social engineering phishing drills, involving over **700** participants.

**Information security protection**

The total investment in information and communication security protection exceeded **3.6 million** in 2024.

- ❑ Information security dedicated team was established in 2022, and held regular meetings to discuss security architecture, with over **68** meetings convened.
- ❑ Strengthen firewall area management: Implement rule-based access management for Server Zone and Production Line Zone, and enable IPS intrusion prevention.
- ❑ Enable VPN two-factor authentication: Strengthen the security of account verification for external/internal access.
- ❑ Network Access, Computer Management: Implementation of asset inventory and NAC platform to enhance endpoint access security.
- ❑ Establishment of cloud backup for core systems.

- (ii) List any losses suffered by the Company in the most recent year and up to the annual report publication date due to significant cyber security incidents, the possible impacts therefrom, and measures being or to be taken: None.

vii. Important contracts: (the contracts that would affect shareholders' equity):

Agreement	Counterparty	Period	Major contents	Restrictions
Long-term loan	MEGA INTERNATIONAL	From 13 November 2023 to	Real-estate secured loan	None

	COMMERCIAL BANK CO., LTD.	13 November 2033		
Labor contract	Investment Management Limited(Shenzhen)	From 28 September 2023 to 28 September 2024	Consulting services provided by JA-LONG TECHNOLOGY CO., LTD. (Shenzhen)	None
Labor contract	SHANG-HSIN Interior Design CO., LTD. (Shenzhen)	From 28 September 2023 to $\infty$	Consulting services provided by JA-LONG TECHNOLOGY CO., LTD. (Shenzhen)	None

## V. Review of financial conditions, financial performance, and assessment of risk management

### i. Financial Status

#### Analysis of Financial Status

Unit: NT\$ (in thousands)

Item \ Year	2024	2023	Difference	
			Amount (NT\$)	Difference %
Current Assets	2,771,239	3,237,387	(466,148)	-14.40%
Fixed Assets	1,532,459	1,611,622	(79,163)	-4.91%
Total Assets	4,303,698	4,849,009	(545,311)	-11.25%
Current Liabilities	1,113,970	1,857,728	(743,758)	-40.04%
Long-term Liabilities	1,240,306	972,625	267,681	27.52%
Total Liabilities	2,354,276	2,830,353	(476,077)	-16.82%
Capital stock	1,273,592	1,273,592	-	0.00%
Capital surplus	373,069	373,076	(7)	0.00%
Retained Earnings	667,987	730,610	(62,623)	-8.57%
Treasury Shares	(6,151)	(6,151)	-	0.00%
Other Equity	(359,330)	(353,098)	(6,232)	-1.76%
Non-controlling interests	255	627	(372)	-59.33%
Total Equity	1,949,422	2,018,656	(69,234)	-3.43%
Analysis of variation: (An increase or decrease of 20% or more and a change in an amount exceeding 10 million NT dollars in two consecutive periods):				
1.The decrease in current liabilities: Due to reduced material procurement needs, resulting in lower accounts payable. Additionally, repayments of short-term borrowings and a reduction in long-term borrowings due within one year or an operating cycle led to a year-over-year decrease in current liabilities.				
2.The increase in long-term liabilities: Due to the increase in long-term borrowings				

ii. Analysis on Financial Performance

- (i) The main reasons for any material change in operating revenues, operating income, or income before tax during the past 2 fiscal years, provide a sales volume forecast and the basis therefor.

Unit: NT\$ (in thousands)

Item \ Year	2024	2023	Increased (Decreased) Amount	Difference (%)
Operating revenue	3,231,025	4,603,781	(1,372,756)	-29.82%
Operating costs	2,838,031	3,918,917	(1,080,886)	-27.58%
Gross profit from operations	392,994	684,864	(291,870)	-42.62%
Operating expenses	582,758	599,310	(16,552)	-2.76%
Net operating (loss) income	(189,764)	85,554	(275,318)	-321.81%
Non-operating income and expenses	107,073	44,818	62,255	138.91%
Net (loss) profit before tax	(82,691)	130,372	(213,063)	-163.43%
Income tax benefit (expense)	26,831	(24,326)	51,157	210.30%
Net (loss) income from continuing operations	(55,860)	106,046	(161,906)	-152.68%

Analysis of variation: (An increase or decrease of 20% or more and a change in an amount exceeding 10 million NT dollars in two consecutive periods):

1. The decrease in operating revenue: Due to major customers depleting excess inventory, a reduction in sales orders occurred.
2. The decrease in operating costs: A slowdown in order demand led to a decrease in operating cost expenditures compared to the previous year.
3. The decrease in gross profit: The decrease in gross profit compared to the previous year was mainly due to lower revenue, which led to underutilization of production capacity and a less favorable product mix.
4. The decrease in operating income: The decrease in operating income compared to the previous year was primarily due to the decline in revenue.
5. The increase in non-operating income and expenses: The increase compared to the same period last year was mainly due to the depreciation of the New Taiwan Dollar in 2024, which resulted in net foreign exchange gains for the Group, as well as investment income recognized under the equity method from associates and joint ventures.
6. The decrease in net profit before tax: The decrease in net profit before tax compared to the same period last year was primarily due to a decline in operating income, partially offset by an increase in net foreign exchange gains resulting from the depreciation of the New Taiwan Dollar in 2024.
7. The increase in income tax benefit: The increase in income tax benefit compared to the same period last year was primarily due to the recognition of tax benefits arising from the loss incurred during the current year. °
8. The decrease in net income from continuing operations: The increase in net loss from continuing operations was mainly

due to a significant decline in overall revenue and reduced profitability.

- (ii) The sales volume forecast and the basis thereof, and its possible effect on the Company's financial operations as well as measures to be taken in response: None.

iii. Cash flow

(i) Cash flow analysis for the current year

Item \ Year	31 December 2024	31 December 2023	Variance (%)
Cash flow ratio (%)	25.82	18.67	38.30%
Cash flow adequacy ratio (%)	0.49	0.29	66.13%
Cash reinvestment ratio (%)	5.00	5.6	(10.71%)
Analysis of variation:			
1. The increase in cash flow ratio: Due to the reduction in customer order demand and inventory depletion, leading to decreased purchasing payments and a reduction in accounts payable, resulting in a higher cash flow ratio this year compared to the previous year.			
2. The increase in cash flow adequacy ratio: It is mainly due to the increase in net cash inflow from operating activities compared to the previous year and a decrease in capital expenditures, resulting in a higher cash adequacy ratio compared to the previous year.			

(ii) Cash flow analysis for the coming year

Unit: NT\$ (in thousands)					
Estimated Cash and Cash Equivalents, Beginning of Year (1)	Estimated Net Cash Flow from Operating Activities (2)	Estimated Cash Outflow (3)	Cash Surplus (Deficit) (1)+(2)-(3)	Leverage of Cash Surplus (Deficit)	
				Investment Plans	Financing Plans
729,576	314,872	(485,078)	559,370	-	-
1. Analysis of change in cash flow in the current year:					
(1) Net cash flow from operating activities:					
The expected net cash inflows from operating activities are mainly due to the anticipated increase in orders, which is projected to drive higher profitability..					
(2) Estimated annual cash outflows:					
Mainly due to the repayment of medium to long-term loans.					
2. Estimated remedies for cash shortfall and liquidity analysis: None.					

iv. The effect upon financial operations of any major capital expenditures during the most recent year

- (1) Major capital expenditure and the source of capital thereof: None.  
(2) The expected potential benefits of major capital expenditures: None.

v. Investment policy in the last year, main causes for profits or losses, improvement plans and investment plans for the coming year:

All equity method investments made by the Company are aimed at long-term strategic purposes. If the Company evaluates the strategic values of an investment is no longer significant, it will be viewed as a financial investment. The Company's investment policies are mainly focused on enhancing the Company's production capacity, key technology, marketing, etc. Furthermore, the division of labor is based on each plant's advantages, with the primary goal of creating the Company's maximum benefits. So far, each subsidiary's business content is mainly paying attention to assisting the parent company. As a result, their major operating revenues come from the parent company. All revenue recognition of the Company's

subsidiaries will comply with the guidelines of the OECD and stipulate a suitable transfer pricing policy. In the future, the Company will continue to adhere to the principle of long-term strategic investment and diligently evaluate investment plans.

vi. Risk management and assessments for the most recent year and up to the annual report publication date

- (i) Effects of changes in Interest rates, foreign exchange rates and inflation on corporate finance, and future response measures:
  - 1. Interest rates: The Company always pays attention to the trend of bank loan interest rates, and makes the most suitable arrangement with the consideration of the Company's short and mid-long-term capital.
  - 2. Foreign exchange rates: Since the Company mostly quotes sales in US dollars, exchange rate fluctuations mainly affect the level of the holding position for the US dollars. Therefore, the Company tends to make payments to suppliers in US dollars, while paying attention to the impact of international trade risks on the exchange rate fluctuations to reduce the Company's exposure to foreign exchange risks.
  - 3. Inflation: The Company always pays attention to market price trends and adopt flexible strategies to reduce the impact of inflation on the Company.
- (ii) The Company's policy regarding high-risk investments, highly leveraged investments, loans to other parties, endorsements, guarantees, and derivatives transactions; the main reasons for the profits/losses generated thereby; and response measures to be taken in the future:
  - 1. The Company has not engaged in high-risk or highly leveraged investments for 2024.
  - 2. In 2024, the Company's loaning of funds, endorsements, guarantees and derivatives transactions have complied with provisions of the Company's "Regulations Governing Loaning Funds to Others", "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees" and "Handling Procedure to Engage in the Transaction of Derivative Products". As of the annual report publication date, all recipients of the company's loaning of funds, endorsements, and guarantees are wholly-owned subsidiaries.
  - 3. The derivative transactions engaged in by the Company are foreign exchange swap contracts. As of the annual report publication date, the Company has no derivative transactions.
- (iii) Research and development work to be carried out in the future, and further expenditures expected for research and development work:

The Company's research and development philosophy is to obtain key technology through strategic alliance and establish a product technology information center to integrate relevant information of all the products for the use of research and development reference sources. Furthermore, the Company has taken the initiatives in the market through Design-in. By closely cooperating with international leading telecommunication companies, speeding up the product design stage from technical assessment to product concept. This research and development philosophy enables the Company to design products that meet customers' needs. Please refer to the previous operating highlight for the Company's future research and development plan. The projected research and development expenses for 2025 are estimated to be NT\$258 million.
- (iv) Effect on the Company's financial operations of important policies adopted and changes in the regulations at home and abroad, and measures to be taken in response:
  - 1. The Company always pay attention to the changes in important policies and regulations at home and abroad and evaluates their impact on the Company. For instance, consistently observing the changes in the US-China trade war and making arrangements and adjustments to the production capacity of each domestic and overseas plant. Moreover, the rise in China's basic wages has resulted in an increase in operating costs, the Company has improved its automated process to lower labor costs. In addition, the Company has complied with the implementation of RoHS in EU countries. The

Company's manufacturing equipment, process, inspection standards, and control points have abided by the regulations and laws to produce green products.

2. For the revision to the Company Act and the Securities and Exchange Act, the Company always keep an eye on the changes in important policies and laws at home and abroad and evaluates their impacts on the Company in order to take adequate countermeasures.
  3. The Company has Complied with the IFRS. As further IFRS-related standards are updated, the Company will establish a relevant operating system to respond to the changes in regulations and laws.
- (v) Effect on the Company's financial operations of developments in science and technology (including cyber security risks) as well as industrial change, and measures to be taken in response:
1. The Company's business, research and development and finance departments always pay attention to the changes in the trend of the market, science and technology to obtain relevant techniques. Moreover, the Company has been continuously devoting efforts to research and develop new products, enhancing efficiency and strengthening its competitive edge. Also, the Company has been proactively developing new overseas markets to obtain more orders with good quality and keep abreast of the development trend of science and industry. In addition, the Company adjusts its short and mid-long-term development strategies in response to the changes in science and technology and reduces their impacts on the Company's business and finance to realize sustainable management.
  2. Cyber security risks
    - ① Endpoint security

The Company's important information systems have been installed EDR (Endpoint Detection and Response) Agent for monitoring abnormalities. Moreover, the Company has also adopted the outsourcing service of MDR (Managed Detection and Response), which includes cyber security professionals providing risk analysis and judgment and preventing malicious programs from causing further cyber security incidents. Furthermore, the Company's information systems have regularly implemented vulnerability scanning. For the high-risk vulnerabilities, the Company will try to fix them as much as possible. However, the Company will use Server Farm for limited access if the vulnerabilities are unable to be fixed.
    - ② Cyber security

Conduct network segmentation by using physical firewalls to segregate internal and external Internet from OT (production lines). The Server Farm, on the other hand, utilizes virtual firewalls for network segmentation. Furthermore, the Company has introduced NAC (Network Access Control) for controlling the internal network by connecting NAC with the internal network and eliminating the chance of devices from other companies connecting to the Company's Internet.

The Company has set up a dedicated department to monitor cyber security risks. Reduce the impacts of cyber security risks on the Company's business and finance with careful and active approaches.
- (vi) The impact of changes in the corporate image on corporate risk management, and the Company's response measures:
- The Company and its subsidiaries have been devoting themselves to corporate social responsibility, charity and educational activities, etc. for a long time. As a result, the Company has maintained a good corporate image. If there is an event that might affect the Company's image, relevant units will respond promptly to deal with it.
- (vii) Expected benefits from, risks relating to and response to merger and acquisition plans:

There was no merger and acquisition plan in the most recent fiscal year and up to the annual report publication date.

- (viii) Expected benefits from, risks relating to and response to factory expansion plans:  
Before the factory expansion, the Company will considerate the Company overall production capacity allocation in advance and evaluation according to the future development of products as well as customer needs.
- (ix) Risks relating to and responding to excessive concentration of purchasing sources and excessive customer concentration:
  - 1.Purchasing: The Company has diversified purchasing sources.
  - 2.Sales: The concentration of sales to Customer A in 2024 was 31.54%, mainly focused on information and communication products. Additionally, at the end of 2024, the end customer emphasized inventory reduction, resulting in the customer clearing excess stock, which led to a decrease in sales amount. Consequently, the sales concentration has improved compared to the previous year.
- (x) Effects of, risks relating to and response to large share transfers or changes in shareholdings by directors, supervisors, or shareholders with shareholdings of over 10%:  
OU, ZHENG-MING, former chairman of the Company, retired on 14 January 2025, and was relieved of his director duties due to his passing on 20 February 2025. OU, JEN-CHIEH, originally a director of the Company, was appointed chairman on 15 January 2025, following a resolution by the Board of Directors. Although the Company experienced a change in leadership, the impact was minimal as the successor had been involved in the Company's operations for many years.
- (xi) Effects of, risks relating to and responding to the changes in management rights:  
The Company's management rights have not been changed.
- (xii) Litigious and non-litigious matters. List major litigious, non-litigious or administrative disputes that involve the Company and/or any company director, any company supervisor, the general manager, any person with actual responsibility for the firm, any major shareholder holding a stake of greater than 10% and/or any company or companies controlled by the Company; and have been concluded by means of a final and unappealable judgment, or are still under litigation. Where such a dispute could materially affect shareholders' equity or the prices of the company's securities, the annual report shall disclose the facts of the dispute, the amount of money at stake in the dispute, the date of litigation commencement, the main parties to the dispute, and the status of the dispute as of the date of publication of the annual report: None.
- (xiii) Other major risks: None.

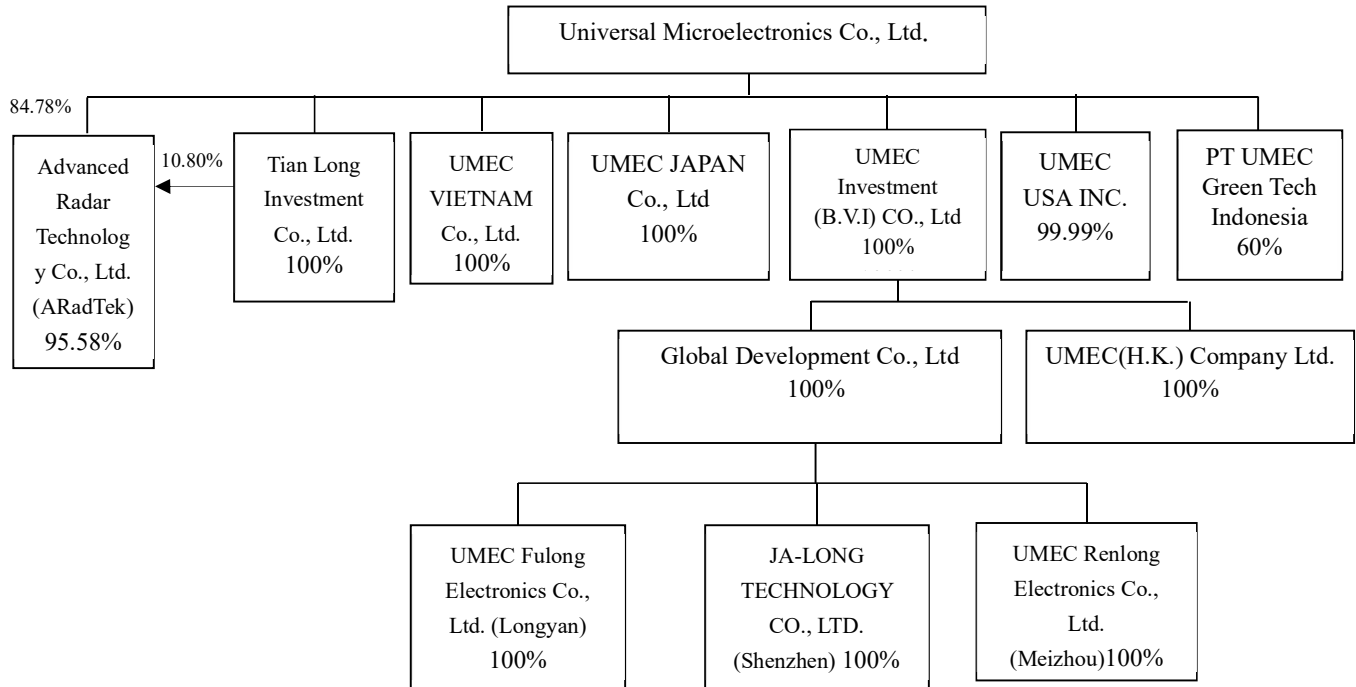
vii.Other important matters: None.

## VI. Special Disclosure

### i. Information on the Company's affiliates

#### (i) Consolidated business report of affiliates

##### 1. Affiliated companies organizational chart



##### 2. Information on the Company's affiliates

Company name	Date of Incorporation	Address	Paid-in capital	Main business content
Universal Microelectronics Co., Ltd.	18 February 1984	3,27th Rd., Taichung Industrial Park, Taichung, Taiwan	NT\$1,273,592 thousand	Manufacturing, processing and sales of magnetic parts, switch mode power supply, information and communication product, and other electronic parts
UMEC Investment (B.V.I) CO., Ltd	11 April 1999	Vistra Corporate Services Centre, Wickhams Cay II, Road Town Tortola, VG1110, BRITISH VIRGIN ISLANDS	USD22,961 thousand	Investment and holding company
Tian Long Investment Co., Ltd.	18 August 2003	1F., No. 37, Sec. 2, Meicun Rd., South Dist., Taichung City	NT\$88,000 thousand	Investment company
UMEC (H.K.) Company Ltd.	25 May 1993	Unit B, 6/F, Levy Building, 61-63 Jingye Street, Kwun Tong, Kowloon, Hong Kong	HKD1,782 thousand	Established in Hongkong to handle export shipping affairs of China.
UMEC USA Inc.	22 February 2000	1921 Ellen St #7 Sturgis, SD 57785, USA	USD500 thousand	R&D and sales of electromagnetic parts
Global Development Co., Ltd	9 October 2000	P.O.Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205 Cayman Islands.	USD23,215 thousand	Investment and holding company
JA-LONG TECHNOLOGY CO., LTD. (Shenzhen)	16 November 2000	Baoan Tong Fuyu Industrial Park Shenzhen, Fuyong Town, Shenzhen	USD17,650 thousand	Assembly, manufacturing and sales of switch mode power supply, transformer and circuit board

Company name	Date of Incorporation	Address	Paid-in capital	Main business content
Advanced Radar Technology Co., Ltd. (ARadTek)	2 November 2006	Rm. 2, 8F., Dayou Rd., Taoyuan Dist., Taoyuan City	NT\$50,200 thousand	Manufacturing and sales of electronic parts and components
UMEC Vietnam Co., Ltd.	3 February 2009	Lot B(B1), Quang Chau Industrial Park, Bac Giang Province, Vietnam	USD12,124 thousand	Manufacturing and sales of switch mode power supply, transformer and circuit board
UMEC Fulong Electronics Co., Ltd. (Longyan)	26 August 2010	No.1 Fuxiang Road, Wuping Industrial Park, Wuping Country, Longyan City, Fujian, China	USD3,000 thousand	Manufacturing and sales of switch mode power supply and transformer
UMEC Renlong Electronics Co., Ltd. (Meizhou)	28 May 2012	Industrial Area, Wuhua Country, Meizhou City, Guangdong Province, China	USD600 thousand	Manufacturing and sales of switch mode power supply and transformer
UMEC Japan Co., Ltd.	1 October 2013	5F YS 1st Bld. 3-5-3 Osaki, Shinagawa-Ku, Tokyo, 141-0032 JAPAN	JPY6,000 thousand	Promotion and sales of switch mode power supply, transformer and manufacturing and assembly of circuit board
PT UMEC Green Tech Indonesia	31 December 2017	Ketapang Business Centre, Jl. Kh. Zainul Arifin No 20 Blok A16 Jakarta Barat, Indonesia 11140	USD191 thousand	Sales of electronic parts and components

3. The industries covered by the business operated by the affiliates overall:

- ①The Company's main business contents are the manufacturing and sales of magnetic parts and components, power supplies, information and communications products.
- ②UMEC Investment (B.V.I) Co., Ltd. is a holding company established in the British Virgin Islands and mainly runs an overseas investment business.
- ③Tian Long Investment Co., Ltd. is an investment company.
- ④UMEC (H.K.) Company Ltd. is established in Hongkong and mainly assists in handling export shipping affairs for China.
- ⑤UMEC USA Inc. is a subsidiary invested and established by the Company to expand its market in the U.S. and Canada, and it mainly runs the business of the R&D and sales of electromagnetic parts and components.
- ⑥Global Development Co., Ltd is a holding company established in the Cayman Islands and it mainly runs the business of overseas investment business.
- ⑦JA-LONG TECHNOLOGY CO., LTD. (Shenzhen) is established in Shenzhen City in Guangdong Province, China. The Company mainly runs the business of manufacturing electronic magnetic parts, power supplies, information and communication products, optical communication products and optoelectronics for its affiliates.
- ⑧UMEC Fulong Electronics Co., Ltd. (Longyan) was established in Longyan City of Fujian, China and it mainly runs the business of manufacturing electromagnetic parts and power supplies for its affiliates.
- ⑨UMEC VIETNAM Co., Ltd. was established in Bac Giang Province, Vietnam, and it mainly runs the business of manufacturing electromagnetic parts, power supplies, information and communications products for its affiliates.
- ⑩UMEC Renlong Electronics Co., Ltd. (Meizhou) was established in Meizhou City of Guangdong Province, China, and it mainly runs the business of manufacturing electromagnetic parts and power supplies for its affiliates.
- ⑪Advanced Radar Technology Co., Ltd. (ARadTek) was established in Taiwan, and it mainly runs the business of manufacturing and selling electronic parts and components.

② UMEC Japan Co., Ltd. was established in Tokyo, Japan, and it mainly runs the business of promoting and selling switch mode power supplies and transformers and manufacturing and assembly of the circuit board.

③ PT UMEC Green Tech Indonesia was established in Indonesia and mainly runs the business of promoting and selling electronic parts and components.

#### 4. Information on directors, supervisors and general managers of affiliates

Company name	Title	Name or representative	Shareholding	
			Stock (Investment amount)	%
Universal Microelectronics Co., Ltd.	Chairman and general manager	Representative of Zhao Zan Investment Co., Ltd., OU, JEN- CHIEH	844,000	0.66
	Director	HSU, KUAN-CHUN	1,748,177	1.37
	Director	LIEN, TSUNG-FU	798,146	0.63
	Director	TSAI, KUO-CHI	700,929	0.55
	Director	YANG, SHANG-JU	-	-
	Director	Representative of Yuan Rong Investment, Co., Ltd., OU, TZU- HUEI	803,000	0.63
	Director	Position vacancy	-	-
	Independent director	WU, TEH-CHUAN	-	-
	Independent director	WU, HUEI-HUANG	-	-
	Independent Director	TSOU, YEN-CHUNG	-	-
	Independent Director	KO, HSIN-SUI	-	-
UMEC Investment (B.V.I) CO., Ltd	Director	Representative of UNIVERSAL MICROELECTRONICS CO., LTD.: OU, JEN-CHIEH	USD22,961,020	100.00
UMEC (H.K.) Company Ltd.	Director	UMEC Investment CO., Ltd OU, JEN-CHIEH	HKD 1,782,000	100.00
UMEC USA Inc.	Director	Representative of UNIVERSAL MICROELECTRONICS CO., LTD.: OU, JEN-CHIEH	USD499,999	99.99
	Director	LIN, HSUEH-HWA	USD1	0.01
Global Development Co., Ltd	Director	UMEC Investment CO., Ltd OU, JEN-CHIEH	USD23,214,961	100.00
JA-LONG TECHNOLOGY CO., LTD.(Shenzhen)	Director	Global Development CO., Ltd LIN, HSUEH-HWA	USD17,650,000	100.00
Tian Long Investment Co., Ltd.	Chairman	Representative of UNIVERSAL MICROELECTRONICS CO., LTD.: OU, JEN-CHIEH	8,800,000	100.00
	Supervisor	Representative of Universal Microelectronics Co., Ltd.: OU, TZU-HUEI	8,800,000	100.00
UMEC Fulong Electronics Co., Ltd. (Longyan)	Director	Global Development CO., Ltd LIN, HSUEH-HWA	USD3,000,000	100.00
UMEC VIETNAM Co., Ltd.	Director	Representative of UNIVERSAL MICROELECTRONICS CO., LTD.: OU, JEN-CHIEH	USD12,123,574	100.00
UMEC Renlong Electronics Co., Ltd. (Meizhou)	Director	Global Development CO., Ltd LIN, HSUEH-HWA	USD600,000	100.00

Company name	Title	Name or representative	Shareholding	
			Stock (Investment amount)	%
Advanced Radar Technology Co., Ltd. (ARadTek)	Chairman & general manager	OU, TZU-HUEI	10,000	0.20
	Director	Representative of Universal Microelectronics Co., Ltd.: OU, JEN-CHIEH	4,255,894	84.78
	Director	Representative of Universal Microelectronics Co., Ltd.: CHAN, CHIA-NAN	4,255,894	84.78
	Director	Representative of Tian Long Investment Co., Ltd.: WU, JUN- XIAN	541,945	10.80
	Director	LI, NIEN-CHUAN	464	0.01
	Director	TAO, CHI-WEN	3,761	0.07
	Director	LU, GUO-ZHONG	-	-
	Supervisor	XU, JIA-XIANG	-	-
	Supervisor	HSUEH, CHING-YI	-	-
UMEC Japan Co., Ltd.	Director	Representative of Universal Microelectronics Co., Ltd.: OU, JEN-CHIEH	USD50,262.69	100
PT UMEC Green Tech Indonesia	Director	Representative of Universal Microelectronics Co., Ltd.: OU, JEN-CHIEH	USD114,600	60
	Director	Advanced E-Tech Corp. OU, JEN-CHIEH	USD76,400	40

## 5. Operational highlights of subsidiaries

Unit: NT\$ (in thousands)/(loss) earnings per share (NT\$)

Company name	Capital amount	Total assets	Total liabilities	Net worth	Operating revenues	Operating (loss) income	(Loss) profit or loss for the period (after-tax )	(Loss) earnings per share (NT\$) (after-tax)
Universal Microelectronics Co., Ltd.	1,273,592	4,086,837	2,137,670	1,949,167	3,714,431	(30,147)	(55,488)	(0.44)
UMEC Investment (B.V.I) CO., Ltd	753,401	250,690	-	250,690	-	(114)	(107,502)	-
UMEC (H.K.) Company Ltd.	7,523	16,630	2,778	13,852	20,460	302	1,031	-
UMEC USA Inc.	43,013	40,448	868	39,580	5,825	(6,569)	(6,555)	-
Global Development Co., Ltd	761,102	212,329	100	212,229	0	(1,472)	(110,090)	-
JA-LONG TECHNOLOGY CO., LTD. (Shenzhen)	578,655	1,037,494	820,538	216,956	1,519,592	(94,131)	(56,585)	-
Tian Long Investment Co., Ltd.	88,000	63,625	2,629	60,996	-	(86)	5,220	-
UMEC Fulong Electronics Co., Ltd. (Longyan)	98,355	75,618	42,405	33,213	61,679	(24,517)	(24,273)	-
UMEC VIETNAM Co., Ltd.	329,574	279,153	166,789	112,364	141,825	(17,287)	(20,182)	-
UMEC Renlong Electronics Co., Ltd. (Meizhou)	19,671	1,039	59,194	(58,155)	11,130	(27,779)	(30,197)	-

Company name	Capital amount	Total assets	Total liabilities	Net worth	Operating revenues	Operating (loss) income	(Loss) profit or loss for the period (after-tax )	(Loss) earnings per share (NT\$) (after-tax)
Advanced Radar Technology Co., Ltd. (ARadTek)	50,200	10,867	5,176	5,691	11,075	(8,487)	(8,410)	-
UMEC Japan Co., Ltd.	1,368	2,204	1,052	1,152	5,248	59	(37)	-
PT UMEC Green Tech Indonesia	3,757	-	-	-	-	-	-	-

Note 1: If the affiliate is a foreign company, its relevant figures should be converted into New Taiwan Dollars using the exchange rate on the reporting date.

(ii) Consolidated Financial Statements of Affiliates

Statement

The entities that are required to be included in the consolidated statements of affiliates of Universal Microelectronics Co., Ltd. as of and for the year ended 31 December 2024 under the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” are the same as those included in the consolidated financial statements prepared in conformity with International Financial Reporting Standards No.10 “Consolidated Financial Statements”. Relevant information required to be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiary companies. Consequently, Universal Microelectronics Co., Ltd. and its subsidiaries did not prepare a separate set of consolidated financial statements of affiliates.

Truly yours,

Universal Microelectronics Co., Ltd.

Representative: OU, JEN-CHIEH

11 March 2025

- ii. Private Placement Securities in recent year and up to the publication date of this annual report: None.
- iii. Other matters that require additional description: None.
- iv. Matters according to Article 36-3-2 of the Securities and Exchange Act of Taiwan in the most recent year and up to the date of printing of this annual report which has a significant impact on shareholders' equity or stock price: None.

# UNIVERSAL MICROELECTRONICS CO., LTD.



Chairman: OU, JEN-CHIEH



**MAGNETIC**



**POWER**



**ICP**



- \* Telecom transformers
  - \* Power Transformers
  - \* Inductor Products
  - \* Planar Transformers
  - \* Custom Design
- Transformer/ Inductor



- \* DC/DC Converters
- \* AC Open Frame
- \* Power Adapter
- \* Hot-swappable
- Redundant Power
- \* DC/AC Inverter



- DMS/ EMS
- \* Marine Products
  - \* mmWave Radars
  - \* IoT modules
  - \* Chargers
  - \* Industrial Products



UNIVERSAL MICROELECTRONICS CO., LTD.