

2025 Annual Board Performance External Evaluation Report

1. According to the Company's "Rules for Performance Evaluation of Board of Directors", the execution of the board performance evaluation shall be conducted at least once every three years by an external professional independent organization or an external team of experts and scholars.
2. The external evaluation unit for 2025 is "Taiwan Corporation Governance Association", and this association and the execution team have no business dealings with this company and are independent. The implementation situation is as follows:
 - (1) Evaluation Period: August 1, 2024, to July 31, 2025.
 - (2) Evaluation Method:
 - A. Using an open-ended questionnaire, the company conducted a self-assessment.
 - B. Five aspects of board operational effectiveness (composition and division of labor of the board, guidance and supervision of the board, authorization and risk management of the board, communication and collaboration of the board, and self-discipline and improvement of the board) with a total of 30 subtopics, an anonymous questionnaire was sent to all board members to inquire about individual directors' levels of agreement on different subtopics of different aspects.
 - C. After reviewing the relevant documents provided by the company, the evaluation team conducted an on-site assessment with the company's chairman, all independent directors, the general manager, and the corporate governance officer on September 9, 2025.
 - (3) Assessment Results and Recommendations:
 - A. Overall
 - I. The Company has established a "Succession Planning for Board Members and Key Management Personnel", which regularly reviews and selects potential talent at all levels, a talent pool has been created and dynamically adjusted based on organizational needs. Through cross-functional or cross-departmental (factory) rotations, project assignments, concurrent positions, or dispatching to invested businesses, it enhances management skills and expands international perspectives. Through sporadic personnel meetings, the company discusses the training and succession plans of senior managers, and reports the succession status of senior managers to the Remuneration and Nomination Committee and the Board of Directors for review. This demonstrates the company's high emphasis on talent development, laying a foundation for sustainable development.

- II. The Company has established a "Senior Management ESG Bonus Award Guidelines" approved by the Remuneration and Nomination Committee and the Board of Directors, include short-to-medium-term targets such as renewable energy usage ratio, absolute carbon emission targets, direct carbon emission intensity, environmental fines at production sites, major occupational accident incidents, injury accident incidents, and corporate governance evaluations. Linking the compensation of top-level unit managers—including the Presidents, Vice Presidents, and Plant General Managers—to ESG performance demonstrates the company's commitment to motivating its management team and advancing corporate sustainability.
- III. Prior to assuming their roles, new directors are briefed by the Chairman and President on the company's organizational structure and operational overview. They are also arranged factory tours and introduced to key management personnel to gain a comprehensive understanding of the company's current status and industry insights. Additionally, the Corporate Governance Officer proactively provides all necessary information for board meetings to facilitate the effective performance of directors' duties.
- IV. The company's board of directors places great emphasis on corporate governance, having repeatedly achieved recognition among the top 5% of listed companies in governance evaluations. To drive continuous improvement, your company annually reviews performance assessment indicators from self-evaluation questionnaires for the board and functional committees. The results of these self-assessments, along with identified areas for improvement, are submitted to the Remuneration and Nomination Committee. The company's commitment to enhancing corporate governance and board effectiveness is commendable.
- V. A total of 9 directors responded to this online questionnaire for board members, achieving a 100% response rate. Regarding the five key dimensions of board operational effectiveness—board composition and division of responsibilities, board guidance and oversight, board delegation and risk management, board communication and collaboration, and board self-discipline and continuous improvement—responding directors gave an overall average score of 6.7 out of 7. This indicates that your company's board of directors places high importance on corporate governance and demonstrates a diligent and responsible attitude. indicating that the company's board of directors places high importance on corporate governance and demonstrates a diligent and responsible attitude.

B. Recommendations

- I. Your company has established a "Succession Planning for Board Members and Key Management Personnel", it is recommended that the Remuneration and Nomination Committee periodically review the relevant mechanisms and implementation status, then report to the Board of Directors. This will further strengthen the oversight functions of the Remuneration and Nomination Committee and the Board of Directors regarding the development and succession planning for directors and senior managers.
 - II. To ensure all board members are promptly informed of significant unforeseen events affecting the company, it is recommended that your company incorporate relevant mechanisms into the existing "Internal Procedures for Handling Material Information." These procedures should at minimum include the types of events or information requiring notification, notification deadlines, notification methods, and reporting levels. This will enable all board members to promptly and fully grasp the impact of various risks and major incidents on the company.
3. The aforementioned external assessment report on the performance of the Board of Directors has been submitted to the 18th meeting of the 25th session of the Board of Directors held on October 28, 2025. The relevant assessment content, methodology, implementation status, and results will be disclosed on the company's website and in the annual report.