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# ANNUAL REPORT 2024

FIRST COPPER TECHNOLOGY CO., LTD.

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System <https://mops.twse.com.tw/mops/#/web/home>  
Company website: <http://www.fcht.com.tw>**

**(I) Name, title, contact telephone number, and email address of the spokesperson and acting spokesperson**

Spokesperson:

Name: Hong Mao-Yang

Title: General Manager

Contact Tel.: (07) 281-4161 Ext. 200

E-mail: myhung@hegroup.com.tw

Acting spokesperson:

Name: Liu Hsiu-Mei

Title: Deputy General Manager, Administration Department

Contact Tel.: (07) 281-4161 Ext. 420

E-mail: misherr@hegroup.com.tw

**(II) Address and telephone number of the Company's headquarters, branch offices, and factories**

1. Headquarters address: 4F, No. 170, Chung Cheng 4th Rd, Chien Chin Dist., Kaohsiung City 801.  
Tel.: (07) 281-4161 (Main)
2. Linhai Factory address: No. 479, Yen Hai 1st Rd., Hsiao Kang Dist., Kaohsiung City 812.  
Tel: (07) 802-3811 (Line 5)

**(III) Name, address, e-mail address, and telephone number of the agency handling shares transfer**

Name: Stock Affairs Division, First Copper Technology Co., Ltd.

Address: 11F, No. 210, Section 3, Nan King East Road, Zhongshan District, Taipei City 104

Tel.: (02) 2771-7611 (Main)

URL: <http://www.fcht.com.tw>

- (IV) The name of the certified public accountant who duly audited the annual financial report for the most recent fiscal year, and the name, address and telephone number of said person's accounting firm**

Accountant names: Chen Yung-Hsiang, Su Yen-Ta

Name of accounting firm: KPMG Taiwan

Address: Rm. 6, 12F, No. 211, Chung Cheng 4th Rd, Chien Chin Dist, Kaohsiung City 801

Tel.: (07) 213-0888

URL: [www.kpmg.com.tw](http://www.kpmg.com.tw)

- (V) The name of any exchanges where the Company's securities are traded offshore and the method by which to access information on said offshore securities: None.**

- (VI) Company website: [www.fcht.com.tw](http://www.fcht.com.tw)**

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## I. Prior year (2024) business results:

## (I) Business plan implementation results:

The Company's main business in 2024 was the manufacturing of various alloy copper sheets for domestic and export sales. The Company's annual operating income was NT\$3,128,075 thousand, operating cost was NT\$3,009,825 thousand, operating expense was NT\$62,139 thousand, with net operating profit of NT\$56,111 thousand. The non-operating income was NT\$203,244 thousand, net profit before tax was NT\$259,355 thousand, income tax expense was NT\$6,210 thousand, and net profit after tax was NT\$265,565 thousand. Other comprehensive benefits in the current period was NT\$926,593 thousand, and the total amount of comprehensive benefits in the current period was NT\$1,192,158 thousand.

(II) Budget implementation: Not applicable, as the Company has not prepared financial forecasts.

## (III) Profitability analysis:

Item		Percentage of ownership
Return on assets		3.38%
Return on equity		4.03%
Percentage of paid-in capital	Net operating gain (loss)	1.56%
	Net profit before tax	7.21%
Net profit margin		8.48%
Earnings per share (NTD)		0.74

## (IV) Research and development status:

1. Gradually expanding the application of copper alloys for automotive parts and environmentally friendly re-melted tin-plated terminal and connector materials.
2. Research on red copper heat dissipation materials focusing

on low internal stress, high flatness, and high-end scratch-free surfaces.

3. R&D on manufacturing process of super thick red copper material for heat dissipation
4. R&D on development of high-performance copper alloys with low internal stress for etching
5. R&D and testing on casting of C1030 red copper with low oxygen content
6. Ramp-up and promotion of C2100/C2600 alloy punching
7. R&D and promotion of new copper cladding materials for lithium batteries.
8. Research on improving high-performance copper, high-strength, and softening resistance.
9. Development of new high-conductivity, high-strength alloys.

## II. Business plan summary for the year (2025):

### (I) Operating strategy

1. R&D of high-strength, high-softening resistance, and low internal stress semiconductor products to meet high-end product demands.
2. In response to AI's growing computational power demands, requirements for server cooling performance are becoming increasingly stringent. Enhance quality and production capacity for high-conductivity, high-thermal-conductivity materials.
3. Develop new products and models for secondary processed stamped copper sheet products.
4. Diversify export markets to mitigate risks, expanding beyond Southeast Asia to India.

### (II) Expected sales volume and its basis

Expected sales volume: 10,200 tons/year.

Basis:

1. The demand in the application of refusion electroplating on automotive terminal and connector market increases.

2. The quality of copper electrical terminal and heat spreader is sufficient to replace imported materials.
3. The future demand of high-end materials, especially high strength and high conducting materials, will increase.
4. Increase AI and server market demand and scale.

(III) Important production and sales policies

1. Supply the automotive terminal connector market at full strength, and focus on tin plating products.
2. Increase the production volume of major products, such as automotive connector, semi-conductor, LED and special materials.
3. Promote the battery material for rechargeable wireless electric tools.
4. Promote component materials for 5G related products.
5. Advance high-conductivity materials and thermal modules related to AI and servers.

III. Future development strategy of the Company:

1. Despite the disruption in the semiconductor and LED materials market, we prioritize domestic customers by increasing capacity.
2. Increase the order for automotive connector and tin plated materials for terminals and promote high-end alloy tin plated material.
3. Continue to supply Corson series of material with stable quality that meets customer demand.
4. Promote the Corson alloy to be applied in the component material of lithium battery.
5. Continue to stably supply the high-conductivity, high-thermal-dissipation materials required for AI and server industries.

IV. Subject to the external competitive environment, regulatory environment, and overall business environment:

1. General products in Chinese market have adopted materials from domestic copper plants in China. Taiwanese copper plants have lost the advantages, and Taiwanese companies no longer insist on using Taiwanese materials. Brass material is only for high quality, high-end products and tin plated secondary processing material.
2. Under the influence of new labor policy for the industry, the Company must increase the number of employees in the production unit to meet the equipment utilization rate.
3. In Southeast Asia, the tariff barrier still makes the operation environment in this area a disadvantageous.
4. In terms of the overall operation environment, Taiwan is in the disadvantageous environment. Apart from resolving the issue of labor shortage and make our electricity go greener, the production portfolio must be adjusted to the best ratio.



# I. Information on the General Manager, deputy general managers, managers, and associate managers of various departments and branches:

## (I) Director information 1.

Unit: Shares; Date: April 28, 2025

Title	Name	Appointment date	Term of office	Date first appointed	Shares held at the time of appointment		Shares currently held		Number of shares currently held by spouse and minor children		Shares held in the name(s) of others	
					Number of shares	Percentage of ownership	Number of shares	Percentage of ownership	Number of shares	Percentage of ownership	Number of shares	Percentage of ownership
Chairman	Hua Eng Wire & Cable Co., Ltd. Representative: Wang Hong-Ren	2024.06.20	Three years	1987.05.12	141,818,196	39.44%	141,818,196	39.44%	—	—	—	—
				2020.06.11	679,110	0.19%	679,110	0.19%	37	0	0	0
Director	Hua Eng Wire & Cable Co., Ltd. Representative: Liu Chung-Jen	2024.06.20	Three years	1987.05.12	141,818,196	39.44%	141,818,196	39.44%	—	—	—	—
				2003.06.23	312,191	0.09%	312,191	0.09%	6,550,802	1.82%	0	0
Director	Hua Eng Wire & Cable Co., Ltd. Representative: Wang Ming-Jen	2024.06.20	Three years	1987.05.12	141,818,196	39.44%	141,818,196	39.44%	—	—	—	—
				2022.03.03	2,808	0.00%	2,808	0.00%	0	0	0	0
Director	Hua Eng Wire & Cable Co., Ltd. Representative: Wang Wen-Ling	2024.06.20	Three years	1987.05.12	141,818,196	39.44%	141,818,196	39.44%	—	—	—	—
				2023.06.21	6,550,802	1.82%	6,550,802	1.82%	312,191	0.09%	0	0
Independent Director	Hu Lee-Ren	2024.06.20	Three years	2015.06.26	0	0	0	0	0	0	0	0
Independent Director	Cheng Tiao-Hsiang	2024.06.20	Three years	2021.08.27	0	0	0	0	0	0	0	0
Independent Director	Huang Jen-Tsung	2024.06.20	Three years	2018.06.28	0	0	0	0	0	0	0	0

Note: The names of corporate shareholders and their representatives should be listed separately (for corporate shareholders, the name of the corporate shareholder should be indicated.)

## (I) Director information 2.

Date: April 28, 2025

Title	Name	Gender <u>Age</u> <u>Note 2</u>	Nationality or place of registration	Principal Experience (Education)	Office(s) Concurrently Held in the Company and Other Companies	Spouse or relatives within the second degree of kinship or closer acting as other supervisors or directors			Note 3
						Title	Name	Relationship with the Company	
Chairman	Hua Eng Wire & Cable Co., Ltd. Representative: Wang Hong-Ren	Male Aged 66-75	Republic of China	MBA, Lindenwood College, USA	Chairman, Hua Eng Wire & Cable Co., Ltd. Chairman, Hua Ho Engineering Co., Ltd. Chairman, Taiwan Times Co., Ltd.	Director Director	Liu Chung-Jen Wang Wen-Ling	Second degree of kinship Second degree of kinship	—
Director	Hua Eng Wire & Cable Co., Ltd. Representative: Liu Chung-Jen	Male Aged 66-75	Republic of China	Business management, Columbia College, USA	Director, Hua Eng Wire & Cable Co., Ltd. Chairman, Hua Horng Investment Co., Ltd. Director, Mei-Da Co., Ltd. Chairman, Mei-Da Co., Ltd.	Director Director	Wang Hong-Ren Wang Wen-Ling	Second degree of kinship Spouse	—
Director	Hua Eng Wire & Cable Co., Ltd. Representative: Wang Ming-Jen	Male Aged 66-75	Republic of China	Department of Industrial Engineering, Chung Yuan University of Technology	Director, Hua Eng Wire & Cable Co., Ltd. Director and President of Taiwan Times Legal representative of Sheng Feng Co., Ltd. Supervisor of Huahong investment Co., Ltd. Supervisor of Media Co., Ltd. Supervisor of International Shipbreaking Enterprise Co. Ltd.	None	—	—	—
Director	Hua Eng Wire & Cable Co., Ltd. Representative: Wang Wen-Ling	Female Aged 56-65	Republic of China	Christ's College Taipei	Director, Hua Eng Wire & Cable Co., Ltd. Director, Hua Horng Investment Co., Ltd. Director, Mei-Da Co., Ltd. Director, Mei-Da Co., Ltd. Director, International Ship-breaking Enterprise Co. Ltd.	Director Director	Wang Hong-Ren Liu Chung-Jen	Second degree of kinship Spouse	—
Independent Director	Hu Lee-Ren	Male Aged 76-85	Republic of China	Department of Accounting, College of Commerce, National Chengchi University	Member of the Remuneration Committee of the Company.	None	—	—	—
Independent Director	Cheng Tiao-Hsiang	Male Aged 66-75	Republic of China	National Chung Hsing University Department of Business Administration	Independent Director, Member of the Remuneration Committee and Audit Committee of NeoCore Technology Co., Ltd. Member of the Company's Remuneration Committee	None	—	—	—

Independent Director	Huang Jen-Tsung	Male Aged 66-75	Republic of China	New York University Ph.D., Business Administration (specializing in finance)	Department of Financial Management, National Sun Yat-sen University Adjunct Associate Professor MAYO Human Capital Inc. Independent Director, Remuneration Committee member, and Audit Committee member Supervisor of Ruipeng Technology Co., Ltd. Remuneration Committee member of the Company	None	—	—	—
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Note 1: Directors of the Company did not work in the firm of the certified public accountant during the previous disclosure period.

Note 2: Please list the actual age, which may be presented by age ranges, such as 41–50 years old or 51–60 years old.

Note 3: If the Company's chairman and general manager or equivalent (top manager) are the same person, or spouse or relative within one degree of kinship to the other, the reason, rationality, necessity and relevant information of the corresponding measures should be explained (e.g., the number of independent directors should be increased, more than half of the directors should not be concurrent employees or managers, etc.).

Table 1: Major Shareholders of Institutional Shareholders

April 28, 2025

Name of institutional shareholder (Note 1)	Major Shareholders of Institutional Shareholders (Note 2)
Hua Eng Wire & Cable Co., Ltd.	First Copper Technology Co., Ltd. (32.96%), Hua Horng Investment Co., Ltd. (7.39%), Wang-Yang Pai-Wor (5.24%), Wang Feng-Shu (2.55%), Wang Wen-Ling (2.20%), Wang Hong-Ren (2.12%), Wang Hung-Ming (1.46%), Chen Kun-Rong (0.80%), Mei-Da Co., Ltd. (0.62%), Wang, Chun-Hsiung(0.48%)

Note 1: If the director or supervisor is a representative of an institutional shareholder, the name of the institutional shareholder should be filled in.

Note 2: Fill in the name of the main shareholder of the institutional shareholder (with the shareholding ratio falling within the top ten) and the shareholding ratio. If the main shareholder is a juridical person, the following Table 2 should be filled in.

Note 3: If an institutional shareholder is not a company organizer, the name of the shareholder and shareholding ratio that should be disclosed before is the name of the investor or donor and the ratio of capital contribution or donation. (refer to the announcement of the Judicial Yuan) and the percentage of the investment or donation. If the donor already passed away, their name shall be annotated with the word (deceased).

Table 2: Major shareholders of major shareholders who are juridical persons as referred to in Table 1

April 28, 2025

Name of institutional shareholder (Note 1)	Major Shareholders of Institutional Shareholders (Note 2)
First Copper Technology Co., Ltd.	Hua Eng Wire & Cable Co., Ltd. (39.44%), Wang-Yang Pai-Wor (10.49%), Wang Wen-Ling (1.82%), Wang Feng-Juan (0.67%), International Shipbreaking Enterprise Co. Ltd. (0.50%), Wang Feng-Shu (0.43%), Wang Feng-Chin (0.23%), Wang, Wei-Chun (0.20%), Wang, Tzu-Chia (0.20%), Wang, Hong-Ren (0.19%)
Hua Horng Investment Co., Ltd.	Kulsum Industries Ltd. (79.79%), Wang Wen-Ling (3.19%), Wang Feng-Juan (3.19%), Wang Feng-Shu (3.19%), Wang Hong-Ren (3.19%), Wang Hung-Ming (2.87%), Wang Yu-Ting (2.13%), Wang-Yang Pai-Wor (1.60%), Wang Feng-Chin (0.85%)

Note 1: If the main shareholder is a juridical person as shown in Table 1 above, the name of the juridical person should be filled in.

Note 2: Fill in the name of the main shareholder of the juridical person (where its shareholding ratio falls in the top ten) and its shareholding ratio.

Note 3: If an institutional shareholder is not a company organizer, the name of the shareholder and shareholding ratio that should be disclosed before is the name of the investor or donor and the ratio of capital contribution or donation. (refer to the announcement of the Judicial Yuan) and the percentage of the investment or donation. If the donor already passed away, their name shall be annotated with the word (deceased).

## (I) Director information 3.

## 1. Disclosure of Directors' Professional Qualifications:

Name	Professional qualification and experience (Note 1)
Hua Eng Wire & Cable Co., Ltd. Representative: Wang Hong-Ren	Mr. Wang Hong-Ren majored in business administration, and was previously Director of First Copper Technology and the Chairman of Taiwan Times. He is currently Chairman of Hua Eng Group, and possesses decades of working experience required for business and corporate operations. He is equipped with business management and strategic leadership capability and is able to lead the Company to better development and sustainable operating targets. There is no circumstance under subparagraphs under Article 30 of the Company Act.
Hua Eng Wire & Cable Co., Ltd. Representative: Liu Chung-Jen	Mr. Liu Chung-Jen, who majors in business administration, has served as a director for Hua Eng Group for about 20 years. Aside from being familiar with the Company's organization and operations, he specializes in business administration; is able to make operational judgment as to whether the economy, market, and industry trend toward; has the expertise and experience that can carry the Company toward sustainable development; and is not under any of the circumstances set out in Article 30 of the Company Act.
Hua Eng Wire & Cable Co., Ltd. Representative: Wang Ming-Jen	Mr. Wang Ming-Jen, who was a graduate from the Department of Industrial Engineering of Chung Yuan University of Science and Technology, has been a professional manager for Taiwan Times for more than 30 years. He has practical experience derived from his participation in plant contraction, machinery and equipment purchase, and onsite production; has expertise and experience respecting mechanical engineering and production management; and is not under any of the circumstances set out in Article 30 of the Company Act.
Hua Eng Wire & Cable Co., Ltd. Representative: Wang Wen-Ling	As a director of Hua Horng Investment Co., Ltd., Ms. Wang Wen-Ling has accumulated investment and financial judgment and experience, and has the decision-making ability in business management and crisis handling, and has the professionalism and experience required for the Company's business. Ms. Wang is not subject to matters with respect to Article 30 of the Company Act.
Hu Lee-Ren	Mr. Hu Lee-Ren, a graduate from the Department of Accounting of National Chengchi University (NCCU), used to be the associate vice president of the financial department of China Steel Corporation and a president and chairman of Gains Investment Corporation. He has rich industrial experience; has more than 5 years of experience in commerce, finance, and a profession that the company's business requires, as well as other professional qualifications; and is not under any of the circumstances set out in Article 30 of the Company Act.

Cheng Tiao-Hsiang	Mr. Cheng Tiao-Hsiang, a graduate from the Department of Business Administration of National Chung Hsing University, Independent director, Remuneration Committee member and Audit Committee member of NeoCore Technology Co., Ltd., and used to be the chairman of the Bankers Association of Tainan, chairman of the Bankers Association of Greater Kaohsiung, manager of the Tainan Branch of Bank of Taiwan, manager of the Fengshan Branch of Bank of Taiwan, and manager of some branches of Bank of Taiwan. He is a finance expert; has more than five years of work experience in commerce, finance, or a profession necessary for the business of the Company; and is not under any of the circumstances set out in Article 30 of the Company Act.
Huang Jen-Tsung	Mr. Huang Jen-Tsung, Ph.D. in Business Administration (Major in Finance) from New York University, Currently Adjunct Associate Professor, Department of Financial Management, National Sun Yat-sen University; Independent Director, Remuneration Committee member, Audit Committee member of MAYO Human Capital Inc.; and Supervisor of Ruipeng Technology Co., Ltd. He specializes in research of financial management; has been 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 for more than 5 years; and is not under any of the circumstances set out in Article 30 of the Company Act.

Note 1: Professional qualification and experience: Describe the professional qualifications and experience of an individual director and supervisor. Where the party concerned is a member of the Audit Committee who specializes in accounting or law, his/her accounting or legal background as well as work experience shall be stated; and prove that any matter specified in Article 30 of the Company Act does not exist.

## 2. Disclosure of Directors' Independence State

Name	Independence state (Note 2)	Number of other public companies in which the individual is concurrently serving as an independent director
Hu Lee-Ren	<p>The individual meets all of the following criteria for independence of an independent director during the term of office, and within two years prior to being elected:</p> <p>(1) Not an employee of the Company or its affiliates.</p> <p>(2) Not a director or supervisor of the Company or its affiliates. (However, this restriction does not apply to independent directors elected in accordance with the Securities and Exchange Act or the laws and regulations of the local country, who concurrently serve as such at the Company and its parent or subsidiary or a subsidiary of the same parent.)</p> <p>(3) Not a natural-person shareholder holding more than 1% of the total number of issued shares or among the top 10 natural-person shareholders in the name of itself, its spouse, minor children or others.</p> <p>(4) Not a managerial officer under (1) or a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship under (2), (3).</p> <p>(5) Not a director, supervisor, or employee of a corporate shareholder directly holding 5% or more of the total number of issued shares of the Company, or among the top 5 in shareholdings, or designating its representative to serve as a director or supervisor of the Company under Article 27, Paragraph 1 or 2 of the Company Act. (However, this restriction does not apply to independent directors elected in accordance with the Securities and Exchange Act or the laws and regulations of the local country, who concurrently serve as such at the Company and its parent or subsidiary or a subsidiary of the same parent.)</p>	None
Cheng Tiao-Hsiang	<p>(6) Not a director, supervisor, or employee of other company. If a majority of the Company's director seats or shares with voting rights and those of that other company are controlled by the same person: (However, this restriction does not apply to independent directors elected in accordance with the Securities and Exchange Act or the laws and regulations of the local country, who concurrently serve as such at the Company and its parent or subsidiary or</p>	1

Huang Jen-Tsung	<p>a subsidiary of the same parent.)</p> <p>(7) Not a director, supervisor, or employee of the other company or institution who is or whose spouse is the chairperson, president, or equivalent positions of the Company. (However, this restriction does not apply to independent directors elected in accordance with the Securities and Exchange Act or the laws and regulations of the local country, who concurrently serve as such at the Company and its parent or subsidiary or a subsidiary of the same parent.)</p> <p>(8) Not a director, supervisor, managerial officer, or shareholder holding 5% or more of the shares of a specific company or institution that has a financial or business relationship with the Company. (However, this restriction does not apply to independent directors elected in accordance with the Securities and Exchange Act or the laws and regulations of the local country, who concurrently serve as such at the Company and its parent or subsidiary or a subsidiary of the same parent and when the specific company or institution holds more than 20% of the Company's total issued shares but not more than 50%.)</p> <p>(9) Not a professional, sole proprietor, partnership, owner of a company or institution, partner, director, supervisor, managerial officer or its spouse that provides the Company or affiliates with audit services or commercial, legal, financial, accounting or related services with cumulative amount of remuneration in the last two years exceeding NT\$500,000. This restriction does not apply, however, to a member of the remuneration committee, public tender offer review committee, or special committee for merger/consolidation and acquisition, who exercises powers pursuant to the Securities and Exchange Act or to the Business Mergers and Acquisitions Act or related laws or regulations.</p> <p>(10) Not a person who has a spouse or relatives of second degree of kinship in other directors.</p> <p>(11) Not a person with any of the circumstances under Article 30 of the Company Act.</p> <p>(12) Not a person elected in the capacity of the government, a corporation, or a representative as provided in Article 27 of the Company Act.</p>	1
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Note 2: An independent director's state of independence shall be stated; the statement may include but is not limited to whether the independent director, or the spouse or a second degree relative thereof serves as a director, supervisor, or employee of the Company or its affiliates; how many shares and how much weight of equity do they hold in person (or under other person's name); whether the independent director serves as a director, supervisor, or employee of a company having specific relationship with the Company (refer to Article 3, Paragraph 1, Subparagraph 5 through Subparagraph 8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies); and how much the consideration that an independent director received is for his/her providing the Company or its affiliates with services respecting commerce, law, finance, or accounting in the most recent two years.



### 3. Diversification and independence among Board members

The Company promotes and respects diversity policy for board composition. According to Article 20 of the “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies”, the composition of the board of directors shall be determined by taking diversity into consideration, and it is advisable that an appropriate policy on diversity based on the company's business operations, operating dynamics, and development needs be formulated. Aside averting the scenario where the directors who are also employees of the Company occupy more than one third of board seats, the Company also pays close attention to the composition of gender, age, nationality, professional knowledge, and experience among board members. The Company aims to achieve our ideal goals for corporate governance. As such, we demand that our board as a whole possess the following abilities:

- (1) Ability to make operational judgments. (2) Ability to perform accounting and financial analysis. (3) Ability to conduct management administration. (4) Ability to conduct crisis management.
- (5) Knowledge of the industry. (6) An international market perspective. (7) Ability to lead. (8) Ability to make policy decisions.

The Company's Board of Directors comprises 7 directors, 3 of them being independent directors, accounting for 43% of total director seats. The majority of the independent directors serve no more than three consecutive terms and has qualifications that meet the requirements of laws for an independent director. There was no transfer of job title from a director to an independent director, or from an independent director to a director, during their term of office. Each director is allowed to exercise their powers and duties objectively, and more than half of all directors are not a spouse, or a relative within the second-degree of kinship, of each other, complying with the requirement set forth in Article 26-3, Paragraph 3 of the Securities and Exchange Act.

Currently, the company has only one female director seat, accounting for less than one-third of the total seats. This is primarily due to the difficulties in finding professionals with the necessary industrial background. In the future, suitable talent from various professions will be considered from all perspectives. Meanwhile, female director seats will be steadily increased during re-elections to further advance the goal of director gender diversity.

Implementation status is as follows:

Job Title	Name	Nationality	Age	Gender	Independent Director			Diversity of expertise							
					Term of office			Ability to make operational judgments	Ability to perform analysis Ability to perform accounting and financial	Ability to conduct management administration	Ability to conduct crisis management	Knowledge of the industry.	An international market perspective	Ability to lead.	Ability to make policy decisions.
					3 years or less	3 - 9 years	More than 9 years								
Chairman	Wang Hong-Ren	Republic of China.	Aged 66-75	Male	—			✓		✓	✓	✓	✓	✓	✓
Director	Representative: Liu Chung-Jen	Republic of China.	Aged 66-75	Male	—			✓	✓	✓	✓	✓	✓	✓	✓
Director	Wang Ming-Jen	Republic of China.	Aged 66-75	Male	—			✓		✓	✓	✓	✓	✓	✓
Director	Wang Wen-Ling	Republic of China.	Aged 56-65	Female	—			✓		✓	✓		✓	✓	✓
Independent Director	Hu Lee-Ren	Republic of China.	Aged 76-85	Male			✓	✓	✓	✓	✓	✓	✓	✓	✓
Independent Director	Cheng Tiao-Hsiang	Republic of China.	Aged 66-75	Male		✓		✓	✓	✓	✓		✓	✓	✓
Independent Director	Huang Jen-Tsung	Republic of China.	Aged 66-75	Male		✓		✓	✓	✓	✓		✓	✓	✓

Board membership diversification policy; management goals; status of achievement

Management goals	Status of achievement
Directors holding a dual post as a manager of the Company shall not occupy more than one third of total director seats	Achieved
At least one member of the Board of Directors shall be a female	Achieved
Independent directors shall occupy no less than one fifth of total director seats	Achieved

## (II) Information on the General Manager, deputy general managers, managers, and associate managers of various departments and branches.

Unit: Shares; Date: April 28, 2025

Title	Name	Date assumed office	Gender	Nationality	Shares held		Spouse and minor children holding shares		Shares held in the name(s) of others		Principal Experience (Education) (Note 2)	Office(s) Concurrently Held in Other Companies	Spouse or relatives within the second degree of kinship or closer acting as managerial officers			Note (Note 3)
					Number of shares	Percentage of ownership	Number of shares	Percentage of ownership	Number of shares	Percentage of ownership			Title	Name	Relationship with the Company	
General Manager	Hong Mao-Yang	2018.04.01	Female	Republic of China	2,265	0.00%	0	0	0	0	Previously served as manager of the Company's Factory Manufacturing Department. Previously served as deputy general manager and acting general manager of the Company's Business Department. Agricultural Machinery Department, Pingtung Agricultural College.	None	None	—	—	—
Foreman	Shi Fei-Peng	2024.11.04	Female	Republic of China	0	0	0	0	0	0	Previously served as the Company's deputy foreman and assistant manager of the Welding Division. Department of Mechanical Engineering, Chung Cheng Institute of Technology.	None	None	—	—	—
Deputy General Manager	Cheng Lien-Fan	2023.11.16	Female	Republic of China	0	0	0	0	0	0	Previously served as assistant manager, section chief, and Deputy Foreman of the Company's Sales Division and Manager of the Quality Assurance Department. Department of Mechanical Engineering, Feng Chia University.	None	None	—	—	—

## Two. Corporate Governance Report

## 2024 Annual Report

Accounting Supervisor	Wu Jia-Yu	2003.03.17	Male	Republic of China	0	0	0	0	0	0	Department of Accounting, Tunghai University. KPMG Taiwan Senior Manager of Audit Department.	Accounting Supervisor, Hua Eng Wire & Cable Co., Ltd. Director, Savior Lifetec Corporation Director, HPixon Technologies Corporation Director, International United Technology Co., LTD.	None	—	—	—
Finance Manager	Hong Jue-Qian	2022.01.10	Male	Republic of China	0	0	0	0	0	0	Feng Chia University Department of Economics	Finance Manager and manager of the Financial Division, Hua Eng Wire & Cable Co., Ltd.	None	—	—	—
Corporate Governance Manager	Lu Xiu-Ying	2021.05.10	Male	Republic of China	0	0	0	0	0	0	Department of Commerce, National Open University	Corporate Governance Manager and manager of the Stock Affairs Division, Hua Eng Wire & Cable Co., Ltd.	None	—	—	—

Note 1: Include general manager, deputy general managers, associate managers, and the chiefs of all the company's divisions and branches. Regardless of position, all assignments equivalent to general manager, deputy general manager, and deputy manager shall be shown.

Note 2: Experience related to the current position. If the person has worked for the Company's CPA firm or affiliates in the aforementioned period, please specify the title of the position and the duties performed.

Note 3: If the company's general manager or equivalent (top manager) and its chairperson are the same person, or spouse or relative within one degree of kinship to the other, the reason, rationality, necessity and relevant information of the corresponding measures should be disclosed (e.g., the number of independent directors should be increased, more than half of the directors should not be concurrent employees or managers, etc.): N/A

## II. Remuneration paid to directors, supervisors, general managers, deputy general manager(s) in the most recent year

### (1) Remuneration paid to directors (including independent directors)

Units: NTD thousand, shares; Date: December 31, 2024

Title	Name	Directors' Remuneration								Sum of A, B, C, and D; and Sum of A, B, C, and D as a percentage of net profits (loss) after tax (Note 10)		Remuneration from concurrently serving as employee								Sum of A, B, C, D, E, F; and Sum of A, B, C, D, E, F, as a percentage of the net profit after tax (Note 10)		Remuneration received from investee compa nies outside of subsidiaries or from the parent company (Note 11)		
		Remuneration (A) (Note 2)		Retirement pension (B)		Directors' remuneration (C) (Note 3)		Business execution expenses (D) (Note 4)				Wages, rewards, special allowances, etc. (E) (Note 5)		Pension upon retirement (F)		Employee bonuses (G) (Note 6)								
		The Company	All companies in the financial reports (Note 7)	The Company	All companie s in the financial reports (Note 7)	The Company	All companie s in the financial reports (Note 7)	The Company	All companie s in the financial reports (Note 7)	The Company	All companie s in the financial reports (Note 7)	The Company	All companie s in the financial reports (Note 7)	The Company	All companie s in the financial reports (Note 7)	The Company		All companies in the financial reports (Note 7)		The Company	All companies in the financial reports (Note 7)			
																		Cash amount	Stock amount	Cash amount	Stock amount			
Director	Hua Eng Wire & Cable Co., Ltd. Representative: Wang Hong-Ren	1,494	Not applicable	0	Not applicable	192	Not applicable	120	Not applicable	1,806 0.68%	Not applicable	0	Not applicable	0	Not applicable	0	0	Not applicable	Not applicable	1,806 0.68%	Not applicable	0		
Director	Hua Eng Wire & Cable Co., Ltd. Representative: Liu Chung-Jen	0	Not applicable	0	Not applicable	192	Not applicable	120	Not applicable	312 0.12%	Not applicable	0	Not applicable	0	Not applicable	0	0	Not applicable	Not applicable	312 0.12%	Not applicable	0		
Director	Hua Eng Wire & Cable Co., Ltd. Representative: Wang Ming-Jen	0	Not applicable	0	Not applicable	192	Not applicable	120	Not applicable	312 0.12%	Not applicable	0	Not applicable	0	Not applicable	0	0	Not applicable	Not applicable	312 0.12%	Not applicable	0		
Director	Hua Eng Wire & Cable Co., Ltd. Representative: Wang Feng-Shu	0	Not applicable	0	Not applicable	192	Not applicable	120	Not applicable	312 0.12%	Not applicable	0	Not applicable	0	Not applicable	0	0	Not applicable	Not applicable	312 0.12%	Not applicable	0		
Independent Director	Hu Lee-Ren	0	Not applicable	0	Not applicable	192	Not applicable	360	Not applicable	552 0.21%	Not applicable	0	Not applicable	0	Not applicable	0	0	Not applicable	Not applicable	552 0.21%	Not applicable	0		
Independent Director	Diao-Hsiang Cheng	0	Not applicable	0	Not applicable	192	Not applicable	360	Not applicable	552 0.21%	Not applicable	0	Not applicable	0	Not applicable	0	0	Not applicable	Not applicable	552 0.21%	Not applicable	0		
Independent Director	Huang Chen- Tsung	0	Not applicable	0	Not applicable	192	Not applicable	360	Not applicable	552 0.21%	Not applicable	0	Not applicable	0	Not applicable	0	0	Not applicable	Not applicable	552 0.21%	Not applicable	0		

- Please state the policies, systems, standards and structure of independent directors' remuneration, and, according to the responsibilities, risks, time invested and other factors, describe the relevance to the remuneration amount:
  - To meet the needs of independent directors to execute their business, the Board of Directors has approved a monthly payment to each independent director of a fixed amount of business execution fees.
  - If the Company makes a profit during the year, it shall allocate no more than 2% for director remuneration. However, when the Company has accumulated losses, the reserves for covering the losses shall be retained in advance.
- In addition to the above disclosure, the remuneration received by the directors from the Company, any company included in the consolidated financial statements, or any investee for services they rendered in the capacity of a role other than an employee (e.g., an adviser) in the most recent year: None.

Table of Remuneration Scales

Range of remuneration paid to each director of the Company	Director name			
	The total amount of the first four remuneration items (A+B+C+D)		The total amount of the first seven remuneration items (A+B+C+D+E+F+G)	
	The Company (Note 8)	All companies in the financial reports (Note 9) H	The Company (Note 8)	All companies in the financial reports (Note 9) I
Less than 1,000,000	Representative, Hua Eng Wire & Cable Co., Ltd.: Liu Chung-Jen Representative, Hua Eng Wire & Cable Co., Ltd.: Wang Ming-Jen Representative, Hua Eng Wire & Cable Co., Ltd.: Wang Feng-Shu Independent Director: Hu Lee-Ren Independent Director: Cheng Tiao-Hsiang Independent Director: Huang Chen-Tsung	N/A	Representative, Hua Eng Wire & Cable Co., Ltd.: Liu Chung-Jen Representative, Hua Eng Wire & Cable Co., Ltd.: Wang Ming-Jen Representative, Hua Eng Wire & Cable Co., Ltd.: Wang Feng-Shu Independent Director: Hu Lee-Ren Independent Director: Cheng Tiao-Hsiang Independent Director: Huang Chen-Tsung	N/A
1,000,000 (inclusive) - 2,000,000 (exclusive)	Representative, Hua Eng Wire & Cable Co., Ltd.: Wang Hong-Ren		Representative, Hua Eng Wire & Cable Co., Ltd.: Wang Hong-Ren	
2,000,000 (inclusive) - 3,500,000 (exclusive)				
3,500,000 (inclusive) - 5,000,000 (exclusive)				
5,000,000 (inclusive) - 10,000,000 (exclusive)				
10,000,000 (inclusive) - 15,000,000 (exclusive)				
15,000,000 (inclusive) - 30,000,000 (exclusive)				
30,000,000 (inclusive) - 50,000,000 (exclusive)				
50,000,000 (inclusive) - 100,000,000 (exclusive)				
Over NTD 100,000,000				
Total	7		7	

Note 1: The names of directors should be listed separately. (For institutional shareholders, separately list the names of the institutions and their

representatives.) Furthermore, separately indicate ordinary directors and independent directors, with disclosure of remuneration amounts done in aggregate. If a director is also the general manager or a deputy general manager, please fill in this form and the following table (3).

Note 2: Refers to the remuneration of directors in the most recent year (including directors' salary, job bonus, severance payment, various bonuses, incentives, etc.).

Note 3: Constitutes the amount of directors' remuneration proposed to be distributed by the Board of Directors in the most recent year.

Note 4: Refers to directors' relevant business execution expenses in the most recent year (including transportation fees, special expenses, various allowances, dormitory lodging, car allocation, etc.). When providing housing, cars, and other means of transportation or exclusive personal expenses, the nature and cost of the assets provided, and the actual or fair market price of rent, gas and other payments should be disclosed. In addition, if there is a driver, please note the relevant remuneration paid by the company to the driver; but this will not be included in the remuneration.

Note 5: Refers to items received in kind, etc., by concurrent directors and employees in the most recent year (including those concurrently serving as general manager, deputy general manager, other managers, and employees). Items encompass salary, job bonuses, severance payments, various bonuses, incentives, transportation fees, special expenses, various allowances, dormitory lodging, car allocations, and so on. When providing housing, cars, and other means of transportation or exclusive personal expenses, the nature and cost of the assets provided, and the actual or fair market price of rent, gas and other payments should be disclosed. In addition, if there is a driver, please note the relevant remuneration paid by the company to the driver; but this will not be included in the remuneration. In addition, salary expenses recognized in accordance with IFRS 2 "Share Based Payments" should also be included in remuneration, including employee stock option certificates, new restricted employee shares, participation in share subscriptions for capital increase, etc.

Note 6: Refers to remuneration (including stocks and cash) received by concurrent directors and employees in the most recent year (including those concurrently serving as general manager, deputy general manager, other managers, and employees). The amount of employee compensation approved by the Board of Directors in the most recent year shall be disclosed. If an estimation is not possible, calculate the proposed distribution amount this year based on the actual distribution amount last year, and fill in the attached table (4).

Note 7: The total amount of remuneration paid by all companies (including the Company) to the directors of the Company shall be disclosed in the consolidated report.

Note 8: The total amount of remuneration paid by the Company to each director and the name of the director is disclosed in the attribution level.

Note 9: The total amount of remuneration paid by all companies (including the Company) to each director of the Company shall be disclosed in the consolidated report and the name of the director is disclosed in the attribution level.

Note 10: Net profit after tax refers to the net profit after tax in the most recent year; if IFRS has been adopted, net profit after tax refers to the net profit after tax of the parent company only or individual financial report in the most recent year.

Note 11: a. This column should clearly state the amount of relevant remuneration received by the directors of the Company from investee companies

outside of subsidiaries or from the parent company (if none, please fill in “none”).

- b. If the directors of the Company receive relevant remuneration from investee companies outside of subsidiaries or from the parent company, the remuneration received by the Company directors from investee companies outside of subsidiaries or from the parent company shall be incorporated into column I of the table of remuneration scales. Further, change the field name to “or parent company and all reinvested businesses.”
- c. Remuneration refers to remuneration (including remuneration for employees, directors, and supervisors), rewards, business execution expenses, and other related compensation that directors of the Company receive as directors, supervisors, or managers from investee companies outside of subsidiaries or from the parent company.

\* The content of the remunerations disclosed in this table differs from the concept of income as indicated in the Income Tax Act. As such, the purpose of this table is for disclosure of information only, not for taxation.

- (2) Supervisors’ Remuneration: Not applicable. The Company established an Audit Committee to replace supervisors after the re-election of the Board of Directors and Supervisors on June 30, 2017.



## (3) Remuneration Paid to General Manager and Deputy General Manager(s)

Unit: NTD thousand; Date: December 31, 2024

Unit: RMB thousand, Date: December 31, 2024

Title	Name	Salary (A) (Note 2)		Retirement pension (B)		Bonuses, special expenses, etc. (C) (Note 3)		Employee compensation amount (D) (Note 4)				Sum of A, B, C and D; and Sum of A, B, C, and D as a percentage of the net profits after tax (%) (Note 8)		Remuneration received from investee companies outside of subsidiaries <u>or</u> from the parent company (Note 9)
		The Company	All companies in the financial reports (Note 5)	The Company	All companies in the financial reports (Note 5)	The Company	All companies in the financial reports (Note 5)	The Company		All companies in the financial reports (Note 5)		The Company	All companies in the financial reports (Note 5)	
								Cash amount	Stock amount	Cash amount	Stock amount			
General Manager	Hung Mao- Yang	1,485	Not applicable	88	Not applicable	363	Not applicable	109	0	Not applicable	Not applicable	2,045 0.77%	Not applicable	0
Acting Deputy President	Cheng Lien- Fan	1,023	Not applicable	61	Not applicable	268	Not applicable	75	0	Not applicable	Not applicable	1,427 0.54%	Not applicable	0
Foreman (Note 10)	Shiao Ching- Shun	1,116	Not applicable	66	Not applicable	24	Not applicable	0	0	Not applicable	Not applicable	1,206 0.45%	Not applicable	0
Foreman (Note 10)	Shi Fei- Peng	978	Not applicable	58	Not applicable	267	Not applicable	75	0	Not applicable	Not applicable	1,378 0.52%	Not applicable	0

\* Regardless of job title, all positions equivalent to general manager or deputy general manager (for example: president, chief executive, director... etc.) should be disclosed.

Table of Remuneration Scales

Range of remunerations paid to general manager(s) and deputy general manager(s)	Name of General Manager and Deputy General Manager(s)	
	The Company (Note 6)	All companies in the financial reports (Note 7) E
Less than 1,000,000		N/A
1,000,000 (inclusive) - 2,000,000 (exclusive)	Cheng Lien-Fan, Shiao Ching-Shun, Shi Fei-Peng	
2,000,000 (inclusive) - 3,500,000 (exclusive)	Hong Mao-Yang	
3,500,000 (inclusive) - 5,000,000 (exclusive)		
5,000,000 (inclusive) - 10,000,000 (exclusive)		
10,000,000 (inclusive) - 15,000,000 (exclusive)		
15,000,000 (inclusive) - 30,000,000 (exclusive)		
30,000,000 (inclusive) - 50,000,000 (exclusive)		
50,000,000 (inclusive) - 100,000,000 (exclusive)		
Over NTD 100,000,000		
Total	4	

Note 1: The names of the general manager and deputy general managers shall be listed separately, and the payment amounts shall be disclosed in aggregate. If a director is also the general manager or a deputy general manager, please fill in this form and the above table (1-1) or (1-2).

Note 2: Constitutes salaries, job bonuses, and severance pay for the general manager and deputy general managers in the most recent year.

Note 3: Constitutes various bonuses, incentives, transportation fees, special expenses, various allowances, dormitory lodging, car allocations, and other remuneration amounts provided to the general manager and deputy general managers in the most recent year. When providing housing, cars, and other means of transportation or exclusive personal expenses, the nature and cost of the assets provided, and the actual or fair market price of rent, gas and other payments should be disclosed. In addition, if there is a driver, please note the relevant remuneration paid by the company to the driver; but this will not be included in the remuneration. In addition, salary expenses recognized in accordance with IFRS 2 "Share Based Payments" should also be included in remuneration, including employee stock option certificates, new restricted employee shares, participation in share subscriptions for capital increase, etc.

Note 4: Constitutes the amount of employee remuneration (including stocks and cash) approved by the Board of Directors for distribution to the general manager and deputy general managers in the most recent year. If an estimation is not possible, calculate the proposed distribution amount this year based on the actual distribution amount last year, and fill in the attached table (4).

Note 5: The total amount of remuneration paid by all companies (including the Company) to the general manager and deputy general managers of the Company shall be disclosed in the consolidated report.

Note 6: The total amount of remuneration paid by the Company to each the general manager and deputy general manager and the name of the general manager and deputy general manager is disclosed in the attribution level.

Note 7: The total amount of remuneration paid by all companies (including the Company) to each general manager and deputy general manager of the Company shall be disclosed in the consolidated report and the names of the general manager and deputy general managers are disclosed in the attribution level.

Note 8: Net profit after tax refers to the net profit after tax of the parent company only or individual financial report in the most recent year.

Note 9: a. This column should clearly state the amount of relevant remuneration received by the general manager and deputy general managers of the Company from investee companies outside of subsidiaries or from the parent company.

b. If the general manager and deputy general managers of the Company receive relevant remuneration from investee companies outside of subsidiaries or from the parent company, the remuneration received by the Company's general manager and deputy general manager from investee companies outside of subsidiaries or from the parent company shall be incorporated into column E of the table of remuneration scales. Further, change the field name to "parent company and all reinvested businesses."

c. Remuneration refers to remuneration (including remuneration for employees, directors, and supervisors), rewards, business execution expenses, and other related compensation that the general manager and deputy general managers of the Company receive as directors, supervisors, or managers from investee companies outside of subsidiaries or from the parent company.

\* The content of the remunerations disclosed in this table differs from the concept of income as indicated in the Income Tax Act. As such, the purpose of this table is for disclosure of information only, not for taxation.

Note 10: Shiao Ching-Shun, former Foreman of the Company's Linhai Factory, reached retirement age. On November 4, 2024, the Board of Directors approved the promotion of Deputy Foreman Shih Fei-Peng to Foreman.

(4) Remuneration of top five management personnel (individual disclosure of names and remuneration methods)  
(Note 1)

Unit: NTD thousand; Date: December 31, 2024

Unit: NTD thousand; Date: December 31, 2024

Title	Name	Salary (A) (Note 2)		Retirement pension (B)		Bonuses and special expenses (C) (Note 3)		Employee compensation amount (D) (Note 4)				Ratio of the total amount of A, B, C and D <u>and</u> net profit after tax (%) (Note 6)		Remuneration received from investee companies outside of subsidiaries or from the parent company (Note 7)
		The Company	All companies in the financial reports (Note 5)	The Company	All companies in the financial reports (Note 5)	The Company	All companies in the financial reports (Note 5)	The Company		All companies in the financial reports (Note 5)		The Company	All companies in the financial reports	
								Cash amount	Stock amount	Cash amount	Stock amount			
President	Hung Mao- Yang	1,485	Not applicable	88	Not applicable	363	Not applicable	109	0	Not applicable	Not applicable	2,045 0.77%	Not applicable	0
Acting Deputy President	Cheng Lien- Fan	1,023	Not applicable	61	Not applicable	268	Not applicable	75	0	Not applicable	Not applicable	1,427 0.54%	Not applicable	0
Foreman	Shih Fei- Peng	978	Not applicable	58	Not applicable	267	Not applicable	75	0	Not applicable	Not applicable	1,378 0.52%	Not applicable	0
Manager	Liu Ming- Yuan	969	Not applicable	58	Not applicable	210	Not applicable	70	0	Not applicable	Not applicable	1,307 0.49%	Not applicable	0
Manager	Yu, To- Sheng	933	Not applicable	60	Not applicable	177	Not applicable	60	0	Not applicable	Not applicable	1,230 0.46%	Not applicable	0

Note 1: In respect to the so-called “top five management personnel,” “management personnel” here refers to Company managers. As for the standards for identification of managers, this is based on Order No. 0920001301 dated March 27, 2003, Taicaizheng Sanzi No. 0920001301 of the former Securities and Futures Commission of the Ministry of Finance, which stipulates the scope of application of “managers.” In respect to calculation and determination of the top five highest-compensated personnel, this is based on the sum of the salaries, retirement pensions, bonuses, and special expenses that by Company managers receive from all companies in the consolidated financial reports, as well as the total amount of employee compensation (that is, the total amount of A+B+C+D). After sorting, the five highest paid persons are recognized. If a director concurrently serves as a manager identified above, this form and the above form (1-1) should be filled out.

Note 2: Constitutes salaries, job bonuses, and severance pay for the top five management personnel in the most recent year.

Note 3: Constitutes various bonuses, incentives, transportation fees, special expenses, various allowances, dormitory lodging, car allocations, and other remuneration amounts provided to top five management personnel in the most recent year. When providing housing, cars, and other means of transportation or exclusive personal expenses, the nature and cost of the assets provided, and the actual or fair market price of rent, gas and other payments should be disclosed. In addition, if there is a driver, please note the relevant

remuneration paid by the company to the driver; but this will not be included in the remuneration. In addition, salary expenses recognized in accordance with IFRS 2 “Share Based Payments” should also be included in remuneration, including employee stock option certificates, new restricted employee shares, participation in share subscriptions for capital increase, etc.

Note 4: Constitutes the amount of employee remuneration (including stocks and cash) approved by the Board of Directors for distribution to the top five management personnel in the most recent year. If an estimation is not possible, calculate the proposed distribution amount this year based on the actual distribution amount last year, and fill in the attached table (5).

Note 5: The total amount of remuneration paid by all companies (including the Company) to the top five management personnel of the Company shall be disclosed in the consolidated report.

Note 6: Net profit after tax refers to the net profit after tax of the parent company only or individual financial report in the most recent year.

Note 7: a. This column should clearly state the amount of relevant remuneration received by the top five management personnel of the Company from investee companies outside of subsidiaries or from the parent company (if none, please fill in “none”).

b. Remuneration refers to remuneration (including remuneration for employees, directors, and supervisors), rewards, business execution expenses, and other related compensation that top five management personnel of the Company receive as directors, supervisors, or managers from investee companies outside of subsidiaries or from the parent company.

\* The content of the remunerations disclosed in this table differs from the concept of income as indicated in the Income Tax Act. As such, the purpose of this table is for disclosure of information only, not for taxation.

## (5) Names of managerial officers entitled to employee bonuses and amounts entitled

Units: NTD thousand, shares; Date: December 31, 2024

	Title (Note 1)	Name (Note 1)	Stock amount	Cash amount	Total	As percentage of income after tax (%)
Manager	General Manager	Hong Mao-Yang	0	259	259	0.10%
	Foreman	Shi Fei-Peng				
	Acting Deputy President	Cheng Lien-Fan				
	Accounting Supervisor	Wu Jia-Yu				
	Finance Manager	Hung, Chien				
	Corporate Governance Manager	Lu Xiu-Ying				

Note 1: Individual names and titles should be disclosed, but profit distribution can be disclosed in aggregate.

Note 2: Constitutes the amount of employee remuneration (including stocks and cash) approved by the Board of Directors for distribution to the managers in the most recent year. If an estimation is not possible, calculate the proposed distribution amount this year based on the actual distribution amount last year. Net profit after tax refers to the net profit after tax in the most recent year; if IFRS has been adopted, net profit after tax refers to the net profit after tax of the parent company only or individual financial report in the most recent year.

Note 3: The scope of application of managers is based on the regulations of Order No. 0920001301 dated March 27, 2003, Taicaizheng Sanzi No. 0920001301 of the Commission, and its scope is as follows:

- (1) General manager and equivalent
- (2) Deputy general manager and equivalent
- (3) Associate manager and equivalent
- (4) Head of Finance Department
- (5) Head of Accounting Department
- (6) Others who have the right to manage affairs and sign for the Company

Note 4: If the directors, general manager, and deputy general managers receive employee compensation (including stocks and cash), this form should also be filled out in addition to filling out attached table (1).

(6) Amount of compensation paid in the last two years by the Company and all companies included in the consolidated financial statements to the Company's directors, supervisors, general manager, and deputy general managers, and the respective proportion of such compensation to the income after tax on individual financial reports, as well as the policies, standards, and packages by which it was paid, the procedures through which the compensation was determined, and its association with business performance and future risk.

Title	2024		2023	
	Analysis table for the proportion of the total of the remuneration paid to directors, supervisors, general managers, and deputy general managers by the Company and all companies in the consolidated financial statements vs. net profits after tax on individual financial statements.		Analysis table for the proportion of the total of the remuneration paid to directors, supervisors, general managers, and deputy general managers by the Company and all companies in the consolidated financial statements vs. net profits after tax on individual financial statements.	
	The Company	All companies in consolidated statements (including the Company)	The Company	All companies in consolidated statements (including the Company)
Director	1.67%	N/A	-30.22%	N/A
Supervisor	Not applicable		Not applicable	
General Manager and Deputy General Manager(s)	2.28%		-43.55%	

Explanation:

1. Directors' remuneration comprises remuneration, transportation allowances, and compensation. In accordance with the customary standard of relevant peers and in comparison to the business scale, Article 20 of the Articles of Association establishes reasonable criteria for chairmen's remuneration. The salaries of the remaining directors are not to be claimed. Transportation allowance is a reimbursement for business-related expenses that is determined by the extent of participation of each director in the company's operations (such as serving as members in other functional committees). Directors' remuneration and transportation allowance will be paid in accordance with the general provisions, regardless of the company's profit or loss. The directors' remuneration is determined by the company's remuneration philosophy and the peer standard, as explicitly stated in Article 39 of the Articles of Association. A directors' remuneration of no more than 2% will be allocated if the company has achieved profits, taking into account the company's operational performance, net income, and the ratios established in the company's Articles of Association for the current year. The distribution of directors' remuneration is determined by the results of the directors' performance assessment (such as attendance and participation, level of operational participation, and continuing education).
2. Managers' remuneration comprises of salary and employee bonuses, and employee compensation. These payments are subject to the company's salary standards, guidelines governing employee bonuses, and guidelines governing employees' remuneration. The manager salary package consists of a basic salary, efficiency allowance, sustenance allowance, supervisory allowance, and transportation allowance. Employee compensation is outlined in Article 39 of the Articles of Association. The total amount distributed to all employees shall not exceed 3% of the company's profit, provided that the company has generated a profit. In accordance with the guidelines governing the company's performance assessment management operations, employees' bonuses and remuneration will be incorporated into the personal performance, personal goal achievement rate, responsibility level, company contribution, and the company's business profit achievement rate. These will be used as references for remuneration payment. As a result, the distribution of managers' remuneration is directly affected by the company's operational performance.
3. The directors' remuneration and employees' compensation allocation ratios and amounts will be approved following a review by the Remuneration Committee and a board resolution, which will be reported at the shareholders' meeting.
4. The company's Remuneration Committee has agreed to keep the current guidelines governing directors' remuneration distribution criteria, managers' salaries, employees' bonuses, and employees' compensation.

## III. Corporate Governance Status

## (I) Information on the operation of the Board of Directors:

## (1) Information on the operation of the Board of Directors

The Board of Directors met 5 times in the most recent year (A), and directors' attendances were as follows:

Title	Name (Note 1)	Number of times actually attending (observing) (B)	Frequency of attendance	Actual attendance (observation) rate (%) (B/A) (Note 2)	Note
Chairman	Hua Eng Wire & Cable Co., Ltd. Representative: Wang Hong-Ren	5	0	100.00%	
Director	Hua Eng Wire & Cable Co., Ltd. Representative: Liu Chung-Jen	4	1	80.00%	
Director	Hua Eng Wire & Cable Co., Ltd. Representative: Wang Ming-Jen	5	0	100.00%	
Director	Hua Eng Wire & Cable Co., Ltd. Wang Feng-Shu	4	1	80.00%	
Independent Director	Hu Lee-Ren	5	0	100.00%	
Independent Director	Cheng Tiao-Hsiang	5	0	100.00%	
Independent Director	Huang Jen-Tsung	4	1	80.00%	

Other matters to be recorded:

I. If any of the following occurs in the operation of the Board, specify the date, the session, the content of the motion, the opinions of the Independent Directors, and the response of the Company to the opinions of the Independent Directors:

(I) Matters listed in Article 14-3 of the Securities and Exchange Act.

1st Board meeting in 2024 (2024.03.04):

Approved the motion for the "Statement of Internal Control Systems" for 2023.

Approved the motion for CPA appointment and remuneration for 2024.

4th Board meeting in 2024 (2024.08.05):

Approved the motion for amendment to the Company's "Internal Control System"

Approved the motion for amendment to the Company's "Internal Control System for Stock Operations".

5th Board meeting in 2024 (2024.11.04):

Approved the motion for amendment to the Company's "Internal Control System"



Approved the motion for review of various remunerations for the Company's directors.

The above motions were approved unanimously by all independent directors.

(II) Further to the aforementioned matters, any adverse opinion or qualified opinion of the Independent Directors against the resolutions of the Board: None.

II. Implementation status of directors' recusals from proposals due to conflicts of interest: There was no such situation in the Board of Directors in 2024.

III. Information on the evaluation cycle and period, evaluation scope, method and evaluation content of the board's self (or peer) assessment as to be disclosed by TWSE/TPEX listed companies: Same as (2) the Board of Directors status of evaluation and implementation.

IV. Assessment of objectives and implementation status in respect of strengthening the powers of the Board of Directors for the current and immediately past years to be carried out:

1. The Company's Board of Directors assembles at least once a quarter. Each Board member possesses the professional knowledge, skills, and competencies requisite for their performing their duties. They exercise their powers by law, by the Articles of Incorporation, and by resolutions reached by the shareholders' meeting, offering management approaches, financial planning, professional technologies, and effective and concrete suggestions and consultations on operational development. Where an agenda item at a Board of Directors meeting involves the interest of a director or the legal person represented by a director and such interest conflicts with the Company's interest, such a director shall not participate in discussion or voting, and shall recuse himself/herself from discussion and voting.
2. The Company has set forth its "Rules of Procedure for Board of Directors Meetings" to comply in accordance with the "Regulations Governing Procedure for Board of Directors Meetings of Public Companies." Furthermore, directors' attendance at board meetings shall be entered into the Market Observation Post System and major resolutions of the Board of Directors shall be disclosed on the Company's website.
3. In order to encourage directors to further their studies, the Company provides directors to participate in courses to increase their executive functions and meet the requirements of directors' training hours.
4. In accordance with the Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Stock Exchange or Traded Over the Counter, the Company has set up a Remuneration Committee and has established the Company's Remuneration Committee Charter. Furthermore, three Remuneration Committee members were appointed to perform remuneration functions, and they were entered in the Market Observation Post System as attending in the Remuneration Committee.
5. To improve corporate governance and strengthen the functions of the Board of Directors, the Audit Committee was set up in 2018 in compliance with the Securities and Exchange Act and the Regulations Governing the Exercise of Powers by Audit Committees of Public Companies; and the Audit Committee organizational rules were established. The Audit Committee comprises all (3) independent directors, at least one of whom should have accounting or financial expertise. It shall assist the Board of Directors in performing supervisory duties, being responsible for the proper expression of the Company's financial statements; the selection (dismissal) of CPAs and overseeing their independence and performance; effective implementation of the company's internal control; the Company's compliance with relevant laws and regulations; and the management and control of existing or potential risks faced by the Company.
6. The Company has taken out liability insurance for directors every year starting from 2019.

7. The Company carries out the performance evaluation of the Board and functional committees according to the “Regulations for Performance Evaluation of the Board” approved and established by the Board, and the evaluation is carried out regularly once a year. The evaluation results of 2024 were reported to the first Board meeting of 2025.

Note 1: Where directors and supervisors are associated with institutions, the names of institutional shareholders and their representatives shall be disclosed.

Note 2: (1) If a director or supervisor resigns before the end of the year, the date of resignation should be indicated in the remark's column. The actual attendance rate (%) is calculated based on the number of meetings of the Board of Directors during the term of service and the actual number of attendances.

(2) If directors or supervisors are re-elected before the end of the year, the new and old directors and supervisors should be listed, and the remarks column should indicate whether the director or supervisor is old, new or re-elected and the date of reelection. The actual attendance rate (%) is calculated based on the number of meetings of the Board of Directors during the term of service and the actual number of attendances.

## (2) The Board of Directors status of evaluation and implementation:

Assessment cycle (Note 1)	Assessment period (Note 2)	Assessment scope (Note 3)	Assessment method (Note 4)	Assessment content (Note 5)
Performed once per year	January 1, 2024 - December 31, 2024	Self-evaluation made by the Board of Directors, individual board member, the Audit Committee, and the Remuneration Committee.	Performance evaluation on the internal self-evaluation on the Board of Directors and individual directors	<ol style="list-style-type: none"> <li>1. Board of Directors performance evaluation: The degree of participation in the Company's operations, board decision quality, board composition and structure, selection and continuous education of directors, and internal controls.</li> <li>2. Performance evaluation of individual directors: The mastery of Company goals and tasks, directors' responsibilities, involvement in the Company's operations, internal relationship management and communication, director's professional and continuing education, and internal controls.</li> <li>3. Performance evaluation of functional committees: Involvement in the Company's operations, awareness of functional committee responsibilities, functional committee decision quality, functional committee composition and member selection, internal controls, and so on.</li> </ol>

The Company has completed the evaluation of the performance of the Board of Directors of 2024. The evaluation was carried out in the form of self-evaluation, where the Board of Directors as a whole was required to evaluate their own performance by filling out a questionnaire. The questionnaires were then collected by the Company's meeting unit, which then summarized the evaluation results and reported the same to the first Board meeting of 2025 to serve as a basis for future review and improvement. The score for self-evaluation of Board performance averaged 4.80 points (out of 5 points); the score for self-evaluation of the performance of individual Board member averaged 4.78 points (out of 5 points), attesting to a functioning board operation. The score for self-evaluation of the performance of the Remuneration Committee and the Audit Committee averaged 4.82 points (out of 5 points), proving that the two committees had functioned well, met corporate governance criteria, and effectively enhanced the Board's function.

Note 1: Fill in the execution cycle of the Board of Directors evaluation; for example: once a year.

Note 2: Fill in the period covered by the Board of Directors' evaluation; for example: evaluating the performance of the board of directors from January 1, 2019 to December 31, 2019.

Note 3: The scope Board of Directors evaluation includes performance evaluation of the Board of Directors,

individual directors, and functional committees.

Note 4: Evaluation methods include internal self-evaluation by the Board of Directors, self-evaluation by board members, peer assessment, appointment of external professional institutions, performance evaluation by experts or other appropriate methods.

Note 5: Evaluation content shall include at least the following items according to the evaluation scope:

- (1) Board of Directors performance evaluation: Include at least the degree of participation in the Company's operations, board decision quality, board composition and structure, selection and continuous education of directors, and internal controls.
- (2) Performance evaluation of individual directors: Include at least the mastery of Company goals and tasks, directors' responsibilities, involvement in the Company's operations, internal relationship management and communication, director's professional and continuing education, and internal controls.
- (3) Performance evaluation of functional committees: Involvement in the Company's operations, awareness of functional committee responsibilities, functional committee decision quality, functional committee composition and member selection, internal controls, and so on.

## (II) Operation of the Audit Committee:

The Audit Committee held 4 meetings (A). Independent directors' attendance is shown as follows:

Title	Name	Frequency of actual attendance (B)	Frequency of attendance	Actual attendance rate (%) (B/A) (Note)	Note
Independent Director	Hu Lee-Ren	4	0	100%	
Independent Director	Cheng Tiao-Hsiang	4	0	100%	
Independent Director	Huang Jen-Tsung	3	1	75%	

Other matters to be recorded:

- I. In the event of any of the following in the audit committee, the dates of audit committee meetings, sessions, contents of motions, the dissenting opinion, qualified opinion, or significant suggestions of the independent director, resolutions of the audit committee meetings, and the Company's response to audit committee members' opinion should be specified:  
(I) Matters listed in Article 14-5 of the Securities and Exchange Act.

Dates and sessions	Proposal content	Audit Committee resolution results	The Company's handling of the Audit Committee's opinions
March 4, 2024 10th meeting of the 2nd term	1. 2023 Business Report and individual financial statements. 2. Motion for removal of non-competition restrictions on new directors and their representatives. 3. Motion for the issuance of "Internal Control System Statement" for 2023. 4. Approved the motion for CPA appointment and remuneration for 2024.	Following consultation by the presiding chair, the proposal was passed without objection by all members present.	After the presiding chair consulted all the directors present, the proposal was passed without objection.
August 5, 2024 1st meeting of the 3rd term	1. Motion for the individual financial statements for Q2 2024. 2. Motion for amendment to "Internal Control System." 3. Motion for amendment to the Company's "Internal Control System for Stock Operations."	Following consultation by the presiding chair, the proposal was passed without objection by all members present.	After the presiding chair consulted all the directors present, the proposal was passed without objection.
November 4, 2024 2nd meeting of the 3rd term	1. Amendment to the Company's "Internal Control System"	Following consultation by the presiding chair, the proposal was passed without objection by all members present.	After the presiding chair consulted all the directors present, the proposal was passed without objection.

Whether an independent director has a dissenting opinion, qualified opinion, or material suggestion for the content of a motion: N/A.

Matters considered mainly included:

- \* Establishing or amending the internal control system in accordance with Article 14 of the Securities and Exchange Act.
- \* Evaluation of the effectiveness of the internal control system.
- \* Annual financial report and the Q2 financial report that needs to be certified by the CPAs.
- \* Other important matters specified by the Company or the competent authority.

(II) Further to the aforementioned matters, motions rejected by the Auditing Committee but passed by the Board at the consent of more than 2/3 of the Directors: No such situation.

II. Implementation status of independent directors' recusals due to conflicts of interest, including the name of the independent director, the content of the proposal, the reasons for recusal and voting status: No such situation.

III. Communication among independent directors, internal audit directors and certified public accountants (regarding major issues such as financials and businesses, communication methods and results)

(I) Methods of communication among independent directors, internal audit directors and certified public accountants

1. Internal audit directors' discussions of internal audit systems and relevant laws and regulations with independent directors in Audit Committee and at communication workshops. Amendment and discussion: Auditors submit monthly audit reports, as required and after presentation, to independent directors for review. Audit directors shall report audit matters at board meetings, to fully communicate about audits and audit effectiveness. If deemed necessary by independent directors, direct communication and inquiry may be conducted directly with internal audit directors over the phone, via emails or face-to-face.
2. Independent directors' communication with certified public accountants during Audit Remuneration meetings and at communication workshops; audit or review results by certified public accountants on financial reports and a comprehensive written or oral report to independent directors on the audit or review opinion intended for issuance. Communication should cover (1) statement of independence; (2) responsibility of auditors (reviewers) on auditing (reviewing) financial reports; (3) type of audit opinions (review conclusions) to be issued; (4) scope of audits (reviews); (5) audit (review) findings; (6) other matters of attention; (7) annual audit plan; (8) updating of important laws and regulations. Accounting directors shall attend the discussions and provide necessary information on a timely basis. If deemed necessary by independent directors, direct communication and inquiry may be conducted directly with certified public accountants over the phone, via emails or face-to-face.
3. Communication frequency: at least one Audit Committee meeting each quarter and at least one communication workshop each year, for communication among independent directors, audit directors and certified public accountants

(II) The frequency and nature of communications between Independent Directors and chief internal auditor at the Board meetings, Audit Committee meetings, and communication seminars are as follows:

Date	Communication items	Processing implementation results
March 4, 2024	1. Audit work report from October 2023 to January 2024	Document reviews, report by the Board of Directors, and independent directors on audits: noted

		2. Completion of 2023 internal control self-evaluation and issuance of “Statement of Internal Control System” for 2023	Submitted to Audit Committee for review and then to the Board of Directors for approval
	May 6, 2024	1. Audit work report from February to March 2024	Document reviews, report by the Board of Directors, and independent directors on audits: noted Submitted to Audit Committee for review and then to the Board of Directors for approval
	August 5, 2024	1. Audit work report from April to June 2024  2. Amendment of the “Internal Control System for Insider Trading Prevention Management”.  3. Amended the “Internal Control System for Stock Affairs”	Document reviews, report by the Board of Directors, and independent directors on audits: noted Submitted to Audit Committee for review and then to the Board of Directors for approval Submitted to Audit Committee for review and then to the Board of Directors for approval
	November 4, 2024	1. Audit work report from July to September 2024  2. Amended the Internal Control System for the “Management for the Operational Procedures of Board Meetings”  3. 2025 Annual Audit Plan	Document reviews, report by the Board of Directors, and independent directors on audits: noted Submitted to Audit Committee for review and then to the Board of Directors for approval Submitted to Audit Committee for review and then to the Board of Directors for approval
	November 4, 2024 Communication workshop	1. 2024 Audit Work Report  2. The Sustainability Report has been completed and published on the Company's website.  3. The Greenhouse Gas Inventory Report has been completed and published on the company's website.	Reporting by auditors on the implementation of annual audits The audit personnel reported the completion of the Sustainability Report and its disclosure on the Company's website. The audit personnel reported the completion of the Greenhouse Gas Inventory Report and its disclosure on the Company's website.

(III) The frequency and nature of communication between Independent Directors and chief internal auditor at the Board meetings, Audit Committee meetings, and communication seminars are as follows:

Date	Focus of communication	Processing implementation results
March 4, 2024	1. Communication and discussion on matters related to the Company's 2023 financial statements 2. Provision and description of the "AQI" by CPAs 3 Proposal for the independence assessment of CPAs for certification of Company's financial statements	After being discussed and approved by the Audit Committee, it was submitted to the Board for a resolution The completion of the CPAs' "AQI" for the Audit Committee to evaluate the proposal for the appointment of CPAs for the 2024 financial statement After being reviewed and approved by the Audit Committee, it was submitted to the Board for resolution.
May 6, 2024	1. Communication and discussion on matters related to the Company's 2024 Q1 financial statements	Submitted to Audit Committee for review and then to the Board of Directors for approval
August 5, 2024	1. Communication and discussion on matters related to the Company's 2024 Q2 financial statements	Submitted to Audit Committee for review and then to the Board of Directors for approval
November 4, 2024	1. Communication and discussion on matters related to the Company's 2024 Q3 financial statements 2. Amendment of the Company's General Principles for the Pre-Approval of Non-Assurance Services Policy.	Submitted to Audit Committee for review and then to the Board of Directors for approval Submitted to Audit Committee for review and then to the Board of Directors for approval
November 4, 2024 Communication workshop	1. Report on the CPAs' annual audit plan	Reporting by certified public accountants on details and highlights of annual audits

Note 1: If an independent director resigns before the end of the year, the date of resignation should be indicated in the remarks column. The actual attendance rate (%) is calculated based on the number of meetings of the Audit Committee during the term of service and the actual number of attendances.

Note 2: If independent directors are re-elected before the end of the year, the new and old independent directors should be listed, and the remarks column should indicate whether the independent director is old, new or re-elected and the date of reelection. The actual attendance rate (%) is calculated based on the number of meetings of the Audit Committee during the term of service and the actual number of attendances.



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

Evaluation item	Status (Note 1)			Deviation from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Summary Description	
I. Has the Company prepared and disclosed the Corporate Governance Best Practice Principles in accordance with the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies?	✓		The Company's Board of Directors approved the formulation of the "Corporate Governance Best Practice Principles" on May 9, 2022, and disclosed the same on the website designated by the securities competent authority.	Comply with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies. The content is slightly revised according to the company's practice, but it is consistent with the spirit of the code.
II. The equity structure and shareholders' equity of the Company				
(I) Does the Company have internal operating procedures in place to deal with shareholder recommendations, doubts, disputes and litigation matters according to the procedures?	✓		(I) The Company has the spokesperson and acting spokesperson to handle the shareholder suggestions or disputes. The official website of the Company also indicates the contact window for the stakeholders.	Comply with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies.
(II) Does the Company have a list of the major shareholders who actually control the Company, and the ultimate controllers of the major shareholders?	✓		(II) The Company has a list of the major shareholders who actually control the Company, and the ultimate controllers of the major shareholders and declares the information pursuant to laws and regulations.	Comply with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies.
(III) Has the Company established and implemented the risk management, control and prevention mechanisms for affiliated companies?	✓		(III) After being passed by the Board of Directors and reported to the Shareholders' meeting, the "Prohibition of Making Endorsement or Guarantees for Others" and the "Prohibition of	Comply with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies.

Evaluation item	Status (Note 1)			Deviation from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Summary Description	
(IV) Has the Company established internal regulations that prohibit insiders from using unpublished information in the market to buy and sell securities?	✓		<p>Loaning Funds to Others” were put into force; the “Regulations Governing Related-party Transaction” and the “Regulations Governing the Acquisition and Disposal of Assets” were also formulated for the purpose of establishing a mechanism to control risks associated with associates.</p> <p>(IV) The Company has established Management Guidelines on Prevention of Insider Trading, to prevent information leakage and to ensure the consistency and accuracy of information disclosure. The Company’s directors, managers and relevant personnel attend external training each year. The shareholders’ service division also organizes workshops on laws and regulations for prevention of insider trading to explain to relevant personnel what constitutes insider trading. Laws and regulators are analyzed and case studies are provided on the prohibition of insider trading. The purpose is to strengthen the awareness of relevant personnel in prevention of insider trading and establish effective control procedures and prevention measures and robust corporate governance.</p>	Comply with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies.
III. Composition and Duties of the Board of Directors				
(I) Has the Board of Directors	✓		(I) As required by the diversification policy	Comply with the Corporate Governance Best-Practice

Evaluation item	Status (Note 1)			Deviation from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Summary Description	
formulated diversification policy and specific management goals and implemented the same accordingly?			specified on the Company's "Corporate Governance Best Practice Principles", members of the Board of Directors shall possess the knowledge, skills, and competencies requisite for performing their duties. The diversification policy has been fulfilled, given that each director performs their duties by exercising their diverse, professional knowledge about leadership, judgment, operational management, financial, and accounting. Refer to Page 14 for specific management goals and implementation status.	Principles for TWSE/TPEX Listed Companies.
(II) Does the Company voluntarily set up other functional committees other than the Remuneration Committee and the Audit Committee according to law?		✓	(II) The Board of Directors passed the resolution of establishing the Remuneration Committee on December 5, 2011, and the Shareholders' Meeting passed the proposal of establishing the Audit Committee on June 28, 2018. Apart from the aforementioned two committees, the Company does not have other functional committees.	There is no material difference with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies; in the future, the Company will continue to comply with relevant laws and regulations for discussion.

Evaluation item	Status (Note 1)			Deviation from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Summary Description	
(III) Has the Company formulated the board's performance assessment and evaluation method, conduct performance evaluation annually and regularly, and report the results of the performance evaluation to the Board of Directors, and apply it to individual directors' remuneration and nomination renewal?	✓		(III) The Company has stipulated the Regulations on the Performance Assessment of the Board of Directors and the evaluation method on March 23, 2020, and the performance evaluation was completed by every end of Q1 of the next year. The 2024 performance evaluation result was submitted to the Board of Directors on March 3, 2025. The Remuneration Committee of the Company reviews remuneration policy, system, standards and structure for directors and managers and the policy and system of the performance evaluation on managers on a regular basis and submits the suggestion to the Board of Directors for discussion.	Comply with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies.
(IV) Has the Company assessed the independence status of the CPAs at regular intervals?	✓		(IV) The Audit Committee of the Company evaluates the independence and adequacy of CPAs each year. Apart from requesting CPAs to provide the “Statement of Independence” and “AOI,” the Company also carry out the evaluation according to the standards in Note 1 and 13 AQIs. After confirmation, the CPA has no other financial interests or business relationships with the Company outside of certification and other assurance service cases, and the CPA’s family members do not violate independence	Comply with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies.

Evaluation item	Status (Note 1)			Deviation from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and causes thereof						
	Yes	No	Summary Description							
			<p>requirements. With reference to AQI indicator information, it was confirmed that the CPA and the firm have no significant differences in audit experience and training hours compared to industry averages. Additionally, the use of digital audit tools, electronic confirmation processes, and AI-generated audit tools has been adopted to improve audit quality and efficiency. The evaluation results in the most recent year were discussed and approved by the Audit Committee on March 4, 2024, and reported to the Board for the resolution to approve the independence and adequacy evaluation of CPAs on March 4, 2024.</p> <p>Note 1: CPA independence evaluation standards:</p> <table><tr><th>Evaluation indicators</th><th>Evaluation result</th><th>Whether the CPA meets the independence standard</th></tr><tr><td>I. CPAs and members of the Audit Service Team do not hold positions as directors, managers, or positions that have had a significant impact</td><td>Yes</td><td>Yes</td></tr></table>	Evaluation indicators	Evaluation result	Whether the CPA meets the independence standard	I. CPAs and members of the Audit Service Team do not hold positions as directors, managers, or positions that have had a significant impact	Yes	Yes	
Evaluation indicators	Evaluation result	Whether the CPA meets the independence standard								
I. CPAs and members of the Audit Service Team do not hold positions as directors, managers, or positions that have had a significant impact	Yes	Yes								

Evaluation item	Status (Note 1)			Deviation from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Summary Description	
			on the audits of the Company in the past two years.	
			II. The CPAs and members of the audit service team are not related to the Company's directors, managers or personnel who have a significant impact on the audit.	Yes Yes
			III. The CPAs have no direct or indirect significant financial interest relationship with the Company.	Yes Yes
			IV. The CPAs are not related to the audit cases or have public expenses.	Yes Yes
			V. Whether the CPAs confirm that the accounting firm to which they belong has complied with the relevant independence standards.	Yes Yes
			VI. The CPAs did not serve as directors, managers, or positions that have significant influence on the audit within one year after their resignation.	Yes Yes
			VII. There is no significant	Yes Yes

Evaluation item	Status (Note 1)			Deviation from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Summary Description	
			and close business relationship between CPAs and the Company.	
			VIII. There is no potential employment relationship between CPAs and the Company.	Yes Yes
			IX. The non-audit services provided by the CPAs to the Company have no important items that directly affect the audit cases.	Yes Yes
			X. The CPAs do not represent the Company in the defense of legal cases or other disputes with third parties.	Yes Yes
			XI. The CPAs do not promote or broker the shares or other securities issued by the Company.	Yes Yes
			XII. The CPAs did not receive any gifts or special offers of significant value from the Company or its directors, managers or major shareholders.	Yes Yes

Evaluation item	Status (Note 1)					Deviation from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Summary Description			
			XIII. The tenure of CPAs does not exceed seven years.	Yes	Yes	
			XIV. Whether the CPAs have complied with the requirements of the Bulletin of CPA Professional Ethics No. 10 about independence.	Yes	Yes	
IV. Is the TWSE / TPEx listed company equipped with qualified and appropriate number of corporate governance personnel, and appoint a corporate governance director responsible for corporate governance related matters (including but not limited to providing information needed by directors and supervisors to carry out business, assisting directors and supervisors to comply with laws and regulations, handling matters related to meetings of the Board of Directors and shareholders' meeting in accordance with the law, and producing minutes of board meetings and shareholders' meetings)?	✓		On May 10, 2021, the Board of Directors approved the establishment of the role Corporate Governance Officer. This position is served by Lu Hsiu-Ying, Manager of Department of Shareholders' Services. Lu has more than three years of managerial experience in finance and shareholders' services with public companies, in line with the statutory requirements for Corporate Governance Officer. Meanwhile, a number of suitable and appropriate corporate governance administrators are appointed, to handle corporate governance matters including organization of board meetings and shareholders' meetings according to laws; production of meeting minutes; registrations for company changes; assistance in onboarding and continuing education of directors; preparation of data required for directors to perform businesses; and support to directors in compliance. Please refer to pages 90-91 for continuing education of Corporate Governance Officer.			Compliant with the requirements of the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies.



Evaluation item	Status (Note 1)			Deviation from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Summary Description	
V. Has the Company established channels for the communications with the stakeholders (including but not limited to the shareholders, employees, customers, and suppliers), and the section for the shareholders on the official website of the Company to respond to all concerns of the stakeholders on corporate social responsibility?	✓		Each responsible unit is the communication window. The detailed contact information like telephones and email are provided on the Company website for contacting and providing services.	Comply with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies.
VI. Has the Company appointed a professional share registration and investors service agent for handling matters pertaining to the Shareholders Meeting?		✓	Since the initial offering of our shares, the Company's Stock Affairs Division has been arranging shareholder services on its own. The shareholders meeting is convened in the manner specified by law, and on the condition of being legal, effective, and safe, so as to ensure shareholders' equity.	There is no material difference with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies; in the future, the Company will continue to comply with relevant laws and regulations for discussion.
VII. Disclosure of Information				
(I) Has the Company installed a website for the disclosure of information on financial position and operation, as well as corporate governance?	✓		(I) The Company has established the website and disclosed relevant information.	Comply with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies.
(II) Has the Company adopted other means for disclosure (such as the installation of a website in the English language, appointment of designated persons for the collection and disclosure of information on the Company, the implementation of a	✓		(II) The Company designates responsible person to collect and disclose information and implements spokesperson system.	The Company has established the English version of the website and disclosed basic information and business information. It is evaluating the feasibility of

Evaluation item	Status (Note 1)			Deviation from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Summary Description	
spokesman system, and videotaping institutional investor conferences)?  (III) Does the Company announce and declare its annual financial report within two months after the end of the fiscal year, and announce and declare the first, second, and third quarter financial reports and the monthly operating situation as early as possible within the prescribed time limit?		✓	(III) The Company shall announce and report the annual financial statements 75 days before the end of the fiscal year, and the first, second, and third quarter financial statements and the operating status of each month before the prescribed deadline.	adding English financial information and stock affairs information. There is no material difference with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies; in the future, the Company will continue to comply with relevant laws and regulations for discussion.
VIII. Is there any other essential information that would help understand the pursuit of corporate governance (including but not limited to employee rights, employee care, investor relations, supplier relations, stakeholder rights, the continuing education of directors and supervisors, the pursuit of a risk management policy and standard of risk assessment, the pursuit of a customer policy, and professional liability insurance coverage for the directors and supervisors)?	✓		(I) Employee rights and interests: The Company has treated employees with integrity and protected their legitimate rights and interests pursuant to the Labor Standards Act. (II) Employee care: The Company has stipulated and promoted the benefit system and good educational training system that enrich and stabilize employee's life and established excellent mutual trust relationship with employees. (such as: group insurance, company trip, recreational events, subsidies for giving birth, wedding and funeral, scholarship for employees and their children, employee health examination, and establishing parking lots to take care of employees' lives.) (III) Investor relationship: The Company establishes spokesperson and acting spokesperson to handle	Comply with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies.

Evaluation item	Status (Note 1)				Deviation from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and causes thereof					
	Yes	No	Summary Description							
			inquiries from shareholders and provide suggestions.							
			(IV)Relationship with suppliers: The Company has maintained good relationship with suppliers, and the procurement department is responsible for managing affairs related to suppliers.							
			(V)Rights and interests of stakeholders: Stakeholders may communicate with and make suggestions to the Company to protect their legitimate rights and interests.							
			(VI) Training status of directors and supervisors in the most recent fiscal year:							
			Title	Name	Date assumed office	Training date		Organizer	Course title	Study Hours
						Commence ment	Conclusion			
			Represent ative of legal person director	Wang Hong-Ren	June 20, 2024	2024/7/3	2024/7/3	Taiwan Stock Exchange	2024 Cathay Sustainable Banking and Climate Change Summit	6
			Represent ative of legal person director	Liu Chung-Jen	June 20, 2024	2024/4/12	2024/4/12	Taiwan Investor Relations Association	2024 KPMG Leadership Academy Forum - Steer the Ship of Corporate Intelligence, Move Forward with Corporate Governance	3

Evaluation item	Status (Note 1)							Deviation from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and causes thereof		
	Yes	No	Summary Description							
						2024/7/3	2024/7/3	Taiwan Stock Exchange	2024 Cathay Sustainable Banking and Climate Change Summit	6
						2024/11/22	2024/11/22	Securities & Futures Institute	2024 Insider Equity Transaction Legal Compliance Promotion Seminar	3
						2024/4/12	2024/4/12	Taiwan Investor Relations Association	2024 KPMG Leadership Academy Forum - Steer the Ship of Corporate Intelligence, Move Forward with Corporate Governance	3
						2024/7/3	2024/7/3	Taiwan Stock Exchange	2024 Cathay Sustainable Banking and Climate Change Summit	6
						2024/7/3	2024/7/3	Taiwan Stock Exchange	2024 Cathay Sustainable Banking and Climate Change Summit	3
						2024/11/22	2024/11/22	Securities & Futures Institute	2024 Insider Equity Transaction Legal Compliance Promotion Seminar	3

Evaluation item	Status (Note 1)							Deviation from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and causes thereof		
	Yes	No	Summary Description							
			Title	Name	Date assumed office	Training date		Organizer	Course title	Study Hours
Independent Director			Hu Lee-Ren	June 20, 2024	Commence ment	Conclusion				
					2024/9/13	2024/9/13	Taiwan Corporate Governance Association	Net Zero Emissions Conference	3	
2024/5/17			2024/5/17	Securities & Futures Institute	Sustainable Development Practice Conference	3				
Independent Director			Diao-Hsiang Cheng	June 20, 2024	2024/4/12	2024/4/12	Taiwan Investor Relations Association	2024 KPMG Leadership Academy Forum - Steer the Ship of Corporate Intelligence, Move Forward with Corporate Governance	3	
								June 20, 2024		2024/9/13
Independent Director	Huang Chen-Tsung	June 20, 2024	2024/9/5	2024/9/5	Taipei Exchange	Insider Equity Promotion Seminar for TPEX Companies	3			
						2024/11/8		2024/11/8	Securities & Futures Institute	2024 Insider Equity Transaction Legal Compliance Promotion Seminar

Evaluation item	Status (Note 1)			Deviation from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Summary Description	
(VII)Implementation of risk management policies and risk measurement standards: Based on corporate operations, management team analyzes and categorizes risks into financial risks; supply chain and raw material risks; management risks; market risks; climate change risks; environment, safety and health risks; cybersecurity concerns; and factory management risks. Control strategies and measures are formulated, reviewed on a rolling basis and implemented by responsible units.				
(VIII)Implementation status of customer policy: The Company has maintained good relationship with customers and fully cooperated on the technology aspect with customer’s new demands and development of new items.				
(IX)The Company’s purchase of liability insurance for directors and supervisors: The Company has purchased directors’ liability insurance and Report on the renewal of insurance policy at the fourth Board meeting dated August 8, 2024.				
IX. Corrective action taken in response to the result of the Corporate Governance Evaluation conducted by the Corporate Governance Center of Taiwan Stock Exchange Corporation, and the priority of action on issues pending for corrective action in the most recent year. According to the results of the Corporate Governance Evaluation issued by the Corporate Governance Center of Taiwan Stock Exchange Corporation, the Company improved in the following areas in 2024:				
1. The Board of Directors regularly refers to Audit Quality Indicators (AQIs) to assess the independence and suitability of the CPA and discloses the evaluation procedures in the annual report.				
2. The English version of the Sustainability Report has been uploaded to the Market Observation Post System and the Company’s website.				
Priorities and measures put forth to strengthen those areas where improvement has not yet emerged:				
1.The annual report voluntarily discloses the individual remuneration of each director.				
2.The annual report voluntarily discloses the individual remuneration of the President and Vice-Presidents.				

Note 1: Regardless of whether "Yes" or "No" is checked, the operation status should be described in the summary description field.

(IV) When setting up a Remuneration Committee, its composition, responsibilities and operations shall be disclosed:

1. To improve remuneration policies and systems for the Company's directors and managers, the Remuneration Committee was established on December 5, 2011 via the Board of Directors' 4th session of that year, and in adherence to the Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange.

The Board of Directors has approved the appointment of Hu Lee-Ren, Chung Kun-Fa, Cheng Tiao-Hsiang and Huang Jen-Tsung as members of the 6th Remuneration Committee with term of office extending until June 19, 2027 this being the expiration date of the current term of directors. Hu Lee-Ren was selected from among themselves as convener.

2. Responsibilities of the Remuneration Committee: The Remuneration Committee should faithfully perform its duties with the attention of good managers, and submit its suggestions to the Board of Directors for discussion.

For detailed responsibilities, please refer to Article 6 of the "Remuneration Committee Charter" of the Company as found on the website of the stock exchange.

(Stock exchange website: Go to <http://mops.twse.com.tw> and click on "Corporate Governance," and "Formulation of rules and regulations related to corporate governance" to search)

### (1) Information of Remuneration Committee Members

April 28, 2025

Criteria Position Name		Professional qualifications <u>and experience</u> Independence state	Number of other public companies in which the individual is concurrently serving as a remuneration committee member
Independent Director (Convener)	Hu Lee-Ren	Refer to pages 9-14 (I) Director Information 3.	0
Independent Director	Cheng Tiao-Hsiang		1
Independent Director	Huang Jen-Tsung		1

**(2) Information on the operation of the Remuneration Committee**

- I. There are 3 members of the Remuneration Committee of the Company.**
- II. The current term of members: June 20, 2024 to June 19, 2027; the Remuneration Committee met 3 times (A) in the most recent year and member qualifications and attendance are as follows:**

Title	Name	Actual number of attendances (B)	Frequency of attendance	Actual attendance rate (%) (B/A) (Note)	Note
Convener	Hu Lee-Ren	3	0	100%	
Member	Cheng Tiao-Hsiang	3	0	100%	
	Huang Jen-Tsung	2	1	66.67%	

Other matters to be recorded:

- I. If the Board of Directors does not adopt or amend the recommendations of the Remuneration Committee, the date and period of the Board of Directors, the content of the proposal, the resolution of the Board of Directors, and the Company's handling of the opinions of the Remuneration Committee should be stated. (If the remuneration approved by the Board of Directors exceeds the recommendation of the Remuneration Committee, the differences and reasons should be stated): No such situation.**

Date and period	Proposal content	Remuneration Committee resolution results	The Company's handling of the opinions of the Remuneration Committee
March 4, 2024 7th Term 5th meeting	1. Approved the motion for the 2023 distribution of remuneration to employees and directors.	Following consultation by the presiding chair, the proposal was passed without objection by all members present.	After the presiding chair consulted all the directors present, the proposal was passed without objection.
August 5, 2024 1st Term 6th meeting	1. Review of remuneration to director. 2. Review of the Company's manager remuneration policies, systems, standards, structure and performance, and evaluation methods.	Following consultation by the presiding chair, the proposal was passed without objection by all members present.	
November 4, 2024 2nd Term 6th meeting	1. Approved the salary adjustment for important personnel. 2. Approved the motion for employee salary adjustment.	Following consultation by the presiding chair, the proposal was passed without objection by all members present.	

- II. On resolutions of the Remuneration Committee, if members have objections or reservations and have records or written declarations, the date, period, proposal content, opinions of all members and the handling of the opinions of the members shall be stated: No such situation.**



Note:

- (1) Before the end of the year, if a member of the Remuneration Committee resigns, the date of resignation should be indicated in the remarks column. The actual attendance rate (%) is calculated based on the number of meetings of the Remuneration Committee during the term of service and the actual number of attendances.
- (2) Before the end of the year, if the Remuneration Committee is re-elected, the new and old Remuneration Committee members should be listed, and the remarks column should indicate whether the member is old, new or re-elected and the date of reelection. The actual attendance rate (%) is calculated based on the number of meetings of the Remuneration Committee during the term of service and the actual number of attendances.

(V) The State of the Company's Promotion of Sustainable Development: The Company's systems and measures and implementation status for environmental protection, community participation, social contribution, social services, social welfare, consumer rights, human rights, safety and health, and other social responsibility activities.

Promotion of Sustainable Development – Implementation Status and Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons

Evaluation item	Implementation Status (Note 1)			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
I. Does the company establish a governance structure and set up an exclusively (or concurrently) dedicated unit to promote sustainable development? Is such unit being dealt with by high level management as authorized by the Board of Directors? How is it supervised by the Board of Directors? (TWSE/TPEX-listed companies should describe the implementation status – not “comply or explain”)	✓		Under the authorization from the Company's Board of Directors and the leadership from President, Sustainable Development & ESG Task Force coordinates departments related to sustainable development including finance, shareholders' services, sales, production, quality assurance, R&D, internal audit, general administration, procurement, IT, factory affairs, environmental protection, safety and health. The selected material issues and corresponding indicators are disclosed as relevant information in reports and systematically integrated into internal management. ESG matters are included in annual work plans of respective units. Sustainable Development & ESG Task Force conducts annual reviews and reports results to the Board of Directors, in order to plan for appropriate budgets to drive the policies. Please refer to sustainability reports and the Company's website(fcht.com.tw). It was also reported to the Board of Directors on August 5, 2024.	No difference

## Two. Corporate Governance Report

## 2024 Annual Report

Evaluation item	Implementation Status (Note 1)			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons							
	Yes	No	Summary Description								
II. Does the company conduct risk assessments of environmental, social and corporate governance (ESG) issues related to the company’s operations in accordance with the materiality principle, and formulate relevant risk management policies or strategies? (Note 2) (TWSE/TPEX-listed companies should describe the implementation status – not “comply or explain”)	✓		<p>This disclosure covers the Company's sustainability performance at its main locations from January to December 2023. The risk assessment boundary primarily includes First Copper Technology Co., Ltd. as an individual entity which covers the headquarters, Linhai Plant, Taipei Branch, and Taichung Sales Office. The Company holds regular risk control meetings, where the production, business, procurement, and accounting departments conduct monthly risk management meetings (such as metal raw material procurement and sales meetings) and operational meetings. Each unit evaluates and determines risk categories, potential risks, management strategies, and practices.</p> <p>Risk management and control measures</p> <table><tr><td>Risk categories</td><td>Potential risks</td><td>Control strategies and measures</td></tr><tr><td rowspan="2">Financial risks</td><td rowspan="2">Interest rate changes</td><td>Appropriate borrowing periods and floating/fixed interest rate structures to reduce interest rate risks</td></tr><tr><td>Budget planning on a weekly, monthly and annual basis to optimize funding tools and lower capital costs</td></tr></table>	Risk categories	Potential risks	Control strategies and measures	Financial risks	Interest rate changes	Appropriate borrowing periods and floating/fixed interest rate structures to reduce interest rate risks	Budget planning on a weekly, monthly and annual basis to optimize funding tools and lower capital costs	No difference
Risk categories	Potential risks	Control strategies and measures									
Financial risks	Interest rate changes	Appropriate borrowing periods and floating/fixed interest rate structures to reduce interest rate risks									
		Budget planning on a weekly, monthly and annual basis to optimize funding tools and lower capital costs									

## Two. Corporate Governance Report

## 2024 Annual Report

Evaluation item	Implementation Status (Note 1)				Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons	
	Yes	No	Summary Description			
					Maintaining good relations with banks to obtain best interest rates by leveraging the Company’s healthy financials	
				Exchange rate changes	Keeping an eye on exchange rates each day, to stay on top of the market information and adjust the schedule for export bill negotiations accordingly	
					Natural hedging of assets and liabilities denominated in foreign currencies and financing with receivables denominated in foreign currencies to mitigate exchange rate risks	
			Supply chain and raw materials risks	Suspension of equipment and parts production Disruption of raw materials supply	Business intelligence and development trends are collated so that technical and production functions can respond in advance	
					Cautious and continuing development of alternative materials. Reduction of single supplier risks to mitigate the risk associated with the supplier’s cease of production or disruption of suppliers	

## Two. Corporate Governance Report

## 2024 Annual Report

Evaluation item	Implementation Status (Note 1)				Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons	
	Yes	No	Summary Description			
					Prioritization of local procurement and flexible response to production requirements	
			Market risks	Imbalance of production and sales	Simulation of a range of production and sales scenarios with forecasts of expected orders, in order to dynamically coordinate production plans	
				Drastic market changes	Staying on top of industry trends, market developments and customer demands, as a reference to sales strategy	
				Price fluctuations	Reasonable selling prices based on costs and in reference to industry levels	
				Product qualification	Collection of alloy samples for regular inspections and verifications by third parties in response to customers' requirements for third-party reports regarding hazardous substances	
			Climate change mitigation	Carbon emission control	Continuing management in energy efficiency and carbon reduction	

## Two. Corporate Governance Report

## 2024 Annual Report

Evaluation item	Implementation Status (Note 1)				Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description		
					Deployment of solar energy generation to reduce reliance of externally sourced energy
					Low-Carbon Product Development
			Environment, safety and health	Environment, safety and health	Increase in the number of licensed operators for fixed cranes, to reduce accident occurrence.
					Enhanced occupational safety and health management by implementing ISO45001
			Management risks	Personnel changes	Step-up in employee training and key technical personnel development, to avoid disruption of normal operations due to gap in technical talents
				Labor relations	Equal pay for equal work, greater transparency, enhanced inter-department interactions, higher corporate identification and lower staff turnover
			Cybersecurity concerns	Security concerns with IT system	Continuing updates of cybersecurity equipment to protect, manage, monitor systems and network activities

## Two. Corporate Governance Report

## 2024 Annual Report

Evaluation item	Implementation Status (Note 1)				Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description		
					Continuing data backups and deployment of redundancy mechanisms
					Regular drills in disaster recovery
					Continuing advocacy of the importance of cybersecurity, intellectual property and personal data backups and integrity
			Safety and Occupational Health		Implementation of ISO 45001 for Safe Production
					Regular Safety Training
					Routine Equipment Maintenance
			Factory management risks	Waste treatment and disposal	Factory Waste Disposal in compliance with regulations, engaging qualified disposal contractors and signing contracts to complete waste accumulation clearance operations
					Environmental Management in accordance with ISO 14001 Environmental Management System

## Two. Corporate Governance Report

## 2024 Annual Report

Evaluation item	Implementation Status (Note 1)			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons	
	Yes	No	Summary Description		
			Old and tired production equipment	Primarily the improvement and update of rough rolling equipment and peripheral facilities, electronic control systems, hydraulic units and cooling and lubricating systems	
				The AP LINE heating furnace structure is deformed, which poses a high risk of damage. Plans are in place for immediate repair and replacement.	
			Production capacity and manpower management	Due to a lack of personnel for succession, it is planned to boost competence training of existing employees and add migrant workers	
			Manufacturing process improvement	Expansion of Cu-Ni-Si alloy series and market footprint of Cu-Cr-Zr alloy products. Best manufacturing process design throughout the factory to achieve the highest yield and profits	
			Please refer to sustainability reports and the Company's website(fcft.com.tw).		



## Two. Corporate Governance Report

## 2024 Annual Report

Evaluation item	Implementation Status (Note 1)			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
III. Environmental Issues				
(I) Has the Company established an appropriate environmental management system based on its industrial characteristics?	✓		(I) The Linhai Plant has established an ISO 14001 Environmental Management System and passed third-party verification. Registration Number: UCS-E-13-010, valid until: March 31, 2028. In accordance with ISO 14064-1, the Company conducts annual greenhouse gas inventories, tracks emission reduction performance, and publicly discloses the results in the Sustainability Report and on the Company's website (fcht.com.tw).	No difference
(II) Is the Company committed to improving the efficiency of energy utilization and using recycled materials with low impact on the environment?	✓		(II) The Company promotes all measures to reduce energy consumption and chooses high energy efficient equipment and energy-saving designs. Energy utilization efficiency is optimized by reducing corporate and product energy consumption and with more use of renewable energy. The target for 2024 is to increase the electricity consumption per unit of product by 2.15% compared with 2020; it was 3.42 MWh/ton in 2023 and 3.49 MWh/ton in 2020, representing a decrease of	No difference

## Two. Corporate Governance Report

## 2024 Annual Report

Evaluation item	Implementation Status (Note 1)			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
			<p>0.07 MWh/ton (about 3%), the reduction target has not been achieved. In the future (2025 - 2026), the target is to reduce the electricity consumption per unit of product by 15% (2026) compared to 2020 and install renewable energy power generation equipment (solar power generation) to improve the use rate of renewable energy year by year.</p> <p>All the raw materials used by the Company adhere to the European Union's RoHS, REACH and halogen-free requirements. In 2022, Sustainable Development &amp; ESG Task Force was established for the creation of a cross-platform resource integration and recycling system. This includes the recycling and reuse of materials, the manufacturing of products with renewable energy and the reduction of pollutions in the manufacturing process to mitigate the environmental impact.</p> <p>Green manufacturing avoids unnecessary waste of resources, reduces wastes and develops the technology for reuse. There are collective efforts from upstream to downstream of the value chain to recycle</p>	

## Two. Corporate Governance Report

## 2024 Annual Report

Evaluation item	Implementation Status (Note 1)			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
(III) Does the Company assess the potential risks and opportunities of climate change for the Company now and in the future, and take measures to deal with climate-related issues?		✓	<p>and reuse packaging materials. Meanwhile, recycled materials are being tested for products in order to lower the environmental impact and maximize the effect of the circular economy. Recycling of raw materials in the manufacturing process; R&amp;D of waste reduction technologies; design and sale of circular products to create circular value.</p> <p>(III) Sustainable Development &amp; ESG Task Force is the Company's highest-level management unit for climate change. Chaired by President, the taskforce began in 2023 to review the Company's climate change strategy and goals; climate risks, opportunities and actions; implementation and future plans. Reports are submitted to the Board of Directors.</p> <p>A climate risk assessment was included in the ESG Report prepared by the Company in 2024. The Company will continue to evaluate the risks and opportunities climate change poses to the Company in accordance with the TCFD recommendation framework announced by</p>	No major difference

## Two. Corporate Governance Report

## 2024 Annual Report

Evaluation item	Implementation Status (Note 1)			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons																		
	Yes	No	Summary Description																			
(IV) Does the Company count greenhouse gas emissions, water consumption and the volume of total waste in the past two years, and formulate policies for energy saving and carbon reduction, greenhouse gas reduction, water management or other waste management?	✓		<div>the International Financial Stability Board, and will undergo a comprehensive assessment every three years with interim updates each year. These will be publicly disclosed in the ESG Report and on the Company's website(fcht.com.tw).</div> <div>(IV) 1. The Company has calculated the GHG emissions, water consumption and waste collection from Linhai Factory during the past two years. (1) Greenhouse gas emissions: Please refer to pages 82 to 83 for details. (2) Water consumption<table><tr><td></td><td>Consumption of running water (L)</td></tr><tr><td>2023</td><td>156,742</td></tr><tr><td>2024</td><td>201,322</td></tr></table> (3) Total waste weight<table><tr><td></td><td>2023</td><td>2024</td></tr><tr><td>General industrial wastes (tons)</td><td>364.830</td><td>473.904</td></tr><tr><td>Hazardous industrial wastes (tons)</td><td>458.180</td><td>440.268</td></tr><tr><td>Wastes per ton</td><td>0.108</td><td>0.099</td></tr></table></div>		Consumption of running water (L)	2023	156,742	2024	201,322		2023	2024	General industrial wastes (tons)	364.830	473.904	Hazardous industrial wastes (tons)	458.180	440.268	Wastes per ton	0.108	0.099	No difference
	Consumption of running water (L)																					
2023	156,742																					
2024	201,322																					
	2023	2024																				
General industrial wastes (tons)	364.830	473.904																				
Hazardous industrial wastes (tons)	458.180	440.268																				
Wastes per ton	0.108	0.099																				

## Two. Corporate Governance Report

## 2024 Annual Report

Evaluation item	Implementation Status (Note 1)			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons			
	Yes	No	Summary Description				
			<table><tr><td>of copper sheets (ton/ton)</td><td></td><td></td></tr></table> <p>2. To keep up with the international trend of energy efficiency and carbon reduction, the Company’s Sustainable Development &amp; ESG Task Force implements projects to lower energy consumption and carbon emissions. The deployment of rooftop solar panels at Linhai Factory is expected to complete in 2025. The planned capacity is 1.235MW, about 10% of the contracted capacity at the factory. GHG emissions are expected to reduce by 3% in five years from the base year of 2022.</p> <p>Water consumption: inspection of water supply and emission pipes and replacement of leaking and old pipes to conserve water resources</p> <p>Water consumption is expected to reduce by 3% in five years from the base year of 2022.</p> <p>Wastes: reduction by recycling and reuse</p> <p>(1) On December 25, 2024, the replacement and commissioning of the AR2 air compressor (200HP) was</p>	of copper sheets (ton/ton)			
of copper sheets (ton/ton)							

## Two. Corporate Governance Report

## 2024 Annual Report

Evaluation item	Implementation Status (Note 1)			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
			<p>successfully completed.</p> <p>(2) The copper sheet plant installed solar photovoltaic panels, with construction completed on December 20, 2024.</p> <p>(3) Checked and replaced leaking or old pipelines to save water resources.</p> <p>(4) A total of 10,919 kg of copper sheet protective paper was recycled and reused.</p> <p>(5) In 2024, the Company procured sludge dewatering equipment for wastewater treatment to reduce sludge moisture content and minimize sludge output. The procurement is currently in the inquiry phase. It also regulates the amount of chemicals used in wastewater treatment equipment to reduce the amount of chemicals used and the amount of sludge generated.</p> <p>(6) The volume of wastewater and sludge is expected to be reduced by 10% in five years compared to 2022, and the volume of waste paper is expected to be reduced by 2.5% in five</p>	

## Two. Corporate Governance Report

## 2024 Annual Report

Evaluation item	Implementation Status (Note 1)			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
			years compared to 2022. 3. The Company's greenhouse gas assurance status for the past two years is detailed on page 82. Future greenhouse gas inventory will continue to be verified by a third party.	
IV. Social Issues				
(I) Has the Company established related policies and procedures in accordance with applicable legal rules and the International Convention on Human Rights?	✓		(I) The Company strictly adheres to applicable legislation and is dedicated to protecting employees' fundamental human rights. Employees' legal rights are protected in accordance with the United Nations Universal Declaration of Human Rights and the International Labour Organization (ILO) treaties. Every employee is treated fairly and with respect, resulting in a welcoming environment. The Company conducts training sessions to promote awareness of relevant regulations.	No difference
(II) Has the Company formulated and implemented reasonable employee welfare measures (including salary, vacation and other benefits, etc.), and appropriately reflects business performance or results in employee compensation?	✓		(II) Remuneration and leaves are determined by the Labor Standards Acts, and the Company establishes Employee Benefits Committee and allocate employee welfare funds pursuant to laws and regulations. According to Article 3 of the Labor Health Protection Act, the Company employs a	No difference

## Two. Corporate Governance Report

## 2024 Annual Report

Evaluation item	Implementation Status (Note 1)			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
(III) Has the Company provided a safe and healthy work environment for the employees, and related education on occupational safety and health for the employees at regular intervals?	✓		<p>medical doctor to provide labor health services and a nurse to organize health services at the factory. The purpose is to create a friendly and healthy workplace for all employees. This also helps the employer and occupational safety and health personnel to implement measures to prevent diseases and improve the work environment.</p> <p>(III) Occupational safety and health policy: Respect life, safety first</p> <p>Anchored in a respect for life and the philosophy of safety first, the Company promotes safety and health measures to ensure a good work environment for colleagues. The purpose is to integrate the management of safety and production, to reduce accidents during production and eventually achieve zero accident. Please refer to IV 5-3 of this annual report for details of protective measures for working environment and personnel's safety.</p> <p>The frequency of disabling injuries in 2024 was 14.97, representing an increase from 18.07 in 2023; the Company failed to reach the target of 6.0 for the frequency of</p>	No difference



## Two. Corporate Governance Report

## 2024 Annual Report

Evaluation item	Implementation Status (Note 1)			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
			<p>disabling injuries; there were 8 employees involved in 8 occupational injury incidents, accounting for 3.33% of the total number of employees at the end of 2024; the Company also failed to achieve the goal of zero incidents.</p> <p>After a thorough review of each occupational accident, the Company came up with improvement measures and immediately modified relevant operational checklists, inspected the safety of machines and equipment and arranged training and education for employees. We care about the mental and physical health of employees and strive to ensure employees' safety at work. Please refer to IV (3) 5-3 of this annual report for the monitoring of the operational environment for workers.</p> <p>According to Article 3 of the Labor Health Protection Act, the Company employs a medical doctor to provide labor health services and a nurse to organize health services at the factory. The purpose is to create a friendly and healthy workplace for all employees. This also helps the</p>	

## Two. Corporate Governance Report

## 2024 Annual Report

Evaluation item	Implementation Status (Note 1)			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
			<p>employer and occupational safety and health personnel to implement measures to prevent diseases and improve the work environment. Below is the list of safety, health and care items:</p> <ol style="list-style-type: none"> <li>1. Annual health examinations for employees: regular health checks for operators and special-operation workers and follow-ups by nurses according to the Labor Health Protection Act and based on the situation at the factory.</li> <li>2. To further and effectively improve the operational environment and safety, the Company has established a unit dedicated to environment, health and safety (EHS). EHS meetings are convened once every three months, to discuss the operational environment, safety and health issues. In the meantime, health and safety training and disaster prevention drills are organized.</li> <li>3. In 2024, no fires occurred, and no personnel injuries or deaths were reported.</li> </ol>	

## Two. Corporate Governance Report

## 2024 Annual Report

Evaluation item	Implementation Status (Note 1)			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
(IV) Has the Company provided effective training in career planning for employees?	✓		(IV) Each year, the Environmental Safety Office is responsible for arranging training and licensing on cranes, forklifts and other such machinery, in order to increase the expertise of employees. During the year, each unit submitted employee training and education training plans, which were implemented accordingly. In 2024, a total of 31 classes were implemented, with 70 participants; the number of lecturing hours was 1,400 person-hour.	No difference
(V) Does the company comply with the relevant laws and international standards with regards to customer health and safety, customer privacy, and marketing and labeling of products and services, and implement consumer protection and grievance policies?	✓		(V) First Copper upholds the philosophy of product stability and sustainable management. From research and development to manufacturing and quality management, the Company maintains a rigorous approach and adheres to the policy principle of “stable quality, professional service, and customer satisfaction.” In addition to being ISO 9001 certified, First Copper actively entered the automotive production supply chain to ensure long-term business sustainability, obtaining ISO/TS 16949 certification in 2011. In response to the updated IATF 16949:2016 standard,	No difference

## Two. Corporate Governance Report

## 2024 Annual Report

Evaluation item	Implementation Status (Note 1)			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
			<p>the company incorporated management enhancements in 2017, including “product safety,” “corporate social responsibility,” “risk analysis,” and “process management responsibilities.” Supplier management was also strengthened, leading to the successful acquisition of IATF 16949:2016 certification in 2018. The Company's quality management system follows a process-oriented structure, encompassing customer-oriented processes, management processes, and support processes. It integrates the PDCA cycle with statistical analysis for continuous improvement, ensuring customer satisfaction.</p> <p>In accordance with the ISO 9001 quality management system, First Copper has established the “Customer Complaints and Returns Handling Management Measures” to protect customer rights and implement a grievance procedure. A dedicated communication channel for stakeholders is available on the First Copper website (fcht.com.tw) under “Corporate Sustainability” → “Stakeholder Communication.”</p>	

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## 2024 Annual Report

Evaluation item	Implementation Status (Note 1)			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
(VI) Has the Company formulated supplier management policies, where suppliers are required to follow relevant regulations on issues such as environmental protection, occupational safety and health or labor and their implementation?	✓		(VI) The Company will take an even more proactive attitude to supplier management by fully considering environmental, social and economic aspects and keeping a close eye on significant or potential risks across the supply chain. By exercising our influence, we also urge suppliers to cultivate concepts and management ability in sustainable development. This will foster a positive cycle in the industry. The procurement unit has been requesting suppliers to sign the Letter of Commitment to Corporate Social Responsibility. A total of 23 suppliers have signed it to date. In 2023, 100% of new suppliers signed the commitment to corporate social responsibility. During the course of business and the process of production and manufacturing, it is necessary to abide by the clauses regarding labor health and safety, ethics and integrity, environmental protection and continuous improvements. It is also required to adhere to relevant domestic and overseas laws and standards on corporate social responsibility and ensure a safe work	No difference

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## 2024 Annual Report

Evaluation item	Implementation Status (Note 1)			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
			environment across the supply chain and respect and dignity to employees. In addition, companies must assume accountability in environmental protection, practice code of conduct and work together in corporate social responsibility. In addition to fulfilling our own corporate social responsibility, we also ask suppliers to honor their responsibility to society.	
V. Does the Company refer to the internationally-prepared reporting standards or guidelines, preparation of Sustainability Report and other reports that disclose the Company's non-financial information? Did the preliminary report obtain the confidence or assurance opinion of the third-party verification unit?	✓		<ol style="list-style-type: none"> <li>1. The Company prepared its 2024 sustainability report by adopting the core option of the GRI (Global Reporting Initiative) Standards and referring to the Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies; (SASB) Sustainability Accounting Standards Board standard; industry practices (metal &amp; mining) and TCFD (Climate-related Financial Disclosures) framework for information disclosure.</li> <li>2. Third-party assurance for 2023 has been obtained. The assurance process for 2024 was conducted on April 8-9, 2025.</li> </ol>	No major differences.
VI. If the Company has related sustainable development best practice principles compiled in accordance with the “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies”, it should disclose the difference between its principles and its implementation: The Company has prepared a corporate social responsibility report; for the state of operation, refer to the 2024 Sustainability Report of the Company.				

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Evaluation item	Implementation Status (Note 1)			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
No difference				
VII. Other important information to facilitate better understanding of the company’s promotion of sustainable development: Refer to our website at <a href="http://www.fcht.com.tw/">http://www.fcht.com.tw/</a> for a dedicated section titled “ESG report”.				

Note 1: If "Yes" is selected for execution status, please describe the important policies, strategies, measures and implementations. If "No" is selected for execution status, please explain the differences and the reason for such differences in the column "Difference from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies" and provide relevant policies, strategies, plans and measures going forward.

Regarding the initiatives (1) and (2), the TWSE/TPEX listed company should describe the governance and oversight framework for sustainable development, including but not limited to management guidelines, strategies, goal setting and review methods. Please describe the Company's risk management policies or strategies and assessments of operational risks in environmental, social and corporate issues.

Note 2: The principle of materiality refers to those who have a significant impact on the Company's investors and other interested parties related to environmental, social and corporate governance issues.

Note 3: Please refer to the best-practice examples on the website of Taiwan Stock Exchange Corporate Governance Center for disclosure methods.

## Climate-related Information of TWSE and TPEX Listed Companies

## 1. Implementation of climate-related information

Item	Implementation status								
<div>1. Describe the oversight and governance of directors and management over climate-related risks and opportunities.</div> <div>2. Describe how the identified climate risks and opportunities affect the Company’s business, strategy, and finance (short-, medium-, and long-term).</div>	<div>1. Given the increasingly significant impact of climate change on corporate operations, the importance of climate change to the sustainable operation of the Company has been taken into consideration. The Company has established an “ESG Promotion Team” as the highest level for climate change management, chaired by the President. Operating since 2023, it reviews the Company’s climate change strategies and goals, manages climate change risks and opportunities, reviews implementation status, discusses future plans, and reports to the Board of Directors.</div> <div>2. The Company pays close attention to trends in global climate change and to the development of international responses, and includes climate change as one of the material topics and crucial risks for sustainable corporate development. It continues to conduct analysis and management to identify potential major risks and opportunities for operations. We have specified our goals and promote management actions for carbon reduction strategies; these risks and opportunities are summarized as follows: (1) The four types of risks are summarized as follows:</div> <table><tr><th>Term</th><th>Risk</th><th>Impact</th><th>Countermeasures</th></tr><tr><td>Mid-to-long-term</td><td><div>1. Introduce carbon border taxes expropriation</div><div>2. Terms and conditions for major power users</div></td><td>Increased operating costs</td><td><div>1. Continuous monitoring of domestic and international regulatory developments, including the Climate Change Response Act, carbon neutrality, and carbon trading mechanisms.</div><div>2. Continue to implement greenhouse gas inventory in accordance with the requirements of ISO 14064-1.</div><div>3. Continue to promote energy conservation and carbon dioxide reduction improvements to improve energy efficiency.</div><div>4. Implementation of a rooftop solar photovoltaic system on company buildings to</div></td></tr></table>	Term	Risk	Impact	Countermeasures	Mid-to-long-term	<div>1. Introduce carbon border taxes expropriation</div> <div>2. Terms and conditions for major power users</div>	Increased operating costs	<div>1. Continuous monitoring of domestic and international regulatory developments, including the Climate Change Response Act, carbon neutrality, and carbon trading mechanisms.</div> <div>2. Continue to implement greenhouse gas inventory in accordance with the requirements of ISO 14064-1.</div> <div>3. Continue to promote energy conservation and carbon dioxide reduction improvements to improve energy efficiency.</div> <div>4. Implementation of a rooftop solar photovoltaic system on company buildings to</div>
Term	Risk	Impact	Countermeasures						
Mid-to-long-term	<div>1. Introduce carbon border taxes expropriation</div> <div>2. Terms and conditions for major power users</div>	Increased operating costs	<div>1. Continuous monitoring of domestic and international regulatory developments, including the Climate Change Response Act, carbon neutrality, and carbon trading mechanisms.</div> <div>2. Continue to implement greenhouse gas inventory in accordance with the requirements of ISO 14064-1.</div> <div>3. Continue to promote energy conservation and carbon dioxide reduction improvements to improve energy efficiency.</div> <div>4. Implementation of a rooftop solar photovoltaic system on company buildings to</div>						



Item	Implementation status				
					meet 10% of the Company's electricity consumption requirements.
	Short-to-mid-term		Increase in the severity of extreme climate events (e.g., typhoons, floods, and droughts)	Increase in capital expenditure Decrease in operating income (interruption of production)	<ol style="list-style-type: none"> <li>1. Complete the emergency response organization to respond immediately and reduce disaster losses.</li> <li>2. Convene a typhoon/flood preparation meeting before the rainy season and typhoon.</li> <li>3. Maintenance of pumping stations to ensure proper operation.</li> <li>4. Establishment of an emergency power generation and water storage system to provide backup power and water supply during emergencies.</li> <li>5. Regular inspections and cleaning of storm drains and water channels.</li> </ol>
	Short-to-mid-term		Water consumption charges	Increased operating costs	<ol style="list-style-type: none"> <li>1. Continuously monitor water consumption statistics and quickly correct abnormal water consumption issues.</li> <li>2. Plan to replace leaking and aging pipelines to ensure the efficiency of internal water systems and water circulation equipment, conserving water resources.</li> </ol>
	Mid-to-long-term		Changes in market trends and end-user demand	Increase in operating income Increase in development cost	<ol style="list-style-type: none"> <li>1. Explore market demand for copper alloys in the green energy technology industry to enhance competitiveness and product quality.</li> <li>2. Develop corresponding copper alloy products in response to the electric vehicle industry supply chain.</li> </ol>

Item	Implementation status			
	(2) Four opportunities:			
	Term	Opportunity	Impact	Countermeasures
	Mid-to-long-term	1. Adopt low-carbon energy and strengthen energy substitution/diversification 2. Install green power equipment 3. Use high-efficiency production processes to reduce resource consumption	Decrease in operating costs Increase in asset value Increase in operating income	1. Continue to promote energy conservation and carbon dioxide reduction improvements to improve energy efficiency. 2. Implementation of a rooftop solar photovoltaic system on company buildings to meet 10% of the Company's electricity consumption requirements.
	Short-to-mid-term	Enhance water use management and improve the efficiency of water utilization per unit	Decrease in operating costs	1. Continuously monitor water consumption statistics and quickly correct abnormal water consumption issues. 2. Plan to replace leaking and aging pipelines to ensure the efficiency of internal water systems and water circulation equipment, conserving water resources.
	Mid-to-long-term	Enter the green energy copper alloy market	Increase in operating income Increase in development cost	1. Explore market demand for copper alloys in the green energy technology industry to enhance competitiveness and product quality. 2. Develop corresponding copper alloy products in response to the electric vehicle industry supply chain.
	Mid-to-long-term	Enhance resilience and adaptability to climate disasters	Increase in capital expenditure Improve climate resilience and reduce corporate losses that may be caused by	1. Complete the emergency response organization to respond immediately and reduce disaster losses. 2. Convene a typhoon/flood preparation meeting before the rainy season and typhoon. 3. Maintenance of pumping stations to ensure proper operation.

Item	Implementation status			
3. Describe the financial impacts of extreme climate events and transformational actions.			business disruptions	4. Establishment of an emergency power generation and water storage system to provide backup power and water supply during emergencies. 5. Regular inspections and cleaning of storm drains and water channels.
	3. (1) Regarding the impact of extreme climate events (business interruption caused by extreme climates or operation losses caused by flood) and transformation actions (the cost to respond to carbon dioxide reduction policies and regulations, the cost of industrial green energy and environmental protection transformation, and the impact on reputation caused by polluting industries) on the finances of the Company, please refer to item 2 above for details. (2) The Company will continue to reduce the impact of climate risk factors on its operations through the ESG team. In addition, the Company will re-evaluate its risk tolerance and asset risk pricing based on scenario analysis results and measure possible business, strategic, and financial impacts on FIRST COPPER TECHNOLOGY CO.,LTD. (3) Properly manage extreme weather events and risks associated with the transition to a low-carbon economy, incorporate climate change risks into operational decision-making, identify and manage risks while facing the crises of global warming and resource depletion, and implement mitigation and adaptation measures to fully respond to developments in energy-saving and carbon reduction.			

Item	Implementation status										
<p>4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.</p> <p>5. If scenario analysis is used to evaluate resilience in the face of climate change risks, the scenarios, parameters, assumptions, analysis factors, and main financial impacts</p>	<p>4. The scope of the complete risk management framework covers operational risks, legal and compliance risks, and environmental risks (including climate risks). These considerations comprise environment (E), society (S), and corporate governance (G). The Company's risk management policy includes environmental risks (including climate risks), meaning that the Company deems climate change a strategic operational risk, and is taking measures to identify and manages such risks. The Company's climate risk management procedures are divided into four major steps; risk identification, assessment, management, and monitoring. These are described as follows:</p> <table border="1" data-bbox="949 536 2132 1257"> <thead> <tr> <th data-bbox="949 536 1093 651">Management procedure</th><th data-bbox="1093 536 2132 651">Content</th></tr> </thead> <tbody> <tr> <td data-bbox="949 651 1093 842">Risk Identification</td><td data-bbox="1093 651 2132 842">           (1) Identify climate risks and opportunities each year in line with the Company's ESG schedule.            (2) All departments of the Company work together with the ESG team to integrate overall risk identification.            (3) Refer to the climate risk reports of domestic and foreign institutions.         </td></tr> <tr> <td data-bbox="949 842 1093 1034">Risk assessment</td><td data-bbox="1093 842 2132 1034">           (1) The Company evaluates the impact and level of impact of risks based on the characteristics of its business (finance, supply chain, management, business market, climate change, environmental safety and health, plant management, and information safety).            (2) The measurement scope includes impact route, impact time and geographical scope, and financial impact.         </td></tr> <tr> <td data-bbox="949 1034 1093 1145">Risk management</td><td data-bbox="1093 1034 2132 1145">Assess the importance and urgency of the impact of identified risk factors in order to prioritize and formulate control strategies and practices.</td></tr> <tr> <td data-bbox="949 1145 1093 1257">Risk monitoring</td><td data-bbox="1093 1145 2132 1257">Based on the risk assessment results, the audit unit formulates and executes the audit plan, implements the supervision mechanism, and controls relevant risk management measures.</td></tr> </tbody> </table> <p>5. (1) The Company has considered the impact of climate change risks on its operations and introduced the framework of the Task Force on Climate-related Financial Disclosures (TCFD) to carry out inventory and disclosure of climate change risk and opportunity management. Based on the four major aspects of governance, strategy, risk management, and indicators and targets, the Company has established its management framework</p>	Management procedure	Content	Risk Identification	(1) Identify climate risks and opportunities each year in line with the Company's ESG schedule. (2) All departments of the Company work together with the ESG team to integrate overall risk identification. (3) Refer to the climate risk reports of domestic and foreign institutions.	Risk assessment	(1) The Company evaluates the impact and level of impact of risks based on the characteristics of its business (finance, supply chain, management, business market, climate change, environmental safety and health, plant management, and information safety). (2) The measurement scope includes impact route, impact time and geographical scope, and financial impact.	Risk management	Assess the importance and urgency of the impact of identified risk factors in order to prioritize and formulate control strategies and practices.	Risk monitoring	Based on the risk assessment results, the audit unit formulates and executes the audit plan, implements the supervision mechanism, and controls relevant risk management measures.
Management procedure	Content										
Risk Identification	(1) Identify climate risks and opportunities each year in line with the Company's ESG schedule. (2) All departments of the Company work together with the ESG team to integrate overall risk identification. (3) Refer to the climate risk reports of domestic and foreign institutions.										
Risk assessment	(1) The Company evaluates the impact and level of impact of risks based on the characteristics of its business (finance, supply chain, management, business market, climate change, environmental safety and health, plant management, and information safety). (2) The measurement scope includes impact route, impact time and geographical scope, and financial impact.										
Risk management	Assess the importance and urgency of the impact of identified risk factors in order to prioritize and formulate control strategies and practices.										
Risk monitoring	Based on the risk assessment results, the audit unit formulates and executes the audit plan, implements the supervision mechanism, and controls relevant risk management measures.										

Item	Implementation status
<p>used shall be explained.</p> <p>6. If there is a transition plan for managing climate-related risks, specify the content of the plan, and the indicators and goals used to identify and manage physical risks and transition risks.</p> <p>7. If internal carbon pricing is used as a planning tool, the basis for setting the price shall be stated.</p> <p>8. If climate-related targets have been set, specify the activities covered, the scope of GHG emissions, the planned schedule, and the progress made each year. If carbon credits or renewable energy certificates (RECs) are used to achieve the relevant targets, the source and quantity of carbon credits to be offset or the quantity of renewable energy certificates (RECs) shall</p>	<p>for climate risks, identified disaster risks and relevant opportunities caused by climate change, and adopted relevant response strategies to reduce the substantial impact and level of impact of such risks on the Company's operations.</p> <p>(2) Currently, the Company does not use scenario analysis to evaluate and analyze financial impacts related to climate at different points of time and in different scenarios.</p> <p>6. The Company has complied with its low-carbon operation management indicators and goals to achieve carbon dioxide reduction of 3% by 2027 and net zero carbon dioxide emission by 2050, based on the reduction of greenhouse gas emissions (scope 1 and scope 2) and the percentage of renewable energy used. The implementation is as follows:</p> <p>(1) Greenhouse gas emissions (Scope 1 and Scope 2): Carbon emissions in 2024 were approximately 18,060.4595 tCO<sub>2</sub>e/year, representing a reduction of 19.21% from 2022, and the Company continues to move towards the 2050 net zero carbon dioxide emissions goal.</p> <p>(2) Renewable energy used: The Company plans to install a 1,235MWh renewable energy solar photovoltaic system which is expected to generate 929,400 kWh of electricity each year. In addition, one air compressor (AR2) was replaced on December 25, 2024. The Company will continue to comply with the government's "green energy and carbon dioxide reduction" policies.</p> <p>7. None</p> <p>8. (1) The goal of this stage is to reduce carbon by 3% by 2027 and continue to make efforts to achieve the net zero carbon dioxide emissions goal by 2050. Measures implemented include the installation of a renewable energy solar photovoltaic system, replacement of air compressors, and energy-saving improvements to processes.</p> <p>(2) For the activities implemented in 2024, please refer to the description of the abovementioned Item 6.(2).</p>

Item	Implementation status
be specified. 9. GHG inventory and assurance status, as well as reduction goals, strategies and concrete action plans (please fill in 1-1 and 1-2 separately).	9. Please refer to the description below.

## 1-1. The Company's GHG Inventory and Assurance in the Last Two Years

## 1-1-1. GHG inventory information

**(Describe the emission volume (metric tons CO<sub>2</sub>e), intensity (metric tons CO<sub>2</sub>e/million yuan) and data coverage of GHG in the past two years.)**

Year	Annual production volume (ton)	Greenhouse gas emissions (tCO <sub>2</sub> e/year)			Greenhouse gas emission intensity (tCO <sub>2</sub> e/ton)
		Scope 1	Scope 2	Total emissions	
2023	7,603.708	3,110.6873	14,693.5279	17,804.2152	2.34152
2024	9,269.727	3,026.1593	15,034.3002	18,060.4595	1.94833

Note 1: Direct emissions (scope 1, i.e. directly from emission sources owned or controlled by the Company), indirect emissions from energy (scope 2, i.e. indirect GHG emissions from imported electricity, heat or steam), and other indirect emissions (Scope 3, i.e., emissions from the Company's activities that are not indirect emissions from energy, but are from sources owned or controlled by other companies).

Note 2: The data coverage of direct and indirect emissions from energy shall be handled per the schedule specified in Paragraph 2, Article 10 of the Guidelines. Other indirect emissions can be voluntarily disclosed.

Note 3: GHG inventory standard: Greenhouse Gas Protocol (GHG Protocol) or ISO 14064-1 issued by the International Organization for Standardization (ISO).

Note 4: The intensity of GHG emissions can be calculated per unit of product/service or turnover, but at least the data calculated in terms of turnover (NTD million) should be stated.

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### 1-1-2. GHG Assurance Information

Year	Annual output (ton)	GHG emissions (ton CO2e/year)			GHG emission intensity (ton CO2e/Million)	Assurance institutions	Assurance description	Assurance opinion/conclusion
		Scope 1	Scope 2	Total emissions				
2023	7,603.708	3,110.6873	14,693.5279	17,804.2152	6.9341	KPMG Taiwan	Standards on Assurance Engagements No. 3410/Limited Assurance	Unqualified opinion/conclusion
2024	9,269.727	3,026.1593	15,034.3002	18,060.4595	5.7737	KPMG Taiwan	Standards on Assurance Engagements No. 3410/Limited Assurance	Unqualified opinion/conclusion

Note 1: The Company shall act in accordance with the schedule specified in Article 10, Paragraph 2 of the Guidelines. If the Company fails to obtain the full assurance opinion on GHG by the publication date of the annual report, it is necessary for the Company to indicate, “Complete assurance information will be disclosed in the Sustainability Report”. If the company does not prepare a sustainability report, specify “Complete assurance information will be disclosed on the Market Observation Post System” and disclose complete assurance information in the next annual report.

Note 2: The assurance institutions shall comply with the requirements set forth by the Taiwan Stock Exchange Corporation and the Taipei Exchange of the Republic of China for assurance institutions.

Note 3: Please refer to the Best Practice Examples on the Corporate Governance Center of the Taiwan Stock Exchange website for disclosure.

### 1-2. GHG Reduction Goals, Strategies and Specific Action Plans

**Not applicable. According to the schedule of the Company's sustainable development roadmap, the 2024 annual report will disclose the greenhouse gas reduction goals, strategy and action plan for 2025.**

Reduction Target: Using 2022 as the baseline, reduce greenhouse gas emissions by 3% within five years (by 2027).

Reduction Strategy: Implement green energy equipment to reduce external energy demand.

Action Plan: Starting in 2024, install a solar power system on the rooftop of the Linhai plant. Expected completion of the rooftop solar panel installation and integration into the factory's power system by 2025. The solar power system capacity is approximately 1,235 kW, accounting for 10% of Linhai plant's contracted power capacity.

Note 1: It shall be processed in accordance with the schedule prescribed in Article 10, paragraph 2 of the Guidelines.

Note 2: The base year should be when the inventory is completed at the boundary of the consolidated financial statements. For example, according to Article 10, paragraph 2 of the Guidelines, a company with a capital of more than NTD 10 billion should complete the consolidated financial report for 2024 in 2025, so the base year is 2024. If the Company has completed the inventory of the consolidated financial statements ahead of schedule, the earlier of the base year can be used as the base year, and the base year data can be calculated by a single year or the average of several years.

Note 3: Please refer to the Best Practice Examples on the Corporate Governance Center of the Taiwan Stock Exchange website for disclosure.



(VI) The Company's performance in terms of ethical management and the measures adopted:

**Ethical business performance conditions, as well as differences and reasons for differences with Ethical Corporate Management Best Practice Principles for TWSE / GTSM Listed Companies**

Evaluation item	Status (Note 1)			Deviation from Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Summary Description	
(I) Formulation of ethical management policy and plans				
(I) Has the Company specified its policy and method for the implementation of ethical corporate management in its internal rules and regulations and external documents, and have the Board and the management of the Company promised to pursue the policy of ethical corporate management?	✓		(I) To comply with laws and uphold ethical standards, the Company adheres to the Company Act, Securities Exchange Act, Business Accounting Act, and other regulations. On November 5, 2018, the Board of Directors approved the "Ethical Corporate Management Best Practice Principles," and establishes policies based on honesty, transparency, fairness, and accountability to promote sound corporate governance and risk management for sustainable development.	Comply with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies.
(II) Has the Company established an assessment mechanism for the risk of dishonesty, regularly analyzing and evaluating business activities with a high risk of dishonesty in the business scope, and formulated a plan to prevent dishonesty, and cover at a minimum the preventive measures for various acts under Article 7, Paragraph 2 of "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies?"	✓		(II) However, the Company stipulates working rules, reward and disciplinary action regulations and relevant management operations to prevent unethical conducts.	No major differences.

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Evaluation item	Status (Note 1)			Deviation from Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Summary Description	
(III) Does the Company specify the operating procedures, behavior guidelines, disciplinary penalties and grievance system in the plan to prevent dishonesty, and implement it, and regularly review and revise the pre-disclosure plan?	✓		(III) We have formulated the “Ethical Corporate Management Operating Procedures and Code of Conduct”, “Code of Ethics”, and “Whistle-blower Regulations”, which we have implemented, reviewed, and revised.	No major differences.
(II) Implementation of Ethical Corporate Management (I) Does the Company assess a trading counterpart’s ethical management record and expressly state the ethical management clause in the contract to be signed with the trading counterpart?	✓		(I) The Company stipulates code of conducts for employees to prevent the conducts of frauds, misbehaviors, divulgence, or false report and requires that employees should not accept social intercourse and gifts from the suppliers.	Comply with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies.
(II) Has the Company set up a special unit under the board of directors to promote corporate ethical management, and regularly reports (at least once a year) to the board of directors on its ethical management policies and plans to prevent dishonesty and supervision and implementation?		✓	(II) A Corporate Integrity Promotion Task Force is responsible for formulating and implementing integrity policies and preventive measures. The head of the Management Department serves as the convener, with the Internal Audit Unit overseeing and reporting dishonest behaviors, handling methods, and subsequent improvement measures to the Board of Directors. The 2024 implementation status of integrity management was reported to the Board on November 4, 2024.	Comply with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies.

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Evaluation item	Status (Note 1)			Deviation from Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Summary Description	
			The implementation of ethical corporate management in 2024 is as follows:	
			<p>Supplier Commitment</p> <ol style="list-style-type: none"> <li>1. All suppliers are required to sign the “Integrity Commitment” and “Supplier Corporate Social Responsibility Commitment,” which clearly prohibit any corrupt practices. In 2024, 47 new suppliers signed the commitments, achieving a 100% signing rate.</li> <li>2. The “Raw Materials Supplier Evaluation Guidelines” were issued to manage and regularly assess raw materials suppliers. Suppliers with poor quality performance will be disqualified in accordance with the guidelines.</li> <li>3. No suppliers were disqualified due to corrupt practices in 2024.</li> </ol>	
			<p>Education and Training</p> <ol style="list-style-type: none"> <li>1. Orientation training for new employees included internal regulations such as the “Ethical Corporate Management Best Practice Principles,” “Code of Ethical Conduct” and the “Procedures for Ethical Management and Guidelines for Conduct.” A total of 25 participants attended.</li> <li>2. Promotion of knowledge and awareness of trademark rights, patent rights and trade secret laws (2 hours): 19 participants.</li> <li>3. Promotion of insider trading prevention laws (2 hours): 44 participants.</li> </ol>	

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Evaluation item	Status (Note 1)			Deviation from Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Summary Description	
(III) Has the Company developed a policy to prevent conflicts of interest, provided a proper presentation channel, and put such policy in place?	✓		<div>Commitment</div> <p>In 2024, all new employees signed the “Personal Data Protection and Confidentiality Agreement” upon onboarding. A total of 25 employees signed, achieving a 100% signing rate.</p>	Comply with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies.
			<div>Promotion</div> <p>1. Promoted integrity and confidentiality responsibilities to all employees through bulletin boards and the internal network system. 2. Provided reporting channels for stakeholders in accordance with the “Whistleblowing Procedure.” Reporting and complaint email: wanglan@hegroup.com.tw</p>	
			(III) The Company's “Procedures for Ethical Management and Guidelines for Conduct” explicitly define policies to prevent conflicts of interest and ensure a transparent and fair procurement process through public bidding and an electronic procurement platform. A Stakeholder Communication section is available on the Company's website under “Corporate Sustainability,” providing external communication channels. Internally, a whistleblowing mailbox is set up, managed by a dedicated unit.	

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Evaluation item	Status (Note 1)			Deviation from Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Summary Description	
(IV) Has the Company established an effective accounting system for the implementation of ethical management, internal control system, and the evaluation result of the risk of dishonesty by the internal audit unit, to formulate relevant audit plans, and check the compliance with the plan to prevent dishonesty, or entrusted an accountant to perform the audit?	✓		(IV) The Company promotes full computerization that integrates HR, financial, operation, production, material and engineering functions that articulates one another and performs abnormality management. The Company also establishes independent internal audit operation structure, performs audits based on the audit plans, and reports to the Board of Directors on a regular basis.	Comply with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies.
(V) Does the Company hold education training in ethical corporate management inside and outside the Company on a regular basis?	✓		(V) For employee management, aside from having established Work Rules, the Company ensures that all employees adhere to the highest ethical standards in business activities. To foster a culture of corporate integrity, the Company has implemented and publicly announced: “Ethical Corporate Management Best Practice Principles,” “Code of Ethical Conduct,” “Procedures for Ethical Management and Guidelines for Conduct.” These internal policies guide employees on ethical and responsible business practices. The Company actively promotes and reinforces corporate ethics and integrity values to establish a culture of integrity. Annual training sessions for all employees include internal control audits and compliance assessments. Through self-audits and compliance evaluations, the Company effectively manages and enforces integrity	Comply with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies.

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Evaluation item	Status (Note 1)			Deviation from Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Summary Description	
			policies, with independent audits conducted by the audit unit to ensure proper functioning. These measures help prevent dishonest behavior and maintain sound corporate governance.	
(III) Operation of the Company's reporting system				
(I) Has the Company put in place the specific whistle-blowing and reward system, established a convenient reporting channel, and assigned appropriate personnel to deal with whistle-blowing?	✓		(I) The Company reports the complaints based on the authority and transfers the case to the investigation units for further investigation, who will submit a written report to the General Manager and Chairman. Where the complaint is confirmed a fact, the case will be handled pursuant to the working rules for the employees, and an improvement plan will be submitted. The whistleblower will be rewarded pursuant to the working rules for the employees.	Comply with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies.
(II) Has the Company established standard operating procedures for accepting complaints, follow-up measures to be taken after the investigation is completed, and relevant confidentiality mechanisms?	✓		(II) Where there is any violation of the ethical corporate management, except for reporting to the department supervisor directly, employees may also report to the audit unit. If the report is confirmed, the whistleblower will be rewarded based on the severity of the violation.	Comply with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies.
(III) Has the Company taken measures to protect whistle-blowers from retaliation due to reporting?	✓		(III) The Company fulfills the confidential and protection responsibility to whistleblowers, who will not be mistreated by reporting the violations.	Comply with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies.

## Two. Corporate Governance Report

## 2024 Annual Report

Evaluation item	Status (Note 1)			Deviation from Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Summary Description	
(IV)Strengthening information disclosure Has the Company, on its website and on the Market Observation Post System, disclosed the content and promotion effectiveness of its Ethical Corporate Management Best Practice Principles?	✓		The implementation status of corporate integrity management is disclosed in the Corporate Sustainability section of the Company website.	Comply with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies.
(V)If the Company has enacted the Ethical Corporate Management Best Practice Principles in accordance with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, please describe the difference between its operation and the Principles: The Company has formulated Ethical Corporate Management Best Practice Principles, and it does comply with the Company Act, the Securities and Exchange Act, the Business Entity Accounting Act, relevant regulations of TWSE/GTSM Listed Companies, and other business conduct related laws and regulations, and the audit unit shall conduct various project inspections.				
(VI)Other information that enables a better understanding of the Company's ethical corporate management: (For example, the Company's review and revision the Ethical Corporate Management Best Practice Principles, etc.) It pays continuous attention to the development of relevant standards for ethical management at home and abroad, and reviews and improves the Company's ethical management policy accordingly to enhance the effectiveness of the Company's ethical management.				

Note 1: Regardless of whether “Yes” or “No” is checked, the operation status should be described in the summary description field.

(VII) Other important information that is sufficient to enhance the understanding of corporate governance and operational conditions:

1. Continuing education and training of managers and key executives in corporate governance:

Title	Name	Training date		Organizer	Course title	Training hours
		Commencement	Conclusion			
Accounting Supervisor	Wu Jia-Yu	2024/06/17	2024/06/17	Accounting Research and Development Foundation	Continuing training course for issuing broker stock exchange accounting supervisors	12
Corporate Governance Manager	Lu Xiu-Ying	2024/04/12	2024/04/12	Taiwan Investor Relations Association	2024 KPMG Leadership Academy Forum - Steer the Ship of Corporate Intelligence, Move Forward with Corporate Governance	3
		2024/07/03	2024/07/03	Taiwan Stock Exchange	2024 Cathay Sustainable Banking and Climate Change Summit	6
		2024/08/02	2024/08/02	Taiwan Corporate Governance Association	Corporate Governance Supervisor Compliance Work Practice	3
		2024/10/18	2024/10/18	Taiwan Stock Exchange	2024 Insider Trading Prevention Conference	3
		2024/11/08	2024/11/08	Taiwan Stock Exchange	2024 Insider Equity Transaction Legal Compliance Promotion Seminar	3
Chief Auditor	Chiang, Wan-Lan	2024/09/03	2024/09/03	Internal Audit Association of the Republic of China	Reading, Analysis and Application of Financial Statements	6
		2024/10/22	2024/10/22	Internal Audit Association of the Republic of China	Risk-Oriented Internal Audit Methods and Practices	6

2. Company personnel related to financial information transparency who have obtained relevant licenses specified by the competent authority:  
1 accountancy license, 7 senior securities specialist licenses, and 1 securities specialist license.
3. Establishing a code of conduct or ethics for employees:
  - (1) To regulate the behavior of employees, the Company has formulated Employee Work Rules in accordance with regulations, to be implemented after the approval of the Board of Directors.
  - (2) There are penalties for employees who use their positions to seek illegal benefits, accept entertainment, gifts, receive kickbacks, embezzle public funds, or obtain other illegal benefits. To prevent dishonest behavior, periodic education and training is in place for employees and fraud prevention is undertaken through the inspection mechanism of the internal audit unit, and established an "Ethical Code of Conduct" as well.



4. Formulation of procedures for handling material inside information:
  - (1) The Company established the “Procedures for Handling Material Inside Information” on November 7, 2022, and the Procedures were implemented after being approved by the Board.
  - (2) The Company’s internal control system prevents the handling and disclosure of important internal information in the management of insider transactions. After the public information declaration is approved by the responsible manager, the computer of the full-time personnel shall install “certification software” with the use of the key to be controlled before uploading the notification declaration.
  - (3) A spokesperson system has been established. When the Company has material information to communicate with the outside world, it shall be disseminated in a unified manner by the responsible person, by the spokesperson, or by the acting spokesperson.

## (VIII) Implementation status of internal control system:

## 1. Statement of Internal Control.

## 2024 Internal Control System Statement

Indicates that both the design and execution are effective

(A declaration is made on all the laws and regulations for the part that adopts the laws and regulations)

First Copper Technology Co., Ltd.

Internal Control System Statement

Date: March 3, 2025

Based on the self-assessment of Company's internal control system for year 2024, we declare that:

- I. The establishment, implementation and maintenance of an internal control system are the responsibility of its Board of Directors and management. The Company has established such a system, designed to provide reasonable assurance with respect to the effectiveness and efficiency of business operations (including profitability, performance and safeguarding of assets) and accomplishment of the goals of reliable, timely and transparent reporting and compliance with relevant rules and regulations.
- II. An internal control system, no matter how well designed, has inherent limitations and therefore can provide only reasonable assurance with respect to the accomplishment of the above goals. Furthermore, because of changing conditions and circumstances, the effectiveness of an internal control system may vary over time. Notwithstanding, the internal control system of the Company contains self-oversight mechanisms, and actions are taken to correct deficiencies as they are identified.
- III. The Company examined the effectiveness of the design and implementation of its internal control system according to the criteria prescribed in the "Regulations Governing Establishment of Internal Control Systems by Public Companies" (herein below, the "Regulations"). The criteria adopted by the Regulations identify five key components of managerial internal control: (1) control environment, (2) risk assessment, (3) control activities, (4) information and communication, and (5) monitoring activities. Each component also includes several items which can be found in the Regulations.
- IV. The Company has evaluated the effectiveness of the design and implementation of its internal control system in accordance with the above criteria.
- V. Based on the assessment results of preceding paragraph, the Company believes that, on December 31, 2024, the design and implementation of its internal control system (that includes the supervision and management of its subsidiaries), including the understanding of the effectiveness and efficiency of operations, the degree of achieving the goals, reliable, timely and transparent reporting and compliance with relevant rules and regulations, are effective and can provide reasonable assurance with respect to the accomplishment of the above goals.
- VI. This Statement is an integral part of the Company's annual report and prospectus, and will be made public. Any false representation, concealment, or other illegality in this Statement shall be subjected to legal consequences as stipulated in Articles 20, 32, 171, and 174 of the Securities and Exchange Law.
- VII. This Statement has been unanimously approved by 7 attended directors in the Board of Directors meeting held on March 3, 2025.

First Copper Technology Co., Ltd.

Chairman: signature

General Manager: signature

2. If a CPA is retained for the conduct of the internal audit system, disclose the Auditor's Report: None.

(IX) In the most recent year and as of the printing date of the annual report, important resolutions of the shareholders meeting and Board of Directors:

### 1. Important shareholders' meeting resolutions

Date	Meeting type	Important resolution	Implementation status
June 20, 2024	2024 Annual Shareholders' Meeting	1. Acknowledgment of motion for 2023 business report and financial statements.	Approved the motion for 2023 business report and financial statements . Announcement of resolutions on the day of the shareholders' meeting.
		2. Acknowledgment of the Company's 2023 earnings appropriation.	Approved as proposed and earnings were fully retained without appropriation.
		3. Approved the amendment to the Company's Articles of Incorporation.	After the approval by the Shareholders' Meeting in 2024, it was announced on the Company's website and handled in accordance with the revised procedures.

### 2. Important resolutions of the Board of Directors

Date	Meeting type	Important resolution
March 4, 2024	1st board meeting in 2024	<ol style="list-style-type: none"> <li>1. Approved the proposal for the 2023 remuneration of employees and remuneration of Directors.</li> <li>2. Approved the 2023 business report and parent company only financial statements.</li> <li>3. Approved the proposal for 2023 earnings distribution.</li> <li>4. Approved the amendments to the Company's Articles of Incorporation.</li> <li>5. Approved the re-election of Directors (including Independent Directors).</li> <li>6. Approved the intention to release non-competition restrictions for the Company's new Directors and their representatives.</li> <li>7. Approved the proposal for convening the 2024 annual shareholders' meeting.</li> <li>8. Approved the 2024 operating budget.</li> <li>9. Approved the issuance of the 2023 "Statement of Internal Control System."</li> <li>10. Approved the proposal for CPA appointment and remuneration for 2024.</li> <li>11. Approved the proposal for the evaluation of the independence and competence of the CPAs for financial statements.</li> <li>12. Approved the proposal for sales limits to companies.</li> <li>13. Approved the proposal to apply for credit facility limits from financial institutions.</li> </ol>
May 6, 2024	2nd board meeting in 2024	<ol style="list-style-type: none"> <li>1. Approval of the individual financial statements for the first quarter of 2024</li> <li>2. Nomination of candidates for directors (including independent directors) for the 2024 shareholders' meeting.</li> </ol>
June 20, 2024	3rd board meeting in 2024	<ol style="list-style-type: none"> <li>1. Approved the motion for election of the Chairman of the Board.</li> <li>2. Approved the motion for appointment of members of the Remuneration Committee.</li> </ol>
August 5, 2024	4th board meeting in 2024	<ol style="list-style-type: none"> <li>1. Approved the motion for the individual financial statements for Q2 2024.</li> <li>2. Approved the motion for preparation of the 2023 Sustainability Report.</li> <li>3. Approved the motion for adoption of the Company's "Rules Governing Financial and Business Matters Between the Company and its Related Parties".</li> <li>4. Approved the motion for amendment to the "Corporate Governance Best Practice Principles".</li> <li>5. Approved the motion for amendment to the "Standard Operating Procedures for Handling Directors' Requests".</li> <li>6. Approved the motion for amendment to the "Internal Control System".</li> <li>7. Approved the motion for amendment to the "Internal Control System for Stock Operations".</li> <li>8. Approved the motion for review of remuneration for directors.</li> <li>9. Approved the motion for review of the policy, system, standard, structure and performance evaluation</li> </ol>

Date	Meeting type	Important resolution
		method of remuneration to managers.
November 4, 2024	5th board meeting in 2024	<ol style="list-style-type: none"> <li>1. Approved the motion for individual financial statements for Q3 2024.</li> <li>2. Approved the motion for amendment to the general principles of the pre-approved non-assurance service policy.</li> <li>3. Approved the motion for amendment to the Company's "Audit Committee Charter".</li> <li>4. Approved the motion for amendment to the Company's "Rules of Procedure for Board of Directors Meetings".</li> <li>5. Approved the motion for addition to the "Internal Control System".</li> <li>6. Approved the motion for 2025 audit plan.</li> <li>7. Approved the motion for the Company's application for an increase in loan facilities to financial institutions.</li> <li>8. Approved the motion for 2025 share trading quota.</li> <li>9. Approved the motion for appointment of a consultant for 2025.</li> <li>10. Approved the motion for changes to important personnel.</li> <li>11. Approved the motion for employee salary adjustment.</li> </ol>
March 3, 2025	1st board meeting in 2025	<ol style="list-style-type: none"> <li>1. Approved the proposal for the 2024 remuneration of employees and remuneration of Directors.</li> <li>2. Approved the 2024 business report and parent company only financial statements.</li> <li>3. Approved the proposal for 2024 earnings distribution.</li> <li>4. Approved the amendments to the Company's Articles of Incorporation.</li> <li>5. Approved the proposal for convening the 2025 annual shareholders' meeting.</li> <li>6. Approved the 2025 operating budget.</li> <li>7. Approved the Linhai Plant equipment procurement.</li> <li>8. Approved the issuance of the 2024 "Statement of Internal Control System."</li> <li>9. Approved the changes in the Internal Audit Supervisor.</li> <li>10. Approved the proposal for CPA appointment and remuneration for 2025.</li> <li>11. Approved the proposal for the evaluation of the independence and competence of the CPAs for financial statements.</li> <li>12. Approved the proposal for sales limits to companies.</li> <li>13. Approved the proposal to apply for credit facility limits from financial institutions.</li> </ol>
May 5, 2025	2nd board meeting in 2025	<ol style="list-style-type: none"> <li>1. Approval of the individual financial statements for the first quarter of 2025</li> </ol>

(X) Directors holding adverse opinions on the resolutions of the Board in the most recent year to the day this report was printed on record or in written declaration, and the summary of the content: None.

## IV. Information about CPA Professional Fees:

Information about CPA Professional Fees

Currency unit: NTD thousand

Accounting firm	Name of CPA	CPA's audit period	Audit Fee	Non-audit fee	Total	Remark
KPMG Taiwan	Chen Yung-Hsiang, Su Yen-Da	From January 1, 2024 December 31, 2024	1,240	715	1,955	Tax compliance audit and assurance services

Please specify the content of audit fee and non-audit fee: (e.g., tax attestation, assurance, or other financial consultation)

Note: If the Company has changed accountants or accounting firms this year, please list the audit period separately and explain the reason for the change in the remarks column and disclosed in order the paid audit fee and non-audit fee. A description of the content of non-Audit fees shall be given.

## V. Changes in Accountant Information:

Due to internal work rotation needs of the accounting firm, starting from the Q1 2023 financial report the CPAs have been changed from Chen Yung-Hsiang and Hsu Chen-Lung to Chen Yung-Hsiang and Su Yen-Da.

- (I) About previous CPA: Not applicable.
- (II) About CPA in succession: Not applicable.
- (III) The former accountant's reply to Article 10, paragraph 6, item 1 and item 2-3 of Regulations Governing Information to be Published in Annual Reports of Public Companies: Not applicable.

VI. The Company's chairman, general manager, or the manager responsible for financing or accounting affairs, who has worked for the accounting firm to which CPAs belong or the affiliated enterprises in the past year: None.

VII. Changes to the shares held by directors, managers, and shareholders holding more than 10% of the shares in the most recent year and through the printing date of the annual report.

(I) Directors, managers and major shareholders' equity changes

Title (Note 1)	Name	2024		From the current year up to April 28, 2025. (The closing date of the shareholders' meeting)	
		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
Chairman	Hua Eng Wire & Cable Co., Ltd.	0	0	0	0
	Representative: Wang Hong-Ren	0	0	0	0
Director (3 seats) and large shareholders	Hua Eng Wire & Cable Co., Ltd.				
	Representative: Liu Chung-Jen	0	0	0	0
	Representative: Wang Ming-Jen	0	0	0	0
	Representative: Wang Feng-Shu	0	0	0	0
Independent Director	Hu Lee-Ren	0	0	0	0
Independent Director	Cheng Tiao-Hsiang	0	0	0	0
Independent Director	Huang Jen-Tsung	0	0	0	0
General Manager	Hong Mao-Yang	0	0	0	0
Foreman	Shi Fei-Peng	0	0	0	0
Deputy General Manager (Acting)	Cheng Lien-Fan	0	0	0	0
Accounting Supervisor	Wu Jia-Yu	0	0	0	0
Finance Manager	Hong Jue-Qian	0	0	0	0
Corporate Governance Manager	Lu Xiu-Ying	0	0	0	0
Major shareholder	Wang-Yang Pai-Wor	0	0	0	0

Note 1: Shareholders holding more than 10% of the Company's total shares should be marked as major shareholders and listed separately.

Note 2: If the counterparty of the equity transfer or equity pledge is a related party, the following table should be filled in.

(II) Share transfer information: Not applicable (the counterparty of share transfer is not a related party).

(III) Equity pledge information: Not applicable (the counterparty of equity pledge is not a related party).

## VIII. Information about the relationships among top ten shareholders, such as related parties, spouses, or relatives within the second degree of kinship.

Information about relationships among the ten largest shareholders

Information about relationships among the ten largest shareholders

Unit: Shares

Name (Note 1)	Number of shares personally held		Spouse and minor children holding shares		Total holding of shares in the names of others		Where top ten shareholders have a relationship with each other or a relative relationship within the scope of their spouse or relative within the second degree of kinship, the name or designation and the relationship (Note 3)		Note:
	Number of shares	Percentage of ownership	Number of shares	Percentage of ownership	Number of shares	Percentage of ownership	Designation (or name)	Relationship with the Company	
Hua Eng Wire & Cable Co., Ltd.	141,831,792	39.44%	—	—	—	—	Wang Wen-Ling	Director of the company	
Chairman: Wang Hong-Ren	679,110	0.19%	—	—	—	—	Wang-Yang, Pi-O, Wang Wen-Ling, Wang Feng-Chuan, Wang Feng-Shu, Wang Feng-Chin	A relative within the second degree of kinship	
							International Shipbreaking Enterprise Co. Ltd.	Director of the company	
Wang-Yang Pai-Wor	37,731,990	10.49%	—	—	—	—	Hua Eng Wire & Cable Co., Ltd.	The chairman is a relative within second-degree of kinship.	
							Wang Hong-Ren, Wang Wen-Ling, Wang Feng-Chuan, Wang Feng-Shu, Wang Feng-Chin, Wang Wei-Chu, Wang Tzu-Chia	A relative within the second degree of kinship	
Wang Wen-Ling	6,550,802	1.82%	312,191	0.09%	—	—	Hua Eng Wire & Cable Co., Ltd. International Shipbreaking Enterprise Co. Ltd.	Director of the company Director of the company	
							Wang Hong-Ren, Wang-Yang, Pi-O, Wang Feng-Chuan, Wang Feng-Shu, Wang Feng-Chin	A relative within the second degree of kinship	
Wang Feng-Juan	2,400,289	0.67%	—	—	—	—	Wang Hong-Ren, Wang-Yang, Pi-O, Wang Wen-Ling, Wang Feng-Shu, Wang Feng-Chin	A relative within the second degree of kinship	
International Shipbreaking Enterprise Co. Ltd. Chairman: Huang Shang-Sa	1,798,597	0.50%	—	—	—	—	Wang Wen-Ling; Wang Hong-Ren	Director of the company	
	63,967	0.02%	—	—	—	—	None	None	
Wang Feng-Shu	1,529,987	0.43%	—	—	—	—	Hua Eng Wire & Cable Co., Ltd.	The chairman is a relative within second-degree of kinship.	



							Wang Hong-Ren, Wang-Yang, Pi-O Wang Wen-Ling, Wang Feng-Shu Wang Feng-Chi	A relative within the second degree of kinship	
Wang Feng-Chin	828,120	0.23%	—	—	—	—	Hua Eng Wire & Cable Co., Ltd.	The chairman is a relative within second-degree of kinship.	
							Wang Hong-Ren, Wang-Yang, Pi-O Wang Wen-Ling, Wang Feng-Shu Wang Feng-Chi	A relative within the second degree of kinship	
Wang Wei-Chun	730,480	0.20%	—	—	—	—	Wang-Yang, Pi-O	A relative within the second degree of kinship	
Wang Tzu-Chia	730,480	0.20%	—	—	—	—	Wang-Yang, Pi-O	A relative within the second degree of kinship	
Wang Hong-Ren	679,110	0.19%	—	—	—	—	Hua Eng Wire & Cable Co., Ltd. International Shipbreaking Enterprise Co. Ltd.	Director of the company	
							Wang-Yang, Pi-O, Wang Wen-Ling Wang Feng-Chuan, Wang Feng-Shu Wang Feng-Chin	A relative within the second degree of kinship	

Note 1: All the top ten shareholders should be listed. Those who are institutional shareholders shall list the name of institutional shareholder and the name of its representatives separately.

Note 2: The calculation of the shareholding ratio refers to the calculation of the shareholding ratio in their own name, spouse, or minor children, or held in the names of others.

Note 3: Shareholders listed in the previous disclosure shall disclose their relationships, including institutional shareholders and natural person shareholders.

## IX. The total number of shares and total equity stake held in any single enterprise by the Company, its directors and supervisors, managerial officers, and any companies controlled either directly or indirectly by the Company.

### Comprehensive Shareholding Ratios

Date: March 31, 2025; Units: Shares, %

Reinvested business (Note)	The Company's investment		Directors, supervisors, managers and direct or indirect control of investment in the business		Comprehensive investment	
	Number of shares	Percentage of shareholding	Number of shares	Percentage of shareholding	Number of shares	Percentage of shareholding
Hua Eng Wire & Cable Co., Ltd.	208,563,824	32.96%	0	0.00%	208,563,824	32.96%
Hua Ho Engineering Co., Ltd.	10,000	0.29%	1,726,000	49.31%	1,736,000	49.60%

Note: Constitutes the Company's primary investment.

## I. Capital and Shares

## (I) Sources of equity

Year month	Issuing price	Approved share capital		Paid-in capital		Note		
		Number of shares	Amount (NTD)	Number of shares	Amount (NTD)	Sources of equity	Property other than cash contributed as equity capital	Others
July 2003	10	359,622,165	3,596,221,650	359,622,165	3,596,221,650	Capitalization of retained earnings of NT\$10,734,990 Capitalization of capital reserve of NT\$7,156,660	None	Note

Note: Approved for handling under Taizaizheng (1) No. 0920130614, July 9, 2003

## Type of shares

Shares Type	Approved share capital			Note
	Listed and tradable shares	Unissued shares	Total	
Registered share	359,622,165	0	359,622,165	—

Information concerning the collective reporting system: Not applicable.

## (II) List of major shareholders

April 28, 2025

Name	Shares	Number of shareholding	Percentage of shareholding
Hua Eng Wire & Cable Co., Ltd.		141,831,792	39.44 %
Wang-Yang Pai-Wor		37,731,990	10.49 %

※ Shareholders holding more than 5%

(III) Company dividend policy and implementation status

1. Dividend policy stipulated in the Company's Articles of Incorporation  
If there is a profit in the Company's annual final accounts, it shall first pay taxes to make up for the accumulated losses. A 10% withdrawal is the legal reserve, but this is not the limit when the legal reserve has reached the Company's paid-in capital. In addition, a special reserve may be allocated or transferred depending on the Company's operating needs and legal requirements. If there is a profit as well as undistributed surplus earnings at the beginning of the same period, the Board of Directors shall draft a profit distribution proposal and submit it to the shareholders' meeting for resolution.

Amid a still-growing business environment, the Company shall master the economic environment to seek sustainable operations and long-term development. Dividend policy will focus on the principle of stability. When the Board of Directors submits a profit distribution proposal, it shall consider future profitability and plans for working capital and may reserve a portion of profits at its discretion. Profit distributions shall account for 50% or more of distributable earnings; however, when the accumulated distributable earnings are less than 2% of the paid-in capital, the Company may choose not to distribute earnings. Of the total dividends to be distributed for a given year, the amount of cash dividends shall not be less than 10%.

2. Proposed dividend distribution for presentation to this year's Shareholders' Meeting:

The Board of Directors approved the cash dividend of NT\$0.50 per share to shareholders, with a total amount of NT\$179,811,083 to be distributed.

3. The Company's dividend policy is expected to have no major changes.

- (IV) The influence of stock dividends planned to be paid in the Shareholders Meeting of this year on the operation performance and earnings per share of the Company:

There are no proposed stock dividends distributed on the Company's 2024 after-tax net loss, therefore it is not applicable.

- (V) Remuneration for employees, directors, and supervisors:

1. The percentage or range of employee remuneration and directors' remuneration as set out in the Articles of Incorporation:

If the Company makes a profit during the year, it shall allocate no less than 3% for employee remuneration and no more than 2% for director remuneration. However, when the Company has accumulated losses, the reserves for covering the losses shall be retained in advance.

2. The accounting of the difference between the amounts calculated on the basis of the estimation of the remuneration to the employees and the Directors, the calculation of shares for paying stock dividends to the employees as remuneration and the actual amount of payment: Based on the 2024 pre-tax net profit of NTD 268,762 thousand (pre-tax net profit refers to the amount before deduction of employees' and directors' remuneration), the Company has estimated employees' remuneration of NTD 8,063 thousand and directors' remuneration of NTD 1,344 thousand in accordance with the percentages stipulated in the Articles of Incorporation. If the actual amounts distributed in the following year differ from the estimated figures, the difference will be accounted for as a change in accounting estimate and recognized in the 2025 profit or loss.

3. Remuneration distribution approved by the Board of Directors

- (1) The amount of compensation for employees and directors distributed in cash or stocks

- ① Employee remuneration of NT\$8,062,842 are distributed in cash.

- ② Directors remuneration of NT\$1,343,807 is distributed in cash.

- ③ If there is a discrepancy from the annual estimated amount of recognized expenses, the number of discrepancies, reasons and handling circumstances shall be disclosed:

There is no discrepancy between the distributed amount approved by the Board of Directors and the estimated amount of recognized expenses.

(2) The amount of employee bonuses distributed by stocks and its proportion to the total after-tax net profit and total employee bonuses in the individual financial reports for the current period: None.

4. Actual distribution of employee and director compensation in the previous year

(1) Employee remuneration of NT\$179,632 are distributed in cash.

(2) Directors remuneration of NT\$0 is distributed in cash.

(3) If there is a discrepancy from the annual estimated amount of recognized expenses, the number of discrepancies, reasons and handling circumstances shall be disclosed:

The Board of Directors resolved that the difference between the proposed distribution amount and the amount estimated in the 2023 financial report by NT\$30 thousand is mainly due to the loss after tax.

(VI) Repurchases of shares by the Company:

Not applicable as the Company does not repurchase its shares.

II. Corporate bonds, preferred stock, overseas depositary receipts, employee stock options, restricted employee shares, and mergers and acquisitions (including mergers, acquisitions and spin-offs) and implementation of fund utilization plans: N/A.

## I. Business content:

## (I) Business Scope:

## 1. The main businesses of the Company are as follows:

## (1) Metal Industry Manufacturing Department:

1. Manufacturing, processing, trade, and export of various types of copper product including copper bullion, copper alloy plates, copper foil, copper pipe, copper cable, electrolytic copper, and copper wire.
2. Manufacturing, trade, and export of machinery in relation to the preceding paragraph.
3. The dismantling of various scrapped vessels and the trading of scrap copper and iron.

## (2) Electronics Industry Manufacturing Department:

1. Manufacturing, trade, and export of copper foil for printed circuit boards, integrated circuits, and lead frames for various types of circuits.
2. Manufacturing, trade, and export of copper-based electronic materials and raw materials.

## (3) Steel Industry Manufacturing Department:

1. Manufacturing, processing, trade, and export of various types of stainless steel plate, stainless steel pipes, and other stainless steel products.
2. Manufacturing, trade, and export of various types of steel plate and other steel products.

## (4) Construction Department:

1. Commission construction companies to build residential and commercial buildings for sale and lease.
2. Furniture manufacturing and trade.
3. House rental and sale introduction.
4. Sale of food, tobacco, and alcohol.
5. Acceptance of rezoning commissions. (with the exception of architectural commissions)
6. Operation of parking lots and supermarkets.
7. Design and construction of landscapes and gardens. (with the

- exceptions of construction and of architectural commissions)
- 8. Manufacture and sale of ready-mixed concrete.
- 9. Manufacture and sale of cement products.
- (5) Trading and agency business for related imports and exports.
- (6) Pre-agent import and export trade of various products.
- (7) H703010 Factory Building Rental and Leasing.
- (8) H703020 Warehouse Rental and Leasing.
- (9) H703030 Office Building Rental and Leasing.
- (10)ZZ99999 All business items that not prohibited or restricted by law, except those that are subject to special approval.
- 2. Operating profit contribution:
  - (1) Brass sheet 4%
  - (2) Copper sheet 25%
  - (3) High-performance copper sheet 22%
  - (4) Tin plated copper sheet 16%
  - (5) Others 33%
- 3. Main products currently:
  - (1) Brass sheet.
  - (2) Red brass sheet.
  - (3) Copper sheet.
  - (4) Phosphor bronze sheet.
  - (5) High-performance copper sheet.
  - (6) Eco-tin plated copper sheet.
- 4. New products planned for development and promotion:
  - (1) Development of materials for the etching manufacturing processing of semi-conductor.
  - (2) Research on the Corson alloy and develop the most stable manufacturing processing technology.
  - (3) Promote the high conductive and high strength CuCrZr alloy.
  - (4) Copper heat spreader for CPU and improve the refined surface manufacturing processing.
  - (5) Think copper plate for automotive and high power heat spreader.
  - (6) Promote the high-end automotive refusion electroplating.
  - (7) High-conductivity and high-thermal-dissipation module materials for the AI and server industries.

## (II) Industry Overview:

## 1. Current status and development of the industry

(1) Current situation: ①In Europe, weak demand and increasing political uncertainty have led to a general decline in manufacturing and industry relocation.

②China was previously the world's factory. However, the U.S.–China trade war and the Russia–Ukraine War have disrupted the supply chain and many countries are moving facilities out of China. The production model based on globalization has given way to protectionism.

③The U.S.–China trade war also highlights demand uncertainties in Taiwan and Southeast Asia.

④Due to the rise of Chinese factories in the LED market, it has significantly impacted the LED industry chain in Taiwan.

⑤A polarization trend is emerging - strong demand for high-end semiconductors and servers, while traditional industries remain weak.

## (2) Development: The room for development is as follows:

①As the expansion of 5G equipment continues, the demand for high conductive and high heat spreading is increasing constantly.

②Whilst this has affected the demand for automobile and electric vehicle (EV) connectors, there is still room for growth.

③The market for EV cell packs and charging facilities continues to grow, driven by the trend for green energy.

④ The outlook for AI and servers continues to expand, driving increased demand for copper materials.

## 2. Relationships with upstream, middle-stream, and downstream companies

The raw materials of copper alloy are electrolytic copper plates, scrap wires, zinc, tin and nickel.

(1) Upstream: Copper plate manufacturers: There are First Copper Technology Co., Ltd, MinChali, Tong Horng Metal, and Wan Yu.



- (2) Mid-stream: Precision stamping plants: such as I-Chiun, Jentech, ECE, SDI, KST, and Panahome.
- (3) Downstream: electronics, semi-conductor, automotive and home appliances industries: such as packaging plants, automotive parts assembly plants, electronic component assembly plants.

3. Product development trends and competition:

Brass sheet: It is commonly used on general products. The offshoring of industry and the decreasing market in Taiwan result in the price competition and low gross margin, the Company needs to develop the high-end products. However, the selection is limited, and the Company needs to develop secondary processing to maintain high gross margin.

Copper sheet: Copper sheet is mainly for AI, server, electronic terminals, heat spreader, automotive terminals and transformer. Heat spreader and automotive terminals are high-end materials with less competitors.

Phosphor bronze sheet: Since the phosphor bronze sheet is low conductive and the raw material is expensive, the performance does not meet the requirement of new products. Thus, the demand is decreasing gradually.

Lead frame copper sheet: The demand on single lead frame for semi-conductor increases, and the LED application in civil lighting will continue to grow. There are two companies in Taiwan producing this product and there are many companies in China entering the market of this product, which result in the price competition and decrease in profits. Moreover, it is hard to enter the market in China.

Tin plated copper sheet: The profits of automotive terminals are higher than electronic terminals. The market for automotive terminal is steadily increasing, so the market of this product is optimistic. However, there are already two companies producing this product. On top of that, copper plants in China also enter this market. The Company will encounter competition in the future.

High-performance material: Such as Corson alloy and CuCrZr alloy. The market for this material will continue. Furthermore, the demand of this material in lithium

battery for electric vehicles and scooters and charging stations will increase dramatically.

(III) Technology and R&D Overview:

Research and development expenses and successfully developed technologies or products invested in the most recent year and as of the publication date of the annual report:

Unit: NTD thousand

Year	Research Expenses	Results
2024	2,195	<div>1. Gradually expanding the application of copper alloys for automotive parts and environmentally friendly re-melted tin-plated terminal and connector materials.</div> <div>2. Research on red copper heat dissipation materials focusing on low internal stress, high flatness, and high-end scratch-free surfaces.</div> <div>3. R&amp;D on manufacturing process of super thick red copper material for heat dissipation</div> <div>4. R&amp;D on development of high-performance copper alloys with low internal stress for etching</div> <div>5. R&amp;D and testing on casting of C1030 red copper with low oxygen content</div> <div>6. Ramp-up and promotion of C2100/C2600 alloy punching</div> <div>7. R&amp;D and promotion of new copper cladding materials for lithium batteries.</div> <div>8. Research on improving high-performance copper, high-strength, and softening resistance.</div> <div>9. Development of new high-conductivity, high-strength alloys.</div>
The current year up to the date of publication of the annual report	692	<div>1. Modification of temperature system for continuous annealing furnaces</div> <div>2. R1 coiler electric control system upgrade.</div>

## (IV) Long-term and short-term business development plans:

## 1. Short-term business development plan

- (1) High-end brass products and expansion of orders in the semi-conductor market. No longer promote the use in the general products.
- (2) The plan of develop the automotive terminal at full strength remains unchanged, especially the special alloy is the main focus.
- (3) Tin plating materials moving from brass to high-end alloys
- (4) Improve the quality of special alloy Corson sheet, improve the production yield, and gradually increase the sales amount.
- (5) Red copper heat sink quality and production volume have been further improved, expanding industry applications to AI and server fields while gradually increasing the supply of thick plates.

## 2. Long-term business development plan:

- (1) Increase in supply of Cu-Ni-Si alloy products
- (2) Steadily supply the LED market and increase the material for etching processing for semi-conductors apart from the materials for stamping processing.
- (3) Continue to supply tin plated cooper alloy for automotive and electric vehicles.
- (4) Develop alloy materials for the lithium battery for vehicles and scooters.
- (5) AI, servers, and even end products are booming, with a promising future for high-conductivity and high-thermal-dissipation products.

## II. Overview of market and of production and sales:

## (I) Market analysis:

## 1. Sales areas of main products:

- (1) Brass sheet: Taiwan, China, Southeast Asia.
- (2) Copper sheet: Taiwan, China, Japan, Southeast Asia.
- (3) Phosphor bronze: Southeast Asia.
- (4) High-performance alloy: Taiwan, China, Southeast Asia.
- (5) Tin plated copper sheet: Taiwan, China, Southeast Asia.

- (6) Special alloy: Taiwan, China, Southeast Asia.
2. Market share and the future supply and demand and growth of the market:
- (1) Market share: The sales amount of all alloys in Taiwan account for 30% of the market in Taiwan. High-end products: High performance and special alloy account for 60% of the market in Taiwan. Ratio of domestic sales and export: 67:33.
- (2) Future supply and demand and growth of the market:
- ① The demand on brass and phosphor bronze in Taiwan for general products decreases, so it is transferred to the market in the Southeast Asia.
- ② The room of growth for high-performance, tin plated copper sheets and special alloy still exists. Especially for the electric vehicle components, automotive terminals, wireless rechargeable tools and 5G related products, the development of growth is likely to occur.
- ③ Despite limited growth in general, the Taiwan market is still expanding thanks to the U.S.–China trade war and the return of Taiwanese companies. China is supported by domestic demand, despite supply chain disability due to the U.S.–China trade war. For Southeast Asia, the growth is limited due to the tariff barrier regardless the support by the Southbound policy. It is relatively harder to enter the market in Japan and South Korea.
3. Competition niche and the advantages and disadvantages in the development and response measures:
- (1) Competition niche:
- ① With technology in copper sheets sourced from Mitsubishi Shindoh, our manufacturing process and capability are trusted by customers.
- ② The quality of production skill on the tin plated material for automotive connector is stable and recognized by Japanese car plants.
- ③ The exclusive products in Taiwan are Corson alloy and CuCrZr alloy.

- ④Diversified products so that customers have more selections.
- ⑤The quality of material for semi-conductor is stable, so the Company receives most of the orders in Taiwan.
- (2) Favorable Factors for Future Development:
  - ①The manufacturing process of the materials for semi-conductor and LED is stable and mature, and the Company has sufficient production capacity that meets customer demand.
  - ②The demand on tin plated material for automotive connector increases, and the Company has sufficient production capacity to meet the demand of the current phase.
  - ③Improve the production yield and quality of high-end Corson alloy and high conductive and high strength CuCrZr alloy, continue to increase the supply amount.
  - ④High-conductivity and high-thermal-dissipation copper materials are suitable for AI computing power and server heat dissipation applications.
- (3) Development disadvantages:
  - ①Brass and phosphor bronze for general products has been replaced by the materials from China, and the order is hard to be recovered.
  - ②The C19210 single material and C194 are used for low-end products with low technology threshold. It is hard to compete with the copper plants in China.
  - ③Other companies in Taiwan start to increase the supply of materials for semi-conductor and tin plated materials. Chinese plants start to product tin plated materials this year. The Company will face the destructive competition and the decrease of gross margin.
  - ④If Taiwan is unable to sign the tariff treaties with countries in Southeast Asia, Taiwanese firms will not be able to compete with other companies from South Korea, China, and Japan.
  - ⑤If Taiwan allows the import of Chinese copper sheets in the future, Taiwanese companies will face greater challenges.
  - ⑥Under the influence of labor regulations in Taiwan, the productivity of the Company decreases and the costs increase.

## (4) Response measures:

- ①Continue to develop new customers, especially overseas Japanese customers.
- ②Increase the market share of the high-end alloy products, such as Corson and CuCrZr alloy.
- ③The factories continues to improve production yield and decrease costs to increase the competitiveness.
- ④Adjust the production capacity utilization rate with flexibility and focus on the production of alloys for high-end products.

## (II) Important uses and production processes of main products

## 1. Important uses of main products:

- (1) Brass sheet---Various electronic product parts, secondary processing stamping materials, door lock materials, and terminals.
- (2) Copper sheet -- Various electrical components, automotive terminals, and heat spreader materials for CPUs, GPUs, and servers.
- (3) Phosphor bronze sheet-- All kinds of electrical appliances and computer connector materials.
- (4) High-performance copper sheet-- diodes, transistors, integrated circuit tripods, LEDs, and electrical terminals.
- (5) Special alloy copper sheet-- all kinds of switches, relays, connectors and terminals, etc. and material of rechargeable battery.
- (6) Environmentally-friendly tinned copper sheet---automotive and electric vehicle connector, battery components, and electrical parts.

## 2. Production processes of main products:

Raw material⇒Melting⇒Hot press⇒Surface cutting⇒Rough press⇒Annealing⇒Surface grinding⇒Medium pressure  
⇒⇒Annealing and acid rinse⇒Precision  
press⇒Slitting⇒Packaging⇒Finished product

(III) Supply conditions of primary raw materials:

1. Electrolytic copper plates: Imports from countries in Asia and South America
2. Scrap copper: Main suppliers are down stream customers, scrap material hardware merchants, and wire and cable manufacturers.

## (IV) List of main purchase and sales customers:

## 1. Manufacturers that have accounted for more than 10% of total purchases in any of the last two years

Unit: NTD thousand

Item	2024				2023				Year-to-date March 31, 2025 (Note 2)			
	Name	Amount	Percentage of total annual net purchases (%)	Item	Name	Amount	Percentage of total annual net purchases (%)	Item	Name	Amount	As a percentage of net purchases for the year ended the previous quarter %	Item
1	Vendor A	1,232,867	44.91	None	Vendor A	779,111	37.88	None	Vendor A	178,816	41.74	None
2	Vendor B	405,079	14.75	None	Vendor B	267,637	13.01	None	Vendor B	24,511	5.72	None
3	Vendor C	410,425	14.95	None	Vendor C	210,060	10.21	None	Vendor C	30,094	7.03	None
4	Vendor D	356,184	12.97	None	Vendor D	20,186	0.98	None	Vendor D	61,528	14.36	None
5	Vendor E	27,095	0.99	None	Vendor E	241,194	11.73	None	Vendor E	60,780	14.19	None
6	Vendor F	-	-	-	Vendor F	210,706	10.24	None	Vendor F	-	-	None
7	Others	313,649	11.43	-	Others	328,041	15.95	-	Others	72,650	16.96	-
	Net purchase amount	2,745,299	100.00		Net purchase amount	2,056,935	100.00		Net purchase amount	428,379	100.00	

Note 1: List names of suppliers accounting for more than 10% of total purchases in the last two years, and their purchase amounts and proportions. However, code names are permitted if disclosure of the customer name or transaction counterparty is not allowed due to contractual obligations or if the transaction counterparty is an individual and a non-related person.

Note 2: As of the publication of the annual report, for a company that is listed on an exchange or has its shares traded on an OTC market, disclosure should be made if financial statements are available for the most recent period that are certified or reviewed by a certified public accountant.

Reasons for increase or decrease: Lower the purchase cost to cope with volatile fluctuation in copper price worldwide.

## 2. Customers that have accounted for more than 10% of total sales in any of the last two years

Unit: NTD thousand

Item	2024				2023				Year-to-date March 31, 2025 (Note 2)			
	Name	Amount	Percentage of total annual net sales (%)	Relationship with issuer	Name	Amount	Percentage of total annual net sales (%)	Relationship with issuer	Name	Amount	As a percentage of net sales for the year ended the previous quarter %	Relationship with the Company
1	Customer A	439,681	14.06	None	Customer A	277,200	10.48	None	Customer A	44,700	7.25	None
2	Customer B	347,076	11.10	None	Customer B	220,624	8.34	None	Customer B	86,628	14.05	None
3	Others	2,341,318	74.84	None	Others	2,148,325	81.18	None	Others	485,333	78.70	None
	Net sales amount	3,128,075	100.00		Net sales amount	2,646,149	100.00		Net sales amount	616,661	100.00	

Note 1: List names of customers accounting for more than 10% of total sales in the last two years, and their sales amounts and proportions. However, code names are permitted if disclosure of the customer name or transaction counterparty is not allowed due to contractual obligations or if the transaction counterparty is an individual and a non-related person.

Note 2: As of the publication of the annual report, for a company that is listed on an exchange or has its shares traded on an OTC market, disclosure should be made if financial statements are available for the most recent period that are certified or reviewed by a certified public accountant.

Reasons for increase or decrease: None.



## III. Employees Information:

Information of employees in the latest two years and as of the publication date of the annual report

Year		2024	2023	As of March 31, 2025
Number of employees	Management personnel	60	60	61
	Technical personnel	17	15	16
	Workers	153	153	153
	Total	230	228	230
Average age		46.45	46.57	46.67
Average years of service		14.82	15.20	14.81
Education distribution	Ph.D.	1	1	1
	Master's degree	9	7	9
	College and university	93	92	94
	High school	73	82	71
	Below high school	54	46	55

## IV. Environmental protection expenditure information:

(I) Total loss (including compensation) and fine amount from environmental pollution of the most recent fiscal year through the printing date of the annual report: NT\$0.

(II) Future countermeasures and possible expenditures:

1. Future countermeasures: Improve water consumption efficiency and reduce the output of waste water, gas and wastes.
2. Possible expenditures: Improvement of wastewater treatment equipment and build a solar power generation.

(III) RoHS information: The Company is in compliance with the RoHS regulations.

## V. Labor Relations:

(I) Various employee welfare measures, advanced education, training, retirement systems and their implementation status at the Company, as well as the agreements between labor and management and various employee rights protection measures.

1. Major employee welfare measures are as follows:
  - (1) Safety and healthcare
    - a. Regular health checks for employees
    - b. Doctors providing consultation at the factory
    - c. Health workshops
    - d. Infirmary and library facilities
    - e. Uniforms and safety shoes
  - (2) Bonuses and holiday benefits
    - a. Employees' remuneration
    - b. Bonuses for special contributions
    - c. Year-end bonus
    - d. Labor Day souvenir
    - e. Gift money for Mid-Autumn Festival
    - f. Birthday gift money for employees
  - (3) Education and entertainment
    - a. Employee canteen and meal groups
    - b. Subsidies for employee travels
    - c. Recreation subsidies
    - d. Year-end celebrations
  - (4) Family care
    - a. Gift money, wall hangings with words of congratulation and flowers for weddings of employees and their children
    - b. Condolence money, wall hangings with words of solace and flowers for funerals of employees, their spouses and children
    - c. Scholarships for employees and their children
    - d. Childbirth gift money for employees and their spouses
    - e. Unpaid parental leave
    - f. Breastfeeding room
    - g. Corporate childcare contract with nearby kindergartens
  - (5) Safety and protection
    - a. Labor insurance
    - b. National health insurance
    - c. Group injury insurance for employees
    - d. Pensions and severance pays
    - e. Gold medal for retirement at full age
2. Staff training and continuing education:
  - (1) The Company prepares budgets for internal employee educational training, external educational training, and all types of educational trainings for the implementation of educational trainings of work skills and knowledge for employees.
  - (2) The 2024 educational training expenses of the Company is NT\$294,656. The training status of employees is as follows:

Course title	Course	Total number of individuals	Total training hours	Expense amount
Management	1	4	48	15,456
Environment, Safety, and Health	22	49	1,273	245,000
Radiation protection	8	17	79	34,200
Total	31	70	1,400	294,656

3. Retirement system

To help employees to work with relieve and guarantee the retirement lives, the Company stipulates Employees Retirement Regulation pursuant to the “Labor Standards Act (hereinafter referred to as “old labor retirement plan”)” and “Labor Pension Act (hereinafter referred to as “new labor retirement plan”)”. For employees selecting the old labor retirement plan, labor retirement reserve and pension funds are distributed based on a certain ratio of the monthly salary; for employees selecting the new labor retirement plan, the Company distributes no less than 6% of the monthly salary to the personal labor pension account of the employee on a monthly basis.

4. Collective bargaining agreements

The Company has established an enterprise labor union. However, to date, the labor union has not submitted a negotiation draft of a collective agreement to the Company, and no collective agreement has been signed.

5. Other important agreements: None.

(II) List any losses suffered by the Company in the most recent fiscal years and up to the annual report publication date due to labor disputes, and disclosing an estimate of possible expenses that could be incurred currently and future, and measures being or to be taken: The Company has been excellent in benefits measures, management stipulation, and labor relation. There is no labor disputes and loss in the most recent fiscal years and up to the annual report publication date and it is expected to not have this type of disputes in the future.

(III) Protective measures for working environment and employees' personal safety:

The Company is in the traditional industry. The risks of high heat, noise and dusts exist in the working environment. The Company adopts engineering control and personal protection gears, implements health examination and management for employees on a regular basis. For employees performing works (high heat, noise and dusts) that may jeopardize

their health, the Company arranges special health examination. Employees who have abnormal health examination results and are categorized as level 2, the Company conducts evaluation and safety and health consultation.

1. Safety and health system and management measures are as follows:

(1) Introduce ISO 45001 certification and safety management:

The company implements the comprehensive safety and health management through a cycled mechanism of safety and health planning, implementation, inspection and improvement to establish a safe and healthy working environment.

(2) The establishment of safety and health, environmental management unit or personnel:

- 1) The Company establishes the Occupational Safety and Health Committee, in which the Foreman serves as the chair who summons meetings for discussion or stipulate safety and health management policy. In this Committee, labor members account for more than 1/3 of the total number of members to provide an official channel for the face-to-face discussion opportunity on the safety and health issue between the managers and employees.
- 2) There is a safety and health officer and safety and health manager in the safety and health management unit to implement the safety and health business, which is approved by the competent authority.

2. The environmental protection management measures are as follows:

(1) Introduce ISO 14001 certification management:

The Company has obtained the environment management system (ISO 14001) certification, and the registration number is:

UCS-E-13-010. The registration date: 2013.04.01; The date of certificate issuance: 2019.03.18; Effective date: 2025.03.06; Valid until: 2028.03.31. The Company also designates personnel to perform environmental protection management business.

(2) Promotion of environmental protection projects:

- 1) On December 25, 2024, the AR2 air compressor (200HP) replacement and commissioning was successfully completed.
- 2) The copper sheet plant installed solar photovoltaic panels, with construction completed on December 20, 2024.
- 3) In 2024, sludge dewatering equipment for wastewater treatment was procured to reduce sludge water content, decrease sludge output, and regulate chemical usage in wastewater treatment to

minimize reagent consumption and sludge generation.

4) Greenhouse gas inventory: Please refer to page 80 for details.

5) Water consumption and waste output

Water consumption (L) in 2022-2024

	Consumption of running water (L)	Recycled water from manufacturing process (L)	Wastewater emission from manufacturing process (L)	Water consumption (L)	Water consumption intensity (L/ton)
2022	205,990	887,364	179,580	26,410	2.46
2023	156,742	809,236	151,276	5,466	0.72
2024	201,322	783,806	221,325	-20,003	-2.16

Explanation: Due to frequent typhoons and rainfall in 2024, the factory collected rainwater for use. Additionally, the water meter for wastewater discharged to the Kaohsiung Linhai Linyuan & Dafa Industrial Parks Combined Wastewater Treatment Plant malfunctioned twice. The sewage plant calculated the wastewater fee based on the average water usage of the previous 12 months before the meter failure, resulting in an increase in wastewater discharge volume.

Collection of industrial wastes (tons) in 2022–2025

	2022	2023	2024
General industrial wastes (tons)	335.390	364.830	473.904
Hazardous industrial wastes (tons)	796.335	458.180	440.268
Wastes per ton of copper sheets (ton/ton)	0.106	0.108	0.099

3. Promote the afforestation in the plant:

Coping with the environment improvement project of the plant, the Company promotes afforestation in the plant by planting trees, flowers and lawns. The area of green land is about 3.5 thousand square meters. The Company also continues to promote the afforestation for the square coping with other engineering projects.

4. Management on suppliers and contactors:

The Company strives to become an excellent corporate citizen and fulfill the CSR. The Company not only commits to provide a safe working environment to the employees, but also works together with suppliers to improve the CSR. Therefore, the supplier management policy of the Company is to “require suppliers to comply with the related regulations on environmental protection, safety and health and fully understand and communicate with suppliers to encourage them to improve the environmental protection, safety and health performance.” In practice, the Company considers suppliers as its important partners and requires them to implement the safety protection in the working environment and

enhance requirement on environmental protection in order to fulfill the CSR.

Apart from the aforementioned points, the Company, based on the nature of the industry of the Company, also closely monitors the regulation risks and the following parts of suppliers to ensure the occupational safety of employees:

- (1) Define high-risk operations and perform restrictions.
- (2) Require suppliers to provide certification of the professional personnel pursuant to laws and regulations.

For the management on contractors, the Company summons the overseers of the construction projects and safety and health management personnel of contractors before the start of outsourcing projects for a project safety meeting, in which the factory safety and health management affairs and notifications of the construction site are well informed and recorded in the meeting minutes.

5. Key works of safety and health management:

- (1) Rules for Safety and Health Operation are amended on a regular basis pursuant to the amendments to the laws and regulations, stipulate the 6S management regulations that meet the demand of the plant and the safe operation standards for machinery equipment for employees to abide by.
- (2) Machines and equipment: Daily, weekly, monthly, quarterly, 6-month and yearly auto inspections are performed based on demands and the inspection items of special machinery equipment. A regular inspection by the competent authority is carried out for the registered and monitored dangerous machine and equipment to ensure the operation safety of such machinery equipment.
- (3) Working environment: Implement 6S environmental improvement management, continuously improving the working environment for employees. Special work areas are legally required to conduct employee work environment monitoring records every quarter (Comprehensive Temperature Heat Index), every six months (Noise, Sulfuric Acid, Nickel, CO<sub>2</sub> concentration), and every three years (Category 4 Total Dust).
- (4) Educational training: New employees, rotational operation employee, machinery equipment operators, auto-inspection personnel, special operation personnel and supervisors are required to receive educational trainings and obtain related certifications.

- (5) Health examination: Different health examinations are performed for new employees, special operation personnel and general employees pursuant to regulations to acknowledge their health status, which serves as the basis of work rotation and improvement on the working environment management.
- (6) Fire safety: Pursuant to the Fire Service Act, the Company establishes comprehensive fire system to protect the safety of the plant and personnel and conduct inspection, report, fire training and emergency response drill pursuant to the laws and regulations.
6. Safety and environment management and performance evaluation measures:
  - (1) Regular inspection for hazardous machinery and equipment and work sites: All machinery and equipment are legally qualified through regular inspections. Operators have professional licenses and regularly take on-the-job training.
  - (2) Safety and health inspection: The headquarters formulates project plans, conducts on-site inspections regarding safety, health, environmental protection and fire safety on a regular basis, makes sure that there are measures protecting the safety in the workplace and of our employees, and gives suitable advice on improvement, so as to offer a safe workplace to our employees.
7. Appointment of nurses and stationed doctors:
  - (1) Employee medical check-ups and medical examination data management.
  - (2) Free doctor consultation and nurses' health care
  - (3) Helping employees participate in health improvement programs.
  - (4) Dealing with incidents employees encounter and coordinate related matters.
  - (5) Providing information about prevalent diseases in the society and matters with respect to health maintenance to employees.

#### VI. Cyber Security Management:

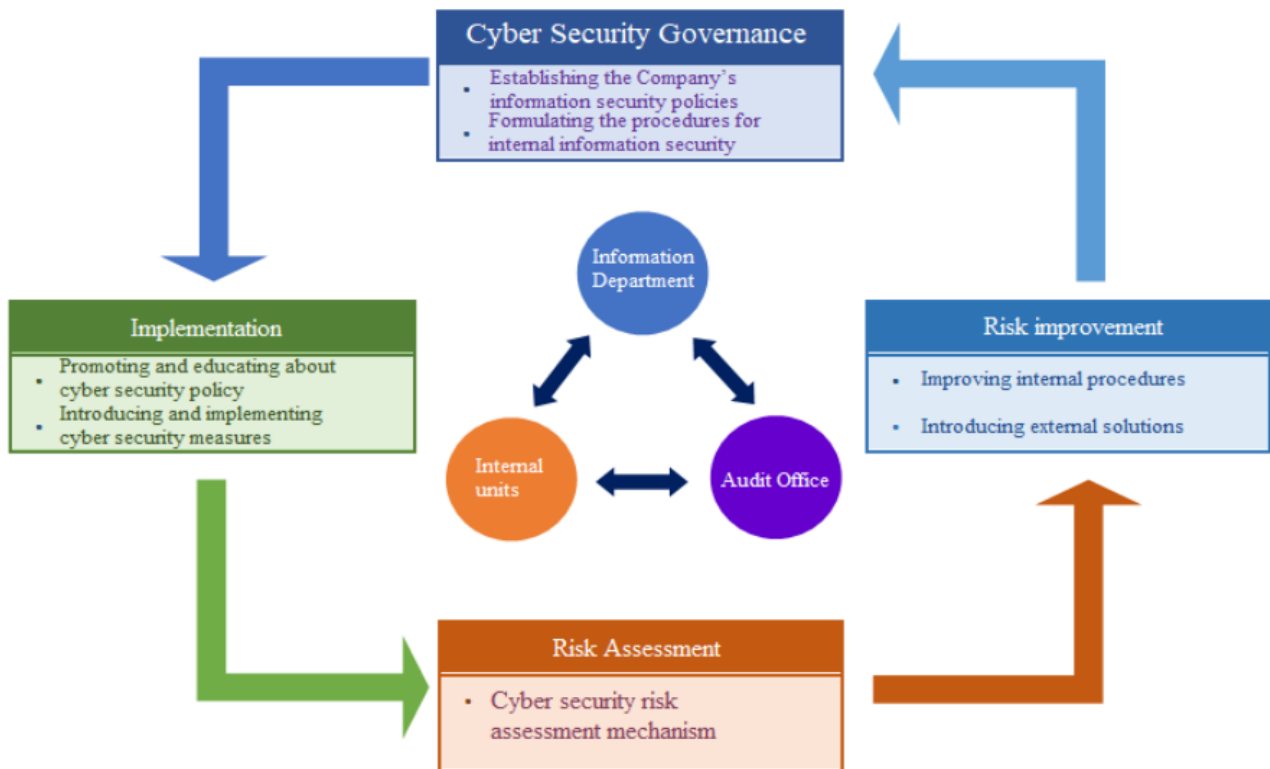
##### (1) Cyber Security Risk Management:

##### 1. Cyber security risk management framework

- The Company's IT Department is responsible for its information security and takes charge of planning, implementing and promoting matters related to information security as well as increasing awareness for information security.
- The Company's Audit Office is the audit unit for information security

control. If any shortcoming is found, the audited unit is required to propose the improvement plan and submit such a plan to the board of directors' meeting. Subsequently, regular follow-up shall be made to further reduce the internal cyber security risk.

- The organizational operation is managed with the PDCA method to ensure the achievement of reliability goal and continual improvement.



## 2. Cyber Security Policy

This policy is stipulated in an effort to carry out an effective information management system, and maintain the confidentiality, completeness and availability, so as to ensure the secure operation of information system and network and achieve the goal of sustainable management.

## 3. Specific management program (same as those on the Company's website)

Cyber Security Management Program		
Item	Description	Relevant Measures
<b>Privilege Management</b>	Management for personnel accounts and privileges and measures for system user behavior	<ul style="list-style-type: none"> <li>• Management and approval for personnel account privilege management</li> <li>• Regular stock-taking of personnel account privileges</li> </ul>
<b>Access Control</b>	Control measures for channels of personnel accessing internal and external systems and transmitting data.	<ul style="list-style-type: none"> <li>• Control measures for internal and external accesses</li> <li>• User behavior tracking record</li> </ul>



Cyber Security Management Program		
Item	Description	Relevant Measures
External Threats	Internal potential vulnerability, management and preventive measures for infections	<ul style="list-style-type: none"><li>• Host/Computer vulnerability assessment and update measures</li><li>• Antivirus and malware assessment</li></ul>
System Availability	System availability status and processing measures for disrupted services	<ul style="list-style-type: none"><li>• Monitor and alert measures for system/network availability status</li><li>• Data backup measures, local/remote backup</li><li>• Regular disaster recovery drill</li></ul>

4. Resources investments of Cyber Security Policy

- (1) Manpower: Currently, the two members of the IT Division are responsible for related information security.
- (2) Act: Regular review of information security meetings and disaster recovery drills, signing of maintenance contracts with professional vendors for information equipment fire insurance and related equipment systems to ensure the stable operation of the system.
- (3) Budget: For information on equipment fire insurance and related equipment system maintenance, the total amount in 2024 was about NT\$1,380,000.

(II) Losses, possible impacts and countermeasures of major information security incidents:

There was no loss due to major information security incidents during the most recent fiscal year or during the current fiscal year up to the annual report publication date.

VII.Important contracts: For contracts that are still valid as of the printing date of the annual report or expired in the most recent year, list the parties to supply and marketing contracts, technical cooperation contracts, engineering contracts, long-term loan contracts, and other important contracts that are sufficient to affect shareholders' rights and interests. Also give the beginning and ending dates of the contracts, the main content, and restrictive clauses.

Contract nature	Contractual parties	Contract start and end date	Main content	Restrictive clauses
			None	

## I. Financial status:

## Comparative Analysis Table of Financial Status in the Last Two Years

Unit: NTD thousand

Item \ Year	2024	2023	Difference	
			Amount	%
Current assets	2,343,677	2,160,900	182,777	2,343,677
Non-current financial assets at fair value through other comprehensive profit or loss	5,401,803	4,473,694	928,109	5,401,803
Investments accounted for using equity method	145	134	11	145
Property, plant and equipment	1,040,128	1,037,336	2,792	1,040,128
Balance of investment property	216,139	219,271	(3,132)	216,139
Other assets	49,650	44,847	4,803	49,650
Total assets	9,051,542	7,936,182	1,115,360	9,051,542
Current liabilities	1,612,364	1,689,489	(77,125)	1,612,364
Non-current liabilities	267,178	266,851	327	267,178
Total liabilities	1,879,542	1,956,340	(76,798)	1,879,542
Capital stock	3,596,222	3,596,222		3,596,222
Retained earnings	630,039	365,990	264,049	630,039
Other equities	2,945,739	2,017,630	928,109	2,945,739
Total equities	7,172,000	5,979,842	1,192,158	7,172,000

Should specify the main reason and the influence caused by the significant changes in assets, liabilities, and shareholder's equity (where the change reaches 20% or more between the current and previous period and the change amount reaches NT\$10 million) and the future response plan.

## (I) Primary reasons for changes:

1. Increase of financial assets at fair value through other comprehensive income - non-current: Mainly due to the recognition of the fair value of financial assets in the current year.
2. Increase in retained earnings: Mainly due to profit from operations in the current year.
3. Increase in other equities: Mainly caused by the financial assets at fair value through profit or loss recognized in the current fiscal year.

## (II) Impact: No significant impact on finance and business of the Company.

(III) Future response plan:

1. Prioritization of supply to domestic customers in semiconductors and LED materials
2. Increase in the supply of tin plated materials for automotive connectors and terminals and promotion of high-end tin plated alloys
3. Promoted the supply of copper-tin-nickel alloys as materials for lithium battery packs.
4. Continued stable supply of high-conductivity, high-thermal-dissipation materials for the AI and server industries.
5. Dispatch the raw material procurement, production and sales with flexibility, effectively control reasonable inventory, and reduce the risks from the changes in copper price and exchange rate.

## II. Financial performance:

### (I) Comparative analysis table of operating revenue, net operating profit and net profit before tax for the most recent two years

Unit: NTD thousand

Item \ Year	2024	2023	Increase (decrease) amount	Change %
Net operating income	3,128,075	2,646,149	481,926	18.21
Operating costs	3,009,825	2,657,368	352,457	13.26
Operating gross loss	118,250	(11,219)	129,469	1,154.02
Operating expenses	62,139	56,130	6,009	10.71
Net operating gain (loss)	56,111	(67,349)	123,460	183.31
Non-operating income and expenses	203,244	73,127	130,117	177.93
Net profit (loss) before tax	259,355	5,778	253,577	4,388.66
Income tax expenses (gains)	(6,210)	15,272	(21,482)	(140.66)
Net profit (loss) of the current period	265,565	(9,494)	275,059	2,897.19
Other comprehensive income (net income after tax)	926,593	1,611,786	(685,193)	(42.51)
Total comprehensive income of the current period	1,192,158	1,602,292	(410,134)	(25.60)

If operating revenue, operating profit, and pre-tax net profit increase/decrease ratio have changed by more than 20% in the most recent two years, the main reasons should be analyzed and explained and the possible impact on the Company's future financial business and corresponding plans given:

#### 1. Primary reasons for changes:

- (1) Increase in gross profit: Compared with the previous year, international copper prices rose during the year and the demand from the heat spreader and electric vehicle industries increased, resulting in higher sales volume and revenue growth. In addition, improved product yield reduced production costs, leading to an increase in gross profit compared with the previous year.
- (2) Increase in operating profits: Mainly due to higher gross profits during the year. Please refer to (1) above for description.
- (3) Increase in non-operating income: Mainly due to the increase of dividend income in the current year.
- (4) Increase in net profits before tax: Mainly caused by the increase in the operating gross profit and increase in the non-operating income of the current year. Please refer to (1) and (3) above for description.

- (5) Increase in income tax benefit: Mainly due to fluctuations in international copper prices, which led to a decline in the net realizable value of inventories and the recognition of inventory devaluation losses, resulting in an increase in deferred income tax assets.
- (6) Increase in net profits for the current period: Mainly caused by the increase in the operating gross profit and increase in the non-operating income of the current year. Please refer to (1) and (3) above for description.
- (7) Decrease in other comprehensive income (net income after tax): Mainly due to a decrease in the recognized fair value gain on financial assets for the year.
- (8) Decrease in the total comprehensive income of the current period: Mainly caused by the decrease in other comprehensive income (net income after tax). As stated in (7) above
2. The main business contents of the Company remain unchanged.
3. Expected sales volume and its basis, potential impact on the financial business of the Company in the future and response plan:
  - (1) Estimated sales amount: 10,200 tons/year.
  - (2) Sales estimation basis:
    - ① The demand for reflow plating is growing in the automotive terminal and connector markets.
    - ② High quality red copper electric terminals and heat spreader materials can replace imports.
    - ③ The demand is rising for high-end materials (particularly with high strength and high conductivity).
    - ④ The demand and scale of the AI and server markets have increased.
  - (3) Effect on the company's business and financial affairs; responsive measures:
    - ① Prioritization of supply to domestic customers in semiconductors and LED materials, and increase in the supply of tin plated materials for automotive connectors. Promote the supply of copper-tin-nickel alloy for lithium-ion battery packs and continue the stable supply of high-conductivity and high-heat-dissipation materials for the AI and server industries.
    - ② Enhanced and integrated management of procurement, sales and inventory. Careful use of hedging mechanisms to mitigate the risk associated with raw materials price fluctuation, to reduce the uncertainty with operating profits and to maintain reasonable profits. The pursuit of overall operation is for high end products. More production personnel will be added to boost equipment utilization, quality reliability and competitiveness.

## III. Cash flows:

## Cash flow analysis

Unit: NTD thousand

Beginning cash balance	Annual net cash outflow from operating activities	Net cash outflows from investing and financing activities	Cash surplus (insufficiency) amount	Remedial measures for cash shortages	
				Investment plan	Financing plan
68,575	296,250	(225,646)	139,179	—	—

1. Analysis of the changes in cash flows for the current year:
  - (1) Operating activities: Mainly due to operating profits and the receipt of cash dividends in the current year, resulting in cash inflows.
  - (2) Investment activities: Mainly due to the purchase of property, plant and equipment and the resulting cash outflows during the year.
  - (3) Financing activities: Mainly due to the repayment of bank loans for this year, resulting in cash outflows.
2. Remedial measures and liquidity analysis for expected cash shortage: There is no cash shortage, so it is not applicable.
3. Analysis of cash liquidity in the coming year

Unit: NTD thousand

Beginning cash balance	Estimated from operating activities Estimated net cash inflow	Expected net cash outflows from investing and financing activities during the year	Cash surplus (insufficiency) amount	Remedial measures for cash shortages	
				Investment plan	Financing plan
139,179	331,391	(340,570)	130,000	—	—

- (1) Analysis of cash flow status in the coming year:
  - ① Operating activities: Mainly due to the anticipated operating profits, resulting in cash inflows.
  - ② Investment activities: Mainly due to the anticipated purchase of property, plant and equipment and the resulting cash outflows.
  - ③ Financing activities: Mainly due to the expected distribution of cash dividends, resulting in cash outflows.
- (2) Remedial measures and liquidity analysis for expected cash shortage: Not applicable because there was no shortage of cash.

#### IV. The impact of major capital expenditures in recent years on financial operations.

##### (I) The use of major capital expenditures and sources of funds

Unit: NTD thousand

Plan item	Actual or anticipated Source of funds	Actual or expected completion date	Total funds required	Actual or scheduled use of funds						
				2023	2024	2025	2026	2027	2028	2029
Machinery equipment	Equity funds and borrowings	December 31, 2023	50,714	50,714						
Machinery equipment	Equity funds and borrowings	December 31, 2024	86,541		86,541					
Machinery equipment	Equity funds and borrowings	December 31, 2027	784,571			224,394	109,677	450,500		

##### (II) Expected benefits

1. Introduced a new thick plate slitting machine to meet market demand for high-conductivity and high-heat-dissipation thick plates driven by the global green energy, electric vehicle and AI server industry chains, enhancing the Company's competitiveness and expanding thick plate supply.
2. Installed a new roughing mill to improve production efficiency and increase finished product output, thereby enhancing competitiveness in the thick plate market.
3. Construct solar photovoltaic renewable energy projects to reduce carbon emissions and continue to meet international energy-saving and carbon-reduction requirements

V. Reinvestment policy in the most recent year, main reasons for its profit or loss, improvement plan and investment plan for the next year:

Unit: NTD thousand

Description Item	Amount	Policy	Main reason for profit or loss	Improvement program	Other future investment plans
Hua Eng Wire & Cable Co., Ltd.	—	Stable operation	It is the parent company of the Company, mainly engaged in the processing, manufacturing, sales and installation of various wires, cables and copper products. Revenue grew and operating income increased in 2024, but a loss on fair value valuation of financial assets was recognized. Net income for the current period was NTD 656,053 thousand.	None	None

VI. Risks:

- (I) The impact of interest rate, exchange rate changes, and inflation on the Company's profit and loss and future countermeasures:
- As inflation slows, major central banks are expected to adopt monetary easing and interest rate cut policies, leading to stable global economic growth. However, international trade remains affected by uncertainties such as climate change, geopolitical risks, and U.S. tariff policies. The Company's interest rate risks primarily come from payments for materials procurement. Maintaining good relations with banks by leveraging the Company's healthy financials helps to obtain best interest rates. Going forward, the change in interest rates is unlikely to cause significant effects on the Company's overall operations.
  - Raw materials are mainly imported and denominated in US dollars. Hence, the Company's net position in foreign currencies is mostly liabilities in US dollars. As the forex market is dramatically fluctuating, the Company stays on top of exchange rate movements and market information, in order to adjust the schedule for export bill negotiations accordingly. Exchange rate risks are also mitigated by financing with receivables (in foreign currencies) or purchase of forwards. The exchange gain in 2024 was equivalent to 0.21% of sales. The impact was minimum.



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

1. The company does not engage in high risk and high leverage investments.
2. The company does not loan to a third party nor make guarantees/endorsement for others.
3. The Company engages in the transactions of derivatives for risk hedging and cost reduction and in accordance with the Company's Procedures for Asset Acquisitions or Disposals. There is no involvement of speculative transactions of derivatives.

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

Plan designation	Current progress of the plan	Expenses	Time	Primary success factors
Development of new high-conductivity, high-strength alloys	1. Research on the manufacturing processing design. 2. Sample trial production.	NT\$5 million	November 2024	Manufacturing flows design, parameter control and operational management.

(IV) The impact of important domestic and foreign policies and legal changes on the Company's financial business and corresponding measures:

Need to increase employees for production and need more funds for the finance.

(V) The impact of technological changes (including cyber securities) and industrial changes on the Company's financial business and corresponding measures: No impact.

1. Impact of cyber security on the company's business and financial affairs; responsive measures:

(1) Impact: The Company's telecommunication network is mainly used for internal operational management and is not connected to external networks of the upstream and downstream supply chain. We equip our terminal equipment and servers within the Company with anti-virus software and our server room with an uninterrupted power supply system (UPS). We adopt the high availability (HA) framework for major servers and have concrete management measures in place, such as daily backup and off-site backup. We even execute a maintenance contract with cyber-security vendors, terminal product repair vendors, and information system integration vendors so that we can be instantly supported when a cyber-security issue is identified. Any connection and transition to specific external financial institution or supervisory agency is conducted using the protocol specified by the agency or institution in accordance

with our approval procedures along the authorization hierarchy. In summary, cyber-security risk has only mild influence on the Company's business and financial affairs.

- (2) Responsive measures: The various information security threats are hard to predict and their patterns are ever evolving. As such, the Company continuously monitoring threats through existing safeguard systems, implement information security management measures, and closely work with supporting service vendors so as to strengthen data safety protection technology.
- (VI) The impact of corporate image change on corporate crisis management and countermeasures: None.
- (VII) Expected benefits and possible risks of mergers and acquisitions and countermeasures: The Company does not have merger nor acquisition plan.
- (VIII) Expected benefits and possible risks of plant expansion and countermeasures: The Company does not have the plant expansion plan.
- (IX) Risks and countermeasures faced by purchase or sales concentration:  

The Company purchase products from world-class suppliers with long-term relationships. In addition, the procurement is distributed. Excellent credibility allows the Company to acquire raw materials easily. As such, there is no risk for purchase.

The sales of the Company are distributed in many areas. Apart from Taiwan, the sales area also includes China, Japan, countries in Southeast Asia and the United States. There is not risk of sales concentration.
- (X) Effect upon and risk to the Company in the event a major quantity of shares belonging to a director, supervisor, or shareholder holding greater than a 10 percent stake in the Company has been transferred or has otherwise changed hands, and mitigation measures being or to be taken: There is no stake transferred or change for the major quantity of shares belonging to a director, supervisor, or shareholder holding greater than a 10 percent.
- (XI) Impacts and risks of changes in operating rights on the company and corresponding measures: There is no impact and risk as there is no change in operating rights.
- (XII) Litigation or non-litigation events impacting the Company and its directors, supervisors, general managers, substantive persons in charge, major shareholders whose shareholding ratio exceeds 10%, and affiliated companies:
  - 1. Major litigation, non-litigation or administrative disputes that have been resolved or are still in process: None.
  - 2. The main parties involved, facts and handling circumstances: None.

(XIII) Other important risks and countermeasures:

Explanation of information security risk assessment analysis:

1. Prevention on computer virus and malware  
The Company establishes anti-virus software to scan computer system and data storage, automatically updates virus codes, and updates operation system and software patches to effectively block out virus and malware.
2. Computer media and data security  
The reusable data storage media, the content is completely deleted when it is no longer in service; data is backed up on a regular basis, and the redundancy measures are adopted to ensure the security of important operation and management data of the Company. The Company also adopts protection measures when exchanging electronic data with other external units to prevent the data damage and authorized data saving and editing.
3. Network security  
The Company implements the strictest identification operation and uses the firewall to record and control behaviors on the network. The highest authorization of the system will only be granted to the trustworthy personnel for management after the discreet evaluation. The network authorization for personnel leaving the Company or retires will be cancelled pursuant to the information security regulations and procedures. There is a backup host for the main host server of the network, so that the critical system operation will not be interrupted in the event that the main operation host is not functioning properly. The uninterrupted power system is adopted in the network hardware equipment to prevent the abnormal power shut down.  
After inspecting the aforementioned critical items, the Company does not have the significant risk of information security.

VII. Other important matters: None.

## I. Related information of affiliated companies:

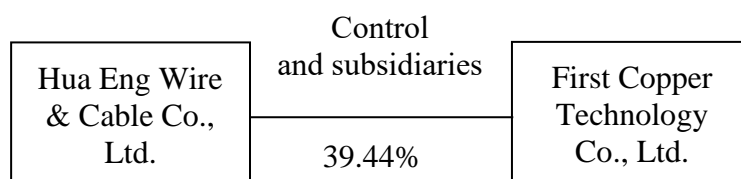
## (I) Affiliated business merger report: None.

(According to Article 369-12 of the Company Act, subsidiary companies need not prepare an affiliated business merger report)

## Organization chart of affiliated companies

First Copper Technology Co., Ltd.

## Organization Chart of Affiliated Companies

2024

## Remark: Control and subsidiary relationships

First Copper Technology Co., Ltd accepts Hua Eng Wire & Cable Co., Ltd.'s control of financial and business operations.

Hua Eng Wire & Cable Co., Ltd. is the controlling company, and First Copper Technology Co., Ltd. is a subsidiary company.

## (II) Consolidated financial statements of related companies: None.

(III) Relationship report

## Statements

The Company's Affiliation Report for 2024 (January 1, 2024 - December 31, 2024) was prepared in the manner specified by the "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises", and the information it disclosed was not significantly different from that disclosed by the notes to the financial statements for the same period.

Hereby Declared

Company name: First Copper Technology Co., Ltd.

Responsible person: Wang Hong-Ren

March 3, 2025

## CPA's Review Opinion of the Affiliation Report

Recipient: First Copper Technology Co., Ltd.

We, as the attesting CPAs, have reviewed the 2024 Affiliation Report of First Copper Technology Co., Ltd. In accordance with the requirements set out in the official letter titled Tai-Cai-Cheng (6) No.04448 issued by the former Securities and Futures Commission of the Ministry of Finance on November 30, 1999. This review work was mainly to issue a review opinion on whether the 2024 Affiliation Report of First Copper Technology Co., Ltd. was prepared in accordance with the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises”, and whether the information it disclosed was significantly different from that disclosed by the notes to the financial statements for the same period that we had audited on March 3, 2025.

Based on our review, we did not find the preparation of the 2024 Affiliation Report of First Copper Technology Co., Ltd. in violation of the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises”, nor did we find the information it disclosed significantly different from that disclosed by the notes to the financial statements for the same period.

KPMG Taiwan

Certified public accountant:

March 3, 2025

# 1. Overview of the relationship between the subsidiary company and the controlling company

December 31, 2024; Units: Shares, %

Name of controlling company	Reason for control	Shareholding and pledge status of the controlling company			Circumstances of the controlling company's assignment of personnel to serve as directors, supervisors, or managers	
		Number of shareholding	Percentage of shareholding	Number of pledged shares	Title	Name
Hua Eng Wire & Cable Co., Ltd.	Substantive control (The entity controls the Company's financial and personnel affairs, business, and operations.)	141,818,196	39.44%	—	Director	Wang Hong-Ren

## 2. Intercompany transactions

### (1) Purchase and sales transactions

The purchase and sales transactions between the company and the controlling company Hua Eng Wire & Cable Co., Ltd. are as follows:

Units: NTD Thousand: %

Transactions with controlling company				Trading terms with controlling company		General trading terms		Difference Cause	Accounts receivable (payable), bills		Overdue accounts receivable			Note
Goods purchased (sold)	Amount	Percentage of total purchases (sales)	Gross profit	Unit price (NTD)	Credit period	Unit price (NTD)	Credit period		Balance	Percentage of total accounts and bills receivable (payable)	Amount	Action taken	Allowance for bad debts	
Sales	6,958	0.22%	26.5% ~ 41.3%	506 ~ 597	1 month	No identical transaction terms available for comparison	1-3 months	—	1,636	0.70%	None			
Purchase of goods	429	0.02%			1 month	No identical transaction terms available for comparison	1-3 months	—	—	—				

(2) Property transactions: None.

(3) Financing: None.

## (4) Asset leasing

Asset leasing between the Company and controlling company Hua Eng Wire & Cable Co., Ltd. is as follows:

Unit: NTD Thousand

Transaction type (Rental or lease)	Subject matter		Rental period	Nature of lease	Basis for rental decision	Collection (payment) method	Comparison with general rent levels	Total rent for the period	Current payment status	Other matters agreed to
	Designation	Location								
Lease	Office	Kaohsiung City 4F, No. 170. Chung Cheng 4th Rd.	2024.01.01 ~ 2024.12.31	Business lease	Negotiation Price	One payment per month	No significant difference	240	Normal	None

## (5) Others

The Company signed the management service contract with Hua Eng Wire & Cable Co., Ltd., who provides services of computer, accounting, procurement, and general affairs. The contract period is one year (from 2024.01.01 to 2024.12.31). The Company paid the management service fee of NT\$19,200 thousand provided in the contract in 2024.

The Company holds shares in the controlled company Hua Eng Wire & Cable Co., Ltd. In 2024, the controlled company Hua Eng Wire & Cable Co., Ltd. distributed a profit of NT\$208,564,000 to the Company.

3. Endorsements/guarantees provided: None.

II. Handling of privately placed securities in the most recent year and as of the date of publication of the annual report: None.

III. Other necessary supplementary explanations: None.

Seven. In the most recent year and as of the printing date of the annual report, the occurrence of the matters that have a significant impact on shareholders' equity or securities prices as specified in Article 36 Paragraph 2, Item 2 of the Securities and Exchange Act: None.



First Copper Technology Co., Ltd.

Chairman: Wang Hong-Ren