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Advanced Wireless Semiconductor Company

2024

Annual Report

Annual Report is available on: <http://mops.twse.com.tw>
<https://www.awsc.com.tw/>

Printed on April 30, 2025

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- VI. The Company's website: <http://www.awsc.com.tw>

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One. Letter to Shareholders

Dear Shareholders,

In 2024, AWSC recorded operating revenue of NT\$4,455,584 thousand, representing a 64% increase compared to 2023. Net profit reached NT\$520,924 thousand, marking a 530% year-on-year growth. Since the onset of the U.S.-China trade war in 2019, the global economic climate has been volatile, further impacted by the COVID-19 pandemic, geopolitical conflicts, and global inflation. The industry has experienced significant fluctuations due to excessive stockpiling of mobile phones and components, followed by inventory surpluses caused by weakened demand. By the second half of 2023, customer order demand began to stabilize. Although the second half of 2024 was still affected by weak demand, the company's overall operations gradually recovered, delivering a strong performance compared to 2023. During this period, the trend of consumption downgrading also led to a quiet shift in market dynamics. Power Amplifier (PA) design companies in mainland China, strongly supported by end-brand mobile manufacturers and ODMs, adopted a domestic substitution strategy for mid- to low-end PAs. This led to record-high shipments from these PA design firms, driving increased demand for GaAs wafer foundry services. In addition, demand for Wi-Fi PAs remained generally stable throughout 2024, accounting for 25% to 30% of total revenue. The mass production of Wi-Fi 7 is expected to significantly boost the usage of Wi-Fi PAs, making it a critical component of the company's future operations. The Company continued to commit itself to customer dispersion and development of more new technologies and products. In 2024, the total number of engineering products increased by more than 50% from 2023, representing a further growth beyond the 30% increase observed from 2022 to 2023, indicating that customers are quite confident in the Company's technology and product competitiveness and they also act optimistic about the future market outlook.

The Internet of Everything is an unchanged direction in the global market. Mobile phones are like the key to unlocking the Internet of Everything. WiFi is like a channel connecting all the doors of each fan. With the continuous launch of WiFi applications, the demand for GaAs is increasing gradually. Compared to WiFi5, which only uses 1~2 GaAs components, the number of GaAs required for WiFi6 has increased to 3~4 pieces, and even 8~10 pieces in the case of WiFi7. The mass production has started in 2024 Q2. Thus driving the continuous growth of WiFi. Meanwhile, the high speed (10 times the speed of WiFi6) and low latency of WiFi are expected to bring the brand new experience and requirements for consumers.

In terms of mobile phones, the fabless Design House customers in China still have the demand for the Company's GaAs wafer OEM capacity. Meanwhile, in consideration of the continuous improvement of the Company's process technology, good product yield and competitive price, it is difficult for the other OEMs to replace the Company. As the demand for 4G mobile phones remains strong (in Europe and certain emerging countries, such as India and Africa) and new applications including IoT (LTE CAT-1), there is still a huge demand for 4G power amplifiers in the market. As consumers demand faster Internet access speed, the penetration rate of 5G is also increasing year by year. Market analysis report estimated that the global shipment of 5G smart phones in 2024 has exceeded a rate of 66%. Among the other things, China is the country promoting 5G smart phones most proactively. More than 80% of its smart phone shipments are 5G models, accounting for more than a half of the global shipments. There were about 51 frequency bands supported by 5G applications, and plus 41 frequency bands supported by 2G/3G/4G, there would be a total of 91 frequency bands supported by 2G/3G/4G/5G in the world. The demand for PA would inevitably increase significantly as the number of frequency bands supported by 5G increases. According to a research conducted by DIGITIMES, the global smartphone shipments in 2024 were 1.18 billion pcs, increasing year-over-year by 4.9%. With the integration of generative AI features into smartphones, global shipments in 2025 are expected to reach 1.22 billion units. Over the next five years, the compound annual growth rate (CAGR) of global smartphone shipments is projected to be 3.6%.

In addition, with the rise in demands for 3D Sensing, the LD VCSEL (Vertical-Cavity Surface-Emitting Laser) technology owned by the Company can be applied in depth ranging, camera 3D modeling. Such technology application has been universal for face recognition, sweeping robots and so on. In the future, it will be widely applied in AR/VR and automobile assistance or the LiDAR component required for autopilot. Currently, we have been actively developing and certifying related products with many customers in Europe, the USA and China, which have been widely used in various industries such as electronics communication, automobile, robot, and medicine. In addition, with the development of AI, it is necessary to expand the data communication and fast connections. The application and demand for VCSL is also gradually expanding. Although there are many challenges, it is believed that VCSL will be one of the focus items for the Company's future development.

The convenience and importance of wireless communications have driven the market demand volume growth each year. Advanced Wireless Semiconductor Company is committed to stable product quality and constantly lowered cost to provide customers with the most economical GaAs foundry services. The threshold of the technology verification is high for GaAs foundry. The market structure shows for an oligopoly. The Company's scale of operation is appropriate with flexibility in making adjustments for capacity, and large capital expenditures are not required. Thus, it can continuously achieve the goals of developing new customers and new process technologies, and create profits and huge cash inflows from operations. While all of the Company's employees keep improving themselves, the Company also improves its quality standards and market competitiveness in order to provide customers with products and services that may satisfy their needs. Meanwhile, the Company also develops its technology in line with the demand of customers and markets. It also keeps expanding its production capacity, in order to establish sufficient production capacity before the demand of customers and markets grows. The Company adheres to the "FOCUS" spirit and invests all the resources in the development and production of core technology and key customers to avoid loss of the focus. Accordingly, the Company is committed to improving the core technology and upgrading product quality, in order to provide customers with the wafers which may generate a high yield rate, deliver stable quality and meet the delivery schedule. Furthermore, the abundant practical experience of SAS Group may also help improve the Company's advantages in quality, cost and customer service ability to achieve a win-win situation with customers.

The 2024 business results and the 2025 business plan are summarized as follows:

I. 2024 Business results

(I) Business Plan Implementation Outcomes

Unit: NT\$ Thousand

Item \ Year	2024	2023	Percentage increase (decrease) (%)
Revenue	4,455,584	2,723,100	63.62%
Cost of goods sold	3,570,491	2,308,371	54.68%
Gross operating spread	885,093	414,729	113.41%
Operating Expenses	359,946	346,996	3.73%
Operating profit (loss)	525,147	67,733	675.32%
Net income before tax	597,023	93,980	535.27%
Net profit this period	520,924	82,726	529.70%
Current net income attributable to the parent	520,924	82,726	529.70%

(II) Budget Implementation

The Company did not prepare financial forecast for 2024, so it is not necessary to disclose the implementation status.

(III) Financial income and expense and profitability analysis

Item		Year	2024	2023
Financial structure	Liabilities to assets ratio (%)		18.38	14.99
	Long-term capital to property, plant and equipment (%)		170.71	160.27
Profitability analysis	Return on assets		5.69	1.00
	Return on equity (%)		6.81	1.11
	As a percentage of paid-up capital (%)	Operating profit	26.72	3.45
		Net profit before tax	30.38	4.78
	Net profit margin (%)		11.69	3.04
	After-tax earnings per share (NTD)		2.65	0.42

(IV) Financial income and expenditure

The Company's operating revenue was NT\$4,455,584 thousand, operating cost NT\$3,570,491 thousand, operating expense NT\$359,946 thousand, net non-operating income and expenses NT\$71,876 thousand, net profit before tax NT\$597,023 thousand and net profit after tax NT\$520,924 thousand in 2024. The financial income and expenditure remained normal.

(V) Research and development (R&D)

1. Research and development expenditure in 2024

Unit: NT\$ Thousand

Item/Year	2024	2023
R&D expenses	202,533	219,629
Net operating revenues	4,455,584	2,723,100
R&D expenses as a percentage of net operating revenue (%)	4.55	8.07

- Saw Filters utilizing multilayer piezoelectric-on-insulator (POI) substrates offer superior performance, including high Q factor, low insertion loss, and wide bandwidth. Plan to cooperate with the substrate suppliers to develop the process of POI substrate and low-frequency, mid-frequency and high-frequency POI SAW filter. Currently, it is low-frequency and mid-frequency. The process of normal SAW for common surface wave filter has been provided to the customers for design, and the R&D team continues to develop the process of high-frequency and POI filters.
- The Company will be collaborating with strategic partners to develop edge emitting semi-conductor laser (EEL) to support the silicon, robot and electric vehicle industries. It is expected that there will be a significant revenue contribution by 2027.
- The manufacturing process of power amplifier and the development of epitaxial wafers will focus on the needs of designing 5G NR, WiFi6E and WiFi7 products for the Company's customers. In order to further improve the RF performance, we have released the 0.35um ledge HBT process and model. The reliability and the manufacturing ability of the flywheel lots have been certified for several batches. Currently, several digital tier-1 customers are accelerating the use of this new technology to design new products. Some customers need to improve the power added efficiency (PAE) for their products, while others require PA with low power supply voltage to reduce the quantity of power management IC (PMIC). After the R&D department changed the epitaxy structure and production process to meet their individual needs, they were sent to customers for testing and received very good feedback. Many customers in the U.S. and China have completed the project quality verification.

5. AWSC cooperated with the US customers to develop the high Q value varactor diode technology, which can be used in the phase shifter of the low-rank satellite communication array antenna. The low-cost satellite communication can help to realize the communication capability of high-speed and high-frequency bandwidth. The high Q value diode can provide the possibility of good heat stability, high antenna efficiency and low cost. Currently, the performance has met or exceeded the specifications of customers, and has started mass production.
6. Continue to work with strategic partners to jointly develop high power consumption for high-frequency and/or millimeter-wave PA application pHEMT epitaxy structure and process. It is expected to be provided to more customers to begin design for Ku-band and mmW low-noise amplifier and power amplifier in the second half of next year. The customer engineering product verification for 0.15um pHEMT has been completed, and small volume production of the low-noise amplifier applied to the low earth orbit satellite communications has begun. It is expected to contribute to a larger revenue amount for 0.15um pHEMT for next year. The Company also continues the R&D of 0.1 um pHEMT process.
7. Customers and strategic partners have been researching and developing AR/VR, Li Dar and 100G high-speed CSEL processes/designs in the past year. In the AI era, high-speed data link is the key to the important. The 100G VCSEL used in the data center is expected to achieve a low-cost and high-speed data link. Our R&D Team concurrently develops bottom-emitting VCSEL of high heat dissipation and high efficiency. This is the key momentum for VCSEL's growth once again of Advanced Wireless Semiconductor Company from now on.
8. The Company will work with strategic partners to develop solar cells for satellite applications, which are expected to contribute a significant amount of revenue by 2026.

II. Summary of the 2025 business plan:

(I) Business policy:

As a professional foundry of 6" GaAs wafers, the Company provides HBT, ED pHEMT, ED BiHEMT, IPD, Bump for RF/wireless communication, VCSEL for optical communication and other related technologies, and developed the SAW filter technology proactively over the past three years. The Company has engaged in the low rate mass production from Q3 of 2024. In the fields of wireless and fiber-optic communication, we can provide diverse professional technologies and services, the highest level of quality, and the most economical GaAs wafer foundry service. Through relentless efforts, we continue to collaborate with customers in developing III-V compound semiconductors process which of higher efficiency and low cost. Since the trade war between China and the USA from 2019, the global radio frequency component suppliers have entered the transformation era. The rise of Fabless Design House in Asia has brought about high price-performance ratio power amplifier. Whether it is for mobile phones or WiFi, these Pure Design Houses rely highly on the foundries. They have pursued in-depth collaborations with Advanced Wireless Semiconductor Company. Leveraging advanced technology, superior quality, customer-oriented services, and competitive pricing, AWSC has established a strong market presence. As the capacity of Advanced Wireless Semiconductor Company expands, it gradually elevates our market share goals in the GaAs industry.

The Internet of Everything (IoE) remains a key direction in global market development, with smartphones serving as the gateway to this interconnected world. As mobile payment becomes increasingly widespread, smartphones have become an indispensable part of daily life, with annual global demand consistently maintained at approximately 1.1 to 1.2 billion units. According to research conducted by DIGITIMES, the global smartphone shipment compound annual growth rate (CAGR) over the next five years is projected to be 3.6%. In pursuit of faster internet connectivity, the penetration rate of 5G smartphones continues to rise each year. Market analysis reports estimate that the global 5G smartphone penetration rate surpassed 66% in 2024, with China leading the transition—over 80% of its shipments are 5G smartphones, accounting for half of the global total. In addition, the integration of artificial intelligence into the Internet of Things (AIoT) is becoming increasingly widespread, with demand expected to grow exponentially year by year. As the number of wireless frequency bands in communication systems rapidly increases, the demand for power amplifiers (PAs) is also rising. A 4G LTE smartphone typically requires 2 to 3 PA units, whereas a 5G smartphone requires 1 to 2 more on average than a 4G model. In Wi-Fi products, the number of gallium arsenide (GaAs) components increases along with higher bandwidth and faster speeds. While Wi-Fi 5 typically uses only 1 to 2 GaAs components, Wi-Fi 6 requires 3 to 4, and Wi-Fi 7 is expected to use as many as 8 to 10. Commercial mass production of Wi-Fi 7 began in the second quarter of 2024. Our company manufactures GaAs chips for use in power amplifiers, consistently playing a vital role in ensuring high-quality wireless transmission.

In light of the fact that international leading companies are able to provide high-performance 4G/5G

modules such as L-PAMiF, PAMiF, LNA, Filter, and L-DiFEM that are equipped with high-performance components such as PA, Switch, LNA, Filter, and so on, in order to pursue the performance and upgrade competitiveness, in recent years, the Company has also focused on the development of integrated modules, of which the design and production of filters is a very important point. Currently, customers in China can only purchase standard filters in the market, which leads to the inability to fully exploit their performance when combining with their high-frequency front-end. Therefore, the Company has also actively sought cooperation with foundries by designing/OEM production models. Based on this, the Company has also actively developed the technology of SAW Filter (filter). After three years of cooperation with customers, the Company has finally started mass production in the third quarter of 2024, bringing new service opportunities for customers.

In order to meet the market demand, AWSC has successively purchased bottleneck machines and automated equipment to achieve the dual goals of expanding production capacity and reducing production cost, improving production yield to reach the global leading manufacturer's level, and providing customers with stable and fast delivery, excellent quality and comprehensive services. The Company has actively developed new product process technology to meet customer needs, appropriately dispersed customer layout and product diversification development, in order to strengthen the competitiveness of the gallium wafer OEM industry. With advanced technology, excellent quality, customer service and competitive prices, the Company has continued to achieve better performance in the gallium wafer OEM industry with the best overall performance.

(II) Expected sales volume, and basis thereof:

The estimation is determined based on the sales forecasting provided by the Company's customers, the industry environment and state of the market supply and demand, and the company's own capacity and business development directions.

(III) Important production and marketing policies:

1. Enhance product quality and shorten delivery time.
2. Enhance customer satisfaction.
3. Develop new process technologies to meet customer and market demands.
4. Continue to lower production cost.

III. Development Strategies of the Company in the Future:

- (I) Continue to enhance production yield and a consistent high quality control.
- (II) Develop new products to enter the diversified market.
- (III) Diversify developments of GaAs wafer production technologies for the purpose of servicing more different types of customer groups.
- (IV) Control key self-owned technologies and apply for patents.

IV. Impact of the competitive environment, regulatory environment and the overall business environment:

The Company belongs to an oligopoly industry with a high entry barrier and there are smaller chances of it being affected by any changes to the policies and laws in Taiwan and overseas. In addition, the Company is active in making patent applications and it has reached a level where it owns key self-developed technologies and patents, boosting the Company's competitiveness. Despite the ongoing tense situation for international trade, the Company will enhance its basic structure more and develop different application fields in full preparation to deal with many types of challenges with better execution power. I would like to extend my sincere gratitude to our shareholders for your long-standing support.

Wishing you and your family
good health and safety

Chairman: You-Min Chi

Manager: Kuo-Chun Huang

Accounting Supervisor: Yi-Chen Chung

Two. Corporate Governance Report

I. Directors, Supervisors, President, Vice President, Associates and Heads of Departments:

(I) Director information

1. Table for Director information

March 30, 2025; Unit: Shar

Title	Nationality or Place of Registration	Name	Gender and age	Date of Election (Appointment)	Term of Office	Date first elected	Shares Held at the Time of Election		Number of Shares Held Now		Shares Held by Spouse and Minor Children		Shares Held in the Name of Others		Main Experience (Education Background)	Concurrent Position in the Company and Other Companies at Present	Other Heads, Directors or Supervisors with Relations Such as Spouses or Parents			Remarks (Note 1)
							Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio			Title	Name	Relationship	
Chairperson	Republic of China (Taiwan)	You-Min Chi	Male 61~70	2022.06.20	3 years	1998.11.03	4,317,909	2.20%	4,107,909	2.09%	179,799	0.09%	0	0	Education: Master of Electrical Engineering, U.of Pennsylvania Experience: GaAs Operation Manager, Hughes Aircraft Co., U.S.A. Manager, Rockwell Semiconductor System in USA	Advanced Wireless Semiconductor Company Chief Operating Officer (COO)	None	None	None	N/A.
Director	Republic of China (Taiwan)	Sino-American Silicon Products Inc. Representative: Hsiu-Lan Hsu	Female 61~70	2022.06.20 2022.06.20	3 years	2020.12.25 2020.12.25	49,582,000 0	25.23% 0%	55,923,000 0	28.46% 0%	0	0	0	0	Education: MA in Computer Science from University of Illinois Experience: Chairperson & CEO of Sino-American Silicon Products Inc. Chairperson and CEO, GlobalWafers Co., Ltd. & CEO Representative of Institutional Director of Actron Technology Corporation Director of Crystalwise Technology Inc.	Please refer to Note 2.	None	None	None	N/A.
Director	Republic of China (Taiwan)	Kuo-Chun Huang	Male 51~60	2022.06.20	3 years	2019.06.06	116,747	0.06%	116,747	0.06%	0	0	0	0	Education: Master of Electrical Engineering, National Cheng Kung University Experience: Senior Engineer, Philips Taiwan Ltd.	President of Advanced Wireless Semiconductor Company	None	None	None	N/A.
Director	Republic of China (Taiwan)	Sino-American Silicon Products Inc. Representative: Tang-Liang Yao	Male 61~70	2022.06.20 2022.06.20	3 years	2022.06.20	49,582,000 0	25.23% 0%	55,923,000 0	28.46% 0%	0	0	0	0	Education: MA Degree from the Graduate Institute of Management at Tamkang University Experience: Vice Chairperson & President of Sino-American Silicon Products Inc. Representative of Corporate Director of GlobalWafers Co., Ltd Vice Chairperson and Vice CEO of Actron Technology Corporation Chairperson and CEO of Crystalwise Technology Inc. Representative of Institutional Director of Taiwan Speciality Chemicals Corporation. Director Representative	Please refer to Note 3.	None	None	None	N/A.
Director	Republic of China (Taiwan)	Sino-American Silicon Products Inc. Representative: Cheng-Chien Chen	Male 51~60	2022.06.20 2023.05.17	3 years	2023.05.17	49,582,000 0	25.23% 0%	55,923,000 0	28.46% 0%	0	0	0	0	Education: Master of Commerce, National Taiwan University Experience: Executive Director, Senior Partner, and COO of Audit Department, KPMG Director and CEO of the Finance and Economics Research and Education Foundation	Please refer to Note 4.	None	None	None	N/A.
Director	Republic of China (Taiwan)	Wen-Huei Tsai	Male 61~70	2022.06.20	3 years	2013.06.07	2,588,849	1.32%	2,588,849	1.32%	0	0	0	0	Education: Accounting Department, National Chengchi University Experience: Chairperson, Chia Hua Venture Capital Co., Ltd. Director of Sino-American Silicon Products Inc.	Sino-American Silicon Products Corporation Director of the Company	None	None	None	N/A.

Title	Nationality or Place of Registration	Name	Gender and age	Date of Election (Appointment)	Term of Office	Date first elected	Shares Held at the Time of Election		Number of Shares Held Now		Shares Held by Spouse and Minor Children		Shares Held in the Name of Others		Main Experience (Education Background)	Concurrent Position in the Company and Other Companies at Present	Other Heads, Directors or Supervisors with Relations Such as Spouses or Parents			Remarks (Note 1)
							Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio			Title	Name	Relationship	
Independent Director	Republic of China (Taiwan)	Chung-Hsien Liu	Male 61-70	2022.06.20	3 years	2022.06.20	0	0.00%	0	0	0	0	0	0	Education: Master of Management Economics at Tamkang University Experience: Chairperson of Ruentex Development Co.,Ltd. Independent Director of Actron Technology Corporation Independent Director of Tatung System Technologies Inc. Chair Professor, Soochow University Concurrent position, Associate Professor, Tunghai University	Soochow University Chair Professor Actron Technology Corporation Independent Director Independent Director of Taiwan Speciality Chemicals Co., Ltd. Independent Director Johnson Health Tech .Co., Ltd. - Independent Director	None	None	None	N/A.
Independent Director	Republic of China (Taiwan)	Kune-Muh Tsai	Male 51~60	2022.06.20	3 years	2021.07.13	0	0.00%	0	0	0	0	0	0	Education: Master of Industrial Engineering and Management, Purdue University Doctorate degree Experience: National Kaohsiung University of Science and Technology-First Campus Associate Professor, Logistics Management Department National Kaohsiung University of Science and Technology-First Campus Head of Logistics Management Department National Kaohsiung University of Science and Technology-First Campus Professor, Logistics Management Department National Kaohsiung University of Science and Technology-First Campus, School of Management, International Management Course, Director National Kaohsiung University of Science and Technology-First Campus, School of Management, Vice Dean of the College National Kaohsiung University of Science and Technology-First Campus, School of Management, Professor and Dean of the College	National Kaohsiung University of Science and Technology Professor, Department of Operations	None	None	None	N/A.
Independent Director	Republic of China (Taiwan)	Chi-Hsiung Cheng	Male 71-80	2022.06.20	3 years	2022.06.20	0	0.00%	0	0	0	0	0	0	Education: Master, Accounting and Information Technology, National Chung Cheng University Experience: Section Manager, Yulon Motor Co., Ltd. Internal Audit Officer, Yue Sheng Industrial Co.,Ltd. Section Manager of Cost, Yueki Industrial Co., Ltd Manager of Management Department, Rica Auto Parts Co., Ltd. Financial Manager, Wafer Works Corporation Supervisor of Taiwan Speciality Chemicals Corporation	None	None	None	N/A.	

Title	Nationality or Place of Registration	Name	Gender and age	Date of Election (Appointment)	Term of Office	Date first elected	Shares Held at the Time of Election		Number of Shares Held Now		Shares Held by Spouse and Minor Children		Shares Held in the Name of Others		Main Experience (Education Background)	Concurrent Position in the Company and Other Companies at Present	Other Heads, Directors or Supervisors with Relations Such as Spouses or Parents			Remarks (Note 1)
							Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio			Title	Name	Relationship	
Independent Director	Republic of China (Taiwan)	Chien-Yung Ma	Male 61-70	2023.06.29	3 years	2023.06.29	0	0.00%	0	0	0	0	0	0	Academic degree: Ph.D., Institute of Metallurgy, University of Stuttgart, Germany Experience: Assistant Professor, Department of Mechanical Engineering, Chung Cheng Institute of Technology Assistant Engineer, Center for Materials Science and Engineering, National Chung-Shan Institute of Science and Technology Materials Research Group, Department of Mechanical Engineering, Chung Cheng Institute of Technology Adjunct Lecturer Institute of Materials and Optoelectronics, National Chung-Shan Institute of Science and Technology Associate researcher/team leader MEMS Business Department, Walsin-Lihwa - Project Director President, Tanwei Technology (MEMS) Solar Applied Materials Technology Corp. President Solar Applied Materials Technology Corp. Chairperson Forcera Materials Co., Ltd. - Chairperson and CEO	Highlight Tech Corp. Director Forcera Materials Co., Ltd. Chairperson Sino-American Silicon Products Corporation Independent Director Independent Director, Gallan Precision Machining Co., Ltd. Director, Easy Field Corporation	None	None	None	N/A.

Note 1: Where the company's chairperson of the board of directors and the president or person of an equivalent post (the highest level manager) of a company are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto (such as, adding the number of seats to independent directors, and there shall be a majority of the directors who are not concurrently an employee or a manager of the company).

Note 2: Chairperson and CEO of Sino-American Silicon Products Inc., Chairperson and CEO of GlobalWafers Co., Ltd., Director (corporate representative) of Actron Technology Corporation, Director (corporate representative) of Advanced Wireless Semiconductor, Director of Crystalwise Technology Inc., Chairperson (corporate representative) of Taiwan Speciality Chemicals Corporation, Director (corporate representative) of SAS Sunrise Inc., Chairperson (corporate representative) of Sunrise PV. Three Co., Chairperson (corporate representative) of Zhongmeixin Investment Co., Ltd., Director of Global Semiconductor Inc., Chairperson and CEO of GlobiTech Incorporated, Chairperson of GlobalWafers Japan Co., Ltd., Chairperson of MEMC Japan Ltd., Vice Chairperson of Kunshan Zhongchen Silicon, Director of Topsil GlobalWafers A/S, Director of GlobalWafers Singapore Pte. Ltd., Director of Global Wafers B.V., Director of MEMC Korea Company, Chairperson of Global Wafers American, LLC, Chairperson (corporate representative) of Crystalwise Technology Inc., Director of Crystalwise Technology (HK) Limited, Chairperson of GlobalWafers Capital Co., Ltd., Independent Director of Delta Electronics Inc.

Note 3: Vice Chairperson of Sino-American Silicon Products Inc., Director (corporate representative) of GlobalWafers Co., Ltd., Chairperson and CEO of Actron Technology Corporation, Chairperson (corporate representative) of Advanced Wireless Semiconductor Company, Director (corporate representative) of Sunrise PV Three Co., Director (corporate representative) of Chung Mei Shin Investment Co., Ltd., Director (corporate representative) of REC Technology Corporation, Director (corporate representative) of Ding-Wei Technology Co., Ltd., Director (corporate representative) of Mosel Vitelic Inc., Director (corporate representative) of Huan Chiu Shin Investment Co., Ltd., Director of GlobiTech Incorporated, Director of GlobalWafers Japan Co., Ltd., Chairman of Kunshan Sino Silicon Technology Co., Ltd., Director of GlobalWafers Singapore Pte., Director of GlobalWafers America, LLC, Director of Yuan Hong (ShanDong) Technical Materials Ltd.

Note 4: President of Sino-American Silicon Products Inc., Director (corporate representative) of Advanced Wireless Semiconductor Company, Vice Chairperson (corporate representative) of Taiwan Speciality Chemicals Co., Ltd., Director (corporate representative) of Sustainable Energy Solution Co., Ltd.; Chairman (corporate representative) of Xu Lu Energy Co., Ltd., Director (corporate representative) of Accusolarpower Co., Ltd., Director (corporate representative) of Billion Electric Co., Ltd., Chairperson (corporate representative) of Sunrise Intelligent Energy Co., Ltd., Corporate Director Representative of Mosel Vitelic Inc., Chairperson (corporate representative) of Anneal Energy, Chairperson (corporate representative) of WaferChem Technology Corporation, Director (corporate representative) of Sunrise PV Four Co., Director of MEMC Electronic Materials S.p.A.

2. Major shareholders of the institutional shareholders:

Name of Institutional Shareholders	Major shareholders of the institutional shareholders
Sino-American Silicon Products Inc.	Hongwang Investment Co., Ltd. (3.91%), Yuanta Taiwan Value High Dividend ETF Securities Investment Trust Fund Special Account in the custody of Hua Nan Commercial Bank Ltd. (3.57%), Fuh Hwa Taiwan Technology Dividend Highlight ETF Special Account under the custody of Taipei Fubon Commercial Bank Co., Ltd. (3.44%), Taiwan Cooperative Bank Co., Ltd.(2.41%), Nan Shan Life Insurance Co., Ltd(2.34%), Ching-Chao Chang (2.17%), United Taiwan High Dividend Recovery 30 ETF held in trust by Taiwan Business Bank Co., Ltd.(2.16%), CW & ET Link Inc. (2.05%), KGI Life Insurance Co., Ltd.(1.76%), Ming-Kuang Lu (1.73%)

3. Major shareholders of the institutional shareholders:

Name of Institutional Shareholders	Major Shareholders of Institutional Shareholders
Hongwang Investment Co., Ltd.	CW & ET Link Inc. (39.02%), Globalwafers Co., Ltd. (30.98%), Actron Technology Corporation (30.00%)
CW & ET Link Inc.	Hongmao Investment Co., Ltd. (30.46%)

4. Information of directors and supervisors:

(1) Information disclosure for professional qualification and experience of directors and supervisors, and independent directors' independence:

Conditions Name	Professional qualification and experience	Independence status	Number of Other Public Issuing Companies in Which the Individual is Concurrently Serving as an Independent Director
You-Min Chi	<ul style="list-style-type: none"> ● Possesses Experience in the Areas of Commerce, Law, Finance, or Accounting, or Otherwise Necessary for the Business of the Company ● Chairman of Advanced Wireless Semiconductor Company. ● Not been a person of any conditions defined in Article 30 of the Company Law. 	<ul style="list-style-type: none"> ● Not applicable, not an independent director. 	None
Representative of Sino-American Silicon Products Corporation: Hsiu-Lan Hsu	<ul style="list-style-type: none"> ● Possesses Experience in the Areas of Commerce, Law, Finance, or Accounting, or Otherwise Necessary for the Business of the Company ● Chairperson of Sino-American Silicon Products Inc.. ● Not been a person of any conditions defined in Article 30 of the Company Law. 	<ul style="list-style-type: none"> ● Not applicable, not an independent director. 	None
Kuo-Chun Huang	<ul style="list-style-type: none"> ● Possesses Experience in the Areas of Commerce, Law, Finance, or Accounting, or Otherwise Necessary for the Business of the Company ● President of Advanced Wireless Semiconductor Company. ● Not been a person of any conditions defined in Article 30 of the Company Law. 	<ul style="list-style-type: none"> ● Not applicable, not an independent director. 	None
Representative of Sino-American Silicon Products Corporation: Tang-Liang Yao	<ul style="list-style-type: none"> ● Possesses Experience in the Areas of Commerce, Law, Finance, or Accounting, or Otherwise Necessary for the Business of the Company ● Vice Chairperson of Sino-American Silicon Products Inc. ● Not been a person of any conditions defined in Article 30 of the Company Law. 	<ul style="list-style-type: none"> ● Not applicable, not an independent director. 	None
Representative of Sino-American Silicon Products Corporation: Cheng-Chien Chen	<ul style="list-style-type: none"> ● Possesses Experience in the Areas of Commerce, Law, Finance, or Accounting, or Otherwise Necessary for the Business of the Company ● President of Sino-American Silicon Products Inc. ● Not been a person of any conditions defined in Article 30 of the Company Law. 	<ul style="list-style-type: none"> ● Not applicable, not an independent director. 	None
Wen-Huei Tsai	<ul style="list-style-type: none"> ● Possesses Experience in the Areas of Commerce, Law, Finance, or Accounting, or Otherwise Necessary for the Business of the Company ● Director of Sino-American Silicon Products Inc. ● Not been a person of any conditions defined in Article 30 of the Company Law. 	<ul style="list-style-type: none"> ● Not applicable, not an independent director. 	None

Chung-Hsien Liu	<ul style="list-style-type: none"> ● An Instructor or Higher Position in a Department of Commerce, Law, Finance, Accounting, or Other Academic Department Related to the Business Needs of the Company in a Public or Private Junior College, College or University, and Have Work Experience in the Areas of Commerce, Law, Finance, or Accounting, or Otherwise Necessary for the Business of the Company. ● Chair Professor, Soochow University ● Not been a person of any conditions defined in Article 30 of the Company Law. 	<ul style="list-style-type: none"> ● Independent director, meeting the independence status. ● The Independent Director, his/her spouse, and none of his/her relatives within the second degree of kinship are a director, supervisor or employee of the Company or of other affiliated enterprises. ● Has not provided commercial, legal, financial, accounting or related services to the Company or any affiliate of the Company in the most recent two years. 	3
Kune-Muh Tsai	<ul style="list-style-type: none"> ● An Instructor or Higher Position in a Department of Commerce, Law, Finance, Accounting, or Other Academic Department Related to the Business Needs of the Company in a Public or Private Junior College, College or University, and Have Work Experience in the Areas of Commerce, Law, Finance, or Accounting, or Otherwise Necessary for the Business of the Company. ● Professor, Logistics Department, National Kaohsiung University of Science and Technology. ● Not been a person of any conditions defined in Article 30 of the Company Law. 	<ul style="list-style-type: none"> ● Independent director, meeting the independence status. ● The Independent Director, his/her spouse, and none of his/her relatives within the second degree of kinship are a director, supervisor or employee of the Company or of other affiliated enterprises. ● Has not provided commercial, legal, financial, accounting or related services to the Company or any affiliate of the Company in the most recent two years. 	None
Chi-Hsiung Cheng	<ul style="list-style-type: none"> ● An Instructor or Higher Position in a Department of Commerce, Law, Finance, Accounting, or Other Academic Department Related to the Business Needs of the Company in a Public or Private Junior College, College or University, and Have Work Experience in the Areas of Commerce, Law, Finance, or Accounting, or Otherwise Necessary for the Business of the Company. ● Supervisor of Taiwan Speciality Chemicals Corporation. ● Not been a person of any conditions defined in Article 30 of the Company Law. 	<ul style="list-style-type: none"> ● Independent director, meeting the independence status. ● The Independent Director, his/her spouse, and none of his/her relatives within the second degree of kinship are a director, supervisor or employee of the Company or of other affiliated enterprises. ● Has not provided commercial, legal, financial, accounting or related services to the Company or any affiliate of the Company in the most recent two years. 	None
Chien-Yung Ma	<ul style="list-style-type: none"> ● An Instructor or Higher Position in a Department of Commerce, Law, Finance, Accounting, or Other Academic Department Related to the Business Needs of the Company in a Public or Private Junior College, College or University, and Have Work Experience in the Areas of Commerce, Law, Finance, or Accounting, or Otherwise Necessary for the Business of the Company. ● Chairman of Forcera Materials Co., Ltd.; Director of Highlight Tech Corp. ● Not been a person of any conditions defined in Article 30 of the Company Law. 	<ul style="list-style-type: none"> ● Independent director, meeting the independence status. ● The Independent Director, his/her spouse, and none of his/her relatives within the second degree of kinship are a director, supervisor or employee of the Company or of other affiliated enterprises. ● Has not provided commercial, legal, financial, accounting or related services to the Company or any affiliate of the Company in the most recent two years. 	2

5. The board of directors' diversity and independence:

(1) Board diversity: The Company has established the diversity guideline under Chapter III "Strengthen the board of directors' competency" in the "Corporate Governance Best Practice Principles." The Board of Directors shall possess the following skills: 1. Operational Judgment Ability. 2. Accounting and Financial Analysis Ability. 3. Business Management Ability. 4. Crisis Handling Ability. 5. Industrial Knowledge. 6. International Market Perspective. 7. Leadership Ability. 8. Decision-Making Ability. The Company emphasizes gender balance for board members composition. The female board member ratio target is to account for 1 seat or more. Currently, directors with employee status account for 20%, independent directors account for 40% and female directors account for 10%. If the number of female directors in the Board of Directors of the Company is less than one-third of the total number of directors, the reason is that the candidates for the election of directors are mainly considered for their professional experience and industrial background, and the number of qualified candidates of different genders is relatively small. In the future, when looking for external directors, priority will be given to candidates with different genders and professional backgrounds.

The implementation of board member diversity is illustrated as follows:

Diverse Core Items Name	Nationality	Gender	Age			Seniority as an independent director			Operational Judgment	Finance and Accounting	Business Management	Crisis Handling	Industrial Knowledge	International Market View	Leadership Ability	Decision-making Ability
			31 to 50	51 to 70	71 and above	Under 3 years	3 to 9 years	9 years and above								
You-Min Chi	Republic of China (Taiwan)	Male			V				V	V	V	V	V	V	V	V
Sino-American Silicon Products Inc. Representative: Hsiu-Lan Hsu	Republic of China (Taiwan)	Female		V					V	V	V	V	V	V	V	V
Kuo-Chun Huang	Republic of China (Taiwan)	Male		V					V		V	V	V	V	V	V
Sino-American Silicon Products Inc. Representative: Tang-Liang Yao	Republic of China (Taiwan)	Male		V					V		V	V	V	V	V	V
Sino-American Silicon Products Inc. Representative: Cheng-Chien Chen	Republic of China (Taiwan)	Male		V					V	V	V	V	V	V	V	V
Wen-Huei Tsai	Republic of China (Taiwan)	Male			V				V	V	V	V	V	V	V	V
Chung-Hsien Liu	Republic of China (Taiwan)	Male		V		V			V	V	V	V	V	V	V	V

Diverse Core Items Name	Nationality	Gender	Age			Seniority as an independent director			Operational Judgment	Finance and Accounting	Business Management	Crisis Handling	Industrial Knowledge	International Market View	Leadership Ability	Decision-making Ability
			31 to 50	51 to 70	71 and above	Under 3 years	3 to 9 years	9 years and above								
Kune-Muh Tsai	Republic of China (Taiwan)	Male		V			V		V		V	V	V	V	V	V
Chi-Hsiung Cheng	Republic of China (Taiwan)	Male			V	V			V	V	V	V	V	V	V	V
Chien-Yung Ma	Republic of China (Taiwan)	Male		V		V			V		V	V	V	V	V	V

(2) Board independence: The Board of Directors of the Company consists of 10 directors, including 4 independent directors. (2) The independent directors fully comply with the provisions of Article 3 regarding independence and Article 4 regarding restrictions on concurrent positions as stipulated in the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. Additionally, there are no circumstances under Article 26-3, Paragraphs 3 and 4 of the Securities and Exchange Act, which stipulate that there should be no spousal or close family relationships (within two degrees of kinship) between directors, supervisors, or between directors and supervisors. The composition of the Company's board of directors meets the requirements for independence (please refer to page 10 of this Annual Report for information on directors' professional qualifications and the independence of independent directors).

(II) President, Vice Presidents, Associates and Heads of departments and branches:

March 30, 2025; Unit: Share

Title	Nationality	Name	Gender	Date of Election (Appointment)	Shareholding		Spouse & Minor Shareholding		Shares Held in the Name of Others		Main Experience (Education Background)	Concurrent Positions in Other Companies	Managers Who are Spouses or Within Two Degrees of Kinship			Remarks (Note)
					Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio			Title	Name	Relationship	
Chairperson/ Chief Operating Officer (COO)	Republic of China (Taiwan)	You-Min Chi	Male	2008.07.01	4,107,909	2.09%	179,799	0.09%	0	0	Education: U.of Pennsylvania Master of Electrical Engineering (1979) Experience: Manager, Hughes Aircraft Co. GaAs Operation in USA (1986~1996) Manager, Rockwell Semiconductor System in USA (1996~1998)	None	None	None	None	N/A.
President	Republic of China (Taiwan)	Kuo-Chun Huang	Male	2016.11.04	116,747	0.06%	0	0	0	0	Education: Master of Electrical Engineering, National Cheng Kung University Experience: Senior Engineer, Philips Taiwan Ltd.	None	None	None	None	N/A.
R&D Manager	Republic of China (Taiwan)	Kune-Muh Hsieh	Male	2017.02.01	3,000	0.00%	0	0	0	0	Education: Master of Electrical Engineering, National Central University. Experience: Engineer, Taiwan Semiconductor Manufacturing Co., Ltd.	None	None	None	None	N/A.
Sales and Marketing Manager	Republic of China (Taiwan)	Wen-Hsiang Hsueh	Male	2015.10.01	1,096	0.00%	0	0	0	0	Education: Master of Industrial Management, I-SHOU University Experience: Production Section Manager, Advanced Wireless Semiconductor Company (AWSC) Marketing and Sales Section Manager, Advanced Wireless Semiconductor Company (AWSC)	None	None	None	None	N/A.
Finance Manager and Corporate Governance Officer	Republic of China (Taiwan)	Yi-Chen Chung	Female	2021.03.17	0	0	0	0	0	0	Education: Master's in Accounting and Finance, National Cheng Kung University Experience: Accounting Section Manager/Deputy Manager, Advanced Wireless Semiconductor Company (AWSC) Holds a certificate of passing the basic corporate governance capacity test administered by the Securities and Futures Institute. TAISE Corporate Sustainability Management Professional Certificate	None	None	None	None	N/A.

Title	Nationality	Name	Gender	Date of Election (Appointment)	Shareholding		Spouse & Minor Shareholding		Shares Held in the Name of Others		Main Experience (Education Background)	Concurrent Positions in Other Companies	Managers Who are Spouses or Within Two Degrees of Kinship			Remarks (Note)
					Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio			Title	Name	Relationship	
Human Resources and General Affairs Manager	Republic of China (Taiwan)	Kuo-Lung Wang	Male	2023.11.01	0	0	0	0	0	0	Academic degree: Department of Information Management, Providence University Major experience: General affairs of FCC (TAIWAN) CO., LTD. Chief of Human Resources Department/Deputy Manager of Human Resources and General Affairs, Advanced Wireless Semiconductor Company	None	None	None	None	N/A.
Procurement Department Manager	Republic of China (Taiwan)	Pei-Hsuan Tu	Female	2023.11.01	0	0	0	0	0	0	Education: Master's in Operations Management, National Kaohsiung University of Science and Technology Experience: Procurement Section Chief/Deputy Manager of Advanced Wireless Semiconductor Company	None	None	None	None	N/A.
Quality Assurance Manager	Republic of China (Taiwan)	Shih-Chieh Hung	Male	2011.03.01	6,000	0.00%	0	0	0	0	Education: Master of Chemical Engineering, National Cheng Kung University Experience: Engineer, De-Qi Semiconductor Co., Ltd. Quality Assurance Section Manager, Advanced Wireless Semiconductor Company (AWSC)	None	None	None	None	N/A.
Occupational Safety Office Manager, Plant Administration Department	Republic of China (Taiwan)	Yung-Yao Hsu	Male	2021.03.01	0	0	0	0	0	0	Education: Bachelor of Electrical Engineering, Feng Chia University Experience: Engineer, Mosel Vitelic Inc. Process Equipment Manager, Advanced Wireless Semiconductor Company (AWSC)	None	None	None	None	N/A.
IE Manager & Manager of Information Management Department	Republic of China (Taiwan)	Chen-Hung Liu	Male	2020.08.03	0	0	0	0	0	0	Education: Bachelor of Civil Engineering, Feng Chia University Experience: CIM Department Head, Advanced Semiconductor Engineering Inc. (ASE Group) Suzhou Plant Factory Manager, Packaging Plant of Advanced Semiconductor Engineering Inc. (ASE Group) Suzhou Plant Manager of Process Department and Industrial Engineering (IE) Department, ADATA Technology Co., Ltd. Project Manager, Process Improvement Working Group	None	None	None	None	N/A.

Title	Nationality	Name	Gender	Date of Election (Appointment)	Shareholding		Spouse & Minor Shareholding		Shares Held in the Name of Others		Main Experience (Education Background)	Concurrent Positions in Other Companies	Managers Who are Spouses or Within Two Degrees of Kinship			Remarks (Note)
					Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio			Title	Name	Relationship	
Production Manager	Republic of China (Taiwan)	Yung-Chieh Chen	Male	2014.06.01	0	0	0	0	0	0	Education: Master of Industrial Management, Chung Hua University Experience: Manager, ProMOS Technologies Inc. Deputy Manager, Production Department, Advanced Wireless Semiconductor Company (AWSC)	None	None	None	None	N/A.
Product Research and Development Engineering Manager	Republic of China (Taiwan)	Wen-Pin Lu	Male	2011.03.01	6,000	0.00%	0	0	0	0	Education: Master of Electrical Engineering, National Cheng Kung University Experience: Engineer, Philips Taiwan Ltd. Testing Section Manager, Advanced Wireless Semiconductor Company (AWSC)	None	None	None	None	N/A.
Production Manager	Republic of China (Taiwan)	Chia-Chi Chiu	Female	2014.06.01	0	0	0	0	0	0	Education: Taichung Institute of Commerce Experience: General Affairs Personnel, TAIWAN GIVEN CO., LTD. Production Section Manager/Deputy Manager, Advanced Wireless Semiconductor Company (AWSC)	None	None	None	None	N/A.
Process Equipment Manager	Republic of China (Taiwan)	Wen-Yen Huang	Male	2014.06.01	0	0	0	0	0	0	Education: Bachelor of Physics, National Tsing Hua University. Experience: Chief of Telecommunications, Universal Cement Corporation Lithography Equipment Section Manager/Deputy Manager, Advanced Wireless Semiconductor Company (AWSC)	None	None	None	None	N/A.
Process Engineering Manager	Republic of China (Taiwan)	Chun-Wen Kuo	Male	2016.01.01	0	0	0	0	0	0	Education: Master of Electronic Engineering, National Kaohsiung University of Applied Sciences Experience: Engineer, Advanced Semiconductor Engineering Inc. (ASE Group) Lithography Process Section Manager/Deputy Manager, Advanced Wireless Semiconductor Company (AWSC)	None	None	None	None	N/A.

Note: Where the chairperson of the board of directors and the president or person of an equivalent post (the highest level manager) of a company are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto: None of such event

II. Remuneration of Directors, Supervisors, President, and Vice President Paid in the Most Recent Year

1. Remuneration to non-independent directors and independent directors

2024; unit: NT\$1,000

Title	Name	Directors' Remuneration								Ratio of total compensation (A+B+C+D) to net income		Relevant Remuneration Received by Directors Who are Also Employees								Sum of A, B, C, D, E, F, and G and as a % of the net income after tax		Compensation paid to directors from an invested company other than the company's subsidiary or from the parent company
		Base remuneration (A)		Severance Pay (B)		Remuneration to directors (C)		Business execution expenses (D)				Remuneration, bonus, and allowance (E)		Severance Pay (F)		Employee remuneration (G)						
		The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company		Companies in the consolidated financial statements		The Company	Companies in the consolidated financial statements	
																Cash	Stock	Cash	Stock			
General Director	You-Min Chi	0	0	0	0	1,125	1,125	25	25	1,150 0.22%	1,150 0.22%	5,676	5,676	0	0	609	0	609	0	7,435 1.43%	7,435 1.43%	0
	Sino-American Silicon Products Inc. Representative: Hsiu-Lan Hsu	10	10	0	0	750	750	25	25	785 0.15%	785 0.15%	0	0	0	0	0	0	0	0	785 0.15%	785 0.15%	14,835
	Kuo-Chun Huang	10	10	0	0	1,125	1,125	25	25	1,160 0.22%	1,160 0.22%	4,638	4,638	0	0	605	0	605	0	6,403 1.23%	6,403 1.23%	0
	Sino-American Silicon Products Inc. Representative: Tang-Liang Yao	0	0	0	0	750	750	25	25	775 0.15%	775 0.15%	0	0	0	0	0	0	0	0	775 0.15%	775 0.15%	23,728
	Sino-American Silicon Products Inc. Representative: Cheng-Chien Chen	0	0	0	0	750	750	20	20	770 0.15%	770 0.15%	0	0	0	0	0	0	0	0	770 0.15%	770 0.15%	15,084
	Wen-Huei Tsai	0	0	0	0	750	750	25	25	775 0.15%	775 0.15%	0	0	0	0	0	0	0	0	775 0.15%	775 0.15%	2,845
Independent Director	Chung-Hsien Liu	490	490	0	0	0	0	25	25	515 0.10%	515 0.10%	0	0	0	0	0	0	0	0	515 0.10%	515 0.10%	0
	Kune-Muh Tsai	490	490	0	0	0	0	25	25	515 0.10%	515 0.10%	0	0	0	0	0	0	0	0	515 0.10%	515 0.10%	0
	Chi-Hsiung Cheng	490	490	0	0	0	0	25	25	515 0.10%	515 0.10%	0	0	0	0	0	0	0	0	515 0.10%	515 0.10%	0
	Chien-Yung Ma	360	360	0	0	0	0	20	20	380 0.07%	380 0.07%	0	0	0	0	0	0	0	0	380 0.07%	380 0.07%	1,250

1. Please specify the remuneration policies, standards, and packages, the procedure for determining remuneration for independent directors, and its linkage to operating performance and future risk exposure:

In addition to the monthly fixed remuneration for independent directors and the transportation allowance for attending the Board of Directors meeting, the Company may, depending on the degree of participation and contribution of independent directors to the Company's operations and in reference to the results of the director's performance evaluation, resolve the remuneration payable to the independent directors in the director remuneration allocated subject to the annual earnings separately. Said remuneration to the independent directors shall be reviewed and approved by the Remuneration Committee and then reported to the Board of Directors for resolution.

2. Except as disclosed in the preceding table, the remuneration received by the directors of the Company in recent years for the services provided to all companies in the financial statements (e.g. as non-employee consultant in parent/ all companies in the financial statements/ investees): None.

Range of Remuneration

Range of Remuneration Paid to Each Director of the Company	Name of Directors			
	Total of (A+B+C+D)		Total of (A+B+C+D+E+F+G)	
	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements
Below NT\$1,000,000	Representatives of Sino-American Silicon Products Inc.: Hsiu-Lan Hsu, Representatives of Sino-American Silicon Products Inc.: Tang-Liang Yao, Representatives of Sino-American Silicon Products Inc.: Cheng-Chien Chen, Wen-Huei Tsai, Chung-Hsien Liu, Kune-Muh Tsai, Chi-Hsiung Cheng, Chien-Yung Ma.	Representatives of Sino-American Silicon Products Inc.: Hsiu-Lan Hsu, Representatives of Sino-American Silicon Products Inc.: Tang-Liang Yao, Representatives of Sino-American Silicon Products Inc.: Cheng-Chien Chen, Wen-Huei Tsai, Chung-Hsien Liu, Kune-Muh Tsai, Chi-Hsiung Cheng, Chien-Yung Ma.	Representatives of Sino-American Silicon Products Inc.: Hsiu-Lan Hsu, Representatives of Sino-American Silicon Products Inc.: Tang-Liang Yao, Representatives of Sino-American Silicon Products Inc.: Cheng-Chien Chen, Wen-Huei Tsai, Chung-Hsien Liu, Kune-Muh Tsai, Chi-Hsiung Cheng, Chien-Yung Ma.	Representatives of Sino-American Silicon Products Inc.: Hsiu-Lan Hsu, Representatives of Sino-American Silicon Products Inc.: Tang-Liang Yao, Representatives of Sino-American Silicon Products Inc.: Cheng-Chien Chen, Wen-Huei Tsai, Chung-Hsien Liu, Kune-Muh Tsai, Chi-Hsiung Cheng, Chien-Yung Ma.
NT\$1,000,000 (inclusive) ~ NT\$2,000,000 (exclusive)	Yu-Ming Chi, Kuo-Chun Huang	Yu-Ming Chi, Kuo-Chun Huang		
NT\$2,000,000 (inclusive) ~ NT\$3,500,000 (exclusive)				
NT\$3,500,000 (inclusive) ~ NT\$5,000,000 (exclusive)				
NT\$5,000,000 (inclusive) ~ NT\$10,000,000 (exclusive)			You-Min Chi, Kuo-Chun Huang	You-Min Chi, Kuo-Chun Huang
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	10 persons	10 persons

* The remuneration disclosed here is of a different concept from income under the Income Tax Act, therefore, the purpose here is for information disclosure and not for tax return purposes.

2. Supervisor remuneration: It is not applicable. The Audit Committee has been formed to consist of three independent directors in replacement of the supervisor system.

3. Remuneration of President and Vice President

2024; Unit: NT\$ thousands / Thousand shares

Title	Name	Salary (A)		Severance Pay (B)		Bonuses and Allowances (C)		Employee Remuneration (D)				Ratio of total compensation (A+B+C+D) to net income (%)		Compensation paid to directors from an invested company other than the company's subsidiary or from the parent company
		The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company		Companies in the consolidated financial statements		The Company	Companies in the consolidated financial statements	
								Cash	Stock	Cash	Stock			
Chief Operating Officer (COO)	You-Min Chi	5,676	5,676	0	0	0	0	609	0	609	0	6,285 1.21%	6,285 1.21%	None
President	Kuo-Chun Huang	4,638	4,638	0	0	0	0	605	0	605	0	5,243 1.01%	5,243 1.01%	None

Range of Remuneration

Range of Remuneration Paid to Presidents and Vice Presidents of the Company	Name of Presidents and Vice Presidents	
	The Company	Companies in the consolidated financial statements
Below NT\$1,000,000		
NT\$1,000,000 (inclusive) ~ NT\$2,000,000 (exclusive)		
NT\$2,000,000 (inclusive) ~ NT\$3,500,000 (exclusive)		
NT\$3,500,000 (inclusive) ~ NT\$5,000,000 (exclusive)		
NT\$5,000,000 (inclusive) ~ NT\$10,000,000 (exclusive)	Yu-Ming Chi, Kuo-Chun Huang	Yu-Ming Chi, Kuo-Chun Huang
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	2 persons	2 persons

* The remuneration disclosed here is of a different concept from income under the Income Tax Act, therefore, the purpose here is for information disclosure and not for tax return purposes.

4. Employees' Compensation Paid to Management Team, Their Names and Distribution Status:

2024; Unit: NT\$ thousands

Title	Name	Stock	Cash	Total	The ratio of the sum to net income after tax (%)
Chief Operating Officer (COO)	You-Min Chi	0	1,056	1,056	1.28%
President	Kuo-Chun Huang				
Financial Manager	Yi-Chen Chung				

(IV) Amount of remuneration paid in the last two years by the Company and all companies included in the financial statements to the Company's directors, supervisors, president and vice-presidents and the respective proportion of such remuneration to the net income after tax referred to in the entity or individual financial statements, as well as the policies, standards and packages by which it was paid, the procedures through which the remuneration was determined and its association with business performance and future risks:

1, Percentage of total remuneration to the net income after tax in the individual financial statements:

Title/Items	The ratio of the compensation sum to net income after tax (Note 1)			
	2023		2024	
	The Company	All companies in the financial statements	The Company	All companies in the financial statements
Director	3.29%	3.29%	1.41%	1.41%
Chief Operating Officer (COO) and President	13.21%	13.21%	2.21%	2.21%

Note 1: Please see Page 17 for director and independent director remuneration, including the sum of A, B, C, D, E, F and G and its percentage in net income.

2. The policies, standards, and portfolios for the payment of remuneration, the procedures for determining remuneration and the correlation with future risks:

(1) Director

A. Remuneration policy, standards, and combination

The Company's remuneration to directors is divided into the following three categories:

- Remuneration: Consideration for the services provided by the director, including the fixed remuneration for functional committees and the remuneration for the non-independent director.
- Remuneration: Directors' remuneration provided by the Company in accordance with the Company's Articles of Incorporation.
- Professional practice expenses: It refers to the transportation allowance. No transportation allowance will be paid for attendance at different meetings held at the same place on the same day repeatedly.

The remuneration is determined based on the operation performance amount of the annual budget approved by the board of directors each year, taking into account one's position and responsibilities, the importance of the duties, one's work contribution to the company, and by referencing industry standard.

B. Procedures for determining remuneration

According to Article 29 of the Articles of association of the Company, if the Company is profitable in the year, it should allocate 5-10% as employees' remuneration. The Board of Directors decides to distribute the remuneration in stock or cash. The subject of the distribution includes the employees of the subordinate company who meet certain conditions. If the Company can make a profit with the above amount, the Board of Directors decides to allocate up to 2% as its directors' remuneration. The distribution proposal of remuneration of employees and directors should be submitted and reported to the shareholders' meeting.

If it has accumulative losses, the Company should reserve and make up the amount before distributing remuneration to the employees and directors according to the percentage mentioned in the preceding paragraph.

The remuneration to directors is determined in accordance with the "Policy of Payment of Remuneration to Directors and Functional Committee members" of the Company, and reasonable compensation is offered in consideration of the level of participation and contribution to the operation of the Company.

The Company established the Remuneration Committee in December 2011. The Committee is engaged in the evaluation and review on the performance of directors and managerial officers, as well as the policies, standards, and packages by which the remuneration is paid on a regular basis. A report is then sent to the Board of Directors for discussion and resolution.

(2) President, executives

A. Remuneration policy, standards, and combination

There are three types of remuneration for the Company's managerial officers including salaries, bonuses, and employee remuneration.

The primary considerations include the position held, the responsibilities undertaken, performance evaluations, the importance of the role, contributions to the Company, leadership tasks, base salary, and ESG-related performance. Additionally, the compensation is also negotiated by referencing industry standards.

B. The remuneration to the President and executives and the link to the ESG-related sustainable performance evaluation

In order to encourage the President, executives, and all employees to value long-term comprehensive performance and achieve sustainable operation, ESG-related performance evaluation is one of the factors to be taken into consideration in the remuneration. ESG-related performance includes: a. Environmental (40%): sustainable development performance, low-carbon transformation (such as: installation of tail gas reduction equipment, adjustment of machine output efficiency and other energy-saving equipment), attention to TCFD climate change issues, climate-related risks and opportunities, setting carbon reduction goals and implementation, etc. b. Society (30%): Employment of local manpower and contribution to the local community's development. c. Corporate governance (30%): Revenue performance, compliance, risk management, ethical management, information security, intellectual property management, etc.

C. Procedures for determining remuneration

The remuneration to the President and executives of the Company is regularly evaluated and reviewed by the Remuneration Committee, and the performance evaluation of managers and the policies, systems, standards and structures of remuneration are regularly evaluated and reviewed by the Remuneration Committee, and are submitted to the Board of Directors for discussion and resolution.

(3) The correlation between business performance and future risks

The performance evaluation and compensation of the Company's directors and executives are not only based on industry-standard benchmarks but also take into account operational results, the overall performance of the Company, future business risks and development trends in the industry, and the level of participation (including positions held, responsibilities, and the assessment of operational and profitability conditions). Additionally, the evaluation considers their contribution to the Company's performance, including financial indicators such as revenue and profitability achievement, product yield rates, and production target completion rates, as well as non-financial indicators such as compliance with laws and internal controls, notable achievements, and ongoing professional development. ESG-related performance assessments are also factored into determining reasonable compensation. The total compensation, payment methods, and future risks of the Company are considered comprehensively, ensuring a strong correlation with the responsibilities held in managing the Company and the overall performance, thus supporting the Company's long-term sustainability.

The Company's remuneration payment is evaluated and adjusted by giving considerations to future changes in the environment and operation performance and keeping future operation risk possibilities to the minimum. Timely review of the remuneration payment is made depending on the actual operation state and related laws. Mandatory penalty is given to directors and employees who are engaged in illegal conducts that result in damages to the company according to the laws or regulations.

III. Corporate Governance Implementation Status:

(I) Operations of Board of Directors:

The meeting of the Company's Board of Directors was held for 5 times (A) in 2024. The attendance of directors was as follows:

Title	Name	Actual Number of Attendances (Non-voting Attendances) 【 B 】	No. of presence by proxy	Actual presence (attendance) rate (%) 【 B / A 】	Notes
Chairperson	You-Min Chi	5	0	100%	Reappointed on June 20, 2022
Director	Sino-American Silicon Products Inc. representative: Hsiu-Lan Hsu	5	0	100%	Reappointed on June 20, 2022
Director	Kuo-Chun Huang	5	0	100%	Reappointed on June 20, 2022
Director	Sino-American Silicon Products Inc. representative: Tang-Liang Yao	5	0	100%	Newly appointed on June 20, 2022
Director	Sino-American Silicon Products Inc. representative: Cheng-Chien Chen	4	1	80%	Newly appointed on May 17, 2023
Director	Wen-Huei Tsai	5	0	100%	Reappointed on June 20, 2022
Independent Director	Chung-Hsien Liu	5	0	100%	Newly appointed on June 20, 2022
Independent Director	Kune-Muh Tsai	5	0	100%	Reappointed on June 20, 2022
Independent Director	Chi-Hsiung Cheng	5	0	100%	Newly appointed on June 20, 2022
Independent Director	Chien-Yung Ma	4	1	80%	Newly elected on June 29, 2023

Other mentionable items:

- I. If there is one of the following circumstances, the dates of the meetings, sessions, contents of motion, all independent directors' opinions and the company's response should be specified:
 - (1) The circumstances referred to in Article 14-3 of the Securities and Exchange Act: Not applicable as the Company has established the Audit Committee, therefore Article 14-3 does not apply.
 - (2) Any documented objections or qualified opinions raised by independent directors against the Board's resolutions in relation to matters other than those described above: None.
- II. If there are directors' avoidance of motions in conflict of interest, the directors' names, contents of motion, causes for avoidance and voting should be specified:
 - (1) On February 20, 2024, the Board of Directors reviewed the proposal for the distribution of remuneration to directors for 2023, and each director recused himself from the discussion and resolution on his/her remuneration and did not participate in the discussion and voting.
 - (2) On May 9, 2024, the Board of Directors reviewed and discussed the employee salary adjustment proposal for 2024. Since Chairperson You-Min Chi and Director Kuo-Chun Huang are among the employees subject to the salary adjustment, they both recused themselves from the discussion and voting due to a conflict of interest.
 - (3) On December 12, 2024, the Board of Directors reviewed and discussed the annual compensation distribution proposal for executive employees and above for 2023. Since Chairperson You-Min Chi and Director Kuo-Chun Huang are among the individuals subject to the distribution, they both recused themselves from the discussion and voting due to a conflict of interest.
 - (4) On February 20, 2024, the Board of Directors reviewed the proposal for the distribution of remuneration to directors for 2023, and each director recused himself from the discussion and resolution on his/her remuneration and did not participate in the discussion and voting.

III. Implementation of the Board of Directors Appraisal

Evaluation Cycle: Once a year

Evaluation period: January 1, 2024 to December 31, 2024

The Company has completed the self-evaluation of the Board of Directors in 2024 and submitted the evaluation result to the Board of Directors on February 20, 2025 as the basis for review and improvement.

Evaluation scope	Evaluation method	Evaluation method	Evaluation outcomes
Board of Directors	Board of Directors Internal self-evaluation	Self-evaluation of board operation performance: 1. The degree of participation in the company's operations. 2. Improvement in the quality of decision making by the board of directors. 3. The composition and structure of the board of directors. 4. The election of the directors and their continuing professional education. 5. Internal controls. 6. Other items	The evaluation indicators of the Board of Directors' performance include five major dimensions and a total of 48 indicators. The average score for each dimension is between 4.79 to 5 points (total score of 5), which shows that the overall operations of the Board of Directors is sound and meets the requirements of corporate governance.
Individual board member	Board members Self-evaluation	Self-evaluation of board member performance: 1. Their grasp of the company's goals and missions. 2. Their recognition of director's duties. 3. The degree of participation in the company's operations. 4. Their management of internal relationships and communication. 5. Their professionalism and continuing professional education. 6. Internal controls.	Board members' evaluation indicators include 6 major aspects and 25 indicators in total and the average score in each dimension is between 4.92 to 5 points (total score out of 5), indicating that directors have a positive opinion on the efficiency and effectiveness of the Board's operation.
Functional committee (including Audit Committee, Remuneration Committee and Nomination Committee)	Self-evaluation of functional committee	Self-evaluation of the functional committee performance: 1. The degree of participation in the company's operations. 2. Their recognition of the duties of the functional committee. 3. Improvement in the quality of decision making by the functional committee. 4. The composition of the functional committee, and election and appointment of committee members. 5. Internal controls.	The evaluation indicators of the functional committees (including the Audit Committee, Remuneration Committee, and Nomination Committee) include five major aspects. The Audit Committee has a total of 22 indicators, and the average score for each aspect is 4.75 to 5 points (total score is 5 points). The Remuneration Committee has a total of 19 indicators, with an average score of 5 points (total score out of 5 points); the Nomination Committee has a total of 19 indicators, with an average score of 5 points in each aspect (total score out of 5 points). The overall operation of functional committees is sound and in line with corporate governance requirements.

IV. Measures undertaken during the current year and past year in order to strengthen the functions of the Board of Directors (such as the establishment of an audit committee and improvement of information transparency, etc.) and assessment of their implementation:

- (1) The Company has voluntarily appointed the Audit Committee in replace of the supervisor system according to Article 14-4 of the Securities and Exchange Act. Meetings are held on a regular basis.
- (2) The Company has appointed the Remuneration Committee to assist the Board of Directors in the execution of its duties. Reviews on the reasonableness of the remunerations for directors and managerial officers have been conducted on a regular basis.
- (3) The Company has on December 7, 2022 appointed the Nomination Committee for a sound nomination system for the Company's directors and senior management.
- (4) Improving information transparency: The Company upholds the operation transparency, and emphasizes shareholder rights. After the convening of each board meeting, information relating to important resolutions of the board are announced immediately and updated on the company website under the investor area on a regular basis.
- (5) The Company has established the "Rules of Procedure for Board Meetings" to strengthen the functions of the Board of Directors. The Company also encourages the Board members to participate in various professional courses, and to promote relevant laws and regulations at the Board of Directors meeting, in order to improve the decision-making ability of the Board of Directors and comply with relevant laws and regulations.
- (6) In order to implement corporate governance and enhance the effectiveness of the Board of Directors, on November 2, 2022, the Board of Directors approved the appointment of a position of Corporate Governance Supervisor to providing directors with relevant information to perform their duties and other necessary assistance.

(II) The Operation of the Audit Committee:

The Company's Audit Committee consists of four independent directors, and operates primarily in order to supervise the following matters:

1. The fair expression of the Company's financial statements.
2. Selection (dismissal) of certified public accountants (CPA) and their independence and performance.
3. Effective implementation of the Company's internal control.
4. Company complies with relevant laws and regulations.
5. Control over the Company's existing or potential risks.

The duties of the Committee are as follows:

1. Establish or amend the internal control system according to Article 14-1 of the Securities and Exchange Act.
2. Evaluation of the internal control system effectiveness.
3. The main handling policies of financial and business conducts - the formulation or amendment to the procedures for the acquisition and disposal of assets, derivatives trading, lending funds to others, or providing endorsements/guarantees to others in accordance with Article 36-1 of the Securities and Exchange Act.
4. Matters involving directors' own interests.
5. Significant asset or derivatives trading.
6. Significant loans or endorsements/guarantees to others.
7. Fundraising for, issuance, or private placement of equity securities.
8. Appointment, dismissal or remuneration of CPAs.
9. Appointment/dismissal of financial, accounting or internal audit managers.
10. Annual and Mid-Year Annual Reports.
11. Other major matters stipulated by the Company or competent authorities.

A total of 5 (A) Audit Committee meetings were held in 2024. The attendance of the independent directors was as follows:

Title	Name	Actual no. of presence (in attendance) (B)	No. of presence by proxy	Actual presence (attendance) rate (%) (B)/(A) (Note 1, Note 2)	Notes
Independent Director	Chung-Hsien Liu	5	0	100%	2022.06.20 Newly appointed
Independent Director	Kune-Muh Tsai	5	0	100%	2022.06.20 Reappointed
Independent Director	Chi-Hsiung Cheng	5	0	100%	2022.06.20 Newly appointed
Independent Director	Chien-Yung Ma	4	1	80%	2023.06.29 Newly appointed

Other mentionable items:

- I. If one of the following circumstances exists, the dates of meetings, sessions, contents of motion, resolutions of the Audit Committee, and the Company's response to the Audit Committee's opinion should be specified.
 - (1) Circumstances referred to in Article 14-5 of the Securities and Exchange Act: All of the motions have been approved by all members present at the Audit Committee meetings and then by all directors present at the Board meetings in 2024. The motions are stated as follows (IV. Results of significant resolutions of the Audit Committee and the Company's treatment of the Audit Committee's opinions).
 - (2) Aside from the said circumstances, resolution(s) not passed by the Audit Committee but receiving the consent of two-thirds of all directors: None.
- II. If there are independent directors' recusal of motions in conflicts of interest, the directors' names, contents of motion, causes for avoidance, and voting should be specified: In 2024 and as of the annual report publication date, there have been no recusal events due to conflicts of interest.
- III. Communications among Independent Directors, the Internal audit officer, and the CPAs: The Company's Internal audit officer and the Finance Officer are non-voting attendees of the Audit Committee meeting, reporting to the Board of Directors and for the board's questioning of the latest financial statements, the internal audit results, financial standing, and other relevant information. The accountants attend the quarterly Audit Committee meetings and Board of Directors meetings to communicate with the independent directors regarding the results of financial statement audits or reviews, recommendations on internal controls, and other matters required by relevant laws and regulations. This enables the independent directors to assist investors in ensuring the credibility of corporate governance and information utilization, thereby protecting shareholders' rights. Additionally, the monthly audit reports are regularly provided to the independent directors for review.
- IV. Results of Significant Resolutions of the Audit Committee and the Company's Treatment of the Audit Committee's Opinions:

Date / Session	Content of motion	Matters listed in Article 14-5 of Securities and Exchange Act	Resolutions which were not approved by the Audit Committee but were approved by two thirds or more of all directors: None.
2024.02.20 4th term 8th meeting	1. 2023 “Internal control system statement” 2. Remuneration to directors and employees in 2023 3. 6. Formulate the 2023 Business Report and Financial Statements 4. 2023 appropriation of earnings 5. Discussion on the capital surplus cash distribution proposal 6. 2024 Independent Auditors’ Independence and Competency Evaluation and Appointment 7. Formulate the pre-approved company policy on non-assurance services provided to the Company by CPAs, their CPA Firm and its affiliated companies 8. 2024 CPA remuneration. 9. Amendments to the “Procedures for Acquisition or Disposal of Assets” 10. Establishment of the “Procedures for Derivatives Transactions” 11. Amendments to the “Summary of Authority (Administration)” 12. Amendment to the “Rules of Procedure for Board Meetings” 13. Amendment to the “Audit Committee Charter” 14. Amendment to the seal application in the “Regulations for Seal Management”	✓	
	Resolution results of the Audit Committee: Agreed and approved by all members of the Audit Committee.		
	Process taken by the Company on the Audit Committee’s Opinion: Unanimously agreed and passed by all attending members.		
2024.05.09 4th term 9th meeting	1. Preparation of the 2024 Q1 financial report 2. The Company’s overdue amounts exceeding three months are all related to actual transactions and do not need to be reclassified as funds loaned to others. 3. Amendments to the “Summary of Authority (Administration)”	✓	
	Resolution results of the Audit Committee: Agreed and approved by all members of the Audit Committee.		
	Process taken by the Company on the Audit Committee’s Opinion: Unanimously agreed and passed by all attending members.		
2024.08.08 4th term 10th meeting	1. Preparation of the 2024 Q2 financial report 2. Amendment to the “Procedures for Ethical Corporate Management and Code of Conduct” 3. Amendment to the “Regulations for Seal Management”	✓	
	Resolution results of the Audit Committee: Agreed and approved by all members of the Audit Committee.		
	Process taken by the Company on the Audit Committee’s Opinion: Unanimously agreed and passed by all attending members.		
2024.11.07 4th term 11th meeting	1. Preparation of the 2024 Q3 financial statements 2. Submission of the 2025 Audit Plan 3. Amendment to the “Regulations for Budget Management” 4. Amendment to certain provisions of the “Corporate Governance Best Practice Principles” 5. Amendment to the “Risk Control Regulations” 6. Amendment to the “Rules Governing the Scope of Powers of Independent Directors” 7. Amendment to the “Rules of Procedure for Board Meetings” 8. Amendment to the Company’s “General Principles and Methods for Pre-Approval of Non-Assurance Services”	✓	
	Resolution results of the Audit Committee: Agreed and approved by all members of the Audit Committee.		
	Process taken by the Company on the Audit Committee’s Opinion: Unanimously agreed and passed by all attending members.		
2024.12.12 4th term 12th meeting	1. Amendment to the “Sustainable Development Operations”	✓	
	Resolution results of the Audit Committee: Agreed and approved by all members of the Audit Committee.		
	Process taken by the Company on the Audit Committee’s Opinion: Unanimously agreed and passed by all attending members.		

2025.02. 20 4th term 13th meeting	1. Proposal for the approval of the 2024 “Internal Control System Declaration” 2. Formulate the 2024 Business Report and Financial Statements 3. 2024 Appropriation of earnings 4. 2025 Independent Auditors’ Independence and Competency Evaluation and Appointment 5. 2025 CPA remuneration 6. Amendment to the “Regulations for Budget Management” 7. Amendment to the “Regulations Governing Prevention of Insider Trading” 8. Amendment to the “Articles of Incorporation” 9. Lifting of non-compete restrictions on the 10th directors (including independent directors) and their representatives 10. Appointment of KPMG Taiwan for limited assurance services on the 2024 and 2025 Sustainability Reports	✓	
	Resolution results of the Audit Committee: Agreed and approved by all members of the Audit Committee.		
	Process taken by the Company on the Audit Committee’s Opinion: Unanimously agreed and passed by all attending members.		

Note 1: In the event that Independent Directors leave before the end of the calendar year, the date when they leave should be indicated in the remark column. The actual attendance rate (%), on the other hand, must be calculated by the number of audit committee meetings held during service and the actual number of attendance in the meetings.

Note 2: Should there be any Independent Director re-elected before the end of the calendar year, the outgoing and new Independent Directors must be both listed in the remark column with notes clarifying if these Independent Directors are previously elected, newly elected, or re-elected, and the date of the election. The actual attendance rate to committee session (%) must be calculated on the basis of the number of sessions held by the Audit Committee in such period and the attendance in person in the sessions.

(III) Status of corporate governance, and deviation from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and causes thereof:

Evaluation Item	Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
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”?	✓		It has been established and disclosed on MOPS and the Company’s website http://www.awsc.com.tw .	No significant difference.
II. Shareholding structure & shareholders’ rights of the Company				
(I) Does the company establish an internal operating procedure to deal with shareholders’ suggestions, doubts, disputes and litigations, and implement them in accordance with procedure?	✓		(I) The Company has established the Rules and Procedures of Shareholders’ Meeting. Each year, the shareholders annual general meeting is convened according to the regulations as a regular communications channel with the shareholders. The purpose is to build a good exchange mechanism with the investors. The Regulations Governing Spokesperson System Management has been established. The spokesperson contact telephone and email (e_Fin@awsc.com.tw) has been disclosed on the company website as a channel for handling shareholders’ suggestions, questions and disputes to protect shareholder rights.	(I) No significant difference.
(II) Does the company possess the list of its major shareholders as well as the ultimate owners of those shares?	✓		(II) The Company has abided by Article 25 of the Securities and Exchange Act, and filed information on any related changes to shareholding rights for its internal personnel, including directors, managerial officers and shareholders with more than 10% stakes, on a monthly basis, to the MOPS website designated by the Securities and Futures Bureau, for good understanding of its main shareholders and their ultimate controller.	(II) No significant difference.
(III) Does the company establish and execute the risk management and firewall system within its conglomerate structure?	✓		(III) The Company has clearly stated various regulations, such as “Procedures for Transactions of Group Enterprises, Companies and Related Persons,” “Supervision and Management of Subsidiary,” “Risk Control Regulations,” “Regulations Governing Transactions with Related Parties” and “Corporate Governance Best-Practice Principles.” Actual execution of these regulations has been constant, and the possible risks are evaluated concurrently according to the internal control system.	(III) No significant difference.
(IV) Does the company establish internal rules against insiders trading with undisclosed information?	✓		(IV) The Company has established the “Procedures for Ethical Corporate Management and Code of Conduct” to prohibit insider trading, as well as the “Management Rules for Prevention of Insider Trading” and “Director Code of Ethical Conduct,” which are disclosed on the Company’s website at http://www.awsc.com.tw . Educational promotion on these regulations is conducted at least once a year to the current directors, managerial officers and employees.	(IV) No significant difference.
III. Composition and Responsibilities of the Board of Directors	✓		(I)	(I) No significant difference.
(I) Has the board of directors formulated the diversity policy on board member composition, concrete management targets, and implemented fully?			1. The Company has established the “Corporate Governance Best Practice Principles” and has added the diversity guidelines under Chapter Three, “Enhancing the Functions of the Board of Directors.” Suitable diversity guidelines have been formulated covering the Company’s operations, operation pattern, and development needs, such as basic composition (e.g., gender, age, nationality, and culture), professional background (e.g., law, accounting, industry, finance, marketing, or technology), professional skills, and industry experiences. The Principle has been established and disclosed on MOPS and the Company’s	

Evaluation Item	Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			<p>website http://www.awsc.com.tw.</p> <p>2. The Company’s Board of Directors is composed of 10 directors (including 4 independent directors). The directors are professionals who possess a wealth of experience in business management and industries. They can provide the most professional strategic guidance to the company’s future development.</p> <p>3. Currently, among the 10 director seats on the board, two directors are at the management level, accounting for 20% of the board members. The 4 independent directors included in the 9 director seats account for 40% of the board members. The Company emphasizes the gender equality in the composition of the board members, and the target is at least one female director. On the Company’s diversity policy for board members and the implementation of diversity by individual board members, please refer to page 12 of this annual report and the Company’s website.</p>	
(II) Does the company voluntarily establish other functional committees in addition to the Remuneration Committee and the Audit Committee?	✓		(II) The Company has established a Remuneration Committee, an Audit Committee, and on December 7, 2022, a Nomination Committee (composed of five directors, three of whom are independent directors) to facilitate the execution of the Board’s responsibilities. In December 2024, the Company established a Corporate Sustainable Development Committee, composed of two directors and members of the management team. The committee regularly reports its progress to the Board of Directors. Other functional committees are being evaluated based on the actual needs of the Company.	(II) Timely appointment shall be made in the future depending on the actual operation needs of the company. No significant difference.
(III) Does the company established the Regulations Governing the Board Performance Evaluation and its evaluation methods, and does the company perform a regular performance evaluation each year and submit the results of performance evaluations to the Board of Directors and use them as reference in determining compensation for individual directors, their nomination, and additional office terms?	✓		(III) The Company’s Board of Directors has in November 2020 passed the “Board of Directors and Functional Committee Performance Evaluation Regulations,” stating the required internal board and functional committee performance evaluation to be executed next year. The results shall be obtained before the end of quarter one in the following year and are to be submitted to the board for reporting and review. The improvements shall be the basis of reference for the individual’s salaries and compensation and selection or during nomination of directors.	(III) No significant difference.
(IV) Does the company regularly evaluate the independence of CPAs?	✓		(IV) On February 20, 2024, and February 20, 2025, the Audit Committee and the Board of Directors made the assessment with reference to the five major aspects and 13 audit quality indicators (AQIs) provided by KPMG Taiwan. The annual evaluation includes assessing the independence, competence, and performance of the CPAs. The evaluation process is as follows: the CPA’s independence assessment form was presented to and approved by the Audit Committee and the Board of Directors on February 20, 2024, and February 20, 2025; the CPA’s performance assessment form was presented to and approved by the Audit Committee and the Board of Directors on February 20, 2025. Independence indicator evaluation items, such as: CPAs are neither directors, supervisors, managers of audit clients nor in positions that have a significant influence on audit cases; CPAs have no direct or indirect financial interest relationship with the Company; absence of significant and close business or employment relationships or other behaviors that can affect independence, etc. The Company evaluates the independence of the accountants every year and obtains a statement of independence from the accountants. The independence criteria	(IV) No significant difference.

Evaluation Item	Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons												
	Yes	No	Abstract Illustration													
			include: The individual independence of all members, the prohibition of any member from engaging in insider trading, adherence to relevant regulations and professional ethical standards, the CPA rotation system, and policies and procedures regarding non-audit services, among others.													
IV. Do TWSE/TPEx Listed Companies appoint competent and appropriate corporate governance personnel and corporate governance officer to be in charge of corporate governance affairs (including but not limited to furnishing information required for business execution by directors, assisting directors’ and supervisors’ compliance of law, handling matters related to board meetings and shareholders’ meetings according to law, and recording minutes of board meetings and shareholders’ meetings)?	✓		<p>The Company has appointed a dedicated unit to be responsible for the corporate governance related affairs. This includes: handling matters related to the Board of Directors and shareholders’ meetings in accordance with the law, managing company registration and amendments, preparing minutes for Board and shareholder meetings, arranging training for directors, drafting and planning corporate governance-related procedures, ensuring compliance with laws and regulations, providing the necessary information for directors to carry out their duties, and assisting directors in adhering to legal requirements.</p> <p>The Company enhances the duties of the directors to realize corporate governance. On November 2, 2022, the Audit Committee and Board of Directors approved the appointment of the Company’s Financial Manager, Yi-Chen Chung, to act as the corporate governance officer. He possesses more than three years of working experience as the financial manager of public companies.</p> <p>The Corporate Governance Officer is required to complete at least 12 hours of continuing education each year. The details of the continuing education for the Corporate Governance Officer are provided in the table below, which outlines the specific training completed.</p> <p>Continuing education of Corporate Governance Officer:</p> <table><tr><th>Training date</th><th>Sponsored by</th><th>Course Name</th><th>Number of Training Hours</th></tr><tr><td>2024.06. 26</td><td>Accounting Research and Development Foundation</td><td>Latest Annual Report / Sustainability Information / Financial Report Compilation Regulations and Internal Control Management Practices</td><td>6</td></tr><tr><td>2024.07. 03</td><td>Taiwan Stock Exchange</td><td>2024 Cathay Sustainable Banking and Climate Change Summit</td><td>6</td></tr></table> <p>The main duties of the position are to organize related matters to the board and shareholders meetings, prepare board and shareholders meeting minutes related matters, assist the directors onboarding and in continuing education, provide information to the directors that is needed in performing their duties, assist the directors in legal compliance.</p> <p>The state of execution for the 2024 business is as follows:</p> <ol style="list-style-type: none">1. Act as the main contact window between the directors and the company.2. Assist the directors in execution of duties, provide the company information that is needed by the directors for meetings, maintain communications between the directors and various managerial officers to facilitate smooth communications, and assist the directors in legal compliance.3. Provide directors’ refresher courses and purchase liability insurance for directors and key employees.4. Assist in the arrangements on communication matters for the Audit Committee and CPAs and Audit Supervisor.5. Formulate the meeting agenda for the Board of Directors, notify all directors at least 7 days before the meeting, provide information for the meeting, remind in advance on the required recusal due to	Training date	Sponsored by	Course Name	Number of Training Hours	2024.06. 26	Accounting Research and Development Foundation	Latest Annual Report / Sustainability Information / Financial Report Compilation Regulations and Internal Control Management Practices	6	2024.07. 03	Taiwan Stock Exchange	2024 Cathay Sustainable Banking and Climate Change Summit	6	No significant difference.
Training date	Sponsored by	Course Name	Number of Training Hours													
2024.06. 26	Accounting Research and Development Foundation	Latest Annual Report / Sustainability Information / Financial Report Compilation Regulations and Internal Control Management Practices	6													
2024.07. 03	Taiwan Stock Exchange	2024 Cathay Sustainable Banking and Climate Change Summit	6													

Evaluation Item	Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			conflicts of interests, and send the minutes of the meeting of Board of Directors within 20 days after the meeting. 6. Organize shareholders’ meeting affairs, register the shareholders’ meeting date before the event according to laws, and prepare the meeting notice, meeting handbook, and meeting minutes within the legally prescribed deadlines.	
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?	✓		The Company’s website http://www.awsc.com.tw A stakeholder section has been established, and the Company maintains effective communication channels with its stakeholders, including shareholders, employees, customers, partner banks, suppliers, and other relevant parties. The Company reports the execution status to the Board of Directors once a year. The execution status for 2024 was reported to the Board of Directors on May 8, 2025. The work of division among the various departments has been clear. Please refer to page 51-52 of this annual report.	No significant difference.
VI. Does the company appoint a professional shareholder service agency to deal with shareholder affairs?	✓		The Company has appointed a professional shareholder service agency: Transfer Agency Department, Fubon Securities Co., Ltd. to handle related affairs of the shareholders’ meetings.	No significant difference.
VII. Information Disclosure (I) Does the company have a corporate website to disclose both financial standings and the status of corporate governance? (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, and webcasting investor conferences)? (III) Does the Company announce and report the annual financial statements within two months after the end of the fiscal year, and announce and report the first, second, and third quarter financial statements as well as the operating status of each month before the prescribed deadline?	✓ ✓ ✓		(I) The finance, business and corporate governance related information has already been disclosed on the company website and is updated at all times. (II) For the purpose of enhancing information transparency, the Company has assigned a dedicated personnel to be responsible for the collection and disclosure work of the company information and has appointed a spokesperson and a deputy spokesperson to be responsible for explaining the company’s finance and business position to the public. The Company has set up an English website, please refer to the Company’s website for details: https://www.awsc.com.tw/e_index.aspx?Lang=english A total of 2 investor conferences were held in 2024. For details, please refer to the Company’s Website: https://www.awsc.com.tw/fina.aspx?Lang=Chinese (III) The Company has made public announcements and regulatory filing of quarterly financial statements and monthly operation status in advance according to the regulations of the competent authority. The Company shall announce and report the annual financial report within two months after the end of the fiscal year.	(I) No significant difference. (II) No significant difference. (III) Other than the financial report, there were no significant differences for the other items.
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, the implementation of risk management policies and risk evaluation measures, the	✓		1. Employee rights: The Company has always treated its employees with integrity and trust and protects the legal rights of the employees according to the Labor Standards Act. 2. Employee care: The Company provides physician consultation services on a monthly basis, and sends health education, epidemic prevention reminders, safety education, and traffic safety education through emails from time to time to ensure the personal safety of employees and regularly conducts employee health examinations. 3. Investor relation: The Company releases its information honestly on the MOPS according to the laws and regulations to protect the rights of the investors. The Company has also listed the contact window for investors on the company website for	No significant difference.

Evaluation Item	Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
implementation of customer relations policies, and purchasing insurance for directors and supervisors)?			<p>maintaining a harmonious relationship with its shareholders.</p> <p>4. Supplier relationship rights: These are managed according to the Company’s operational regulations. Cooperative vendors fulfill their obligations under the contract to protect the legal rights and interests of both parties. To date, no related litigation cases have occurred.</p> <p>5. Rights of stakeholders: A section of the Company’s website (http://www.awsc.com.tw) is dedicated to the investor information to disclose company finance, business, and related information, and there are links available to the Market Observation Post System (MOPS) website for reference by the stakeholders.</p> <p>6. Status of continuing education by the directors and supervisors: The Company’s directors possess professional backgrounds, and most of them work in related professional fields at the moment. In 2024, all of the Company’s directors had obtained related evidential documents in their continuing education according to the laws and regulations. Please refer to pages 52 and 53 of this annual report.</p> <p>7. Implementation of risk management policies and risk measurement standards: The Company has established the “Regulations for the Corporate Social Responsibilities Risk Evaluation and Control,” “Procedures for Environmental Considerations and Hazardous Identification and Risk Evaluation Control,” “Stakeholder and Risk Assessment Management Procedure,” and the “Risk Control Management Regulations” to manage and evaluate various risks.</p> <p>8. Execution status of the customer policy: The “Procedures for Customer Service Management” and the “Procedures for Customer Complaint Management” have been established to handle customer complaint cases in order to ensure that customers receive the best service.</p> <p>9. The Company’s purchase of liability insurance for directors (including independent directors): The Company has purchased liability insurance for directors (including independent directors), and the insurance has been renewed on March 15, 2025. It is also disclosed on the “Corporate Governance Section of MOPS” (http://mops.twse.com.tw).</p>	
<p>IX. Please state the improvement according to the corporate governance evaluation results issued by the Corporate Governance Center of Taiwan Stock Exchange Co., Ltd. in recent years, and put forward priority items to be improved and measures for those which have not yet been improved.</p> <p>The Company has completed the 2024 corporate governance evaluation self-evaluation and conducted reviews based on the evaluation results. We continue to research, study, and promote in the hope of better meeting the related regulations.</p> <p>(I) The improvements made by the Company are: Holding the annual shareholders’ meeting by the end of May and distributing cash dividends within 30 days after the ex-dividend date. It has also published the financial report within two months after the end of the fiscal year and announced quarterly financial reports in English. Additionally, the Company prepared the sustainability report, obtained third-party verification, and uploaded the English version of the report to the official website and the Market Observation Post System.</p> <p>(II) Possible improvements in the future: The Company will continue to improve the areas that have not yet been scored.</p>				

(IV) For companies that have a Remuneration Committee, its composition, rights and responsibilities, and operational status should be disclosed:

1. Information of Remuneration Committee Members:

Identity	Conditions Name	Professional qualification and experience	Independence status	Number of Other Public Issuing Companies in Which the Individual is Concurrently Serving as an Remuneration Committee Member
Independent Director	Chung- Hsien Liu (Convener of the 5th term)	<ul style="list-style-type: none"> Please refer to pages 10-11 for information on directors. 	<p>(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) The director, or his or her spouse or minor child, does not hold, in his or her own name or in another name, more than 1% of the Company's total outstanding shares, nor is one of the Company's ten largest natural-person shareholders. (4) Not a spouse, relative within the second degree of kinship, or direct blood relative within the third degree of kinship of a person listed in the three foregoing paragraphs. (5) Not a director, supervisor, or employee of a corporate shareholder that directly holds 5% 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 majority of the Company's director seats or voting shares and those of any other company controlled by the same person who is a director, supervisor, or employee of that other company. (7) The chairperson, president, or person holding an equivalent position of the Company and a person in any of those positions at another company or institution are not the same person or are spouses who is a director, supervisor, or employee of that other company or institution. (8) Not a director, supervisor, managerial officer, or shareholder holding 5% or more of the shares, of a specified company or institution which has a financial or business relationship with the Company. (9) Not a professional who provides audit service, or commercial, legal, financial, accounting or consultation services to the Company or its affiliate, nor is an owner, partner, director, supervisor or manager, or the spouse of any of the above, of a sole proprietorship, partnership, company, or organization that provides such services to the company or its affiliated companies for which the service provider has received compensation. (10) Not having a marital relationship or a relative within the second degree of kinship to any other director of the company;</p>	3
Independent Director	Kune-Muh Tsai			None
Independent Director	Chi-Hsiung Cheng			None

2. Responsibilities of the Remuneration Committee:

The Committee shall exercise due diligence in good faith and faithfully perform the following duties, submitting its recommendations to the Board of Directors for discussion.

- (1) Regularly review the organizational regulations of the Remuneration Committee, as well as the policies, systems, standards, and structures for evaluating the performance and setting the compensation of directors and managers.
- (2) Regularly assess and review the content and amount of the remuneration to directors and managers.

3. Operations of Remuneration Committee:

(1) The Company's Remuneration Committee consists of 3 members.

(2) The term of the current committee members is from June 20, 2022, to June 19, 2025. During 2024, the Remuneration Committee held 3 meetings (A). The qualifications of the members and their attendance are as follows:

Title	Name	Attendance in Person (B)	No. of presence by proxy	Actual attendance rate (B/A)	Notes
Convener (5th term)	Chung-Hsien Liu	3	0	100%	Newly appointed on June 20, 2022
Committee member	Kune-Muh Tsai	3	0	100%	Reappointed on June 20, 2022
Committee member	Chi-Hsiung Cheng	3	0	100%	Newly appointed on June 20, 2022

Other mentionable items:

I. If the board of directors declines to adopt or modifies a recommendation of the Remuneration Committee, it should specify the date of the meeting, session, content of the motion, resolution by the board of directors, and the Company's response to the Remuneration Committee's opinion (e.g., if the remuneration passed by the Board of Directors exceeds the recommendation of the Remuneration Committee, the circumstances and cause for the difference shall be specified): None.

II. Resolutions of the Remuneration Committee objected to by members or subject to a qualified opinion and recorded or declared in writing, the date of the meeting, session, content of the motion, all members' opinions, and the response to members' opinions should be specified: None.

III. Meetings held by the Remuneration Committee in the most recent one year and the Company's response to the Remuneration Committee's opinion:

Date / Session	Content of motion and subsequent treatment	Resolution results	The Company's response to the Remuneration Committee's opinion
2024.02.20 5th Term 5th meeting	1. Director Remuneration and Employee Remuneration of the Company for 2023 2. Distribution of remuneration to directors of the Company for 2023 (Note 2)	Agreed and approved by all the members	Submitted to the Board meeting and passed upon approval of the whole present directors unanimously.
2024.05.09 5th Term 6th meeting	1. The Company's 2024 employee salary adjustment	Agreed and approved by all the members	Submitted to the Board meeting and passed upon approval of the whole present directors unanimously.
2024.12. 12 5th Term 7th meeting	1. 2023 distribution of remuneration to managerial employees and above level	Agreed and approved by all the members (After the recusal of the attending personnel, the proposal was approved unanimously by the attending members upon the chair's inquiry.)	Submitted to the Board meeting and passed upon approval of the whole present directors unanimously.
2025.02. 20 5th Term 8th meeting	1. Director Remuneration and Employee Remuneration of the Company for 2024 2. Distribution of remuneration to directors of the Company for 2024 (Note 2)	Agreed and approved by all the members	Submitted to the Board meeting and passed upon approval of the whole present directors unanimously.

Note 2: For individual directors' remuneration, when their remuneration was discussed and resolved on an itemized basis, Article 206 of the Company Act was applied mutatis mutandis to Article 178 of the Act, recusal to the discussion and voting.

(V) Information of members, and operation of the Nomination Committee

1. Specify the qualification, criteria, and duties of the Nomination Committee members

Qualifications and criteria of the Nomination Committee members

The Nomination Committee consists of at least three directors elected by the board of directors, and the majority of members shall be independent directors; one convener and chair is elected by members among themselves.

Function of Nomination Committee:

The Committee shall perform the following duties loyally with due diligence as a good administrator, and submit its suggestions to the Board of Directors for discussion:

- (1) Find, review and nominate candidates for directors and senior managers based on the professional knowledge, skills, experience, gender and other diversified backgrounds and independence needs of the Company's Board members and senior managers.
- (2) Construct and develop the organizational structure of the Board of Directors and committees, conduct performance appraisals of the Board of Directors, committees, and directors, and assess the independence of independent directors.
- (3) Formulate and review directors' continuing education plans and succession plans for directors and senior managers.
- (4) Other matters resolved by the Board of Directors to be handled by the committee.

2. The professional and experience of members, and operation of the Nomination Committee:

(1) There are five members in the Nomination Committee, and three of them are independent directors; the convener is Director, Hsiu-Lan Hsu; she has the expertise of operation and management, M&A, and corporate governance, meeting the professional ability required by the Committee.

(2) The term of office of the current members: From December 7, 2022, to June 19, 2025. The Nomination Committee held 1 meeting (A) in the most recent year (2024), and the professional qualifications, experience, attendance, and matters discussed are as follows:

attendance, and matters discussed are as follows.

Title	Name	Professional qualification and experience	Attendance in Person (B)	No. of presence by proxy	Actual attendance rate (%) (B/A)	Notes
Convener	Hsiu-Lan Hsu	Please refer to the section headed “Three. Corporate Governance Report/4. Information of Directors and Supervisors (1) Disclosure of Information on the Professional Qualifications of Directors and Supervisors and the Independence of Independent Directors” of this annual report.	1	0	100%	Newly appointed on December 7, 2022
Committee member	Kuo-Chun Huang		1	0	100%	Newly appointed on December 7, 2022
Committee member	Chung-Hsien Liu		1	0	100%	Newly appointed on December 7, 2022
Committee member	Kune-Muh Tsai		1	0	100%	Newly appointed on December 7, 2022
Committee member	Chi-Hsiung Cheng		1	0	100%	Newly appointed on December 7, 2022
	Other mentionable items: Specify the meeting date, session, proposal description, advice or dissent by the Nomination Committee member, the resolution of the Nomination Committee, the nomination committee’s resolution outcomes, and the Company’s handling of the nomination committee’s opinions.					
	Date / Session	Content of motion			Resolution results	The Company’s handling of the Nomination Committee’s opinions
	2024.02.20 The 2 nd meeting of the 1 st term	1. 2023 Performance Report of the Board of Directors and Functional Committees			Agreed and approved by all the members present	Submitted to the Board meeting and passed upon approval of the whole present directors unanimously.
	2025.02. 20 The 3 rd meeting of the 1 st term	1. 2024 Annual Performance Report of the Board of Directors and Functional Committees 2. The Company’s 10th Election of Directors and Independent Directors			Agreed and approved by all the members present	Submitted to the Board meeting and passed upon approval of the whole present directors unanimously.

(VI) Promotion of sustainable development, and variance from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and the reason for any such variance:

Promotion items	Implementation			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons								
	Yes	No	Abstract Illustration									
I. Has the company established the governance framework for promoting sustainable development and a dedicated (concurrent) unit in charge of promoting sustainable development, and the senior management is authorized by the board of directors for handling, as well as the status of the board of directors’ oversight?	✓		<p>The Company initially established a sustainable development initiative through the collaboration of the Company’s Personnel and General Affairs Section, Environmental Engineering Section, Factory Section, Procurement Section, Finance Department, Process Equipment Department, Quality Assurance Department, and Information Section. The Vice-President of the Personnel and General Affairs Section acts as the management representative. Please refer to page 54 for its organizational structure. In December 2024, the Company established the Corporate Sustainable Development Committee, which serves as the highest internal decision-making body for sustainability. The committee is responsible for coordinating and overseeing the Company’s ESG (Environmental, Social, and Governance) initiatives, formulating sustainability directions and goals to achieve corporate sustainability and fulfill social responsibilities. The Company’s Corporate Sustainable Committee is chaired by the Chairperson, and the President is the Vice Chairperson. The Company also assigns senior managers to act as the Chief Sustainability Officer. Additionally, a Secretary-General has been appointed, with the Chief Sustainability Officer serving in this role, responsible for coordinating the activities of the committee. Based on business functions, four sub-committees have been established, including the “Sustainable Operations Subcommittee,” “Sustainable Supply Chain Subcommittee,” “Social and Corporate Care Subcommittee,” and “Corporate Governance and Risk Management Subcommittee.” Representatives from each subcommittee are responsible for planning and executing sustainability-related tasks, and they report the progress and results to the main committee. The organizational structure can be found on page 55. The Corporate Sustainable Development Committee meets at least once a year. Its primary responsibilities include formulating, promoting, and strengthening the Company’s sustainability policies, annual plans, and strategies. The committee also reviews, tracks, and revises the implementation and effectiveness of sustainability initiatives, oversees sustainability disclosures and sustainability reports, and supervises the execution of the Company’s sustainability practices code and other sustainability-related tasks as approved by the Board of Directors. The above-mentioned units that jointly promote sustainable development are supervised by the Board of Directors. In addition to reporting the implementation of sustainability and the achievement of goals to the Board of Directors on a yearly basis, the implementation of sustainable development is also reported to the Board of Directors regularly. The Board will give relevant suggestions and guidance based on the content of the report. After the establishment of the Corporate Sustainable Development Committee in December 2024, the committee is required to regularly report to the Board of Directors on the progress of sustainability-related tasks and any follow-up actions.</p> <p>Recent reports to the board of directors. The reported contents are as below:</p> <table><tr><th>Date of the Board of Directors meeting</th><th>Reporting content</th></tr><tr><td>2024/02/20</td><td>2023 Sustainable Development Report</td></tr><tr><td>2024/08/08</td><td>Report on the implementation of sustainable development activities in the first half of 2024 2023 Sustainability Report Proposal</td></tr><tr><td>2025/02/20</td><td>2024 Sustainability Development Activities Progress Report</td></tr></table>	Date of the Board of Directors meeting	Reporting content	2024/02/20	2023 Sustainable Development Report	2024/08/08	Report on the implementation of sustainable development activities in the first half of 2024 2023 Sustainability Report Proposal	2025/02/20	2024 Sustainability Development Activities Progress Report	No significant difference.
Date of the Board of Directors meeting	Reporting content											
2024/02/20	2023 Sustainable Development Report											
2024/08/08	Report on the implementation of sustainable development activities in the first half of 2024 2023 Sustainability Report Proposal											
2025/02/20	2024 Sustainability Development Activities Progress Report											
II. Does the Company follow materiality principles to conduct risk assessment for environmental, social and corporate governance topics related to company operation, and establish risk management related policy or strategy?	✓		<p>The Company has prescribed the “Risk Management Best Practice Principles” approved by the board of directors. The board of directors is the highest risk management unit, based on the overall operating strategies and operating environment, aims to comply with laws and regulations, promote and implement the Company’s holistic risk management, and bear the ultimate responsibility for risk management; the senior management is responsible for planning, commanding and deploying the implementation of risk management decisions by the board of directors, and coordinating interaction and communication for the cross-departmental risk management; each functional unit is responsible for analyzing, managing and monitoring related risks within their respective units; the internal audit is an independent unit that assists the board of directors to monitor the implementation of the risk management mechanism, to ensure the effective implementation of the risk control mechanism and procedures. Risk management scope covers crisis risk, operational risk, financial risk, strategic risk, legal compliance risk/contract risk, environmental risk, and other risks. The</p>	No significant difference.								

Promotion items	Implementation			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			Company conducted the risk evaluations based on the materiality principles of sustainable development and proposes corresponding strategic recommendations. After considerations are made on the company’s current operation position, technical feasibility, economic feasibility, and perspectives of stakeholders, the Company has established the targets/objective for effective improvements or control of high risks factors of corporate social responsibilities through methods such as educational training, process control or supervision and measurement. Please refer to page 56.	
III. Environmental Topic				
(I) Has the Company set an environmental management system designed to industry characteristics?	✓		(I) The Company values the importance of the work environment and employee personal safety protection measures, constructs and maintains the document system of environment, safety and health management. On March 4, 2008, it has obtained the ISO14001 Environmental Management System Certification, and for re-examination every three years.	(I) No significant difference.
(II) Does the company endeavor to improve the energy utilization efficiency and use renewable materials which have low impacts on the environment?	✓		(II) The Company is committed to source improvements for enhancing the efficiency of reusable resources and has installed the process wastewater recycling system to reduce wastewater discharge and for recycling usage. The purpose is to reach the reduction goals for raw materials and wastes to lower impacts on the environment. The Company has in July 2018 begun to install solar power-generating panels to keep out heat and for absorbing heat for use. This can lower indoor temperature and reduce the use of air-conditioners. As for current, 136.29 KW capacity has been completed, and there are plans to install an additional 643.08 KWp in the future.	(II) No significant difference.
(III) Does the Company evaluate current and future climate change potential risks and opportunities and take measures related to climate-related topics?	✓		(III) The Company follows the TCFD framework, which includes four core elements: governance, strategy, risk management, and metrics & targets, to disclose information related to climate change. Additionally, the Company has developed strategies and measures to address and adapt to climate change. In addition, the Company regularly reports to the Board of Directors on the governance of climate-related risks and opportunities. Based on the results of the board of directors’ discussions, the TCFD working group formulates relevant strategies and improvement goals and tracks the progress and responds to the goals. For detailed measures and information related to this, please refer to the “Climate Change Adaptation” chapter in the Company’s Sustainability Report. On the basis of caring for global climate change, treasuring resources, and fulfilling corporate social responsibilities, the Company carries out various promotion plans, such as systemized greenhouse gas emissions inventory and recording and verification procedures. These are conducted based on the requirements of ISO14064, the GHG control development trends, and for responding to future GHG reduction needs. It can be further referenced for effective implementation of reduction improvement plans in the future. Besides continuing to promote GHG emissions to lower costs, the Company will also drive energy-saving improvement plans. It is hoped that the specific outcome benefits can achieve resource efficiency, energy saving, and sustainable energy development for environmental protection. We strive to work together for the industry towards a low-carbon economy society.	(III) No significant difference.
(IV) Does the Company collect data for greenhouse gas emissions, water usage and waste quantity in the past two years, and set energy conservation, greenhouse gas emissions reduction, water usage reduction, and other waste management policies?	✓		(IV) The Company has appointed the British Standards Institution (BSI) in conducting greenhouse gas emissions verification and has obtained the verification opinion statement. The scopes and GHG emissions are as shown in the table below:	(IV) No significant difference.

Promotion items			Implementation	Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons																											
	Yes	No	Abstract Illustration																												
			<div><p>Certificate number: GHGEV744124</p><p>Verification Opinion Statement</p><p>The British Standards Institution (BSI) carried out the verification procedures in accordance with ISO 14064-3:2019 and the current regulations of the Ministry of Environment. The verification outcomes found that there have not been any violations to the substantial restrictions and that it meets the reasonable assurance level acknowledged by the Ministry of Environment.</p><p>Verification standards: According to the Regulations for Gas Emission Inventory Registration and Inspection Management, the Greenhouse Gas Emission Inventory Operation Guidelines (2024 Edition), the Greenhouse Gas Verification Guidelines (June 2024), and the current greenhouse gas program regulations by the Ministry of the Environment.</p><p>Scope of verification: Advanced Wireless Semiconductor Company, Nanke Dali Plant (No. 6, Dali 1st Road, Xinshi District, Tainan City, Taiwan), (Advanced Wireless Semiconductor Company, Nanke Dali Plant_2024_GHG Emission Inventory, 20250227; Advanced Wireless Semiconductor Company, Nanke Dali Plant_2024_GHG Inventory Report, 20250227)</p><p>Coverage period: Starting from January 1, 2024, to December 31, 2024</p><p>Verification data: The Global Warming Potential (GWP) values for greenhouse gases (GHG) emissions were published in the IPCC Fifth Assessment Report in 2013. The verified GHG emission volumes are as below:</p><table><tr><th>Name of restricted business</th><th>Factory Registration Certificate No. / Business Registration Certificate</th><th>Control number</th><th>Direct GHG Emissions</th><th>Energy Indirect GHG Emissions</th><th>Total emissions</th></tr><tr><td>Advanced Wireless Semiconductor Company, Nanke Dali Plant</td><td>94-A00026-02</td><td>R0301603</td><td>25,759.5280</td><td>20,395.4322</td><td>46,154.960</td></tr></table><p>(Unit: Metric tons of CO2 equivalent)</p><p>Verification opinion: This verification was conducted under the reasonable assurance standard. The design, planning, and execution of the verification process were carried out in accordance with the verification personnel’s procedures and processes. Sufficient evidence indicates that the greenhouse gas declaration of the verified entity is in compliance with the verification standards, and there are no significant discrepancies.</p><p>Limitations on retention: None.</p><p>Other verification-related information: The GHG emissions (Scope II) from indirect energy use were 1 also verified, and the data were calculated based on the 2023 electricity emission factor of Taiwan (at 0.494 kg CO2-e/kwh), which was announced by the Bureau of Energy, Ministry of Economic Affairs.</p></div> <div><p>The 2024 verification was conducted in 2025. The table below shows the data from the Company’s self-inventory.</p><p>Total volume for the GHG emissions from all of the factories: Unit: (ton CO2 e)</p><table><tr><th>Plant</th><th colspan="2">Advanced Wireless Semiconductor Company, Nanke Dali Plant</th></tr><tr><th>Year</th><th>2023 (verification)</th><th>2024 (verification)</th></tr><tr><td>Direct GHG emissions (scope 1)</td><td>18,007.59</td><td>25,759.53</td></tr><tr><td>Energy indirect GHG emissions (Scope 2)</td><td>18,785.05</td><td>20,395.43</td></tr><tr><td>Total GHG emission volume</td><td>36,792.64</td><td>46,154.96</td></tr></table><p>Note: The original verification data for 2023 was revised in accordance with the Ministry of the Environment’s letter No. 1149102118 and was re-verified in March 2025.</p></div>	Name of restricted business	Factory Registration Certificate No. / Business Registration Certificate	Control number	Direct GHG Emissions	Energy Indirect GHG Emissions	Total emissions	Advanced Wireless Semiconductor Company, Nanke Dali Plant	94-A00026-02	R0301603	25,759.5280	20,395.4322	46,154.960	Plant	Advanced Wireless Semiconductor Company, Nanke Dali Plant		Year	2023 (verification)	2024 (verification)	Direct GHG emissions (scope 1)	18,007.59	25,759.53	Energy indirect GHG emissions (Scope 2)	18,785.05	20,395.43	Total GHG emission volume	36,792.64	46,154.96	
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			<p>Water consumption volume in the most recent two years:</p> <p style="text-align: right;">Unit: Metric tons</p> <table><tr><td>Plant</td><td colspan="2">Advanced Wireless Semiconductor Company, Nanke Dali Plant</td></tr><tr><td>Item/Year</td><td>2023</td><td>2024</td></tr><tr><td>Tap-water consumption volume</td><td>166,457</td><td>178,205</td></tr></table> <p>Waste volume in the most recent two years:</p> <p style="text-align: right;">Unit: Metric tons</p> <table><tr><td>Plant</td><td colspan="2">Advanced Wireless Semiconductor Company, Nanke Dali Plant</td></tr><tr><td>Item/Year</td><td>2023</td><td>2024</td></tr><tr><td>Quantity of non-hazardous waste</td><td>29.51</td><td>223.37</td></tr><tr><td>Quantity of hazardous waste</td><td>720.21</td><td>799.99</td></tr><tr><td>Total amount of waste</td><td>749.72</td><td>1023.36</td></tr></table> <p>1 · Carbon reduction targets:</p> <p>The inventory period for 2024 was between January 1 and December 31. The GHG emissions volume was 46,154.96 metric tons of CO₂e. The plan for 2025 was to achieve a carbon reduction goal of 11% for every unit of operation.</p> <p>2 · Energy saving goal: According to ISO14064 specification, the main source of GHG emissions identified came from electricity usage, accounting for 50% or more. Hence, the Company is adopting energy saving as the method for carbon reduction and is actively driving various energy-saving plans. The 2024 total power consumption was 41,286 thousand degrees. In the most recent period, based on the year 2023, the plan for 2025 was to achieve a power consumption goal of 1% for every unit of operations.</p> <p>3 · Energy conservation measures</p> <p>(1) Promote the company’s energy saving plans:</p> <p>a. Air conditioning temperature control.</p> <p>b. Switching off lights upon exiting.</p> <p>c. Switch off the computers and pull the plugs when getting off work.</p> <p>d. Use recycled papers with eco-friendly labels.</p> <p>(2) Promote energy saving measures for factories:</p> <p>Continuous improvements for factory operating equipment to increase energy saving efficiency. In 2024, the Company’s energy-saving achievements totaled 401,921 kWh, and the amount of energy saved reached NT\$1205.76 thousand. The details of energy-saving benefits are as follows:</p> <p style="text-align: right;">Unit: NT\$ thousands</p> <table><tr><td>Energy-saving engineering</td><td>2024 electricity savings (kWh)</td><td>2024 electricity savings amount (NT\$)</td></tr><tr><td>Replacement of T8 lamps in the Module1 cleanroom Test-A and Test-B areas with LED lights (a total of 189 units)</td><td>32,931</td><td>98.793</td></tr><tr><td>The addition of a new air compressor M2-CDA-03 (ZR-200) as a backup machine in the M2 area, and the removal of the old air compressor (ZR75) from Machine 01 in the M1 area.</td><td>368,990</td><td>1106.97</td></tr><tr><td>Total</td><td>401,921</td><td>1205.76</td></tr></table> <p>(3) Save paper to implement environmental sustainability</p> <p>a. Promote and implement measures of using recycled papers for printing by company employees.</p> <p>b. Implement electronic receipts for saving papers from printing.</p> <p>c. Resource recycling and waste sorting.</p>	Plant	Advanced Wireless Semiconductor Company, Nanke Dali Plant		Item/Year	2023	2024	Tap-water consumption volume	166,457	178,205	Plant	Advanced Wireless Semiconductor Company, Nanke Dali Plant		Item/Year	2023	2024	Quantity of non-hazardous waste	29.51	223.37	Quantity of hazardous waste	720.21	799.99	Total amount of waste	749.72	1023.36	Energy-saving engineering	2024 electricity savings (kWh)	2024 electricity savings amount (NT\$)	Replacement of T8 lamps in the Module1 cleanroom Test-A and Test-B areas with LED lights (a total of 189 units)	32,931	98.793	The addition of a new air compressor M2-CDA-03 (ZR-200) as a backup machine in the M2 area, and the removal of the old air compressor (ZR75) from Machine 01 in the M1 area.	368,990	1106.97	Total	401,921	1205.76
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Promotion items	Implementation			Deviations from "the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons												
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IV. Social Topic																
(I) Whether the Company establishes the related management policies and procedures in accordance with the relevant laws and international human rights conventions.	✓		(I) 1. The Company emphasizes promoting labor and commercial ethics policies through the company’s internal promotion to protect labor rights, ensuring every employee receives fair and humane treatment and respect that they deserve. The Company has established the “Procedures on encountering illegal infringement while performing duties” and has set up the complaint channel in maintaining labor rights. The following standards were referenced: the International Covenant on Economic, Social, and Cultural Rights and the Responsible Business Alliance (RBA). The Company abides by local laws and regulations and discloses its human rights protection policies. Please refer to pages 53 and 54 of this annual report. 2. The Company’s “Recruitment and Management Regulations” is established with reference to the Employment Service Act and Act of Gender Equality in Employment of Taiwan, and various United Nations convents such as Universal Declaration of Human Rights, International Covenant on Economic, Social and Cultural Rights, UN Global Compact, International Labour Organization (ILO) Convention, The Convention on the Elimination of all Forms of Discrimination Against Women, which regulate the prohibition of child labor, gender equality, and prohibition of any illegal discrimination and so on human rights protection. <table><tr><th>Human rights management policies</th><th>Specific plans</th></tr><tr><td>1. Friendly workplace policy - Occupational health and safety - Healthy workplace 2. The salary and welfare policy is better than legal requirements</td><td>1. Please refer to page 83 for the related description on labor relations regarding “Work Environment and Employee Personnel Safety Protection Measures.” 2. Organizing employee health seminars from time to time. 3. Overtime wages during national holidays policy better than the legal requirements. 4. Employees are entitled to 14 months of guaranteed annual salary.</td></tr><tr><td>Policy on strict prohibition of employment discrimination</td><td>1. Strictly prohibit any illegal employment discrimination, including, race, hierarchy, language, thoughts, religion, political party, place of ancestry, birthplace, skin color, age, gender, sexual orientation, marriage, physical appearance, facial features, nationality, disabilities, blood type, zodiac sign, pregnancy, and so on.</td></tr><tr><td>Prohibition of forced labor, abide by the labor laws of local government</td><td>1. Prevent non-voluntary labor policy, prohibit the use of coercion, bonded labor and forced labor. 2. Prohibit the use of child labor and minors.</td></tr><tr><td>Education and Training</td><td>1. Promote human rights policy of RBA during new hire trainings and the methods in human rights protection. 2. Promote prevention of workplace violence and abuse to the departmental heads. 3. Implement Occupational Health and Safety series training, such as Occupational Health and Safety training, fire prevention training, emergency training, and emergency response life escaping practice drills.</td></tr><tr><td>Include the human rights clauses in the contracts signed with the suppliers and implement on-site audit.</td><td>1. Major suppliers were invited to complete a sustainability self-assessment form, and 2 on-site inspections were made in 2024. In 2024, 49 major suppliers have completed the self-evaluation. Corporate social responsibility CSR: 36 suppliers; sustainable management self-evaluation SAQ: 13 suppliers.</td></tr></table>	Human rights management policies	Specific plans	1. 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(II) Has the Company established appropriately managed employee welfare measures (include salary and compensation, leave and others), and link operational performance or achievements with employee salary and compensation?	✓		(II) The Company abides by the Labor Standards Act, RBA standards, and related laws. Company regulations have also been established for related company systems covering employee salaries, performance evaluation, and reward and punishment system.	(II) No significant difference.												

Promotion items	Implementation			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
(III) Whether the Company provides its employees with a safe and healthy work environment, and regularly implements employee safety and health education measures.	✓		<p>(III) The Company is committed to providing employees with a safe and healthy work environment. Employee health checkups are organized each year regularly. The physicians of Tainan Science-based Industrial Park Clinic are appointed for company onsite visits to deliver health and safety consultations on a monthly basis, and diverse monthly health seminars or promoting courses are organized too. Furthermore, the automatic external defibrillator (AED) has been installed. Health-promoting educational training is organized regularly for teaching employees about the use of the AED in case of any sudden events. On work safety, through continuous educational training and promotion, cultivate the employees in emergency response skills and safety concepts, and enhance employee awareness skills, in order to lower occurrences of accidents due to conduct that is unsafe.</p> <p>The Company was certified and obtained the ISO14001:2015 Environmental and Occupational Safety and Health Management System certification. The certificate is valid until December 15, 2027.</p> <p>There were no work-related fatalities, major occupational injuries, or occupational diseases in 2024. In 2024, a total of seven workplace injury incidents resulting in disability occurred. One of these incidents was a fall, primarily caused by slipping on the acrylic flooring in the plant area. Three incidents involved exposure to hazardous chemicals, with the main cause being that the personnel did not follow the standard operating procedures as required. One incident involved a falling object, with the main cause being improper placement, which led to a crystal boat converter falling and injuring the foot. One incident involved a collapsing object, with the main cause being a door panel suddenly collapsing and striking a worker loading goods. One incident involved being pinched or caught, with the main cause being the operator not paying attention to placing their right thumb in the fold of the folding door while closing the machine. The Disability Injury Frequency (FR) and the Disability Injury Severity Rate (SR) in the plant area were 1.8 and 4.21, respectively. No occupational diseases were reported. In 2024, none of the contractors working at the factory experienced any workplace injuries. To effectively prevent occupational accidents, we regularly conduct safety and health training for employees and contractors, as well as emergency response drills (an exercise was held on September 12, 2024). We also carry out workplace environment inspections and internal/external audits to review the company’s environmental, safety, and hygiene operations. These efforts are aimed at ensuring a safe working environment and working towards the goal of zero accidents.</p> <p>The number of fire incidents in the Company in 2024 was 0, with 0 casualties, and the ratio of casualties to total employee count was 0%. The Company makes improvements through regular declarations, regulations, and automatic inspections, and enhances personnel’s disaster prevention awareness through education and training. Regular fire drills, smoke evacuation tests, and broadcast system tests are conducted, along with occasional email communication to promote fire escape procedures.</p> <p>In 2024, the Company conducted emergency response drills, including fire evacuation training (March 21) and an ERT (Emergency Response Team) drill (September 12). The 2024 firefighting training included SCBA and KIT-A training (June 26) and SCBA and radio communication training (December 19).</p>	(III) No significant difference.
(IV) Has the Company established effective career development training plans?	✓		<p>(IV) The Company has established the “Training Procedures” and the “Education and Training Guidelines for New Hires” to develop timely and effective employee training plans, and conducts trainings targeting employees’ functions and professions from time to time in order to cultivate connected personnel.</p> <p>After becoming part of the Sino-American Silicon Group, the Company actively participated in different types of education and training courses organized by the Group, including ESG-related courses (covering: corporate ESG sustainable trend practice and knowledge of securities regulations, ESG investment to talk about corporate sustainable transformation, management trends towards Net-Zero emissions and how to respond, and the impact of climate change on financial statements), finance and accounting related courses (including: Practical Guide to Comprehensive Income Tax Filing, Stamp Tax - Essential Principles and Practical Analysis), cybersecurity-related courses (including: Digital Risks Arising from Generative</p>	(IV) No significant difference.

Promotion items	Implementation			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			Artificial Intelligence), and other courses (Act for Settlement of Labor-Management Disputes , Process Improvement and Innovation, The Challenge of Talent Retention: Discussing the Application of Various Retention Tools). This helps employees to keep up with the world trends, strengthen their different job functions, and have the knowledge, technology and ability to keep up with the times.	
(V) Does the Company’s product and service comply with related regulations and international rules for customers’ health and safety, privacy, sales, and labelling and set policies to protect consumers or customers’ rights and appeal procedures?	✓		(V) The Company has established the “Customer Service Management Procedures” and has built the customer complaint handling management system to provide customers with after-sales service, and for conducting regular customer satisfaction surveys. There are dedicated personnel assigned and email is provided for handling problems stemming from customer complaints.	(V) No significant difference.
(VI) Does the Company set supplier management policy and request suppliers to comply with related standards on the topics of environmental, occupational safety and health or labor right, and their implementation status?	✓		(VI) The Company has established the “Supplier Management Procedures” to evaluate the suppliers by reviewing related criteria. Additionally, a “Supplier Handbook” has been established and is available on the Company website (http://www.awsc.com.tw) for suppliers to view at any time. It clearly outlines: (1) Environmental policy a. Comply with related environmental laws and regulations. b. Continue to reduce pollution, improve work environment, eliminate or prevent pollution. c. Conduct waste sorting, recycling and reduction, and promote energy saving policy. d. Approve all employee training to enhance environmental protection knowledge in realizing true environmental management. (2) Social responsibility policy The suppliers shall be committed to ethical conduct, fully comply with all applicable laws in Taiwan and internationally, and to uphold the spirit of RBA respecting human rights. (3) Risk management policies The suppliers are to establish the risk management policy documents so as to ensure that during times of unexpected hazards, the risk impacts are lessened and/or eliminated. (4) Conflict Minerals Policy We evaluate our supply chain every six months and require our suppliers to prohibit the supply of conflict minerals. These regulations apply to all suppliers of the above-mentioned metals or metals contained in components or other materials that they supply us directly.	(VI) No significant difference.
V. Does the Company refer to international reporting rules or guidelines to prepare a Sustainability Report to disclose non-financial information of the Company? Has the said Report acquired a 3 rd certification or statement of assurance?	✓		The Company referred to the “Standards on Sustainability Reporting” issued by the Global Reporting Initiative (GRI) and the “Sustainability Accounting Standards” issued by the Sustainability Accounting Standards Board (SAS) to prepare the Sustainability Report in accordance with the semiconductor industry category indicators and the “Taipei Exchange Rules Governing the Preparation and Filing of Sustainability Reports by TPEX Listed Companies.” PwC was commissioned to prepare the 2024 sustainability report and perform independent limited assurance in accordance with Taiwan’s Accounting Research and Development Foundation’s Assurance Standard 3000 “Assurance Engagements Other than Historical Financial Information” on selected indicators. For the assurance report of the sustainable report, please refer to the appendix of the Company’s sustainable report.	No significant difference.
VI. If the Company has established the sustainable development principles based on “the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies”, please describe any discrepancy between the Principles and their implementation: None.				

Promotion items	Implementation			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
VII. Other important information to facilitate better understanding of the Company’s sustainability development operations:				
Item	Content			
Environmental Protection	(1) The process water recycling system has been installed which can reduce up to 40% to 50% of industrial wastewater discharge with recycling rate of about 85% to 90%. (2) A dedicated area for industrial waste has been created to enhance management for avoiding secondary pollution from industry. (3) Process improvement to reduce the loss of raw materials and machine consumables for avoiding waste of resources. (4) The print papers and hand wipe towels currently used in the offices are recycled papers with eco-friendly labels. The offices have been promoting and implementing recycled print papers for use to save paper resources. (5) The Company promotes a complete waste sorting policy with resource recycling stations installed in the hope to contribute efforts in environmental protection. (6) All lighting equipment is turned off during lunch breaks, and the office air conditioning system is temperature-controlled. Employees are also reminded to turn off lights when leaving the office, fostering a culture of energy conservation among staff. (7) Formulate the items for substances management and environment management of the raw materials and packaging materials in accordance with the environmental protection laws and regulations and customer requirements, and the control standard, and deliver the information to the employees and suppliers for them to abide by. It is a goal to meet international environmental protection laws and customer requirements toward the prohibited hazardous substances. (8) Implement electronic receipts for saving papers from printing.			
Social Participation	The Company encourages employees to participate in various community activities of the Science Park, City Government or District Office.			
Social Contribution	(1) The Company has hired 5 persons with disabilities, offering them employment opportunities. (2) In February 2025, the Company’s employees independently initiated a donation drive for the Taiwan World Vision - “Love ~ Stars from Southern Taiwan Science Park” campaign, focusing on providing medical resources for disadvantaged families in the Xinshi, Shanhua, and Anding areas.			
Social Service	In line with government initiatives, the Company has promoted various health and safety campaigns, including “Health Promotion: Continuous Medical Care, Long-Term Care Never Stops,” “Health Promotion - Measles Precautions,” “Health Promotion - Influenza Vaccines,” “Health Promotion - Food Safety Tips,” “Driving Safety Promotion - Rainy Weather Driving Safety,” and “Traffic Safety Promotion - Driving Safety Rules.” These campaigns encourage all employees to prioritize their health and traffic safety.			
Social Welfare	In 2024, donations were made to charity organizations occasionally, including Eden Social Welfare Foundation, World Vision Taiwan, Huashan Social Welfare Foundation, the Parents’ Association of National Shanhua Senior High School, and charity concerts for a total amount of NT\$190,400. As of the date of publication of the 2025 Annual Report, donations were made to charity organizations, including World Vision Taiwan and the Tainan City Fire Department Friends Association, for a total amount of NT\$125,000.			
Consumer Rights	The Company has established the “Procedures for Customer Service Management,” and the “Procedures for Customer Complaint Management,” to handle customer complaint cases in ensuring to provide customers the best service.			
Human Rights	The Company has established the “Corporate Social Responsibility Best Practice Principles and Procedures” which has covered the human rights aspect. Furthermore, the “Regulations Governing Recruitment and Appointment” has been formulated and disclosed on the Company’s website. The Company attaches great importance to human rights. Regardless of race, gender and age, employees enjoy the same right to work, and the Company also provides opportunities for free expression of individual, in order to achieve respect for personal dignity.			
Health and safety	The Company has appointed the Occupational Safety Office according to the Occupational Safety and Health Act. The Office is responsible for organizing labor safety and health work, preventing occupational hazards from occurring, protecting employee safety and health, and formulating the “Safety and Health Work Rules” for employees to adhere to when performing work.			

VIII. Climate-related information of TWSE/TPEX-listed companies

1. Climate-related information implementation

Item	Implementation
1. Describe the monitoring and governance of climate-related risks and opportunities by the Board of Directors and the management.	The members of the TCFD working group include the Chairman, President's Office, Finance Department, Procurement Department, Sales Department, Corporate Governance Section, and Environmental Safety and Safety Section. Jointly discuss climate risks and opportunities, collect information and assess risks, countermeasures for major climate risks, and inventory of greenhouse gases and carbon footprints. The team regularly reviews the implementation and discusses future plans, which serve as an important reference for the company's sustainability policy. In addition, the Company regularly reports to the Board of Directors on the governance of climate-related risks and opportunities. Based on the results of the board of directors' discussions, the TCFD working group formulates relevant strategies and improvement goals and tracks the progress and responds to the goals.
2. Describe how the identified climate risks and opportunities affect the Company's business, strategy and finance (short-, medium-, and long-term).	Based on the TCFD framework, identify short-term (1-3 years), medium-term (3-5 years), and long-term (more than 5 years) climate-related risks and opportunities, and conduct risk management processes to assess climate-related risks and opportunities. The Company has developed response plans for the identified key risks and opportunities. (For example, in the case of carbon fees and carbon taxes, the increase in operating costs due to policy changes is addressed through specific plans.) Therefore, the Company has set a long-term goal of achieving net zero carbon emissions by 2050, and actively promoted greenhouse gas reduction plans to reduce potential financial impacts. For information on other risks and opportunities, please refer to the "Climate Change Adaptation/ Climate-Related Financial Disclosures (TCFD)" chapter on the official website of the Company. Details on the Company's website: https://www.awsc.com.tw/sustainable.aspx?Lang=Chinese
3. Describe the financial impact of extreme climate events and transformation actions.	Extreme climate events: e.g. drought, sea level rise, and rising temperature may result in plant shutdown; heavy rain, flooding, typhoons, etc., affect plant equipment and operations, resulting in reduced revenue. Transformation actions: The use of certain percentage of renewable energy is compelled by laws and regulations, and the operating costs are increased due to the collection of carbon fees and carbon taxes. Products and services are replaced by low-carbon technologies, in order to satisfy the needs of customers and the market, economy, and investment in energy-saving and carbon-reducing equipment which leads to higher costs.
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	The Company has introduced the Climate-Related Financial Disclosures Framework (TCFD) to review the recent domestic climate hazards and risks, judge the Value at Risk (VaR) by the strength and likelihood of financial or strategic impacts, and integrate the assessed climate risks and other operational risks into the risk management system process to prioritize risk topics by materiality. This enables the employees to measure, control, and adopt specific action plans to reduce the impact of risks. The Company's risk management procedures include risk identification, risk measurement, risk monitoring, risk reporting, and risk response. Through the effective implementation of this risk management process, the Company's risk management strategies are realized.
5. If a scenario analysis is used to assess the resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors, and main financial impacts used shall be described.	AWSC refers to the climate change key indicators provided by the Taiwan Climate Change Projection Information Platform (TCCIP) and the latest scientific assessment reports published by the United Nations Intergovernmental Panel on Climate Change (IPCC) to establish climate scenarios for data analysis. The Company conducts risk and opportunity analyses with respect to policies, regulations, technologies, and market and physical risks that may be derived under different scenarios. For information on relevant parameters, assumptions, analysis factors and major financial impacts, please refer to the "Climate Change Adaptation/ Climate-Related Financial Disclosures" chapter of the Company's Sustainability Report. Details on the Company's website: https://www.awsc.com.tw/sustainable.aspx?Lang=Chinese
6. If there is a transformation plan in place to manage climate-related risks, specify the content of the plan, and the indicators and targets used to identify and manage physical risks and transformation risks.	Transformation Plan: In line with the relevant regulations and goals of the "Climate Change Response Act", the relevant departments have started to plan for the addition of solar energy facilities, and promote low-carbon manufacturing, install exhaust gas reduction equipment, and optimize process gas to carry out carbon reduction plans. Indicators and Targets: The Company adopts practical actions to support carbon neutrality, set carbon reduction goals, and adopt related measures, Taking 2023 as the base year, the short-term goal is to reduce by 3% by 2024, and 11% by 2025, the mid-term goal is to reduce by 50% by 2030, and the long-term goal is to achieve net zero carbon emissions by 2050; and to be implemented in phases between 2030 and 2050, to increase the use of green electricity and promote low-carbon manufacturing. The Company conducts an annual greenhouse gas inventory and verification based on the ISO 14064 standard to assess the greenhouse gas emissions across all areas of the Company. This process serves as verification of the effectiveness of its emissions reduction efforts.

7. If internal carbon pricing is used as a planning tool, the basis for setting the price shall be stated.	The Company adjusts its internal carbon pricing based on the Carbon Border Adjustment Mechanism (CBAM) prices, using them as the benchmark for internal carbon pricing. The Company incorporates carbon emissions from operational activities into the financial cost estimation. Internal carbon pricing mechanisms are established based on the emissions from Scope 1 and Scope 2, and these are included in management reports, serving as a basis for carbon reduction decision-making.
8. If climate-related goals are set, the activities covered, the scope of greenhouse gas emissions, the planning period, and the progress of each year should be explained; if using carbon offsets or renewable energy certificates (RECs) to achieve the goals, it should be explained in exchange for the source and quantity of carbon reduction credits or quantity of Renewable Energy Certificates (RECs).	The Company adopts practical actions to support carbon neutrality, set carbon reduction goals, and adopt related measures. Taking 2023 as the base year, the short-term goal is to reduce by 3% by 2024, 11% by 2025, the mid-term goal is to reduce by 50% by 2030, and the long-term goal is to achieve net zero carbon emissions by 2050. The above objectives cover the activities of the Dali Plant of Advanced Wireless Semiconductor COMPANY in Southern Taiwan Science Park (STSP). For details and the progress of achievement, please refer to the Sustainability Report of the Company.
9. Greenhouse gas inventory and assurance status, as well as reduction targets, strategies and concrete action plans (indicated in 1-1 and 1-2 separately).	The goals, strategies and specific action plans of greenhouse gas inventory and assurance and reduction are as follows.

1-1 GHG inventory and assurance in the last 2 years

1-1-1 GHG inventory information

Describe the greenhouse gas emission volume (metric tons CO ₂ e), intensity (metric tons CO ₂ e/NTD million), and data coverage for the most recent two years.			
Scope 1 (Scope of coverage)	Year	Total emissions (metric tons CO ₂ e)	Intensity (metric tons CO ₂ e/NTD million)
Advanced Wireless Semiconductor Company, Nanke Dali Plant	2023 (verification)	18,007.59	6.61
	2024 (verification)	25,759.53	5.78
Scope 2 (Scope of coverage)	Year	Total emissions (metric tons CO ₂ e)	Intensity (metric tons CO ₂ e/NTD million)
Advanced Wireless Semiconductor Company, Nanke Dali Plant	2023 (verification)	18,785.05	6.90
	2024 (verification)	20,395.43	4.58
Note: The original verification data for 2023 was revised in accordance with the Ministry of the Environment's letter No. 1149102118 and was re-verified in March 2025.			

1-1-2 Greenhouse Gas Assurance Information

Describe the status of assurance in the last 2 years up to the date of publication of the annual report, including the scope of assurance, institutions of assurance, criteria of assurance, and opinions of assurance.

Year	Assurance range	Assurance institutions	Assurance criteria	Assurance opinion
2023	Advanced Wireless Semiconductor Company, Nanke Dali Plant	BSI Taiwan	Per ISO 14064-3: In accordance with ISO 14064-3: 2019, the Regulations for Gas Emission Inventory Registration and Inspection Management, the Greenhouse Gas Emission Inventory Operation Guidelines (2024 Edition), the Greenhouse Gas Verification Guidelines (June 2024), and the current greenhouse gas program regulations by the Ministry of the Environment.	The verification process was carried out by the British Standards Institution (BSI) in accordance with ISO 14064-3: 2019 and the current regulations by the Ministry of Environment. This verification was conducted under the reasonable assurance standard. The design, planning, and execution of the verification process were carried out in accordance with the verification personnel's procedures and processes. Sufficient evidence indicates that the greenhouse gas declaration of the verified entity is in compliance with the verification standards, and there are no significant discrepancies.
2024	Advanced Wireless Semiconductor Company, Nanke Dali Plant	BSI Taiwan	Per ISO 14064-3: In accordance with ISO 14064-3: 2019, the Regulations for Gas Emission Inventory Registration and Inspection Management, the Greenhouse Gas Emission Inventory Operation Guidelines (2024 Edition), the Greenhouse Gas Verification Guidelines (June 2024), and the current greenhouse gas program regulations by the Ministry of the Environment.	The verification process was carried out by the British Standards Institution (BSI) in accordance with ISO 14064-3: 2019 and the current regulations by the Ministry of Environment. This verification was conducted under the reasonable assurance standard. The design, planning, and execution of the verification process were carried out in accordance with the verification personnel's procedures and processes. Sufficient evidence indicates that the greenhouse gas declaration of the verified entity is in compliance with the verification standards, and there are no significant discrepancies.

1-2 GHG Reduction Targets, Strategies and Specific Action Plans

Describe the greenhouse gas reduction base year and data, reduction goals, strategies, and concrete action plans and achievement of the reduction goals.

The Company adopts practical actions to support carbon neutrality, set carbon reduction goals, and adopt related measures. Taking 2023 as the base year, the short-term goal is to reduce by 3% by 2024, 11% by 2025, the mid-term goal is to reduce by 50% by 2030, and the long-term goal is to achieve net zero carbon emissions by 2050.

Strategy and concrete action plan: In line with the relevant regulations and goals of the "Climate Change Response Act", the relevant departments have started to plan for the addition of solar energy facilities, and promote low-carbon manufacturing, install exhaust gas reduction equipment, and optimize process gas to carry out carbon reduction plans. It will be implemented in phases between 2030 and 2050 to increase the usage of green electricity and promote low-carbon manufacturing.

Achievement of reduction targets:

One unit of tail gas reduction equipment was installed in May 2024, with full installation expected by 2026. Currently, the installed equipment covers 5% of the machinery. In 2024, the installed unit achieved a 3% reduction in emissions.

(VII) Fulfillment of Ethical Corporate Management, and variance from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and the reason for any such variance:

Evaluation Item	Implementation Status (Note 1)			Deviations from “the Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
I. Establishment of ethical corporate management policies and programs				
(I) Does the company have a clear ethical corporate management policy approved by its Board of Directors, bylaws, and publicly available documents addressing its corporate conduct and ethics policy and measures, and commitment regarding implementation of such policy from the Board of Directors and the top management team?	✓		(I) The “Code of Integrity Management,” “Procedures for Ethical Corporate Management and Code of Conduct” and “Directors Code of Ethical Conduct” have been established and approved by the Company’s Board of Directors. The company has all along upheld the ethical principles as its business management philosophy. Our determination and commitment are demonstrated by the transparency of our management, and also the gradual enhancement of the duties and functions of the company’s directors in terms of corporate governance. The various management systems are built step-by-step and implemented. This enables the board members and various employees to be able to perform their businesses with a basis for conformity and to actively realize the ethical corporate management policy.	(I) No significant difference.
(II) Whether the company has established an assessment mechanism for the risk of unethical conduct; regularly analyzes and evaluates within a business context, the business activities with a higher risk of unethical conduct; has formulated a program to prevent unethical conduct with a scope no less than the activities prescribed in paragraph 2, Article 7 of the “Code of Integrity Management for TWSE/GTSM Listed Companies”.	✓		(II) The Company has established preventive measures in the “Procedures for Ethical Corporate Management and Guidelines for Conduct”, covering the unethical behaviors specified in Paragraph 2, Article 7 of the “Ethical Corporate Management Best Practice Principles” for regular evaluation analysis. For the identification of higher level risks, case investigation shall be conducted whenever necessary, supported by the audit mechanism of the internal audit unit, in order to establish the following regulations: measures to prevent acceptance of improper benefits, measures to prevent offering and acceptance of bribes, measures to prevent illegal political donations, prohibitions of dishonest practices such as insider trading which must be avoided, and the Company shall comply with the Ethical Corporate Management Best Practice Principles. The Company notifies new recruits about related regulations during the training when they report to work. If there are any violations, the violator shall be subject to penalty by the company. Where the offense is severe, the employment contract may be terminated. Reviews are made any time there is a risk of possible non-ethical conduct. This is to raise the outcomes of the company’s ethical management.	(II) No significant difference.

Evaluation Item	Implementation Status (Note 1)			Deviations from “the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons																																																								
	Yes	No	Abstract Illustration																																																									
(III) Does the Company have the operating procedures, code of conduct, disciplinary actions, and complaint system explicitly stated in the prevention of unethical conduct plan, and have the implementation implemented, and regularly review and revise the aforementioned plan?	✓		<p>(III) The Company has established the “Ethical Corporate Management and Code of Conduct Guidelines and Procedures” and disclosed on the Company’s website, including the prohibition of unethical behavior, prohibition of accepting improper benefits, confidentiality of business, whistle-blowing and disciplinary system. It has also established a whistle-blowing mailbox or hotline on the Company’s website. The Company has implemented them in accordance with the regulations and regular promotions are conducted so that the employees can have a full understanding of the company’s ethical management policies and the penalty of the violations.</p> <p>In 2024, employees at the level of engineers and managers signed the Integrity Management Declaration, which outlines key points and management measures for avoiding conflicts of interest. Employees were also asked to confirm whether any conflicts of interest exist.</p> <p>The Company has organized internal and external educational training in 2024 on ethical corporate management-related topics, with a total of 7,237 participants for a total of 8,992 hours.</p> <table><tr><th>Item</th><th>Number of Classes</th><th>Total number of people</th><th>Total hours</th><th>Internal trainings (hr)</th><th>External trainings (hr)</th><th>Fees</th></tr><tr><td>Environmental Safety</td><td>102</td><td>1,201</td><td>2,193</td><td>1,919</td><td>274</td><td>66,000</td></tr><tr><td>Information Security</td><td>24</td><td>1,067</td><td>554</td><td>554</td><td>0</td><td>3,400</td></tr><tr><td>Personnel Safety</td><td>42</td><td>379</td><td>299</td><td>282</td><td>17</td><td>4,100</td></tr><tr><td>Accounting and internal control related courses</td><td>7</td><td>7</td><td>48</td><td>0</td><td>48</td><td>24,900</td></tr><tr><td>RBA and Corporate Social Responsibility</td><td>1</td><td>878</td><td>439</td><td>439</td><td>0</td><td>0</td></tr><tr><td>Others</td><td>560</td><td>3,705</td><td>5,459</td><td>5,417</td><td>42</td><td>17,840</td></tr><tr><td>Total</td><td>736</td><td>7,237</td><td>8,992</td><td>8,611</td><td>381</td><td>116,240</td></tr></table>	Item	Number of Classes	Total number of people	Total hours	Internal trainings (hr)	External trainings (hr)	Fees	Environmental Safety	102	1,201	2,193	1,919	274	66,000	Information Security	24	1,067	554	554	0	3,400	Personnel Safety	42	379	299	282	17	4,100	Accounting and internal control related courses	7	7	48	0	48	24,900	RBA and Corporate Social Responsibility	1	878	439	439	0	0	Others	560	3,705	5,459	5,417	42	17,840	Total	736	7,237	8,992	8,611	381	116,240	(III) No significant difference.
Item	Number of Classes	Total number of people	Total hours	Internal trainings (hr)	External trainings (hr)	Fees																																																						
Environmental Safety	102	1,201	2,193	1,919	274	66,000																																																						
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Total	736	7,237	8,992	8,611	381	116,240																																																						
II. Fulfill operations integrity policy (I) Whether the company has assessed the ethics records of whom it has business relationship with and include business conduct and ethics related clauses in the business contracts.	✓		<p>(I) Before the Company enters into business dealings with any party, it will first consider the ethical conduct of the counterparty. Each year, it will also conduct regular “Customer Satisfaction Survey” and “Supplier Evaluation” with the counterparty with frequent exchanges to ensure good communication and coordination between both sides exists and a partnership based on integrity is formed.</p>	(I) No significant difference.																																																								

Evaluation Item	Implementation Status (Note 1)			Deviations from “the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons																																										
	Yes	No	Abstract Illustration																																											
(II) Whether the company has set up a unit which is dedicated (or concurrent) to promoting the company’s ethical standards and regularly (at least once a year) reports directly to the Board of Directors on its ethical corporate management policy and relevant matters, and program to prevent unethical conduct and monitor its implementation.	✓		<p>(II) For sound ethical corporate management, the Company has appointed the Administrative Management Division as the responsible unit for organizing the amendments, execution, explanation, and consultation services of the process procedures and conduct guidelines, and the content reporting and filing related process and supervision implementation. At the end of each year, the Division will also report to the Board of Directors on the implementation status. The latest report to the Board of Directors was on December 12, 2024.</p> <p>The reporting contents on the state of execution are as below:</p> <p>To prevent conflicts of interest and to provide appropriate channel for voicing out, the Company has established the “Procedures for Ethical Corporate Management and Code of Conduct” and the “Code of Integrity Management.”</p> <p>The Company has implemented the ethical corporate management policy. The related 2024 state of execution:</p> <p>A. Education and Training: A total of 736 courses, with training hours up to 8,992 hours.</p> <table><tr><th>Item</th><th>Number of Classes</th><th>Total number of people</th><th>Total hours</th><th>Internal trainings (hr)</th><th>External trainings (hr)</th><th>Fees</th></tr><tr><td>New recruits</td><td>369</td><td>2,790</td><td>4,876</td><td>4,876</td><td>0</td><td>0</td></tr><tr><td>Professional function training</td><td>306</td><td>1,629</td><td>2,023.5</td><td>1,829.5</td><td>194</td><td>77,640</td></tr><tr><td>Skills training for management</td><td>17</td><td>24</td><td>187</td><td>0</td><td>187</td><td>38,600</td></tr><tr><td>General training</td><td>44</td><td>2,794</td><td>1,905.5</td><td>1,905.5</td><td>0</td><td>0</td></tr><tr><td>Total</td><td>736</td><td>7,237</td><td>8,992</td><td>8,611</td><td>381</td><td>116,240</td></tr></table> <p>B. Communication channel: Employees can respond through multiple communication channels and the company has initiated declarations on ethical corporate management policy and its state of implementation on the company website and various external documents, such as the annual report.</p>	Item	Number of Classes	Total number of people	Total hours	Internal trainings (hr)	External trainings (hr)	Fees	New recruits	369	2,790	4,876	4,876	0	0	Professional function training	306	1,629	2,023.5	1,829.5	194	77,640	Skills training for management	17	24	187	0	187	38,600	General training	44	2,794	1,905.5	1,905.5	0	0	Total	736	7,237	8,992	8,611	381	116,240	(II) No significant difference.
Item	Number of Classes	Total number of people	Total hours	Internal trainings (hr)	External trainings (hr)	Fees																																								
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Total	736	7,237	8,992	8,611	381	116,240																																								
(III) Does the company establish policies to prevent conflicts of interest and provide appropriate communication channels, and implement it?	✓		<p>(III) In the “Company’s Ethical Corporate Management and Code of Conduct Procedures”, any and all forms of bribery, corruption, extortion, embezzlement and so on conducts are prohibited. Monitoring and enhancement of programs are promoted to ensure conformity to the requirements of honest</p>	(III) No significant difference.																																										

Evaluation Item	Implementation Status (Note 1)			Deviations from “the Ethical Corporate Management Best- Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
(IV) Whether the Company has established an effective accounting system and internal control system to implement ethical management, and has the internal audit unit formulate relevant audit plans based on the assessment results of the risks of unethical behaviors, and used to audit the compliance of the prevention of unethical behaviors? Or appoint a CPA to perform the audit?	✓		management (including promises, offers, giving or acceptance of any bribery objects). (IV) The Company has built an effective accounting system and internal control system for business activities that are of higher risks of unethical conducts. Reviews on the systems are held any time to ensure the design and execution of the systems are effective continuously. The Company’s internal audit personnel conduct regular audits to see whether they are in compliance and report to the board of directors.	(IV) No significant difference.
(V) Does the company regularly hold internal and external educational training on operational integrity?	✓		(V) Each year, the Company conducts regular education promotion to the managerial officers, employees and substantial controllers, and will invite counterparties involved in the commercial acts of the company to participate. It is hoped that they would gain sufficient understanding of the Company’s determination in ethical corporate management, the policies, prevention programs and consequences of violations. All of this information is promoted in a timely manner during meetings of all levels.	(V) No significant difference.
III. Operation of the Company’s reporting system				
(I) Does the Company have a specific reporting and rewarding system, establish a convenient reporting channel, and assign appropriate acceptance personnel to the object of reporting?	✓		(I) The Company has set up the stakeholder complaint channel and hotline on the company website and the internal and external complaint channels and dedicated personnel has been established under the “Procedures for Ethical Corporate Management and Code of Conduct” to prevent unethical behaviors, and to protect the privacy of the party. The employees may report on any violations of ethics, internal malpractice and complaints through any form to any level of management, the President and Chairperson or Board of Directors.	(I) No significant difference.
(II) Has the Company established standard operating procedures for the investigation of whistle-blowing matters, the follow-up measures to be taken after the investigation is completed, and the related confidentiality mechanism?	✓		(II) The Company has built the employee mailbox and customer and supplier mailbox as the complaint channel required by various ethical corporate management regulations.	(II) No significant difference.

Evaluation Item	Implementation Status (Note 1)			Deviations from “the Ethical Corporate Management Best- Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
(III) Does the Company take measures to protect the whistleblower/complainant from improper handling due to the reporting?	✓		(III) The Company has measures to protect whistleblower/complainant from improper treatments due to whistleblowing event.	(III) No significant difference.
IV. Enhancing Information Disclosure Does the company disclose its ethical corporate management policies and the results of its implementation on the company’s website and MOPS?	✓		The Company has established the “Code of Integrity Management” and the “Procedures for Ethical Corporate Management and Code of Conduct” and has disclosed them on the company’s website and MOPS.	No significant difference.
V. If the company has established the ethical corporate management policies based on the “Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies”, please describe any discrepancy between the policies and their implementation: The “Code of Integrity Management,” “Procedures for Ethical Corporate Management and Code of Conduct” and “Directors Code of Ethical Conduct” have been established. They are applicable to all company employees, managers, and board members, who must abide by these regulations and related regulations and to operate in compliance with the above-mentioned principles. There have been no significant differences.				
VI. Other important information to facilitate a better understanding of the company’s ethical corporate management policies (under situations such as review and revision of regulations): 1. The Company abides by the Company Act, Securities and Exchange Act, and related laws of competent authorities as the basis for implementing ethical corporate management. 2. The Company’s Rules of Procedure for Board of Directors Meetings contain the following provision: If a director or a juristic person that the director represents is an interested party in relation to an agenda item, the director shall state the important aspects of the interested party relationship at the respective meeting. When the relationship is likely to prejudice the interest of this Corporation, that director shall not participate in discussion or voting on that agenda item and shall recuse himself or herself from the discussion or the voting on the item. The said director may also not exercise voting rights as a proxy for another director.				

(VIII) Other important information sufficient to enhance understanding of the operation of corporate governance should be disclosed together:

1. MOPS: <http://mops.twse.com.tw>

2. Company Website: <http://www.awsc.com.tw>“Investor Relations Section.”

3. Implementation of the Diversity Policy for the Board Members: Please refer to page 12 of the annual report

4. Communication channels of interested parties, issues of concerns, and actual discussions:

Stakeholders	Important issues of concern	Major responsibilities of the company	Communication channels and response method	2024 Stakeholder engagement
Shareholders and investors	<ul style="list-style-type: none"> 1 · Legal Compliance 2 · Supplier Environmental Assessment 3 · Investment 4 · Labor-Management Relationship 5 · Products and Services 6 · Customer privacy 	<ul style="list-style-type: none"> 1 · Abide by the latest laws and regulations and policies revisions of competent authorities, make rapid responses and adjustments to the company’s information disclosure pattern and contents to comply with the legal requirements. 2 · Provide instant, simultaneous, and accurate company information and commit to disclosure of investment information. 3 · Sound finance maintaining good company credibility and operations. 	<ul style="list-style-type: none"> 1 · Contact: Business Department Mr. Hsueh 2 · TEL : (06) 5050999 3 · Annual General Meeting of Shareholders 4 · Simultaneously disclose instant material information on the MOPS website. 5 · Build a smooth communications channel with the investors by setting up email box and contact telephone on the company website. 6 · In-person meetings and con-calls with domestic and overseas institutional investors. 	<ul style="list-style-type: none"> 1 · Material information, 17 pieces, announcements, 8 pieces, for a total of 25 pieces. 2 · Organized 2 investor conference. 3 · Arrange visits by domestic and foreign analysts from time to time. 4 · The spokesperson responds to shareholders’ questions from time to time.
Customers	<ul style="list-style-type: none"> 1 · No discrimination 2 · No forced labor 3 · Anti-Corruption 4 · Legal Compliance 	<ul style="list-style-type: none"> 1 · Offer products and services that are of market competitiveness and high quality. 2 · For the services provided to customers, confirm their requirements and resolve their problems to enable them to get a full understanding of the product progress and information for achieving the objective of quality assurance. 3 · Cultivation of long-term, close, and mutual partnership with the customers. 4 · Promote the corresponding best practice principles to all employees regarding abiding by the confidentiality agreement and facing media. 	<ul style="list-style-type: none"> 1 · Contact: Business Department Mr. Hsueh TEL : (06) 5050999 2 · Customer satisfaction survey 3 · Accommodate the requirements of customers on the products, environment, responsibilities and the audits, and jointly assist in the prevention and continuous improvements. 	<ul style="list-style-type: none"> 1 · In 2024, the average customer satisfaction score was 95 (out of 110 points)

Stakeholders	Important issues of concern	Major responsibilities of the company	Communication channels and response method	2024 Stakeholder engagement
Suppliers	<ol style="list-style-type: none"> 1. Supplier evaluation 2. No discrimination 3. No forced labor 4. Anti-Corruption 5. Legal Compliance 6. Products and Services 7. Code of ethics 	<ol style="list-style-type: none"> 1. Legal and fair trade. 2. Understand the details of the Environmental Safety and Hygiene matters for attention and regulations. 3. Understand and provide the company with related assistance in implementing social responsibilities. 4. Evaluate product safety risk index. 	<ol style="list-style-type: none"> 1. Contact window: TEL: (06) 5050999 2. Signing of Environmental Protection Commitment Statements 3. Sending materials for testing and sampling testing. 4. Annual audits of suppliers and contractors. 5. Conduct suppliers evaluation and selection for raw materials and contract manufacturers, who must provide ISO9001 certificate. 	<ol style="list-style-type: none"> 1. Supplier participation in RBA, 13 companies, in CSR, 36 companies, for a total of 49 companies.
Employees	<ol style="list-style-type: none"> 1. Labor-Management Relationship 2. No discrimination 3. No forced labor 4. Anti-Corruption 5. Occupational Health and Safety 6. Diversity and Equal Opportunity 7. Labor practice evaluation 8. Legal Compliance 9. Code of ethics 	<ol style="list-style-type: none"> 1. Assure and respect human rights 2. Employee development 3. Legal and fair valuation and treatment 4. Health and safety environment 5. Flexible benefits and health promotion 	<ol style="list-style-type: none"> 1. Contact: Mr. Wang, Personnel and General Affairs Department. TEL : (06) 5050999 2. Communications meetings between management and employees periodically. 3. Set up complaint lines and mailbox. 4. Appoint medical personnel to maintain employee safety. 5. Each year, provide employee health checkups and monthly health consultation. 6. Set up employee sports clubs to promote employee health. 	<ol style="list-style-type: none"> 1. Regular monthly health consultation and safety and health promotion, specific implementation of support and care for employee health. 2. In 2024, a total of 4 labor-management meetings were held.

5. Directors' education and training in 2024:

Title	Name	Training date	Sponsored by	Course Name	Number of Training Hours
Director	You-Min Chi	2024/07/03	Taiwan Stock Exchange	2024 Cathay Sustainable Banking and Climate Change Summit	6
Director	Representative of Sino-American Silicon Products Inc.: Hsiu-Lan Hsu	2024/02/19	Taiwan Corporation Governance Association	How Businesses Can Implement Energy Saving and Carbon Reduction to Enhance Profitability	3
		2024/03/25	Taiwan Corporation Governance Association	Corporate governance and securities laws	3
		2024/07/03	Taiwan Stock Exchange	2024 Cathay Sustainable Banking and Climate Change Summit	6
		2024/10/29	Securities & Futures Institute	2024 Global and Taiwan Economic Outlook	3

Title	Name	Training date	Sponsored by	Course Name	Number of Training Hours
Director	Kuo-Chun Huang	2024/07/03	Taiwan Stock Exchange	2024 Cathay Sustainable Banking and Climate Change Summit	6
Director	Representative of Sino-American Silicon Products Inc.: Tang-Liang Yao	2024/02/19	Taiwan Corporation Governance Association	How Businesses Can Implement Energy Saving and Carbon Reduction to Enhance Profitability	3
		2024/03/25	Taiwan Corporation Governance Association	Corporate governance and securities laws	3
Director	Representative of Sino-American Silicon Products Inc.: Cheng-Chien Chen	2024/03/25	Taiwan Corporation Governance Association	Corporate governance and securities laws	3
		2024/07/03	Taiwan Stock Exchange	2024 Cathay Sustainable Banking and Climate Change Summit	6
Director	Wen-Huei Tsai	2024/07/03	Taiwan Stock Exchange	2024 Cathay Sustainable Banking and Climate Change Summit	6
Independent Director	Chung-Hsien Liu	2024/02/19	Taiwan Corporation Governance Association	How Businesses Can Implement Energy Saving and Carbon Reduction to Enhance Profitability	3
		2024/03/25	Taiwan Corporation Governance Association	Corporate governance and securities laws	3
		2024/06/24	Taiwan Corporation Governance Association	Information Security Governance Strategies for Listed Companies from the Perspective of ESG Corporate Sustainability	3
		2024/07/01	Taiwan Corporation Governance Association	ESG-Related Legal Issues for Board Consideration	3
Independent Director	Kune-Muh Tsai	2024/07/03	Taiwan Stock Exchange	2024 Cathay Sustainable Banking and Climate Change Summit	6
Independent Director	Chi-Hsiung Cheng	2024/07/03	Taiwan Stock Exchange	2024 Cathay Sustainable Banking and Climate Change Summit	6
Independent Director	Chien-Yung Ma	2024/07/03	Taiwan Stock Exchange	2024 Cathay Sustainable Banking and Climate Change Summit	6

7. The Company has referred to the “International Covenant on Economic, Social and Cultural Rights” and the “Responsible Business Alliance (RBA) Code of Conduct,” and has complied with local laws and regulations in establishing and disclosing human rights protections:

(1) Responsible policy

The Company promises to protect labor rights, provide a healthy and safe work environment, reduce negative impacts to the community, environment and natural resources, uphold the highest ethic standard and build a comprehensive corporate social responsibility system in becoming an ethical and responsible enterprise.

(2) Responsible declaration

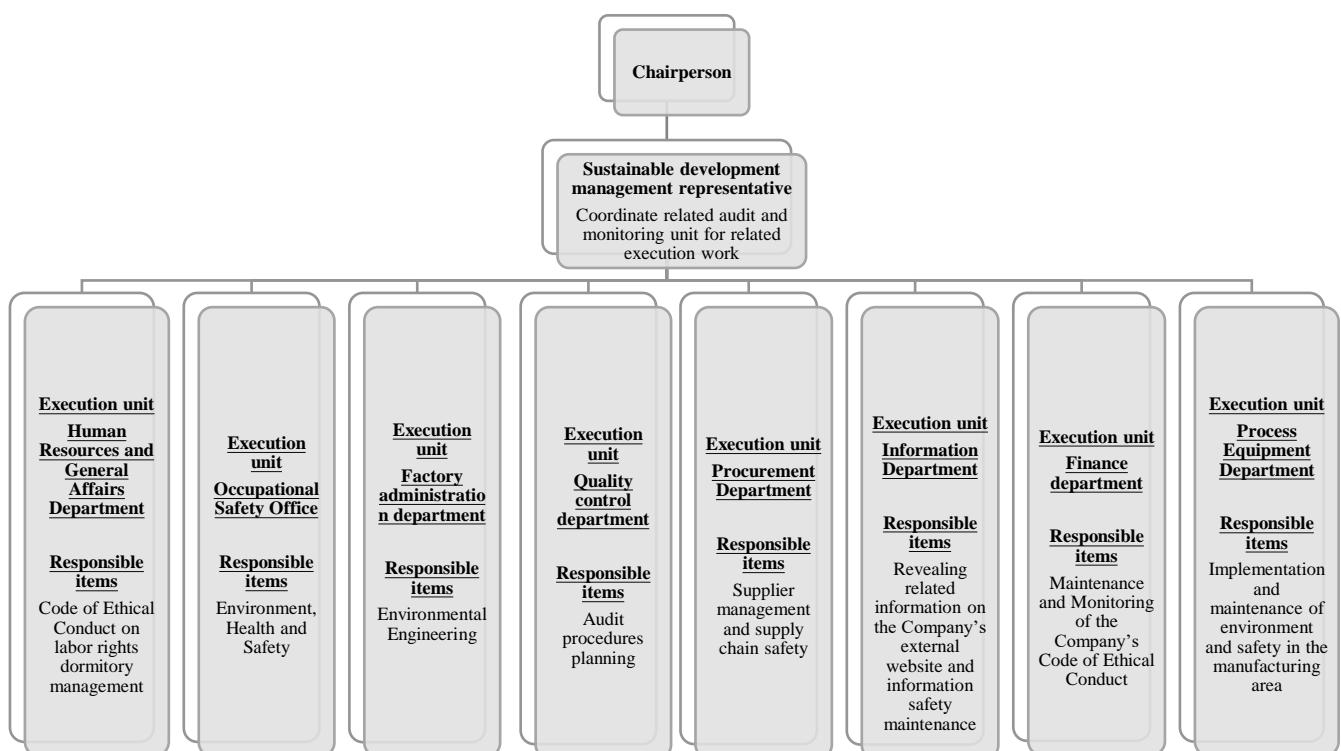
- Management system: The Company promises to conform to the Labor Standards Act and Environmental Safety and Hygiene related regulations through the management system operation and PDCA (Plan, Do, Check, Act) continuous improvement, forming a complete management mechanism that also fits practice.
- Legal compliance: The employee policies that the company has established comply with local laws and regulations.
- Anti-discrimination: Promise to keep employees free from harassment and illegal discrimination. The standard for hiring is based on competency and employees shall not be subject to punishment or retaliation due to whistleblowing about discriminative behaviors.
- Employment freedom: All work shall be done out of willingness, and forced labor is prohibited. Employees possess the rights for freedom to resign.
- Humane treatment: Prohibit any harassment or inhumane treatment, such as, bonded labor, corporal punishment, threats, body or verbal abuse, sexual harassment and so on.
- Prohibition of child labor: Prohibit the use of child labor, and minors are to avoid dangerous work position.
- Reasonable work hours: Except for special operation situations, there shall be at least one rest day for every seven working days.
- Salary and benefits: Provide reasonable salaries and remuneration and emphasize employee benefits, including minimum wage, leaves and so on that meets the legal requirements.
- Freedom to form groups: Respect employee freedom and rights to form groups and participate in clubs according to

the laws.

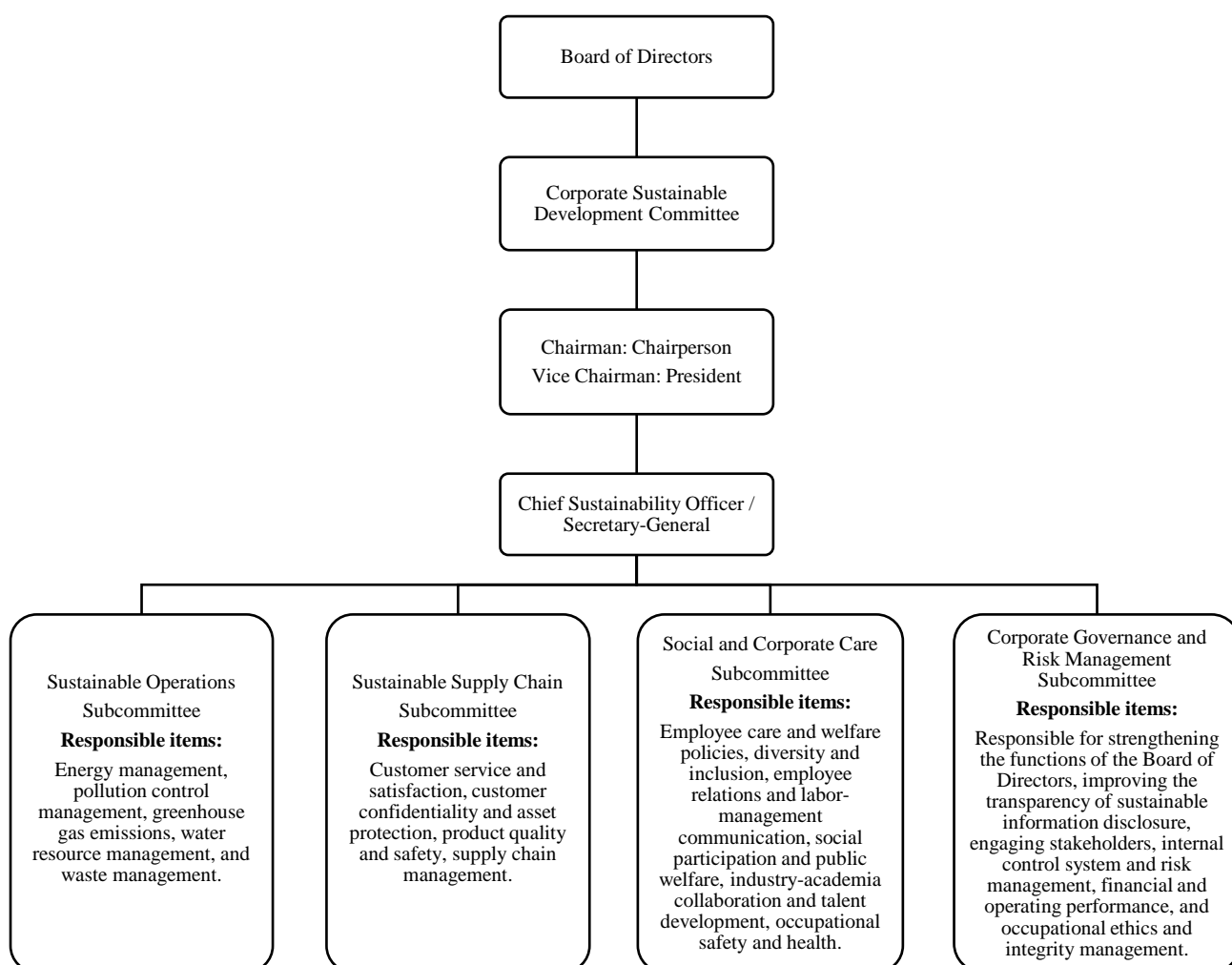
- Value communications: Value employee opinions, employees are free to relay any thoughts and opinions on management, work, individual and so on aspects as reference for the company's subsequent improvement work. All opinions by the employees, their identities and rights are guaranteed to be protected from threats or retaliations.
- Health and safety: Provide all employees a healthy and safe work environment, keeping them free from the harm of hazardous substances. Provide adequate safety protective equipment and a comprehensive employee educational training.
- Ethical norms: Abide by the prevailing company's code of ethical conduct.
- Anti-corruption: Abide by the laws, integrity and honesty.
- Anti-revenge: Prohibit revenge on employees who make genuine request for suggestions, raises doubts or whistleblowing on employees with improper conducts.
- Intellectual property: The Company commits to respecting intellectual property rights, shall spread technical and production knowledge based on the methods of protecting intellectual property, and it is necessary to protect customers' information.
- Fair trade: In order to maintain trade order and ensuring fair competition, the Company requests its employees to strictly abide by the "Fair Trade Act."
- Use non-conflict raw materials:
 1. Do not purchase conflict minerals from Conflict Regions.
 2. Request suppliers to reject conflict minerals from Conflict Regions and sign the Non Conflict Minerals Statement for submitting to the Company.
 3. Request suppliers who are cooperating with the Company that it is necessary to manage the upstream and downstream suppliers and they must abide by the non conflict minerals request.
 4. The Company will exert its greatest efforts in the source of materials, rejecting the use of conflict minerals from Conflict Regions.
- Human resource: Based on the company's future vision and management guidelines, formulate the optimal plan for selecting, use, nurture, and retainment, cultivate the most outstanding employees, and at the same time create the greatest economical benefits for the company.

8. Organization Chart of the Sustainable Development Activity Group:

(1) Organization prior to the establishment of the Sustainability Committee



(2) Organization after the establishment of the Sustainability Committee



9. Risk Assessment

The Company conducts related risk assessment for material topics based on the corporate social responsibilities material principles, and establishes related risk management strategies as below according to the risk assessment outcomes:

Material issues	Risk assessment items	Risk management strategy
Environment	Environmental protection	<ol style="list-style-type: none"> 1. The Company is dedicated to environmental protection. Using the PDCA (Plan, Do, Check, Act) dynamic cycle management model to find out areas for applications and improvement through regular audits and evaluations. With the constant operations of the Environmental Safety and Hygiene management system, continuous improvements for Environmental Safety and Hygiene can be achieved. Thus, environmental performance can be enhanced continuously. 2. To avoid the loss of international customers, the Company requests that its products meet legal environmental compliance. Hence, the Company has since 2008 obtained the ISO14001 environmental protection system. Subsequently, the certificate has been obtained regularly. 3. Each year, formulate key execution plan, and regularly follow-up and review the progress of each target to ensure achievement of the targets. 4. Make annual planning for internal audit plans on the state of compliance for various related environmental laws and regulations that must be adhered to by the Company, and audit the procedures to see that they have already complied to the regulations.
Society	Occupational safety	<ol style="list-style-type: none"> 1. Environmental Safety/Plant administration department regularly conducts occupational safety patrol inspections and concurrently participates in the “Southern District Toxic and Concerned Chemical Substances Prevention Alliance Organization.” Enterprises make mutual monitoring, supervising and experiences exchanges. This is to further the implementation of occupational health and safety management system. 2. Each year regularly organize the fire prevention practice drills and occupational safety educational trainings to equip employees with emergency and contingency and self-safety management skills.
	Product safety	<ol style="list-style-type: none"> 1. Various products of the Company meet the EU RoHS regulations. They do not contain any hazardous substances. We aim to provide customers stable product quality through a strict quality system management. At the same time, in order to ensure customer service quality enhancing customer satisfaction, we have set up the stakeholders contact mailbox and telephone. Each year, we initiate a customer service satisfaction survey on a regular basis to strengthen cooperative relationship with the customers.
Corporate Governance	Social economic and legal compliance	<ol style="list-style-type: none"> 1. Through building a corporate governance organization and implementing an internal control mechanism, ensure all of the Company’s employees and processes are actually in compliance with related laws and regulations. 2. Inspect the compliance to operations related regulations. 3. The Company’s R&D are sent for patent registrations to protect the Company’s rights and interests.
	Enhance director functions to fulfill director responsibilities	<ol style="list-style-type: none"> 1. On director rights and understanding legal responsibilities, each year related continuing education topic courses are planned for the directors. 2. The director liability insurance has been purchased for the directors. When the directors have exercised the due care of a good administrator in execution of the business, they would be protected from situations of litigations or compensation requests.
	Stakeholders	<ol style="list-style-type: none"> 1. Build various communications channels for active communications and to reduce confrontations and misunderstandings. The investor mailbox would be handled by the spokesperson and who is responsible in responding.

(IX) The below matters shall be disclosed for the state of execution for the internal control system:

1. Declaration of Internal Control:

Relevant information can be found on the MOPS under: Individual Company > Corporate Governance > Company Rules/Internal Control > Internal Control Statement Announcements.

(Search website: <https://mops.twse.com.tw/mops/#/web/t06sg20>)

Advanced Wireless Semiconductor Company

Declaration of Internal Control System

Date: February 20, 2025

For the internal control system of 2024, based on the results of our self-evaluation, we hereby declare as follows:

- I. The Company knows that it is the responsibility of the Board of Directors and managers to establish, implement and maintain the internal control system, which has been established by the Company. The purpose is to reasonably ensure the operation effectiveness and efficiency (including profit, performance and security of assets), and achieving the objectives such as reliability, timeliness, transparency and compliance with relevant norms and regulations of the reporting.
- II. The internal control system has its inherent limitations. No matter how perfect the design is, an effective internal control system can only provide reasonable assurance for the achievement of the above three objectives. Moreover, due to the change of environment and circumstances, the effectiveness of the internal control system may change accordingly. The Company's internal control system has a self-monitoring mechanism. Once the deficiencies are identified, the Company will take corrective action.
- III. The Company judges whether the design and implementation of the internal control system are effective according to the judgment item of the effectiveness of the internal control system stipulated in the Treatment Guidelines for the Establishment of Internal Control System for Public Issuing Companies (hereinafter referred to as "Treatment Guidelines"). According to the process of management control, the judgment item of the internal control system adopted by the Treatment Guidelines is divided into five elements: 1. control environment; 2. risk evaluation; 3. control operation; 4. information and communication and 5. supervision operation. Each element also includes several items. For the above items, please refer to the provisions of the Treatment Guidelines.
- IV. The Company has adopted the above judgment item of the internal control system to evaluate the effectiveness of the design and implementation of the internal control system.
- V. Based on the results of the above evaluation, the Company believes that as of December 31, 2024, its internal control system, including the effectiveness and efficiency of operations, the reliability, timeliness, transparency of reporting, and compliance with relevant regulations and laws, is effectively designed and implemented. It reasonably ensures the achievement of the aforementioned goals.
- VI. This declaration will be the main content of the annual report and the prospectus of the Company and be made public. If the above disclosure has anything false or concealed, it will involve the legal liability of Article 20, Article 32, Article 171 and Article 174 of the Securities and Exchange Act.
- VII. This declaration has been approved by the Board of Directors on February 20, 2025. Among the ten directors present, none of them has any objection. They all agree with the content of this declaration and make this declaration.

Advanced Wireless Semiconductor Company

Chairperson: You-Min Chi

President: Kuo-Chun Huang

2.If accountants are entrusted to examine the internal control system on a project basis, the auditing report of accountants should be disclosed: None.

(X) Important resolutions of the shareholders' meeting and the Board of Directors in recent years and up to the date of publication of the annual report:

1. Important resolutions and implementation of Shareholders' Meeting:

Date	Important resolutions	Implementation
2024.06.29 Annual General Meeting of Shareholders	1. The Company's 2023 business report and financial statements	1. Resolution passed.
	2. The Company's 2023 earnings distribution proposal	2. Resolution passed.
	3. Cash payment from capital surplus	3. Resolution passed.
	4. Amendments to the "Rules of Procedure for Shareholders' Meetings"	4. Resolution passed.
	5. The revision of the Company's "Procedures for Acquisition or Disposal of Assets"	5. Resolution passed.
	6. Establishment of the "Procedures for Derivatives Transactions"	6. Resolution passed.

2. Important resolutions of the Board of Directors:

Date	Important resolutions
2024.02.20	<ol style="list-style-type: none"> 2023 "Internal control system statement". Director Remuneration and Employee Remuneration of the Company for 2023. Formulate the 2023 Business Report and Financial Statements. 2023 appropriation of earnings. Discussion on the capital surplus cash distribution proposal Director remuneration distribution plan for the Company in 2023. 2024 Independent Auditors' Independence and Competency Evaluation and Appointment. Formulate the pre-approved company policy on non-assurance services provided to the Company by CPAs, their CPA Firm and its affiliated companies. 2024 CPA remuneration. Amendments to the "Procedures for Acquisition or Disposal of Assets". Establishment of the "Procedures for Derivatives Transactions". Amendments to the "Summary of Authority (Administration)". Amendment to the "Rules of Procedure for Board Meetings". Amendment to the "Audit Committee Charter". Amendment to the seal application in the "Regulations for Seal Management". Draft plan to hold the Company's 2024 Annual General Meeting of Shareholders on May 28, 2024 (Tuesday) and adopt the electronic method for exercising voting rights. Draft plan to accept and process the related matters to the motions proposed by shareholders for the 2024 Annual General Meeting of Shareholders. The Company plans to apply for working capital from three financial institutions for a loan amount of NTD500 million in total. The Company plans to apply for derivative trading for hedging purpose from one financial institution, for a total of USD 1,000,000.
2024.05.09	<ol style="list-style-type: none"> Preparation of the 2024 Q1 financial report. The Company's overdue amounts exceeding three months are all related to actual transactions and do not need to be reclassified as funds loaned to others. The Company plans to apply for derivative trading for hedging purposes from one financial institution, for a total of NT\$100 million and US\$450 thousand. Amendments to the "Summary of Authority (Administration)". The Company's 2024 employee salary adjustment.

Date	Important resolutions
2024.08. 08	<ol style="list-style-type: none"> 1. Preparation of the 2024 Q2 financial report. 2. Establish the Company's cash dividends, ex-dividend date, and related matters. 3. 2023 Sustainability Report Proposal. 4. The Company plans to apply for working capital from one financial institution for a loan amount of NT\$300 million in total. 5. Amendment to the "Procedures for Ethical Corporate Management and Code of Conduct." 6. Amendment to the "Regulations for Seal Management." 7. Amendment to the "Regulations Governing the Provision of Allowance for Bad Debts of Accounts Receivable" for the purpose of determining the standard of materiality.
2024.11. 07	<ol style="list-style-type: none"> 1. Preparation of the 2024 Q3 financial statements. 2. Submission of the 2025 Audit Plan. 3. The Company plans to apply for derivative trading for hedging purposes from four financial institutions, for a total of NT\$1 billion and US\$500 thousand. 4. The Company intends to apply to the Bank of Taiwan for a one-year extension of the grace period for a medium-term loan, with a total loan amount of NT\$650 million, and will issue a reverse commitment letter as required by the bank. 5. Amendment to the "Regulations for Budget Management." 6. Amendment to certain provisions of the "Corporate Governance Best Practice Principles." 7. Amendment to the "Risk Control Regulations." 8. Amendment to the "Rules Governing the Scope of Powers of Independent Directors." 9. Amendment to the "Rules of Procedure for Board Meetings". 10. Amendment to the "Regulations Governing Election of Directors." 11. Amendment to the Company's "General Principles and Methods for Pre-Approval of Non-Assurance Services."
2024.12. 12	<ol style="list-style-type: none"> 1. 2025 finance budget. 2. The Company intends to apply to financial institutions for a working capital loan and engage in derivative financial transactions for hedging purposes, with a total amount of NT\$400 million and US\$1 million. 3. Amendment to the "Sustainable Development Operations." 4. Amendment to the "Corporate Sustainable Development Committee Charter." 5. 2023 distribution of remuneration to managerial employees and above level.
2025.02. 20	<ol style="list-style-type: none"> 1. Proposal for the approval of the 2024 "Internal Control System Declaration." 2. Director Remuneration and Employee Remuneration of the Company for 2024. 3. Formulate the 2024 Business Report and Financial Statements. 4. 2024 Appropriation of earnings. 5. Director remuneration distribution plan for the Company in 2024. 6. 2025 Independent Auditors' Independence and Competency Evaluation and Appointment. 7. 2025 CPA remuneration. 8. Amendment to the "Regulations for Budget Management." 9. Amendment to the "Regulations Governing Prevention of Insider Trading." 10. Amendment to the "Articles of Incorporation." 11. Determination of the scope of "non-executive employees" of the Company 12. The Company's 10th Election of Directors and Independent Directors. 13. Proposal for accepting shareholder nominations for director candidates. 14. Lifting of non-compete restrictions on the 10th directors (including independent directors) and their representatives. 15. Draft plan to hold the Company's 2025 Annual General Meeting of Shareholders on May 28, 2025 (Wednesday) and adopt the electronic method for exercising voting rights. 16. Draft plan to accept and process the related matters to the motions proposed by shareholders for the 2025 Annual General Meeting of Shareholders. 17. The Company plans to apply for working capital from financial institutions for a loan amount of NT\$100 million in total. 18. Appointment of KPMG Taiwan for limited assurance services on the 2024 and 2025 Sustainability Reports.

- (XI) Where, during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report, a director or supervisor has expressed a dissenting opinion with respect to a material resolution passed by the board of directors, and said dissenting opinion has been recorded or prepared as a written declaration, disclose the principal content thereof: As of the annual report publication date, none of the above-mentioned events have occurred for the Company.

IV. Service Fees of Accountants:

Unit of amount: NT\$ thousands

Name of Accounting Firm	Name of CPA	CPAs' Period of Verification	Audit Fee	Non-Audit Fee (Note 1)	Total	Notes
KPMG Taiwan	Yung-Hua Huang	2024/01/01~ 2024/12/31	1,420	480	1,900	
	An-Chih Cheng					

Note 1: The non-audit professional fees for the year amount to NT\$480 thousand, which include fees for tax certification by the accounting firm, financial statement translation into English, annual report review, and the review of employee salary information for non-management staff.

Note 2: In consideration of the Group's operating policies and internal management needs, the Company changed its audit firm to "KPMG" starting from the first quarter of 2024.

- (I) When the audit firm is changed and the audit fees for the new firm are lower than those of the previous year, the Company must disclose the audit fees before and after the change, as well as the reasons for the change: Audit fees for 2023 were NT\$1,450 thousand, while audit fees for 2024 were NT\$1,420 thousand. The decrease in audit fees for 2024 compared to 2023 was NT\$30 thousand, with the increase in non-audit fees by NT\$30 thousand due to different classifications.
- (II) If the audit fees have decreased by more than 10% compared to the previous year, the Company should disclose the decrease amount, percentage, and reasons: Not applicable.

V. Replacement of CPA:

(I) Information about the former CPA

Date of replacement	Approved by the Board of Directors on February 20, 2024		
Reason for replacement and description	In consideration of the Group’s operating policies and internal management needs, the Company has changed its audit firm to “KPMG,” with CPAs An-Chih Cheng and Yung-Hua Huang, starting from the first quarter of 2024. This replacement was approved by the Board of Directors on February 20, 2025.		
Appointment terminated or unacceptable by the client or the CPA	Party concerned	Taiw	Principal
	Situation		
	Voluntary termination of appointment	N/A.	v
	No longer accepting (continuing) appointment	N/A.	N/A.
Reasons for issuing opinions other than unqualified opinions in the last 2 years	N/A.		
Any disagreement with the issuer	Yes		Accounting principles or practices
			Disclosure of financial statements
			Audit Scope or Procedure
			Other
	None	v	
	Explanation		
Other disclosures (Things to be disclosed in Item 1-4-1-7, Subparagraph 6, Article 10 of the Guidelines)	None		

(II) Information on the succeeding CPA

Name of Accounting Firm	KPMG Taiwan
Name of CPA	An-Chih Cheng, Yung-Hua Huang
Date of appointment	Approved by the Board of Directors on February 20, 2024
Consultation on the accounting treatment or accounting principles of specific transactions and the opinions that may be issued on the financial reports prior to the appointment, and the result of consultation	N/A.
Written opinions of the successor CPA on matters of disagreement with the former CPA	N/A.

(III) The former CPA's reply to the sub-paragraphs 1 and 2-3 of Paragraph 6 of Article 10 of the Guidelines: Not applicable.

VI. Name, professional title and employment in the firm of CPA or his/her related enterprise of Chairperson, President, and Manager in charge of financial or accounting affairs of the Company who have worked in a certifying accountant firm or its affiliated company in the past year should be disclosed: None.

VII. Any transfer of equity interests and/or pledge of or change in equity interests (during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report) by a director, supervisor, managerial officer, or shareholder with a stake of more than 10 percent during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report:

(I) Changes in shareholding rights of directors, supervisors, managers and shareholders with a shareholding ratio of more than 10%:

Unit: Shares

Title	Name	2024		As of March 31 of the current year		Notes
		Increase (Decrease) in the Number of Shares Held	Increase (Decrease) in the Number of Pledged Shares	Increase (Decrease) in the Number of Shares Held	Increase (Decrease) in the Number of Pledged Shares	
Chairperson / Chief Operating Officer (COO)	You-Min Chi	(147,000)	0	(8,000)	0	
Director	Representative of Sino-American Silicon Products Inc.: Hsiu-Lan Hsu	1,636,000	0 0	0	0 0	
Director	Kuo-Chun Huang	0	0	0	0	
Director	Representative of Sino-American Silicon Products Inc.: Tang-Liang Yao	1,636,000	0	0	0 0	
Director	Representative of Sino-American Silicon Products Inc.: Cheng-Chien Chen	1,636,000	0	0	0 0	
Director	Wen-Huei Tsai	0	0	0	0	
Independent Director	Chung-Hsien Liu	0	0	0	0	
Independent Director	Kune-Muh Tsai	0	0	0	0	
Independent Director	Chi-Hsiung Cheng	0	0	0	0	
Independent Director	Chien-Yung Ma	0	0	0	0	
Financial Manager	Yi-Chen Chung	0	0	0	0	

(II) Counterparty of equity transfer is a related party: None.

(III) Counterparty of equity pledge is a related party: None.

VIII. Relationship information, if among the company's 10 largest shareholders any one is a related party or a relative within the second degree of kinship of another:

March 30, 2025; Unit: Share

Name	Shares Held by the Shareholder		Spouse & Minor Shareholding		Current Shareholding in the name of others		Relationships among the top ten shareholders, anyone who is a related party, spouse, or second-degree kinship of another: name and relation		Notes
	Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio	Name	Relationship	
Sino-American Silicon Products Inc.	55,923,000	28.46%	Not applicable	Not applicable	Not applicable	Not applicable	None	None	None
Sino-American Silicon Products Inc. Representative: Hsiu-Lan Hsu	0	0	0	0	0	0	None	None	None
First commissioned by Capital Futures in 2016 for Taiwan Cooperative Bank	5,139,000	2.62%	Not applicable	Not applicable	Not applicable	Not applicable	None	None	None
TransGlobe Life Insurance Inc.	4,483,000	2.28%	Not applicable	Not applicable	Not applicable	Not applicable	None	None	None
New system Labor Pension Fund	4,403,500	2.24%	Not applicable	Not applicable	Not applicable	Not applicable	None	None	None
You-Min Chi	4,107,909	2.09%	179,799	0.09%	0	0	None	None	None
Taishinlife Discretionary Share Investment Account with Taishin Securities Investment Trust	3,550,000	1.81%	Not applicable	Not applicable	Not applicable	Not applicable	None	None	None
Wen-Huei Tsai	2,588,849	1.32%	0	0	0	0	None	None	None
Old system Labor Pension Fund	1,893,500	0.96%	Not applicable	Not applicable	Not applicable	Not applicable	None	None	None
JPMorgan Chase Bank in custody for Total International Stock Index Fund, Vanguard Star Funds	1,750,030	0.89%	Not applicable	Not applicable	Not applicable	Not applicable	None	None	None
Mercuries Life Insurance Co., Ltd.	1,700,000	0.87%	Not applicable	Not applicable	Not applicable	Not applicable	None	None	None

IX. The stakes and the syndicated stakes in the same investee of the Company, the Company's directors, managers, and enterprises directly or indirectly controlled by the Company: None.

Three. Capital Overview

I. Capital and shares

(I) Source of Capital:

1. Formation of share capital

March 31, 2025; Unit: Shares; NTD: NT\$

Month/ Year	Par Value	Authorized Capital		Paid-in Capital		Remarks		
		Number of shares	Amount	Number of shares	Amount	Sources of Capital	Capital Increased by Assets Other than Cash	Other
1998.12	10.00	60,000,000	600,000,000	50,000,000	500,000,000	Establishment of share capital	None	None
2000.01	10.00	60,000,000	600,000,000	60,000,000	600,000,000	Capital increase in cash by NT\$100 million	None	Note 1
2000.06	30.00	120,000,000	1,200,000,000	80,000,000	800,000,000	Capital increase in cash by NT\$200 million	None	Note 2
2006.07	25.00	120,000,000	1,200,000,000	100,000,000	1,000,000,000	Capital increase in cash by NT\$200 million	None	Note 3
2008.10	15.00	120,000,000	1,200,000,000	100,449,500	1,004,495,000	New share subscription 449,500 shares	None	Note 4
2009.01	14.50	120,000,000	1,200,000,000	100,469,500	1,004,695,000	New share subscription 20,000 shares	None	Note 5
2009.05	10.50	120,000,000	1,200,000,000	113,940,500	1,139,405,000	Capital increase in cash NT\$134,710 thousand	None	Note 6
2009.12	22.00 14.50	200,000,000	2,000,000,000	124,622,500	1,246,225,000	Capital increase by cash of NT\$100 million and conversion of employee share warrants of 682,000 new shares	None	Note 7
2010.10	14.50	200,000,000	2,000,000,000	125,365,750	1,253,657,500	New share subscription 743,250 shares	None	Note 8
2011.01	14.50	200,000,000	2,000,000,000	125,768,500	1,257,685,000	New share subscription 402,750 shares	None	Note 9
2011.04	14.50	200,000,000	2,000,000,000	125,887,250	1,258,872,500	New share subscription 118,750 shares	None	Note 10
2011.08	10.00	200,000,000	2,000,000,000	129,660,305	1,296,603,050	Capitalization of earnings 3,773,055 shares	None	Note 11
2011.09	14.50 14.08	200,000,000	2,000,000,000	129,860,555	1,298,605,550	New share subscription 200,250 shares	None	Note 12
2012.05	10.00	200,000,000	2,000,000,000	129,204,555	1,292,045,550	Retirement of treasury stock 656,000 shares	None	Note 13
2012.08	10.00	200,000,000	2,000,000,000	135,406,373	1,354,063,730	Capitalization of earnings 6,201,818 shares	None	Note 14
2012.09	14.08	200,000,000	2,000,000,000	135,537,623	1,355,376,230	New share subscription 131,250 shares	None	Note 15
2014.10	25.80	200,000,000	2,000,000,000	135,744,623	1,357,446,230	New share subscription 207,000 shares	None	Note 16
2015.01	25.80	200,000,000	2,000,000,000	136,893,623	1,368,936,230	New share subscription 1,149,000 shares	None	Note 17

Month/ Year	Par Value	Authorized Capital		Paid-in Capital		Remarks		
		Number of shares	Amount	Number of shares	Amount	Sources of Capital	Capital Increased by Assets Other than Cash	Other
2015.04	25.80	200,000,000	2,000,000,000	137,062,623	1,370,626,230	New share subscription 169,000 shares	None	Note 18
2015.07	46.80 25.80	200,000,000	2,000,000,000	140,004,123	1,400,041,230	New share subscription 2,941,500 shares	None	Note 19
2015.04	46.80 45.60 25.80 25.20	200,000,000	2,000,000,000	140,319,123	1,403,191,230	New share subscription 315,000 shares	None	Note 20
2016.04	45.60 25.20	200,000,000	2,000,000,000	140,343,873	1,403,438,730	New share subscription 24,750 shares	None	Note 21
2016.10	23.40 22.80	200,000,000	2,000,000,000	142,759,123	1,427,591,230	New share subscription 2,415,250 shares	None	Note 22
2017.01	23.40 22.80	200,000,000	2,000,000,000	142,965,123	1,429,651,230	New share subscription 206,000 shares	None	Note 23
2017.04	22.80	200,000,000	2,000,000,000	143,097,123	1,430,971,230	New share subscription 132,000 shares	None	Note 24
2017.10	21.90	200,000,000	2,000,000,000	143,823,123	1,438,231,230	New share subscription 726,000 shares	None	Note 25
2017.12	21.90	200,000,000	2,000,000,000	143,850,123	1,438,501,230	New share subscription 27,000 shares	None	Note 26
2018.03	21.90	200,000,000	2,000,000,000	143,908,123	1,439,081,230	New share subscription 58,000 shares	None	Note 27
2018.05	21.90	200,000,000	2,000,000,000	143,938,123	1,439,381,230	New share subscription 30,000 shares	None	Note 28
2018.11	21.40	200,000,000	2,000,000,000	144,636,123	1,446,361,230	New share subscription 698,000 shares	None	Note 29
2019.03	21.40	200,000,000	2,000,000,000	144,716,123	1,447,161,230	New share subscription 80,000 shares	None	Note 30
2020.03	75.00	200,000,000	2,000,000,000	154,716,123	1,547,161,230	Capital increase in cash NT\$100,000 thousand	None	Note 31
2020.08	77.70	500,000,000	5,000,000,000	199,716,123	1,997,161,230	Capital increase by private placement NT\$450,000 thousand	None	Note 32
2021.08	10.00	500,000,000	5,000,000,000	196,516,123	1,965,161,230	Retirement of treasury stock 3,200,000 shares	None	Note 33

Note 1: Approved by Science Park Administration Bureau under Letter No.(89) Yuan-Shang-Zi No. 004588, dated 2000.03.02.

Note 2: Approved by Science Park Administration Bureau under Letter No.(89) Yuan-Shang-Zi No. 017684, dated 2000.08.10.

Note 3: Approved by the Financial Supervisory Commission under Letter Ref. Jin-Guan-Zheng-(1)-Zi No. 0950116279, dated 2006.05.10.

Note 4: Approved by Letter Ref. Nan-Shang-Zi No. 0970024309, dated 2008.10.14

Note 5: Approved by Letter No. Nan-Shang-Zi No. 0980001120, dated 2009.01.13

Note 6: Approved by the Financial Supervisory Commission of the Executive Yuan under Letter Ref. Jin-Guan-Zheng-(1)-Zi No. 0980014915, dated 2009.04.14

Note 7: Approved by Letter Ref. Nan-Shang-Zi No. 0980028265 from Science Park Administration on 2009.12.25.

Note 8: Approved by Letter Ref. Nan-Shang-Zi No. 0990022818 from Science Park Administration on 2020.10.15.

Note 9: Approved by Letter Ref. Nan-Shang-Zi No. 1000001427 of Science Park Administration on 2011.01.21.

Note 10: Approved by Letter Ref. Nan-Shang-Zi No. 1000009111 from Science Park Administration on 2011.04.15.

Note 11: Approved by Letter Ref. Nan-Shang-Zi No. 1000020429 from Science Park Administration on 2011.08.17.

Note 12: Approved by Letter Ref. Nan-Shang-Zi No. 1000022646 from Science Park Administration on 2011.09.13.

Note 13: Approved by Letter Ref. Nan-Shang-Zi No. 1010011050 from Science Park Administration on 2012.05.11.

Note 14: Approved by Letter Ref. Nan-Shang-Zi No. 1010018861 from Science Park Administration on 2012.08.03.

Note 15: Approved by Letter Ref. Nan-Shang-Zi No. 1010022508 from Science Park Administration on 2012.09.12.

Note 16: Approved by Letter Ref. Nan-Shang-Zi No. 1030026015 from Science Park Administration on 2014.10.13.

Note 17: Approved by Letter Ref. Nan-Shang-Zi No. 1040000401 from Science Park Administration on 2015.01.08.

Note 18: Approved by Letter Ref. Nan-Shang-Zi No. 1040008521 from Science Park Administration on 2015.04.10.
 Note 19: Approved by Letter Ref. Nan-Shang-Zi No. 1040017140 from Science Park Administration on 2015.07.10.
 Note 20: Approved by Letter Ref. Nan-Shang-Zi No. 1040025469 from Science Park Administration on 2015.10.13.
 Note 21: Approved by Letter Ref. Nan-Shang-Zi No. 1050008256 from Science Park Administration on 2016.04.08.
 Note 22: Approved by Letter Ref. Nan-Shang-Zi No. 1050025745 from Science Park Administration on 2016.10.12.
 Note 23: Approved by Letter Ref. Nan-Shang-Zi No. 1060000904 from Science Park Administration on 2017.01.11.
 Note 24: Approved by Letter Ref. Nan-Shang-Zi No. 1060008390 from Science Park Administration on 2017.04.10.
 Note 25: Approved by Letter Ref. Nan-Shang-Zi No. 1060026985 from Science Park Administration on 2017.10.19.
 Note 26: Approved by Letter Ref. Nan-Shang-Zi No. 1060032975 from Science Park Administration on 2017.12.20.
 Note 27: Approved by Letter Ref. Nan-Shang-Zi No. 1070009018 from Science Park Administration on 2018.03.23.
 Note 28: Approved by Letter Ref. Nan-Shang-Zi No. 1070014051 from Science Park Administration on 2018.05.16.
 Note 29: Approved by Letter Ref. Nan-Shang-Zi No. 1070032755 from Science Park Administration on 2018.11.15.
 Note 30: Approved by Letter Ref. Nan-Shang-Zi No. 1080007942 from Science Park Administration on 2019.03.26.
 Note 31: Approved by Letter Ref. Nan-Shang-Zi No. 1090007546 from Science Park Administration on 2020.03.23.
 Note 32: Approved by Letter Ref. Nan-Shang-Zi No. 1090022744 from Science Park Administration on 2020.08.27.
 Note 33: Approved by Letter Ref. Nan-Shang-Zi No. 1100023463 from Science Park Administration on 2021.08.13.

2. Type of shares

March 30, 2025

Type of shares	Authorized Capital			Notes
	Issued Shares	Un-issued Shares	Total	
common stock	196,516,123 shares	303,483,877 shares	500,000,000 shares	Shares of listed company

(II) List of major shareholders: Names, shareholdings, and percentages of the top ten shareholders.

March 30, 2025; Unit: Share

Name of Major Shareholders	Shares	Shareholding	Shareholding Percentage
Sino-American Silicon Products Inc.		55,923,000	27.62%
Custodian for Morgan Stanley International Limited by HSBC dedicated account		5,139,000	2.62%
Standard Chartered Bank in custody for Mizuho Securities Co., Ltd.		4,483,000	2.28%
New system Labor Pension Fund		4,403,500	2.24%
You-Min Chi		4,107,909	2.09%
HSBC in custody for Merrill Lynch International Investment Account		3,550,000	1.81%
Wen-Huei Tsai		2,588,849	1.32%
Capital High-Tech Fund Special Account in the custody of Taiwan Business Bank		1,893,500	0.96%
JPMorgan Chase Bank in custody for investment account of JPMorgan Securities Co., Ltd.		1,750,030	0.89%
Citibank Taiwan in custody of DBS Bank		1,700,000	0.87%

(III) Dividend policy and execution:

1. Dividend Policy

The Company's settlement each year, where there is a surplus, must first be set aside to pay the taxes, make up for the accumulated losses, and 10% of the remaining balance must be recorded as provision of legal reserve, with exception to legal reserve already at an amount equals to the Company's total capital; and then make provision of special reserves in accordance with other laws and regulations. The remainder, plus the accumulated undistributed earnings of the previous year, is the accumulated distributable earnings. The Board of Directors proposes a motion for earnings distribution and submits it to the shareholders' meeting for distribution or retention. When distributing

earnings in the form of cash, the Board is authorized to distribute the dividends or bonuses in whole or in part by cash with the resolution supported by a majority of the attending directors at the board meeting attended by more than two-thirds of the directors in accordance with Article 240, Paragraph 5 of the Company Act. The matter is to be reported to the shareholders' meeting. When the earnings distribution is in the form of new shares, the distribution can only be proceeded with after it is resolved at the shareholders meeting.

In order to balance dividends and financial planning, and to evaluate the effect of stock dividend distribution on future dilution of earnings per share, the Company maintains a stable dividend distribution without excessive dilution of earnings per share, of which the cash dividend shall not be less than 10% of the total dividends. The remainder shall be paid in stock dividends.

2. Execution status:

The Company's 2024 earnings distribution has been resolved by the Board of Directors on February 20, 2025, and is still pending for the shareholders' meeting of this year.

Unit: NTD

Item	Amount
Undistributed earnings in the beginning of the period	713,775,957
Add: Net income after tax for this period	520,924,524
Less: Legal reserve	(52,092,452)
Current distributable earnings	1,182,608,029
Distributable items	
Less: Dividends to shareholders (cash dividend at NT\$1.19 per share)	(233,854,186)
Undistributed earnings at the end of the period	948,753,843

(IV) The Impact of the Proposed Free Allotment of shares on the Company's Operating Performance and Earnings Per Share: Not applicable. (According to the "Regulations Governing the Publication of Financial Forecasts of Public Companies," the Company is not required to disclose the financial forecast information for 2025.

(V) Remunerations for employees, directors and supervisors:

1. The percentage or range of remuneration to employees, directors, and supervisors as stated in the Articles of Incorporation:

If the Company is profitable in the year, it should allocate 5-10% as employees' remuneration. The Board of Directors decides to distribute the remuneration in stock or cash. The subject of the distribution includes the employees of the subordinate company who meet certain conditions. If the Company makes a profit with the above amount, the Board of Directors decides to allocate up to 2% as its directors' remuneration. The distribution proposal of remuneration of employees and directors should be submitted and reported to the shareholders' meeting.

If it has accumulative losses, the Company should reserve and make up the amount before distributing remuneration to the employees and directors according to the percentage mentioned in the preceding paragraph.

2. The accounting treatment when the basis for estimating the amount of remuneration of employees, and directors and supervisors, the basis for calculating the number of shares of remuneration of employees allocated by shares, and the actual amount of allocation is different from the estimate in the current period:

(1) The Company estimates the remuneration of employees and directors' remuneration in accordance with the dividend policy stipulated in the Articles of Incorporation.

(2) There was no employee remuneration distributed in shares in the current period.

(3) If the actual distributed amount resolved by the shareholders' meeting differs from the estimated amount, it shall be recognized as the profit or loss of the next year.

3. Distribution of remuneration approved by the Board of Directors:

(1) Employees' remuneration and directors'/supervisors' remuneration distributed in cash or shares. If there is any discrepancy between the amount and the estimated amount of the expense recognized, the discrepancy, cause and treatment status shall be disclosed:

The remuneration to employees and directors was resolved in the board meeting on February 20, 2025 as follows:

Employee cash amount: NT\$53,824,899

Amount of employee stock: NT\$ 0

Directors' remuneration: NT\$5,251,209

There is no difference between the approved by the Board of Directors' remuneration and the amounts recognized in the 2024 financial statements.

- (2) The proportion of employees' remuneration to be allocated by shares in the total of net income after tax and employees' remuneration for individuals or Standalone Financial Reports in the current period: None.
4. The actual distribution of employees', directors' and supervisors' remuneration in the previous year (including the number of shares allocated, the amount of shares and the share price), and differences, the reasons and treatment when it is different from recognized employees', directors' and supervisors' remuneration:
- Employee cash amount: NT\$8,468,523
- Amount of employee stock: NT\$ 0
- Directors' remuneration: NT\$826,197
- There is no difference between the distribution of employees' remuneration and directors' remuneration and the amounts recognized in the 2023 financial statements.
- Shares repurchased by the Company: None.

II. Status of corporate bonds: None.

III. Preferred Shares: None.

IV. Global Depository Receipts (GDR): None.

V. Issuance of employee stock options:

- (I) The Company's unexpired employee share warrants shall be disclosed as of the publication date of the annual report, and the impact on shareholders' equity: The Company does not have unexpired employee share warrants.
- (II) Names of managers who have acquired employee stock warrants and names of top-10 employees in exercisable shares as of the publication date of this annual report: None.

VI. New Restricted Employee Shares: None.

VII. Status of New Shares Issuance in Connection with Mergers and Acquisitions: None.

VIII. The Status of Implementation of Capital Allocation Plans:

- (I) As of the date of publication of the annual report, for any previous public offerings or private placements of securities that have not yet been completed or those completed within the last three years where the planned benefits have not yet materialized: The Company has fully implemented the use of funds from previous public offerings or private placements of securities.
1. Project Content: Relevant information can be found on the MOPS under: Individual Company > Shareholding Changes/Securities Issuance > Fundraising > Execution of Fundraising Plans. (Search website: https://mopsov.twse.com.tw/mops/web/bfhtml_q2)
 2. Execution Status: Relevant information can be found on the MOPS under: Individual Company > Shareholding Changes/Securities Issuance > Fundraising > Execution of Fundraising Plans. (Search website: https://mopsov.twse.com.tw/mops/web/bfhtml_q2)

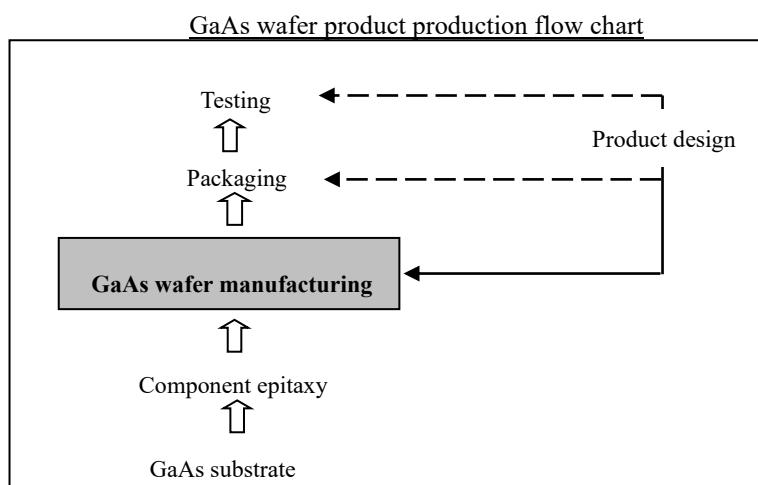
Four. Operational Overview

I. Business content

(I) Business scope:

1. Main areas of business operations:

The Company's main business scope is research, development, production, testing, and sale of GaAs wafers. Based on individual needs of customers, we provide assistance in circuit design diagrams, wafer manufacturing, and testing services. The production process of GaAs wafer products is shown in the figure below. Similar to the vertical division of labor structure in the Si industry, the Company positions itself as a professional GaAs wafer foundry, similar to TSMC and UMC in the Si IC industry. The Company does not involve in the design and sale of its own products, but purchases epitaxial wafers from upstream manufacturers, manufactures GaAs wafers according to the customer's product design, and then delivers them to the packaging factory for die packaging.



Note: The Company is positioned in the GaAs wafer manufacturing area

2. Main products and their percentages in business:

Unit: NT\$ Thousand

Item \ Year	2023		2024	
	Amount	Ratio	Amount	Ratio
GaAs chip	2,723,100	100.00%	4,455,584	100.00%
Total	2,723,100	100.00%	4,455,584	100.00%

3. Current products (services) of the Company:

- (1) ED BiHEMT GaAs wafer
- (2) InGaP HBT wafer
- (3) pHEMT wafer
- (4) ED pHEMT wafer
- (5) IPD wafer
- (6) Wafer Grade in House Copper Pillar Bump
- (7) LD VCSEL vertical cavity surface-emitting laser
- (8) SAW Filter
- (9) Varactor Diode

4. New products (services) planned to be developed:

- (1) High-voltage ($V_{cc} > 6.5V$) and high-frequency (7GHz) HBT components can be used in higher-order 5G (Sub-6GHz) PAs.

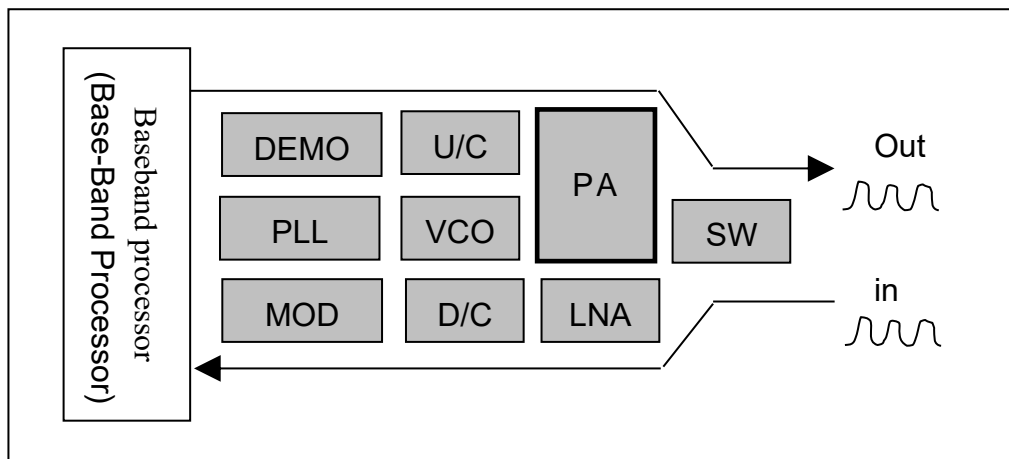
- (2) Ku Band PA (>12GHz), suitable for satellite communication power amplifiers.
- (3) High Band Filter, designed for the rapid expansion of 5G networks and the Internet of Things (IoT), enabling high-performance data transmission and improved connectivity.
- (4) Power pHEMT, used in Small Cell and Base Station RF infrastructure.
- (5) Phased Array, applicable for satellite antennas.
- (6) ELO Solar (Epitaxial Lift Off), suitable for unmanned aerial vehicles (UAVs) and satellites with limited area and weight constraints.

(II) Industry overview:

1. Current status and development of the industry:

GaAs compound is the key component of wireless communication and optical fiber communication because it has the characteristics of high frequency, low noise, high efficiency, high temperature resistance, low power consumption and small size. Today's communication market is developing rapidly, from the original 2G to 5G. The base station is the key to the communication system, and the deployment method has changed from the traditional large base station to small and micro base stations. In the wireless communication market, mobile communication devices, Wi-Fi base stations and other projects require Radio Frequency Integrated Circuit (RFIC), Phase Locked Loop, (PLL) and RF Transceiver components. The characteristics of traditional silicon materials do not meet the requirements of power amplifiers which have higher requirements on noise suppression and gain. Compound semiconductors have better performance. Today, the communication market is dominated by GaAs.

In terms of characteristics, the power amplifier products designed with GaAs HBT technology have the characteristics of long battery life, good signal conversion quality, small component area, and high process yield. Therefore, HBT is the best choice for mobile phone power amplifiers. It is widely used not only in third-generation (3G) and fourth-generation (4G) communication phones based on GSM/CDMA/LTE architecture but also as the sole option in the Sub-3GHz and Sub-6GHz frequency specifications of 5G communication. In general wireless communication products, HBT can be applied to power amplifier, up converter, voltage controlled oscillator, and down converter. The front-end transmitter/receiver architecture diagram is shown below.



Note: Description of related spare parts

PA: Power Amplifier – The mainstream technology is HBT

SW: Switch – The mainstream technology is pHEMT

LNA: Low Noise Amplifier – The mainstream technology is ED pHEMT

U/C: Up Converter

VCO: Voltage Controlled Oscillator

D/C: Down Converter

DEMOD: Demodulator

PLL: Phase Locked Loop

MOD: Modulator

2. Industry status and market scale

Due to the advantages of Gallium Arsenide (GaAs), such as high frequency, high electron mobility, noise resistance, and high voltage tolerance, it is the ideal substrate material required for wireless communication. As a result, it is widely used in products such as mobile phones, base stations, WLAN,

and especially in 4G (LTE) and 5G (Sub-3GHz / Sub-6GHz) mobile phones, as well as WiFi 6 and WiFi 7 for high-speed data transmission. With the increasing demand driven by these technologies, the demand for GaAs has grown rapidly. In addition to mobile phone and WiFi applications, emerging applications such as AIoT and satellite communication are also expanding demand. It is expected that the market size for GaAs will continue to grow. Although the demand growth has slowed in recent years due to the saturation of the mobile phone market, global mobile phone demand remains steady, with an annual shipment of 1.1 to 1.2 billion units. In 2024, as U.S. IDM (Integrated Device Manufacturer) companies gradually exit the Android phone system and more mobile phone brands shift toward ODM, RF IC design companies are capturing more market share. Consequently, the demand for GaAs foundries is gradually increasing. Although demand is expected to decrease in the second half of 2024 due to multiple factors, research from market research firm Canalys indicates that global smartphone shipments will reach 1.22 billion units in 2024, still reflecting a strong 7% annual growth. In 2025, it is anticipated that the market will return to the normal seasonal cycle of high and low demand in the first and second halves of the year, with overall smartphone shipments maintaining a growth momentum. Furthermore, with the increased penetration of 5G, the rapid development of WiFi 6 and WiFi 7, and the continuous release of AI-powered innovations, the growth of mobile phones is expected to remain robust in the coming years. As a result, the demand for GaAs wafers will steadily increase.

The following is a description of the two major application areas of mobile phones and Wi-Fi:

A. Mobile phone industry

From the perspective of mobile phone component structure, GaAs IC is mainly used in Radio Frequency (RF) chips, including Power Amplifiers (PA), Switches, and Low Noise Amplifier (LNA). Therefore, GaAs is the most important part of the mobile phone market of the two application markets, and the two are closely related to each other. The GaAs wafers produced by the Company are currently mainly used in the power amplifiers of mobile phones.

The power amplifier is an important component of the mobile phone transmitter. It is used to enhance the power of the signal so that it can transmit longer distances through the antenna. Therefore, the PA must be operable under different frequencies. The specifications required are high power, high linearity, low power consumption, small size, and amplification gain. In terms of 4G, the frequency range for mobile phone communication is 1.8~2.7GHz. The 5G communication market will use a wider range of frequency bands (including 3~5GHz and 20~30GHz). Therefore, traditional Si components are no longer sufficient. Components are gradually replaced by GaAs. In the current mobile phone market, PA is an indispensable key component. The number of PA used in 4G LTE mobile phones is about 2-3 pieces; while the number of PAs required for 5G mobile phones is 1-2 more than 4G mobile phones on average. As countries gradually invest in 5G construction, it will drive the revenue growth of GaAs RF front-end components.

As the mobile phone market becomes saturated and the replacement cycle for new devices extends, overall mobile phone growth has slowed, with annual shipments maintaining around 1.1 to 1.2 billion units. However, with the continued increase in global 5G smartphone penetration, the demand for PAs has been indirectly driven up. The 5G penetration rate has risen from 19% in 2020 to over 60% in 2024, indicating that 5G smartphones have become the mainstream in the market. In addition, as U.S. IDM companies gradually withdraw from the Android phone system and more mobile phone brands shift towards ODM, RF IC design companies (Design Houses) have been gradually gaining more market share. This has led to a steady increase in demand for GaAs foundry capacity, indicating that the overall mobile phone PA market has undergone a subtle transformation.

B. Wi-Fi industry

GaAs wafers are also used in IoT-related products, and the IoT will be deeply embedded in daily life. The Internet of Things is closely related to the cloud. In the past, consumers searched for the required information through smart devices and decided whether to upload or download. However, in the era of the Internet of Things, smart devices will automatically search and download according to people's needs, effectively improving consumers' convenience in life. Under the automatic operation of hundreds of millions of IoT devices, the data transmission throughput will be greatly increased. As a result, WiFi 6/6E with higher bandwidth and faster speed is born accordingly.

Wi-Fi 5 can provide up to 3.5 Gbps; Wi-Fi 6/6E can deliver a maximum throughput of 9.6 Gbps across multiple channels. In addition to reducing latency by up to 75%, it can also bring wired and wireless signals closer to the same level. With the gradual rollout of 5G, Wi-Fi 6/6E technology has become the mainstream specification for connectivity. Coupled with the rise of remote work, there has been a surge in the replacement of mobile phones, laptops, tablets, and broadband terminal products. In 2022, Wi-Fi 6 surpassed a 50% penetration rate in overall Wi-Fi chip shipments, and this growth has continued steadily through 2023 and 2024. Furthermore, the development of next-generation Wi-Fi 7 chips began commercial use in the first half of 2024. The number of GaAs components required for Wi-Fi 7 is expected to reach 8

to 10 PA components per device. Wi-Fi 7 utilizes a bandwidth of up to 320 MHz, 4096-QAM, and multiple connection modes, offering speeds nearly 5 times faster than Wi-Fi 6 and 13 times faster than Wi-Fi 5, with a theoretical maximum transmission rate of up to 46.1 Gbps. This will provide more reliable network connections for new applications such as VR/AR, remote work, and cloud computing. It is expected that by 2025, Wi-Fi 7 will become one of the key drivers for the development of high-speed product applications in the market. According to a report by Strategy Analytics, an industry research organization, Wi-Fi system shipments are expected to grow by 7.5% per year from 2022 to 2027, and the overall chip market size in 2027 is expected to reach US\$20 billion.

3. Correlation between up-stream, mid-stream and down-stream of the industry

The GaAs wafers produced by the Company are mainly used in power amplifiers in the wireless communication field. The relation of the up-stream, mid-stream, and down-stream industries is shown in the table below. The upstream is the raw material suppliers of substrates and epitaxy; the midstream is wafer design, OEM, packaging and testing; the downstream is the system assembly plant of mobile phones and wireless local area network (WLAN).

Like the Si industry, each part of the industrial structure also has its own specialized manufacturing plants. The so-called integrated component manufacturer - IDM factory refers to the manufacturers that own the wafer fab to produce the products they design and sell. Most of the packaging work is outsourced to other packaging plants. A vendor with only IC design function is called a fabless house or a design house. Its wafer production, packaging, and even testing require the assistance of external specialists.

Under this industrial structure, the Company positions itself as a professional wafer foundry. How to obtain OEM orders from IDM factories and how to assist the design house in the development and production of new wafers are the links that the Company needs to pay special attention to.

Upstream and downstream of the industry		Name of manufacturer	
Wafer epitaxy (Epitaxial House)		Taiwan: Visual Photonics Epitaxy Co., Ltd (VPEC), IQE Taiwan Corporation. Overseas: IQE, Hitachi Cable, Sumitomo Chemical, MBE Technology	
IDM (integrated component manufacturing plant)	Design (Design House)	Taiwan: Hanwei, TRANSCOM Overseas: Skyworks, Qorvo	Taiwan: Richwave, RFIC Technology Overseas: Murata, Broadcom, Qualcomm, VanChip
	Foundry		Taiwan: AWSC, WIN Overseas: GCS, Sanan Optoelectronics
	Package		Taiwan: Lingsen, Tong Shin Overseas: JCET, etc.
	Testing		Taiwan: ASE Overseas: JCET, etc.
Downstream system assembly		Mobile phone as an example Taiwan: BenQ, Quanta, and ASUS Overseas: Samsung, Xiaomi, Honor, OPPO, Vivo Using WLAN as an example Taiwan: Realtek, Aluminium, Textron	

4. Product development trends

(1) GaAs wafers have become an irreplaceable mainstream product for mobile phone power amplifiers.

The prevalence of wireless communication is steadily expanding. However, due to the poor high-frequency characteristics of silicon components, GaAs wafers have an irreplaceable role in wireless communication RF technology. In the use of mobile phone power amplifier, because HBT has the characteristics of long battery life, good signal conversion quality, small component area, and high process yield, GaAs wafers are irreplaceable mainstream products for mobile phone power amplifiers.

(2) 4G/5G mobile phone, WiFi/IoT and 3D sensor specifications upgrade, increasing demand for GaAs IC.

At present, GaAs ICs have been widely used in the wireless communication market. The advancement of communication networks has doubled the demand for GaAs ICs in smartphones. The advent of the Internet of Things will also accelerate the growth of market demand. From corporate to home use WiFi to the Internet of Things (IoT), these continue to drive the increase in the demand for GaAs. In addition, the LD VCSEL applied to 3D Sensor can perform in-depth ranging and is widely

applied in industries such as electronics, communications, automotive, robotics, and healthcare. Furthermore, VCSELs can also serve as light sources for data transmission in optical communications (Datacom). With the growing global demand for high-speed transmission servers, this technology is opening a new chapter for GaAs wafers.

(3) Sino-US trade war, the effect of factories in China breaking away from USA

The escalating US-China trade war continues to drive Chinese brand manufacturers to localize key components such as 5G PAs and actively pursue de-Americanization efforts, while increasing the proportion of the Asian supply chain. The ups and downs of U.S.-China relations are drastic and difficult to control. However, even if the Sino-U.S. situation improves in the future, Chinese brand factories will not be able to run out of materials for long. Hence, they began to lower the orders from US-based IDM Design company and commissioned to manufacture by Taiwan-based wafer foundries. Benefiting from the effect of breaking away from the USA by China, the Company's orders have been reduced to a single major customer. The Company is also actively certifying new products with major manufacturers in Taiwan, China, and Japan to diversify customer base.

5. Competition situation

The GaAs wafer foundry is a highly technology-intensive oligopoly market. The OEM foundries of the scale are mainly based on WIN Semiconductors Technology Co., Ltd. and the Company in Taiwan (both with a production capacity greater than 20,000 wafers/month). In China, Sanan Optoelectronics Co., Ltd. (with a capacity of about 12,000 wafers/month) is the main source of wafer fabs. Other smaller foundries include Hangzhou Lion Microelectronics Co., GSC in the U.S.A., and very few small fabs in Japan (all with a capacity of less than 5,000 wafers per month). The Company has a considerable degree of competitiveness in terms of production capacity scale, technical ability and quality control.

(III) Technology and R&D overview

1. Technical level, research and development

Based on the technical cooperation and joint development with international big firms, the Company continues to propose improvement plans for the deficiencies of the Company's process technology and product quality, in order to meet the certification specifications. In addition, through regular technical discussion meetings, the R&D capability can be strengthened through mutual exchange, which is of great help to the Company's technology and R&D capability.

The Company's future development work will be carried out in the direction of Design House customer's product demand, the research and development of components with better performance, the reduction of die area to improve the RF performance, and the reduction of chip prices, which are listed as follows:

(1) Low power supply voltage HBT components

Some customers' products require PA with low power supply voltage to reduce the quantity (which saves about 2~3 PMICs) of power management IC (PMIC). The R&D department will change the epitaxial structure and production process to meet their individual needs before sending it to customers for testing.

(2) High breakdown voltage HBT components

When applied to products with High Pout, some of the products of the customers require high breakdown voltage feature specifications to raise the power-added efficiency (PAE). The R&D Department re-designs the structure and production process of the epitaxy and sends it to the customers for testing, after which, we have received pretty good feedback.

(3) BiHEMT process technology

Integrate HBT components and pHEMT processes in the same process. So far, there are designs of WiFi customers that have been successful.

(4) Ku Band HBT process technology

The U.S. FCC proposed to include Ku-Band RF in 5G. Improve the Epi/Device/Process/Design Rule to meet the requirements of Ku Band 5G PA.

(5) ED pHEMT process technology

Continue to develop smaller gate line width 0.15um to improve performance

(6) Filter process technology

In addition to continuously developing filter processes for low, medium, and high frequencies, the Company is also working with the Group to jointly develop the POI (Piezoelectric on Insulator) process. In addition to the advantage of being temperature-independent, POI also features a high Q factor and a simplified manufacturing process. Moreover, in high-frequency applications, POI

filters can compete with BAW (Bulk Acoustic Wave) filters.

2. Research and development personnel and their academic experience

March 31, 2025; Unit: Person; %

Education	No. of people	Ratio	Average years of service with the Company (years)	Average years of relevant work experience (years)
Doctorate degree	2	5%	8.75	9.8
Master degree	21	52.5%	8.83	3.7
University (college)	16	40%	12.75	2.88
Senior High School	1	2.5%	3.75	14.2
Total	40	100%	10.33	2.81

3. R&D expenses invested in each of the past five years

Unit: NT\$ Thousand

Year	2020	2021	2022	2023	2024	2025 Q1
Amount	194,173	277,606	242,344	219,629	202,533	The CPA-reviewed financial statements for 2025 Q1 were not available as of the publication date of the annual report.

4. Successfully developed technologies or products

- (1) Development of higher-performance PDK model for HBT components, which enables Fabless Pure Design House customers to design 2/3/4G/5G PAs with the same performance as the major US-based IDM manufacturers. The shortening of the gap for Tier-1 in 5G Sub-6GHz has successfully seized the market share of high-end 5G NR PA.
- (2) Successfully developed 0.15 μ m ED- pHEMT and successfully acquired the Switch and LNA markets.
- (3) Developed low-frequency, medium-frequency, and high-frequency Filter (filter) processes and provided design with customers, and continued to develop POI.
- (4) Enhanced GaN processes, which can be applied to Small Cell and Base Station.
- (5) Completed the development of the Varactor process, with customers successfully beginning to use it in satellite antenna products.
- (6) Finished the development of PDK234 process, and the customers successfully mass-produced WiFi-7.

(IV) Long-term and short-term business development programs:

1. Short-term plans

(1) Marketing strategy

- A. International manufacturers are the main sales force for stable quality and mass production.
- B. Proactively work with customers to establish plans for quality control, trial production, and mass production to reduce bottlenecks in mass production introduction.
- C. With the four advantages of technology, quality, service and cost, we will actively strive for new customers to increase market share.

(2) Production policy

- A. Implementing the ISO9001 quality management system, ISO14001 environmental management system and IATF16949 system to improve management performance and image.
- B. Strengthen the management and training of production technicians to improve production efficiency and product yield.

(3) Technology development

- A. Actively develop advanced and diversified process technologies that meet the market demand to enhance the Company's competitiveness.

- B. Strengthen technical exchanges with upstream partners to stabilize technology development and production process quality.
 - C. Strengthen the recruitment of high-quality talents to improve the quality and quantity of technology development.
- (4) Financial planning

The Company has the stock listed on the stock exchange, the capital market, and the sound and complete fund-raising channel. The Company will raise short-term, medium-term and long-term funds in a timely manner depending on the business scale expansion, and implement the internal control management function according to the internal control written system.
- (5) Overall management
 - A. Strengthen employee education and training and welfare policies in order to increase employee loyalty.
 - B. Implementing the internal control system and enhancing the Company's operating efficiency.
 - C. Reduce costs, increase capacity utilization, and enhance the Company's operating efficiency.
- 2. Long-term business development plans
 - (1) Marketing strategy
 - A. Establish strategic alliances with customers and upstream and downstream manufacturers to facilitate the integration of related industries and diversify customers.
 - B. Positioning itself as a specialized manufacturing company specializing in GaAs wafers.
 - C. With the four advantages of technology, quality, service and cost, we will actively strive for new customers to increase market share.
 - (2) Production policy
 - A. Increase the automation of the production line and reduce on-site operations with no added value to avoid human error, improve production yield, and reduce production costs.
 - B. Improve system management to prevent human errors, thereby increasing production efficiency proactively.
 - (3) Technology development
 - A. Actively develop advanced process technologies that meet the market demand to enhance the Company's competitiveness.
 - B. Enhance quality control to achieve the low ppm quality target.
 - C. Continue to work with customers to enhance design tolerance; high yield rate has been achieved.
 - D. Continue to improve the production yield and cost down the process technology development.
 - (4) Financial planning

After entering the capital market diversified fund-raising channels in a timely manner to respond to the Company's future development plans and return shareholders a reasonable return on investment in a timely manner.
 - (5) Overall management
 - A. Establish an overall human resource policy and train and reserve talents to meet the Company's growth needs.
 - B. Construct the corporate intranet system to enhance the degree of operational automation and corporate efficiency, thereby improving the quality of customer service.

II. Market, Product and Sale

(I) Market analysis:

1. Sales (supply) regions of the Company's main products (services)

Unit: NTD thousand; %

Area \ Year	2023		2024	
	Amount	Ratio	Amount	Ratio
Domestic sales	563,196	20.68%	849,146	19.06%
Export sales				
U.S.	459,953	16.89%	959,685	21.54%
Asia (excluding Taiwan)	1,699,951	62.43%	2,646,753	59.40%
Total	2,723,100	100.00%	4,455,584	100.00%

2. Market Share

The Company is primarily engaged in the research, development, production, testing, and sale of GaAs (gallium arsenide) wafers. The Company is a professional GaAs wafer foundry. In terms of the market, the Company's market share was 26%, making it the world's second largest foundry semiconductor manufacturer of GaAs wafers according to a market survey organization.

3. Future supply, demand and growth of the market

The largest application markets for GaAs wafers are still mobile phone RF components for wireless communication and WiFi FEM components. In addition, the AIoT industrial application combining artificial intelligence with the Internet of Things and the 3D sensor application emerging in recent years have also driven the demand for GaAs wafers. According to Statistics MRC's forecast, with the increasing penetration of 5G smartphones and the widespread adoption of WiFi 6/6E/7 using GaAs chips, the global RF front-end market is expected to reach US\$28.4 billion in 2024. It is projected to grow to US\$65.1 billion by 2030, with a compound annual growth rate of 14.8% during the forecast period.

(1) Mobile phone industry

With the advancement of communication technology, the bandwidth supported by 5G network is broader, and the number of power amplifiers (PA) required for mobile phones has doubled. The requirements for quality and quantity are getting higher and higher. In the past, the number of PA used in 4G LTE mobile phones was about 2-3 pieces; while the number of PAs required for 5G mobile phones is 1-2 more pieces than that of 4G mobile phones. There is still a large demand for the GaAs wafer component market. In recent years, the global economic slowdown, inflation, and other factors have impacted consumer demand, leading to weak market conditions. The once steadily growing mobile phone market has seen a decline. However, global mobile phone demand remains steady at 1.1 to 1.2 billion units annually. According to market research firm Canalys, global smartphone shipments are expected to reach 1.22 billion units in 2024, showing a strong annual growth of 7%. As inventory conditions continue to improve and mobile payments become increasingly widespread, smartphones have become an indispensable part of daily life. IDC forecasts that the smartphone market will maintain a 1.9% annual growth momentum in 2025. With the active promotion of 5G commercial deployment by governments worldwide, the 5G penetration rate has risen from 19% in 2020 to over 60% in 2024, indicating that 5G smartphones have become the mainstream in the market. In addition, as U.S. IDM companies gradually withdraw from the Android phone system and more mobile phone brands shift towards ODM, RF IC design companies (Design Houses) have been gradually gaining more market share. This has led to a steady increase in demand for GaAs foundry capacity, indicating that the overall mobile phone PA market has undergone a subtle transformation.

(2) Wi-Fi industry

In 2020, due to the impact of COVID-19, people's work and living habits have changed. Radio Frequency (RF) related applications such as WiFi have experienced explosive growth due to work from home. As devices become more and more popular, various objects need to be connected via the Internet (such as video conferencing) and exchange the network. The demand for data transmission has increased significantly. Therefore, WiFi 6/6E with higher bandwidth and faster speed was born in response. Wi-Fi 5 can provide up to 3.5 Gbps; Wi-Fi 6/6E can deliver a maximum throughput of 9.6 Gbps across multiple

channels. In addition to reducing latency by up to 75%, it can also bring wired and wireless signals closer to the same level. In 2022, Wi-Fi 6 surpassed a 50% penetration rate in overall Wi-Fi chip shipments, and this growth has continued steadily through 2023 and 2024. Furthermore, the development of next-generation Wi-Fi 7 chips began commercial use in the first half of 2024. The number of GaAs components required for Wi-Fi 7 is expected to reach 8 to 10 PA components per device. Wi-Fi 7 utilizes a bandwidth of up to 320 MHz, 4096-QAM, and multiple connection modes, offering speeds nearly 5 times faster than Wi-Fi 6 and 13 times faster than Wi-Fi 5, with a theoretical maximum transmission rate of up to 46.1 Gbps. This will provide more reliable network connections for new applications such as VR/AR, remote work, and cloud computing. It is expected that by 2025, Wi-Fi 7 will become one of the key drivers for the development of high-speed product applications in the market. According to a report by Strategy Analytics, an industry research organization, Wi-Fi system shipments are expected to grow by 7.5% per year from 2022 to 2027, and the overall chip market size in 2027 is expected to reach US\$20 billion.

(3) 3D sensor

In recent years, various suppliers have sought breakthroughs by expanding into more diverse business areas such as robotic vacuums, security systems, LiDAR, and other related applications. Among these, the LiDAR market has garnered the most attention. According to TrendForce's latest report, 2025 Infrared Sensing Application Market and Brand Strategies, LiDAR is primarily used in the automotive market for passenger cars and autonomous taxis (robo-taxis), while in the industrial market, it supports applications in robotics, factory automation, and logistics. Driven by Level 3 and more advanced autonomous driving systems, as well as logistics and transportation, the LiDAR market is expected to grow from a value of US\$1.181 billion in 2024 to US\$5.352 billion in 2029, with a compound annual growth rate of 35%.

To sum up, there will still be a considerable demand for GaAs wafers in the future, and the application of GaAs wafers is also gradually expanding. It is no longer limited to mobile phone applications, and its future demand growth should be expected.

4. Competitive niche

(1) Professional and stable management team

The Company's management and R&D teams have accumulated many years of technical experience and are able to grasp the key technologies of advanced products in a timely manner. They also have the ability to develop new products on their own or jointly with customers. Benefited from the timely feedback and communication with international key customers, the management team can fully understand the changes in the overall market, so that the Company can maintain a good competitive advantage in the GaAs and VCSEL OEM fields.

(2) Excellent R&D process capability

A. The Company cooperates with many international PA customers, and its technology and production capacity are in the international leading position. The Company has passed the verification procedures of various customers and became a qualified supplier of their GaAs wafers. Through continuous development and cooperation, the Company's technical capabilities and product quality have reached international standards.

B. The Company develops a series of GaAs wafer products in accordance with the market. In addition to HBT process, the Company has also completed the development of the pHEMT process and the ED pHEMT process, both of which have been mass produced.

(3) Low manufacturing cost

The Company has accumulated considerable experience in the GaAs wafer foundry industry by focusing on the GaAs wafer foundry industry for a long time. The stable production process and the improvement of product yield have greatly reduced the production cost. The Company will continue to improve the production yield and reduce the cost of consumables, and increase manpower output efficiency and reduce manufacturing costs.

(4) Stable customer base and comprehensive sales service

The Company has passed the certification examination of ISO9001, ISO14001 and IATF16949, and emphasizes great importance to product quality, customer satisfaction and environmental protection policies and maintains cooperative partnership.

5. Favorable and unfavorable factors in the prospect of development and countermeasures

(1) Favorable factors

The Company provides advanced and key technologies. Currently, it cooperates with several customers in the U.S.A., China, and Taiwan to obtain certification and enter the supply chain.

A. Grasp the world's major Design House customers

All employees of the Company do their best to meet the needs of customers. The quality and technical ability are highly recognized by customers. The development progress and results have met customer requirements, and they have passed various rigorous quality certification tests from different customers. During the certification period, as a result of long-term technical exchanges, we have formed strategic partnership with Design House customers for long term stable supplier and customers relation and also exchanges in technical discussions, joint development, mass production management, and quality control. The Company has an important position in the GaAs wafer market layout.

B. Appropriate scale of investment

Since its establishment, the Company has not made large-scale investments blindly due to its deep understanding that the characteristics of the GaAs industry are different from those of the silicon industry. Therefore, under the effective control of capital expenditure and saving of operating expenditure, the share capital of the Company is lower than that of other peers. Due to the low fixed cost, less wafers are required to balance the profit and loss after passing the certification and mass production, and the profit is stable.

C. Outstanding technical ability

During the technical and quality certification period, the Company was able to propose solutions to the different severe tests given by the customers. The Company completed and passed the tests on time or ahead of schedule, and was well received by the customers. The technical level has reached the world-class level. In addition, the Company keeps abreast of the latest information in the industry and develops new processes according to the market demand to maintain the advantage of the first-class GaAs wafer manufacturing technology.

D. Focus on core technology manufacturing capabilities

Adhering to the "FOCUS" spirit, we will invest all resources in the development and production of core technologies and key customers so as not to lose focus. In this way, we are wholeheartedly committed to the improvement of core technology and quality improvement in order to provide customers with wafers with high yield, stable quality, and reliable delivery time, so that customers are exempted from bearing manufacturing risks.

E. There are three suppliers for supply and long-term strategic alliance relationship is maintained.

The Company currently has two suppliers for GaAs epitaxy, which should be able to effectively ensure the supply of main raw materials. The stability of GaAs epitaxy has a great impact on the quality and yield of products, and the product quality often requires a long period of cooperation to establish. Both the production process and the quality control meet the Company's requirements for these two suppliers, and we collaborate closely. The Company and each supplier maintain long-term strategic alliances and good cooperative relations, which should be able to effectively ensure the supply of major raw materials.

(2) Unfavorable factors and countermeasures

A. Risk of shortage of key raw materials and countermeasures

With the vigorous development of the semiconductor industry, the demand for epitaxy has increased rapidly; in addition, in recent years, gallium has been restricted by the export restrictions of the producing countries. If the supplier cannot respond in a timely manner, there will be a shortage of raw materials and production will be impossible.

The Company's main raw material, epitaxial wafers, is purchased from well-known big manufacturers, and the sources of gallium of each manufacturer are regularly tracked to ensure stable and sufficient supply. Also, instead of relying on a single supplier, the Company continues to establish multiple suppliers for important raw materials to avoid production interruption due to shortage of materials.

B. Concentration of Sales Customers and Countermeasures

The GaAs wafers contracted by the Company are currently mainly used in wireless transmission power amplifiers such as mobile phones and Wi-Fi. The sales targets are mainly concentrated in a few PA IC Design Houses in the United States and China. The threshold is that the industry is concentrated in a few manufacturers. The upstream, midstream and downstream from GaAs substrates, epitaxy, wafer manufacturing, packaging and testing, and even IDM plants are all typical oligopolistic structures. The technology certification period is long and the specifications are special, which makes it difficult to change suppliers; the Company supplies a large number of chips to the leading manufacturers of mobile phone PA, which shows that the Company's GaAs wafer manufacturing technology has reached the world standard, and the concentration of sales customers is an industry characteristic.

In the last three years, the Company has devoted itself to diversifying customers and developing new process products. Except for mobile phone 4G/5G PA and WiFi5 / WiFi6 / 6E / WiFi7 PA, SW, and LNA, mass production of new VCSEL products for 3D sensing has been completed. After a three-year development cycle, the filter technology also began mass production in 2024. The customer base for mobile phone PAs has been dispersed. In recent years, it has gradually developed more fabless IC design house customers in the United States and China. In terms of WiFi, apart from Taiwan IC design houses, we have subsequently been working with several groups of customers in mainland China in recent years to develop WiFi products and has begun mass production; for other applications such as infrastructure, satellite communication, LiDAR, filters, and optical communications, we are actively engaged with customers in the development of new products, and it is expected that the risk of sales concentration can be significantly reduced in the near future.

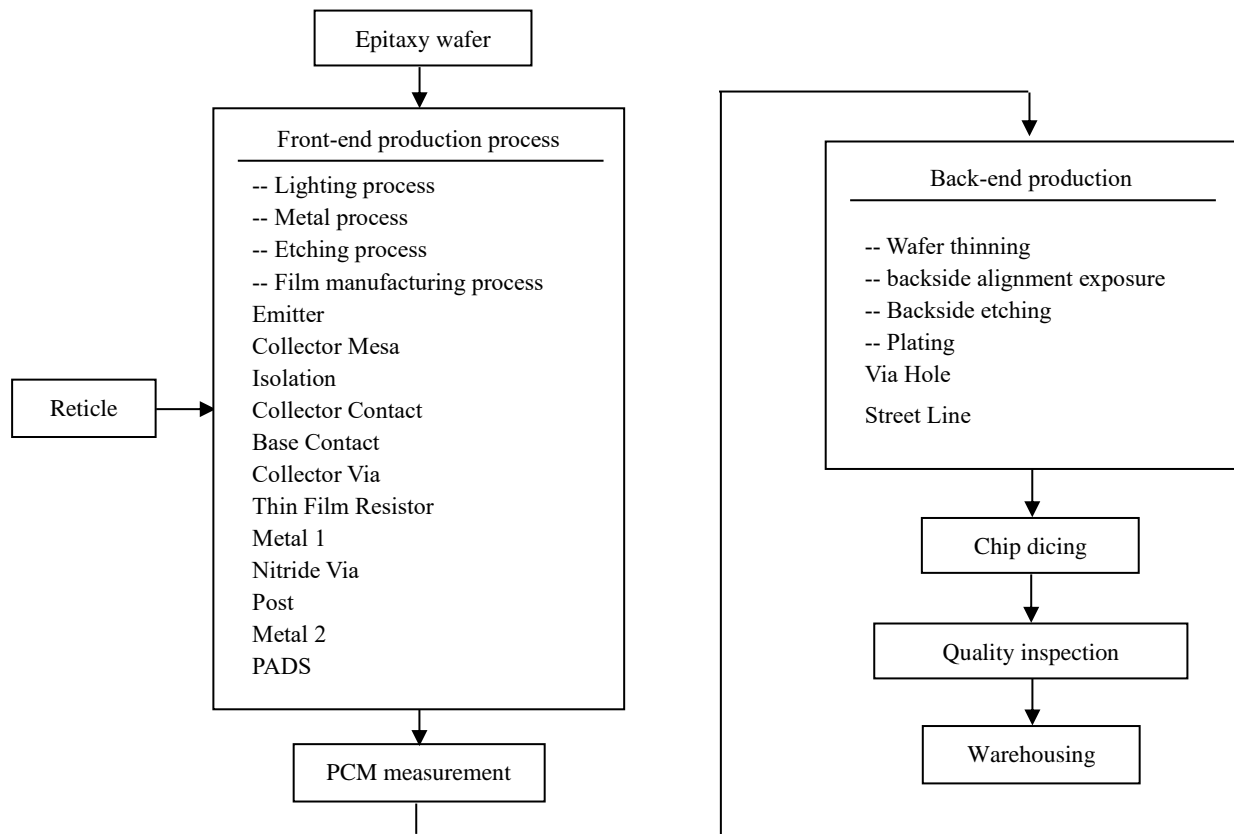
(II) Important Uses and Production Processes of Major Products:

1. Important uses of the main products:

The GaAs wafers produced by the Company are mainly used for the components of mobile phones, Wi-Fi and 3D sensors. They are less affected by the economic fluctuation of a single product, so its unique cyclic demand cannot be observed.

Applied products	Purpose
Mobile phones, Wi- Fi, 3D sensors, low-orbit satellites, base stations (infrastructure)	Power Amplifier Driver Amplifier Down Converter Up Converter VCO: Voltage Controlled Oscillator Switch: Inverter LAN: low noise amplifier VCSEL : 3D Sensor

2. Production Process:



(III) Supply of main raw materials:

The Company's main raw material is epitaxial wafers. Since most of the basic characteristics of GaAs wafers are determined during epitaxy growth, epitaxial wafers are the most important raw material for GaAs wafers. Mainly based on reliable quality and long-term suppliers of epitaxy.

1. Designated by the customer:

The Company's customers have IQE Taiwan Corporation and VPEC as the main suppliers. As a result, the Company's epitaxial wafer purchases were concentrated.

2. The Company decides:

The Company has evaluated the quality stability, customer service, price and delivery date of domestic suppliers, and based on geographical relations, in case of product quality problems, they can be solved in a timely manner. The Company's self-determined procurement targets for epitaxial wafer are mainly the domestic suppliers IQE Taiwan and Visual Photonics Epitaxy.

(IV) Names of customers that accounted for more than 10% of total purchases (sales) in any of one of the past two years, and the amount and proportion of purchases (sales), and the reasons for the changes:

Information of major suppliers in the past two years

Unit: NT\$ Thousand

Item	2023				2024			
	Company Name	Amount	Percent in the Total Annual Net Purchases	Relation with Issuer	Company Name	Amount	Percent in the Total Annual Net Purchases	Relation with Issuer
1	W00007	622,419	38.96%	None	W00007	594,719	32.51%	None
2	E00182	348,128	21.79%	None	E00182	318,690	17.42%	None
3	S00165	219,066	13.71%	None	M00019	285,191	15.59%	None
4	M00019	212,820	13.32%	None	S00165	258,897	14.15%	None
	Other	195,251	12.22%		Other	371,675	20.32%	
	Net purchase	1,597,684	100%		Net purchase	1,829,172	100%	

Reasons for the increase/decrease in the purchase amount to customers with purchase exceeding 10% of the total purchase in any one of the past two years:

Besides the consideration of quality and price, the raw materials purchased by the Company are based on their specifications. In 2024, the overall purchases increased due to the increase in the scale of operation.

Note 1: The name and purchasing amount of suppliers whose proportion of purchasing is higher than 10% of the total purchases in the last two years should be listed. However, if the contract stipulates that the name of the supplier or the object of the transaction is an individual and non-related person, it can be coded.

Information on major customers in the past two years

Unit: NT\$ Thousand

Item	2023				2024			
	Company Name	Amount	Percentage to net sales of the whole year (%)	Relation with Issuer	Company Name	Amount	Percentage to net sales of the whole year (%)	Relation with Issuer
1	Customer D	850,549	31.23%	None	Customer D	1,459,080	32.75%	None
2	Customer B	531,214	19.51%	None	Customer C	875,172	19.64%	None
3	Customer C	396,285	14.55%	None	Customer B	800,138	17.96%	None
4	Other	945,052	34.71%	None	Other	1,321,194	29.65%	None
	Net sales	2,723,100	100%		Net sales	4,455,584	100%	

Reasons for the increase/decrease in the sales amount to customers with sales exceeding 10% of the total sales in any one of the past two years:
The Company's products are customized. The overall turnover in 2024 was higher than that in 2023, mainly due to the continuous stocking of inventory by customers destocking in response to market demand.

Note 1: The name and selling amount of customers whose proportion of selling is higher than 10% of the total sales in the last two years should be listed. However, if the contract stipulates that the name of the customer or the object of the transaction is an individual and non-related person, it can be coded.

III. Number of employees, average years of service, average age, and educational background distribution in the last two years and up to the publication date of this annual report

Year		2023	2024	As of March 31, 2025
Item				
Employee No.	Managers/Deputy Managers and above	28	28	28
	Direct personnel	R&D personnel	41	34
		Technician	304	280
		Administrative and financial personnel	78	78
		Indirect personnel	413	400
	Total		870	820
Average Age		38.33	37.33	38.67
Average Years of Service		7.16	6.42	7.75
Education	Doctorate degree	0.23%	0.23%	0.24%
	Master degree	10.31%	11.72%	11.95%
	College	72.72%	71.49%	71.22%
	Senior High School	16.39%	16.22%	16.22%
	Junior high school and below	0.35%	0.34%	0.37%

IV. Information on environmental protection expenditure

Any 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 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. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided.:
None.

Having obtained the ISO14001 environmental management system for many years, the Company has also continued to promote and improve the environmental safety system and culture of the factory area every year. Since 2015, the Company has voluntarily promoted and completed the systematic greenhouse gas emission inventory (ISO14064-1:2018) and inventory to effectively manage greenhouse gas risks and identify reduction opportunities. The Company has obtained a third-party verification and declaration of greenhouse gas emissions,

and has further implemented an effective voluntary reduction action plan to achieve the company's environmental, safety, and health policies.

V. Labor-Management Relation

(I) The benefit policy, continuing education, training, retirement system for the employees and the implementation, and the labor-management agreement, the protection of the rights of the employees:

1. Employee welfare measures:

The Company has always had harmonious labor-management relations. In addition to the various welfare measures regulated by the government, such as the Labor Health Insurance covering the actual salary of the Labor and National Health Insurance Bureau, the Company also actively provides a variety of welfare measures and equipment items to meet the needs of employees. Listed below:

- (1) Sound rules and regulations, such as promotion, reward and punishment, performance appraisal, duty shift, leave of absence, and salary systems, are clearly listed in the management rules and regulations. The management regulations have been formulated in a sound and effective manner in accordance with the spirit of the Labor Standards Act to take care of employees.
- (2) Guaranteed annual salary for 14 months.
- (3) Appropriate year-end bonuses and employee remunerations are distributed each year depending on the profitability of the Company and individual performance.
- (4) Offer employee stock subscription to share in the operating results.
- (5) The Welfare Committee distributes gift certificates for birthday and Labor Day, as well as Dragon Boat Festival, Mid-autumn Festival, and year-end gift certificates.
- (6) Employees group insurance and free regular health checkup.
- (7) Incentives for employee improvement proposals and patent proposals.
- (8) The Welfare Committee encourages employees to set up clubs and provides subsidies for club activities every year.

2. Continuing education and training of employees

(1) New employees are required to receive general safety and health education and training and professional department job training during the probationary period. In order to be competent and fulfill the needs and performance of the work, new employees are required to receive education and training courses. The company provides internal training courses that are common general courses such as environmental protection, industrial safety, and languages; also provides external training for certification of industrial safety and environmental protection laws and regulations, and participates in professional and technical courses organized by external training institutions. They can also be sent overseas to participate in skills training.

(2) The actual results of related education and training in 2024 are as follows:

Item	Number of Classes	Total number of people	Total hours
New recruits	369	2790	4,876
Professional function training	306	1629	2023.5
Skills training for management	17	24	187
General training	44	2,794	1905.5
Total	736	7,237	8,611

3. Retirement system and implementation

Since July 1, 2005, the Company has established a defined contribution plan in accordance with the "Labor Pension Act," which is applicable to domestic employees. Employees of the Company who choose to apply the Labor Pension Act can have 6% of their monthly salary allocated to the employee's individual account with the Labor Bureau as the pension funds. The payment of employee's pension depends on the option of choice: The pension paid to the employee can be made either on a monthly basis or as a one time payment from the dedicated account of the pension amount and its accumulated income. In 2024 and 2023, the Company recognized pension costs amounting to NT\$30,786 thousand and NT\$23,536 thousand, respectively, in accordance with the above regulations governing the recognition of pension fund.

4. Agreements between labor and management

- (1) Losses incurred by the Company due to labor disputes from 2024 to the date of publication of the annual report: The Company has not experienced any such incidents.
- (2) Estimated amount of the present and future possible occurrences and responsive measures: In addition to improving the remuneration and welfare of employees and improving the working environment, the Company also maintains smooth communication channels between labor and management through labor-management meetings held every quarter.
- (3) Labor-management relation events that still require coordination: The Company did not have such events.

5. Employee right protection measures

- (1) Establishment of the Employee Welfare Committee: Provides employees with gifts on New Year's Day, subsidies for weddings and funerals, organizes birthday parties, establishes clubs, and subsidizes employee travel.
- (2) Employee insurance: All employees of the Company participate in labor insurance, national health insurance, and group insurance separately purchased by the Company.
- (3) Health checkup: To ensure the physical and mental health of employees, the Company regularly conducts health checkups for employees free of charge.
- (4) Pension system: The Company has implemented the Labor Pension Act and has another pension system. The Company makes contributions on a monthly basis to protect the rights and interests of employees.
- (5) Emphasizing labor-management relations: A labor-management meeting is held every quarter (three months) to promote communication and coordination between labor and management.
- (6) Employee safety regulations: The Company complies with the Labor Standards Act and the Labor Safety and Health Act, and arranges appropriate safety and health education and training for employees in a timely manner.

6. Work environment and the protection of the health and safety of the employees

- (1) Deployment of environmental, safety, and health management system:
In view of the importance of the working environment and employee personal safety protection measures, the Company has established and maintained a documented environmental, safety and health management system in accordance with the requirements of ISO45001 to strengthen autonomous management, continuously improve environmental, safety and health management performance, reduce occupational hazards, protect labor safety and health and meet the needs of employees, competent authorities, customers, and stakeholders. It is hoped that the continuous operation and improvement of this environmental, safety, and health management system will create sustainable advantages for the company in environmental protection, safety, health, and manufacturing products and services that satisfy customers.
- (2) Organize an Occupational Safety and Health Committee:
The Occupational Safety and Health Committee is composed of selected department managers and labor representatives. The head of the business holds quarterly meetings to discuss related safety and health matters.
- (3) Establish a dedicated management unit for safety and health:
The safety and health management unit consists of the safety and health supervisors, labor and health managers, and labor safety and health managers to implement the factory's occupational disaster prevention plan, labor safety and health management of each department, facility inspection, inspection tour, regular inspection, operating environment measurement, education and training, health checkup and management, disaster investigation and statistics, related data management and suggestions.
- (4) Zero disaster goal:
The Company draws up its annual occupational hazard prevention plan at the end of each year. Based on the content of the occupational hazard prevention plan, a detailed implementation plan is formulated, and the business units implement the plan according to the schedule and content. The Occupational Hazard Prevention Plan is to be revised every three months by the Safety and Health Committee or at the labor-management meeting. The occupational hazard prevention plan for next year is defined in accordance with the resolutions of the Safety and Health Committee. The implementation, audit, review, and revision of the plan continue to reduce the hazard risk of business units year by year through PDCA (Plan, Do, Check, Act), and achieve the ultimate goal of the zero disaster.
- (5) Executing automatic inspection management:

When faced with different operating environments, processes, control, and operations, employees may suffer physical injuries due to unsafe operations, equipment, or management. The Company actively promotes automatic inspection in the hope to we identify potential hazards and strive to improve and control them effectively through the promotion of this measure. The Company makes practical considerations for the inspection items and sites that require the implementation of automatic inspection in accordance with the Occupational Safety and Health Organization Management and Automatic Inspection Regulations and related safety and health regulations. The regulated inspection items and sites are: The hazardous equipment, centrifugal machinery, drying equipment, high and low voltage electrical equipment, high-pressure gas specific equipment, chemical and specific chemical equipment, local exhaust, ventilation equipment, high-pressure gas container, oxygen-deficient operation, hazardous operation, hazardous materials and hazardous material operation, protective equipment, and electrical machinery and equipment.

(6) Implementing operating environment testing:

When testing the operating environment, the Company draws up operating environmental testing plans that include a sampling strategy. Starting from the collection of basic data, raw materials, production processes, and hazardous substances inventory, observation, interview records, and investigations are used to plan for similar exposures. Then, sample the subjects with the greatest possible exposure; the items measured are as shown in Attached Table 1, “Worker Safety, Health and Environment Measurement Items”:

Attached table 1. Worker Safety, Health and Environment Measurement Items

Item	Measurement item	Judgment criteria	Frequency	Measuring method	Basis	Responsible unit
1	Acetone	200 ppm	Half a year	Operating environment testing organization approved by the central competent authority	1. Implementation Rules for Worker Environment Monitoring 2. Standards of Permissible Exposure Limits at Job Site.	Environmental safety unit
2	Isopropyl alcohol	400 ppm				
3	Xylene	100 ppm				
4	Hydrogen Chloride	5 ppm				
5	Cyanide	5 mg/m3				
6	Chlorine	0.5 ppm				
7	Arsenic and its inorganic compounds	0.01 mg/m3				
8	Ammonia	50 ppm				
9	Iodine	0.1 ppm				
10	Sulfuric Acid	1 mg/m3				
11	Nitric Acid	2 ppm				
12	Ethyl acetate	400 ppm				
13	Amyl acetate	100 ppm				
14	Butyl acetate	150 ppm				
15	Phosphoric Acid	1 mg/m3				
16	Hydrogen peroxide	1 ppm				
17	Methanol	200 ppm				
18	Cyclohexanone	25 ppm				
19	Cresol	5 ppm				
20	1,4-Dioxane	25 ppm				
21	Hydrogen fluoride	2.6 mg/m3				
22	Propylene glycol methyl ether	100 ppm				
23	Nickel	5 mg/m3				
24	Fourth Category Respirable dust	5 mg/m3				
25	CO2	5000 ppm				
26	Noise	85dBA				
27	Illuminance	Direct reading				

(7) Emergency response management:

In response to possible accidents or emergencies, including fire, explosion, chemical leakage, gas alarm, emergency rescue, pollution control equipment failure, external terrorist attack resulting in damage to personnel and properties in the factory, or natural disasters (earthquake, typhoon, flood) resulting in the aforementioned incidents or strikes. with correct and effective response procedures to minimize personal injury, property damage, and impact on the

environment caused by accidents.

7. Information on ethical corporate management, code of conduct, and corporate social responsibility code of conduct is as follows:

- (1) The Company has established work rules. In order to encourage all employees to understand employee behavior, conduct, and ethics, the Company's management and all employees are bound to abide by the "Code of Practice" and serve as the basis for employees' daily work and behaviors. Employees of the Company shall observe the following ethical code of conduct:
 - (A) The Company's employees are expected to emphasize teamwork and avoid parochialism in the performance of their duties; they are also expected to abide by the principle of honesty and credibility, and maintain a positive, proactive, and responsible attitude.
 - (B) Employees of the Company shall not be discriminated against or excluded in any form against one another based on their gender, race, religion, political affiliation, sexual orientation, rank, nationality, and age.
 - (C) The Company's employees shall jointly maintain a healthy and safe work environment, and shall refrain from any sexual harassment or other forms of violence, threats and intimidation.
 - (D) The Company's employees are responsible for maintaining and increasing the legitimate interests of the Company and shall avoid:
 - (a) Opportunities for personal gain or that of a third party through the use of company property, information, or the convenience of official position.
 - (b) Compete with the Company.
 - (E) Employees of the Company shall treat business counterparts fairly; no preferential treatments are allowed in transactions with related parties. Employees of the Company shall not demand, promise, offer or accept gifts, receptions, kickbacks, bribes, or other improper benefits of any kind for their own benefit or the benefit of a third party when performing their duties. However, the gift or reception is not subject to this restriction if it is considered social customs or permitted by the Company's regulations.
 - (F) For any information that may have a material impact to the Company's securities trading price that the employee of the Company obtains at work, the employee shall maintain strict confidentiality in accordance with the Securities and Exchange Act before the information is disclosed to the public, and is not allowed to engage in insider trading using such information.
 - (G) Employees of the Company shall respect each other's privacy and shall not spread rumors or slander. Items or confidential information that they learn from their duties shall be carefully managed, and shall not be leaked to others or used for purposes other than work unless they have been disclosed by the Company or as necessary for the performance of their duties; the same is true after resignation.
 - (H) The information to be kept confidential as referred to in the preceding paragraph, including the Company's personnel and customer information, inventions, business secrets, technical information, product design, manufacturing expertise, financial and accounting information, intellectual property rights, and all other undisclosed information that may be exploited or leaked by competitors that is detrimental to the Company or customers thereafter.
 - (I) The Company's employees shall ensure that all documents they handle are correct and complete, and shall keep them properly.
 - (J) When performing their duties, the Company's employees shall prevent the theft, interference, sabotage, and invasion of data, information systems, network equipment, and other resources to protect the confidentiality, integrity, and availability of the Company's information.
 - (K) Employees of the Company shall not in any way influence other employees to make political donations, support specific political parties or candidates, or participate in other political activities. In addition, they shall also refrain from engaging in political activities during work hours and in the workplace.
 - (L) Employees of the Company shall respect the laws and regulations governing intellectual property rights and prohibit the illegal use or duplication of copyrighted intellectual property, including books, magazines, and software.
 - (M) The Company's supervisors shall strengthen the promotion of the Company's internal ethics concept, and encourage employees to anonymously report violations of laws and regulations or this Code to their supervisors. The company shall do everything it can to

protect the safety and confidentiality of the informants, in order to safeguard whistleblowing employees from retaliation.

- (2) In order to maintain gender equality and to provide employees with a work and service environment free from sexual harassment, the Company handles related matters in accordance with the Act of Gender Equality in Employment for all employees to comply.
- (3) In order to regulate employees' behaviors in using electronic tools, the Company has established the Guidelines for Internet Use and Management for all employees to abide by.
- (4) In order to protect intellectual property rights, the Company has formulated the Declaration of Intellectual Property Rights and the labor contract to regulate the work ethics of employees.

- (II) Losses due to labor disputes in the most recent year up till the publication date of this annual report, and disclose the estimated amounts that may occur currently and in the future and responsive measures: None.

VI. Cyber Security Management

(I) Information and communication safety management strategy and framework:

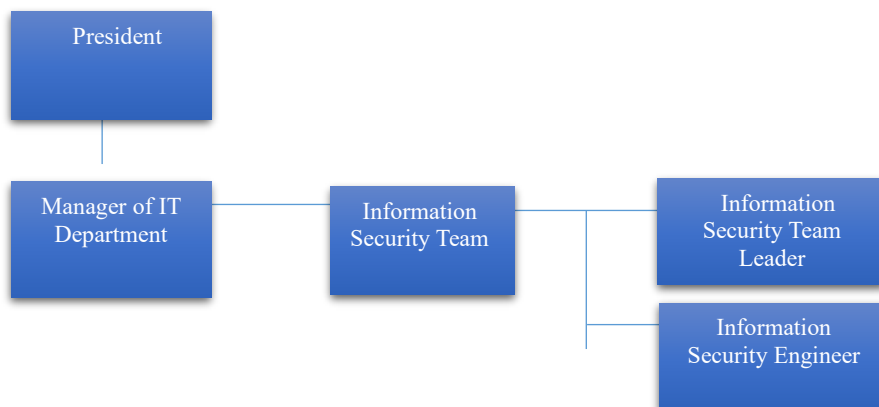
In order to protect important information assets and employees' personal information, an information security work group has been set up to perform tasks for the promotion of information security. Penetration testing, vulnerability scanning, terminal protection, and firewall monitoring settings are executed in accordance with the company's cyber security policy.

1. Cyber security risk management framework

(1) Organizations Governing Corporate Information Security

The Company established the "Information Security Working Group" in 2021, responsible for the implementation of information security, information and network security monitoring mechanisms, and related policies. It also has an Information Security Officer and a team member.

(2) The Company's corporate information security organizational structure



(II) Cybersecurity policies

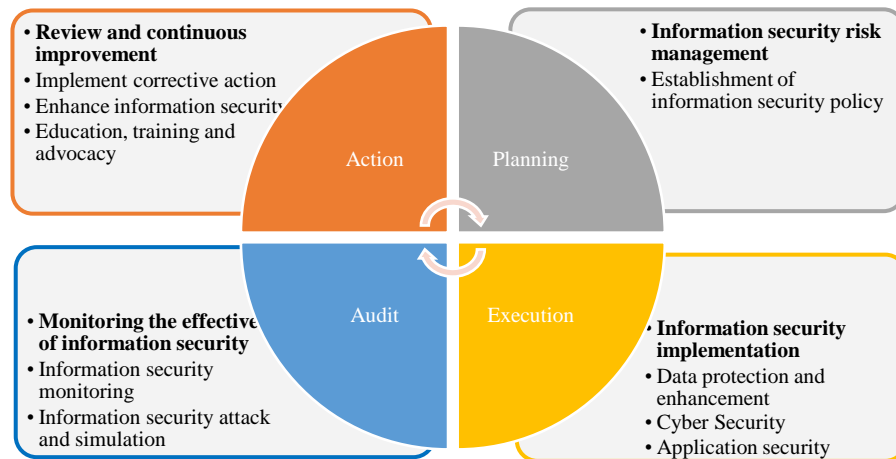
1. Information security management strategy and framework

For the effective implementation of information security management, the "Information Security Working Group" holds weekly meetings to review information security activities according to the Plan-Do-Check-Act (PDCA) management cycle.

The "planning stage" focuses on reducing threats to corporate information security from the systematic, technical, and procedural perspectives, and establishing confidential information protection services of the highest standards that meet customers' needs. The "Execution Phase" is to construct multi-layer information security protection, continue to introduce innovative information security defense technologies, integrate information security control mechanisms into software and hardware maintenance and other daily operating procedures, systematically monitor information security, and maintain the Company's important assets of confidentiality, integrity, and availability. During the "Review Phase," the Company conducts information security maturity assessment through regular simulations of information security attacks. The "Action Phase" is based on review and continuous improvement. Supervision and audit are implemented to ensure the continued

effectiveness of information security regulations; employees who violate relevant regulations and procedures will be dealt with according to the information security violation handling procedures, and personnel will be punished depending on the circumstances of the violation (including employees' performance appraisals or taking necessary legal actions) to ensure that the Company's important and confidential information is not leaked.

2. Information security risk management and continuous improvement framework:



3. Specific information security management solutions:

To achieve the goal of information security policy, implement management and establish a comprehensive information security framework. Through advocacy, risk management, and drills, the planned management policies are verified and implemented:

(1). Risk self-inspection:

Self-inspection of the information environment and key resources, systems and services, and inspection of information asset risks, in order to strengthen and repair risks at different levels, in order to find possible potential risks and take corrective actions.

(2). Information security disaster and recovery drill:

Revise the cyber security incident reporting and response management, and implement the system and data recovery procedures for employees to improve their proficiency in operating procedures to ensure that damage control or recovery operations can be performed effectively in the shortest time when an information security incident occurs. Reduce the impact of information security incidents.

(3). Information security advocacy and training:

All new employees must complete information security education and training courses before they arrive on the job to understand the information security policies and the specific control measures of the Company to prevent new employees from accidentally hitting the red line; recent information security incidents were publicized, and social engineering emails were used as a means of verification to effectively enhance employees' awareness of information security protection.

(4). Third-party verification:

Through domestic information security vendors with extensive experience, the company reviews the internal and external services, malicious activities, network and information security structure, and inspects the company's internal user-server-external service from different perspectives such as service, structure, and node and provide suggestions for improvement to complete the Company's comprehensive information security protection.

(5). Continue to strengthen the existing framework:

Through inspections, education, drills, and verifications, the company understands the internal information security protection that needs to be strengthened, and continues to make repairs, adjustments, and implementations to effectively strengthen the overall information security protection and prevent information security incidents.

(III) Losses suffered as a result of major IT security incidents in the most recent year up till the publication date of this annual report, the possible impacts, and the countermeasures. If it is not possible to reasonably estimate the facts, explain the facts: None.

VII. Important contracts

Supply and sale contracts, technical cooperation contracts, construction contracts, long-term loan contracts, and other important contracts that may affect shareholders' equity still valid as of the publication date of the annual report or expiring in the most recent year:

Agreement	Parties concerned	Term of the agreements	Summary of the content	Restrictions
Land lease contract	Southern Taiwan Science Park Administration	1999.03 - 2039.02 2008.04 - 2028.04 2022.05 - 2032.04 2012.06 - 2032.05 2018.02 - 2038.02	Lease of land	None

Five. Review and Analysis of Financial Position and Financial Performance, and Risk Factors

I. Financial position

Unit: NT\$ Thousand

Items \ Year	2023	2024	Difference	
			Amount	%
Current assets	3,572,983	4,222,019	649,036	18.17%
Property, plant and equipment	4,974,668	5,148,471	173,803	3.49%
Intangible assets	6,766	13,798	7,032	103.93%
Other assets	246,634	179,846	(66,788)	-27.08%
Total assets	8,801,051	9,564,134	763,083	8.67%
Current liabilities	828,039	774,970	(53,069)	-6.41%
Non-current liabilities	490,896	982,639	491,743	100.17%
Total liabilities	1,318,935	1,757,609	438,674	33.26%
Capital stock	1,965,161	1,965,161	0	0.00%
Capital surplus	4,262,693	4,140,631	(122,062)	-2.86%
Retained earnings	1,254,262	1,700,733	446,471	35.60%
Other equity interest	-	-	-	-
Non-controlling interest	-	-	-	-
Treasury stock	-	-	-	-
Total equity	7,482,116	7,806,525	324,409	4.34%
Description of analysis on the change in the ratio of increase to decrease: 1. Intangible Assets Increased Compared to the Previous Period: This is mainly due to the increase in computer software during the current period compared to the previous period. 2. Other Assets Decreased Compared to the Previous Period: This is mainly due to the decrease in prepaid equipment payments compared to the previous period. 3. Non-Current Liabilities Increased Compared to the Previous Period: This is mainly due to the increase in long-term loans during the current period compared to the previous period. 4. Retained Earnings Increased Compared to the Previous Period: This is primarily due to the increase in operating scale and net profit in the current period compared to the previous period.				

II. Financial performance

1. Comparison and analysis of financial performance

Unit: NT\$ Thousand

Items \ Year	2023	2024	Changes in amount	Variation ratio (%)
Net operating revenues	2,723,100	4,455,584	1,732,484	63.62%
Cost of goods sold	2,308,371	3,570,491	1,262,120	54.68%
Gross operating spread	414,729	885,093	470,364	113.41%
Operating Expenses	346,996	359,946	12,950	3.73%
Operating Income	67,733	525,147	457,414	675.32%
Non-operating income and expenses	26,247	71,876	45,629	173.84%
Continuing operations pre-tax net profit	93,980	597,023	503,043	535.27%
Income tax expenses	11,254	76,099	64,845	576.20%
Net profit this period	82,726	520,924	438,198	529.70%
Explanation of increase/decrease ratio (difference over 20%): 1. Net operating revenue and costs increased compared to the previous period: This is mainly due to continued stockpiling by customers in response to market demand. 2. Operating gross profit and net profit increased compared to the previous period: This is mainly due to the increased operating scale in the current period. 3. Non-operating income and expenses increased compared to the previous period: This is mainly due to the increased operating scale in the current period. 4. Pre-tax net profit from continuing operations increased compared to the previous period: This is due to the increased operating scale in the current period. 5. Income tax expenses increased from the previous period mainly due to the increase in profits. 6. Net profit for the period increased compared to the previous period: This is due to the increased operating scale in the current period.				

2. Expected sales volume in the next year and the basis thereof:

Based on the sales forecasts provided by our customers, industry conditions, market supply and demand, and the Company's production capacity, the penetration rates of 5G smartphones and WiFi 6, WiFi 7, along with the increasing market share of our customer base, are expected to gradually rise in the 2025 fiscal year. The Company anticipates that sales volume will change in line with market trends.

3. Possible impacts to the Company's future financial operations and countermeasures:

In response to the growing popularity of wireless transmission products, the Company successfully completed the expansion of its second plant in 2023. Additionally, the Company has invested in new machines and automated equipment to address bottlenecks, expanding production capacity and enhancing production efficiency. The current production capacity is sufficient to meet the Company's expanding operational scale year by year. This will not only help improve profitability and provide returns to shareholders, but will also continue to strengthen asset turnover. With a low debt ratio and a solid financial structure, the Company is well-positioned to accommodate the future growth in operational scale.

III. Analysis of Cash Flow

1. Analysis of cash flow changes in the most recent year:

Items \ Year	2023	2024	Variance (%)
Cash Flow Ratio (%)	16.50	161.13	144.63
Cash Flow Adequacy Ratio (%)	62.83	72.91	10.08
Cash Reinvestment Ratio (%)	1.13	7.74	6.61
Description of analysis on the change in the ratio of increase to decrease: Increase in cash flow ratio, cash flow adequacy ratio and cash reinvestment ratio from the previous period is mainly due to the increase in revenue.			

2. Improvement plan for insufficient liquidity: The Company does not have insufficient liquidity.

3. Analysis of cash liquidity in the coming year:

Unit: NT\$ Thousand

Cash, Beginning of Year (1)	Projected net cash flow from operation of the period (2)	Projected cash outflow for the year (3)	Projected cash surplus (deficit) (1)+(2)-(3)	Remedy for projected cash short	
				Investment plan	Financing plan
2,826,099	958,592	(555,048)	3,229,643	—	—
1. Analysis of cash flow changes in the current year (2025): (1) Operating activities: It is expected that net cash inflow of NTD 958,592 thousand will be generated from operating activities due to the continuous business growth. (2) Investing Activities: The Company paid for the expansion of clean rooms and the purchase of machinery and equipment. (3) Financing activities: Distribution of cash dividends of NTD 233,854 thousand in 2025. 2. Remedial measures for projected cash deficit and liquidity analysis: Not applicable.					

IV. Impacts of major capital expenditures in the most recent year on financial operations:

The Company's major capital expenditures in 2024 were for the expansion of clean rooms and the purchase of machinery and equipment. The main sources of funds were self-owned funds or bank loans; this capital expenditure was for the future purchase of production equipment to upgrade GaAs wafers. The output is prepared in advance to respond to the future market demand, the development of new customers, and the increase in orders from new process technology products. In addition, if the Company has a capital expenditure plan, it will take into account the current financial situation and expected future returns. The Company's financial operations are not adversely affected.

V. Direct investment policy in the most recent year, the main reason for profit or loss, corrective action plan, and the investment plan in the year ahead:

1. The Company's re-investment policy

The Company's business policy is to focus on the operation of its principal business. There is no re-investment plan in the most recent year. The Company will adopt a cautious and rigorous evaluation of possible reinvestment cases in the future.

2. Main reasons for profit or loss, and improvement plans: None.

VI. Risk analysis

(I) Effects of Changes in Interest Rates, Foreign Exchange Rates and Inflation on Corporate Finance, and Future Response Measures:

1. Impact on the Company's profit or loss:

(1) Changes in interest rates

The Company has cash and cash equivalents, as well as long-term loans, that are subject to

variable interest rates. If the interest rate increases or decreases by 0.25%, with all other variables remaining constant, the pre-tax net profit for 2024 would decrease or increase by NT\$(2,025) thousand, mainly due to changes in interest expenses resulting from fluctuations in the floating interest rate loans. The Company will adjust financing tools in a timely manner depending on interest rate fluctuations to reduce the risk of interest rate fluctuations.

(2) Changes in exchange rates

The Company's exchange rate risk arises primarily from the translation of cash and cash equivalents, accounts receivable, and other receivables denominated in foreign currencies, which gives rise to foreign currency exchange gains and losses. When the New Taiwan Dollar appreciates or depreciates by 1% against the US Dollar and Japanese Yen, with all other factors remaining constant, the pre-tax net profit for 2024 would decrease or increase by NT\$5,057 thousand. The Company's financial unit observes the trend of exchange rates, and uses foreign exchange instruments for hedging if necessary to reduce the impact of exchange rate fluctuations on operating costs.

(3) Inflation

The Company reduced the front-end procurement cost through active price negotiation, and there was no immediate and significant impact from inflation.

2. Countermeasures in the future:

- (1) Countermeasures for interest rate changes: The Company had long-term borrowings of NT\$1,055,591 thousand as of the end of 2024. The Company maintains unobstructed liaison management with its banks to keep abreast of current interest rates and seek government subsidy borrowing rates to reduce the impact of interest rate changes on the Company's profit and loss impact.
- (2) Countermeasures in response to exchange rate fluctuations: The Company's export revenue is used to pay for the import of raw materials, which has automatically offset most of the foreign exchange revenue impacts on the Company's profit and loss due to exchange rate fluctuations. The Bank decides to deposit into NTD or foreign currency to minimize the exchange rate risk. If the NTD appreciates in the future, the Company will suffer exchange loss. In response to this exchange rate risk, the Company will take the following measures:
 - (A) Collect exchange rate information at all times to keep abreast of the trend. Maintain frequent interactions with the foreign exchange department of the bank to get hold of sufficient market information and to decide the appropriate point of time to make the currency exchange depending on the needs for funds and the exchange rate fluctuation.
 - (B) For the foreign currency accounts receivable generated from export and the foreign currency accounts payable generated from external purchase, the offsetting of claims and liabilities can have a natural hedging effect and reduce exchange rate risk.
- (3) Responding to inflation: The world has been facing financial turmoil and economic recession. In order to stimulate the economy from the trough, many countries adopted loose monetary policies and reduced interest rates significantly to avoid deflation. At present, oil and raw material prices are still within an acceptable range. In the future, the Company will continue to maintain close and good interaction with suppliers and customers, and pay attention to changes in market prices at any time to reduce the effect of inflation.

(II) The policy of engagement in high risk, high leverage investment, loaning of funds to a third party, endorsement/guarantee in favor of a third party, and derivative trade, the main reason for profit or loss, and the response:

The Company has not engaged in high-risk or high-leverage investments, loaned funds to others, made endorsements/guarantees, or engaged in derivative transactions in the most recent year. The Company's engagement in the aforementioned transactions shall be handled in accordance with the Company's internal management regulations. In addition, the May 14, 2003 shareholders' meeting passed the abolition of the "Regulations on Loaning of Funds to Others" and the "Regulations on Endorsements and Guarantees".

(III) Future R&D plans and expected R&D expenses:

1. Future R&D plans: (1) 5G PA chip process improvement to enhance performance
- (2) WiFi7 PA chip process improvement to enhance performance
- (3) Development of Ku-Band PA wafer manufacturing process

- (4) Power pHEMT graphic design and chip process development
 - (5) ELO Solar (Epitaxial Lift Off) wafer process development
 - (6) High-frequency Filter process development
 - (7) POI (Piezoelectric on Insulator) process development
 - (8) GaN wafer process development
 - (9) VCSEL AI chip module process development
- 2. The Company's R&D expenditure in 113 was NTD 202,533 thousand, and the expected investment in R&D in 114 is NTD 183,369 thousand.
- (IV) The influence of the changes in major policies of the home government and foreign governments, and the regulatory environment, on the financial position and operation of the Company, and the response:

The Company consults lawyers, accountants and other relevant operating units for important policies and legal changes at home and abroad.
- (V) The influence of technology and industrial change on the financial position and the operation of the Company, and the response:

The Company has always been committed to technology research and development to improve the yield rate, and continued to develop the innovation and application of GaAs wafers. The Company will continue to maintain its leading position in research and development and technology. In the most recent year and up to the prospectus' publication date, there were no major technological changes that had a material impact on the Company's financial operations.
- (VI) The effect of corporate image change on corporate crisis management, and the response:

The Company's business mission is based on the principle of prudence and integrity. So far, it has passed the CG6006 general-purpose corporate governance system evaluation and certification by the Taiwan Corporate Governance Association (TCGA), and has a good corporate image. The stock has been listed on the OTC in June 2009. Many outstanding talents have joined the Company to provide services entering the capital market. In 2018, we completed the RBA (Responsible Business Alliance) certification to regulate the company's corporate social responsibility behavior in business activities. We are committed to upholding labor human rights, providing a healthy and safe working environment, and reducing harm to the community, the environment, and natural resources. Adherence to the highest ethical standards and establishment of a complete corporate social responsibility management system. Enhance the management team strength for management results with profit returns to the shareholders. The Company fulfils its corporate social responsibilities. Thus, it has no occurrence of events that would harm its corporate image. In the future, the Company will pursue the maximization of shareholders' equity while fulfilling corporate social responsibilities in order to further raise its corporate image.

In 2023, we began to compile the Sustainability Report to implement corporate governance, enhance corporate sustainable development, and move towards sustainable operation.
- (VII) The expected result and possible risk from corporate merger and acquisition, and the response:

The Company currently has no plan for mergers and acquisitions.
- (VIII) Expected result and possible risk from capacity expansion, and the response:

The plan of introducing strategic investors, repayment of bank loans, and private placement of machinery and equipment was approved at the shareholders' regular meeting on June 10, 2020 for the capital increase of NT\$3,496,500 thousand for the production of GaAs wafers, which will help the Company to expand the scale of operations and enhance the overall competitiveness, and is beneficial to the stable development of the Company in the future. This capital expenditure plan was completed with the execution of the private placement funds in Q2 2023. Currently, the Company has no plans to expand its facilities.
- (IX) The risks deriving from concentration of purchase and sale, and the response:
 - A. Raw materials in the hands of foreign majors and countermeasures
 - a. Diverifying supply chain risks

The Company currently has two suppliers for GaAs epitaxy, which should be able to effectively

ensure the supply of main raw materials. The stability of GaAs epitaxy has a great impact on the quality and yield of products, and the product quality often requires a long period of cooperation to establish. Both the production process and the quality control meet the Company's requirements for these two suppliers, and we collaborate closely. The Company and each supplier maintain good cooperative relations, which should be able to effectively ensure the supply of major raw materials.

B. Concentration of Sales Customers and Countermeasures

The GaAs wafers contracted by the Company are currently mainly used in wireless transmission power amplifiers such as mobile phones and Wi-Fi. The sales targets are mainly concentrated in PA IC Design Houses in the United States, Taiwan, and China. The threshold is that the industry is concentrated in a few manufacturers. The upstream, midstream and downstream from GaAs substrates, epitaxy, wafer manufacturing, packaging and testing, and even IDM plants are all typical oligopolistic structures. The technology certification period is long and the specifications are special, which makes it difficult to change suppliers; the Company supplies a large number of chips to the leading manufacturers of mobile phone PA, which shows that the Company's GaAs wafer manufacturing technology has reached the world standard, and the concentration of sales customers is an industry characteristic.

In the past three years, the Company has focused on diversifying its customer base and developing new process products. In addition to mobile 4G/5G PAs and WiFi 5 / WiFi 6 / 6E / 7 PAs, SW, and LNAs, new VCSEL products for 3D sensing, LiDAR, and optical communications (Datacom) have already entered mass production. The customer base for mobile phone PAs has been dispersed. In recent years, it has gradually developed more fabless IC design house customers in the United States and China. In terms of WiFi, apart from Taiwan IC design houses, we have subsequently been working with several groups of customers in mainland China in recent years to develop WiFi products and has begun mass production; for other applications such as infrastructure, satellite communication, LiDAR, filters, and optical communications, we are actively engaged with customers in the development of new products, and it is expected that the risk of sales concentration can be significantly reduced in the near future.

- (X) The influence of the massive transfer of equity shares by or the replacement of Directors, Supervisors, or shareholders holding more than 10% of the shares, the risk, and response: None.
- (XI) The influence of the change in ownership of the Company, the risk, and the response: None.
- (XII) Litigation or Non-litigation Matters: major litigation, non-litigation or administrative litigation matters in which the Company and its directors, supervisors, Presidents, substantive responsible persons, major shareholders with over 10% shareholdings and affiliated companies which have been judged or are still in attribution should be listed. If the results may have a significant impact on shareholders' rights and interests or securities prices, the facts of the dispute, the amount of the subject matter, the date of commencement of the litigation, the principal parties involved and the handling of the case up to the date of publication of the annual report should be disclosed: None.

(XIII) Other major risks and response:

1. Risk management policies:

The Company's risk management policy is to establish a risk management mechanism for risk identification, assessment, supervision and control, to construct an integrated risk management system, and to promote a business model oriented by appropriate risk management, so as to achieve business goals and enhance shareholders' value.

The Company, in addition to the existing systems to regulate and deal with the main risks in the marketing market, production operations, human resource planning, new product development, environmental risk and R&D progress, and financial and accounting control, has also actively developed more advanced and more sensitive procedures and guidelines for monitoring, assessing, and controlling risks, in order to balance safety and efficiency, and to establish a more economical business operation model. For example, strengthen the establishment of information systems and strengthen early warning and monitoring capabilities.

2. Organizational structure for risk management:

(1) Board of Directors:

It is the highest unit of risk management of the Company. Based on the overall operating strategy and operating environment, it promotes and implements the Company's overall risk

management in compliance with laws and regulations. It has a clear understanding of the risks faced by the Company's operations, ensures effective risk management, and takes the ultimate responsibility for risks management.

(2) Senior management:

Responsible for planning, directing and dispatching the execution of risk management decisions of the Board of Directors, and coordinating cross-departmental risk management interactions and communications to reduce strategic risks.

(3) Functional units:

Responsible for analyzing, managing and monitoring relevant risks within the units to ensure the effective implementation of risk control mechanisms and procedures.

(4) Internal audit:

As an independent unit under the Board of Directors, the Bank assists the Board of Directors in supervising the implementation of the risk management mechanism, checking the implementation status of risk response and control of each functional unit, and providing risk monitoring improvement suggestions.

3. Information security risk response measures:

(1) Multi-layer information security protection

A. Cyber security:

- (a) Introduce advanced technology for computer scanning and system and software updating.
- (b) Strengthen network firewalls and network control to prevent the spread of computer viruses across machines and factories.
- (c) Introduce multi-factor authentication to improve account security and reduce the risk of theft.

B. Device safety:

- (a) Establish a mechanism for anti-virus inspection of machines to prevent software with malware inside the machines from entering the company.
- (b) Implement endpoint anti-virus measures by type of computer to enhance malware detection and prevention.

C. Data security:

- (a) Classification of documents by type of confidentiality.
- (b) Encryption control and effective tracking of documents and data.
- (c) Control over outgoing mail items.
- (d) The system will automatically add a flag to the external mail to remind employees to read the mail with care and avoid opening the mail with malicious content.
- (e) Execute information security disaster and recovery drills to ensure that damage control or recovery operations can be carried out in the shortest time in the event of an information security incident.

(2) Review and continuous improvement

A. Education, training and advocacy: Information security advocacy for new employees.

B. Raise employees' vigilance against email social engineering attacks, and execute phishing email defenses and detections

C. Conduct information security education to employees from time to time to raise employees' information security awareness.

D. Conduct third-party information security health check, identify and repair loopholes in advance, to effectively reduce the risk of information security incidents, and prevent financial losses or damage to reputation caused by attacks.

4. Countermeasures for various epidemics:

In line with the concept that employees are the most important assets of the Company, the Company takes care of the health of employees and maintaining the integrity of the Company's competitiveness as the starting point. In the daily routine, the prevention of infectious diseases is regarded as the initial stage of preventive maintenance. Risk assessments are conducted based on possible epidemic scenarios and epidemic prevention plans are drawn up. It also proactively collects information on the development trend of epidemic diseases to provide the basis for internal staff health management and devise countermeasures. Review and adjustment are made every year to be practical and feasible.

(1) Measures in response to various epidemics:

- A. Continue to maintain the cleanness and disinfection of the public areas of the plant, and provide epidemic prevention alcohol for personnel to use.
 - B. It is recommended but not mandatory for employees to wear masks to work.
 - C. Plant nurses continue to monitor the development of various epidemics.
- (2) Responding to the outbreak of dengue fever in southern Taiwan:
 - A. In line with the dengue fever prevention measures of the Tainan City Government, the employees who were involved in spraying of home were given epidemic prevention holidays.
 - B. For areas within the plant where disease-carrying mosquitoes may breed, mosquito control treatments are carried out every six months through spraying.
 - C. Plant nurses continue to monitor the development of various epidemics.
- 5. Starting from the second quarter of 2023, overall smartphone and PA inventory has been reduced to a healthy level, leading to a surge in urgent orders from customers. From the third quarter of 2023, the orders shifted to regular demand, and operational momentum has returned to normal, with demand continuing to increase. Although there was a temporary shortage in production capacity due to the inability to fill workforce gaps quickly, the Company has accelerated recruitment and cross-training efforts. By the first half of 2024, the Company will have gradually met customer demand, with current equipment capacity reaching 22,000 wafers per month, sufficient to meet customer needs. Additionally, the Company continues to focus on diversifying its customer base and developing new technologies and product applications to ensure more stable overall operations.
Therefore, the Company has adopted the following countermeasures:
 - (1) Develop advanced manufacturing processes, such as: FR3 wireless communication technology, Ku-Band PA, etc.
 - (2) Promote new technologies like filters, varactors, and CPV solar to attract new customers.
 - (3) Continuously optimize efficiency and provide multi-skill training to ensure rapid response to meet customer production capacity needs under any circumstances.
 - (4) Maintain competitive pricing and continue collaborating with customers to create more market opportunities.
 Aside from the implementation of the above policies, we still need to keep an eye on changes in the global economy and customers' inventories to avoid a repeat of the event of high inventory in 2022.

VII. Other important matters: None.

Six. Special requirements

I. Information on affiliates:

Relevant information can be found on the MOPS under: Individual Company > Electronic Document Download > Affiliated Enterprises – Three Statements Section.

(Search website: https://mopsov.twse.com.tw/mops/web/t57sb01_q10)

II. Private placement of securities in the most recent year up till the publication date of this annual report:

The execution of the Company's previous private placements of securities has been completed. Relevant information can be found on the MOPS under: Thematic Areas > Investment Section > Private Placement Section > Private Placement Section.

(Search website: <https://mops.twse.com.tw/mops/#/web/t116sb01>)

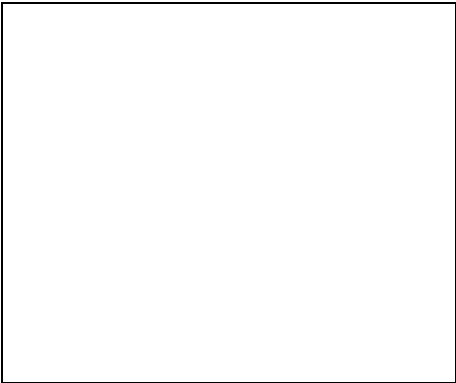
III. Other supplementary information: Not applicable.

IV. Events as prescribed in Subparagraph 2 in Paragraph 3 of Article 36 of the Securities and Exchange Act that caused significant influence on shareholders' equity or stock price in the most recent year to the day this report was printed: None.

Advanced Wireless Semiconductor Company

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Chairman: Yu-Ming Chi

