2025

Chang Wah Technology Co., Ltd.

Sustainability Report

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About This Report

【GRI 2-3、2-5】

Chang Wah Technology Co., Ltd. (CWTC or the Company) has prepared this report with reference to the GRI Standards issued by the Global Reporting Initiative (GRI) and in accordance with the “Rules Governing the Preparation and Filing of Sustainability Reports by TPEx Listed Companies” of the Taipei Exchange (TPEx). This report has been publicly released in the “Corporate Social Responsibility (CSR)” section of the Company’s official website, demonstrating the Company's concrete achievements and performance in Environmental (E), Social (S), and Governance (G) aspects to realize the vision of sustainable management and development.

CWTC Official Website

---------- Reporting Period ----------

CWTC regularly releases sustainability reports on an annual basis , and this is the sixth report.The 2025 Sustainability Report was released in August 2026, covering the period from January 1, 2025, to December 31, 2025. To ensure the completeness of the information disclosed, certain sections of the report cover both past and future events within the reporting period.

---------- Reporting Boundary ----------

The reporting boundary of this report covers CWTC and its subsidiaries. The financial information, greenhouse gas inventory, environmental, occupational health and safety, and social data presented in this report encompass all entities included in the consolidated financial statements. If the disclosure scope differs from the aforementioned, it will be specified in the corresponding section

---------- Audit and External Verification ----------

The content of this report was reviewed for accuracy and completeness by the heads of each department. The Sustainability Information Disclosure Team compiled the information and prepared the report, which was then submitted to the Sustainable Development Committee for review and reported to the Board of Directors on August 5, 2026, prior to its release. The disclosed financial performance data was prepared in accordance with International Financial Reporting Standards (IFRS) as recognized by the Financial Supervisory Commission and has been verified by Deloitte & Touche. Unless otherwise stated, all figures are expressed in New Taiwan dollars.

The 2025 organizational greenhouse gas (GHG) emissions data were quantified in accordance with the GHG Protocol, and Live Susthinkability CPAs Firm was engaged to perform a limited assurance engagement and issue an assurance report in accordance with International Standard on Assurance Engagements (ISAE) 3410, "Assurance Engagements on Greenhouse Gas Statements." Additionally, the Taiwan plants completed the GHG inventory in compliance with ISO 14064-1:2018 and obtained a third-party verification statement to ensure the reliability and transparency of the GHG emissions data.

The key performance information in this report has been verified by an independent third party—Live Susthinkability CPA Firm. In accordance with ISAE 3000, “Assurance Engagements Other Than Audits or Reviews of Historical Financial Information,” issued by the Accounting Research and Development Foundation, the firm conducted a limited assurance engagement and issued a limited assurance report. For the scope of assurance and the verification statement, please refer to the appendix.

Contact Information

To maintain continuous communication with our stakeholders, we sincerely welcome you to contact us and share your valuable feedback. Our contact information is as follows:
Address: No. 24, Kaifa Rd., Nanzih District, Kaohsiung City 81170, Taiwan (R.O.C.)
Email: cwtkh@cwtcglobal.com
Website: http://www.cwtcglobal.com/

Letter from The Chairman

Against the backdrop of rapid global technological advancement and escalating risks from climate change, the semiconductor industry stands at a critical crossroads of transformation. The rapid growth of artificial intelligence, high-performance computing, and data center applications is driving continued demand for advanced packaging and lead frames; at the same time, upgrades in automotive electronics and industrial infrastructure are providing the industry with steady growth momentum. However, geopolitical tensions, tariff barriers, and price volatility in key raw materials such as gold, silver, and copper also pose challenges to corporate operations and cost control. Looking back on 2025, in addition to continuing to deepen our commitment to lead frame product development and technological advancement, Chang Wah Technology has also remained steadfast on the path of sustainable transformation.

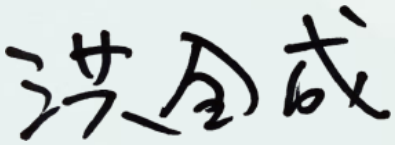
【Low-Carbon Manufacturing: Sustainability First】

Faced with an environment where growth and challenges coexist, we deeply recognize that a company's core competitiveness is no longer limited to technological innovation alone, but also depends on its ability to precisely manage energy efficiency, resource management, and carbon emissions. We have consistently adhered to the “sustainability first” principle in product development, integrating energy conservation and carbon reduction into our core operational strategies. Through process optimization and equipment upgrades, we continue to reduce the energy intensity and carbon footprint per unit of product while meeting technical requirements for high performance, high heat dissipation, and high reliability, and are committed to building an environmentally resilient green supply chain.

【Aligning with Global Standards, Disclosing with Transparency】

In response to global sustainability disclosure trends and heightened regulatory requirements, we continue to strengthen our climate-related information management mechanisms. Starting from 2025, the Chang Wah Electromaterials Inc. (CWE Group) has aligned with international standards in compliance with regulatory mandates, utilizing the GHG Protocol for the classification and calculation of greenhouse gas emissions. Simultaneously, we are planning our alignment with the IFRS Sustainability Disclosure Standards (IFRS S1 and IFRS S2) to continuously enhance the quality and global comparability of our disclosures, addressing the climate concerns of investors, customers, and stakeholders with transparent and objective data.

CWTC President



Sustainability Management Performances

Sustainable Management Performances

Environment (E)

- Water Recycling Rate Reached 33%
  (Water recycling rate applies only to group plants equipped with water recycling systems)
- Recycled Waste Recovery Rate Reached 96%

Social (S)

- No human rights violation events occurred this year
- No cases of work-related fatalities, serious occupational injuries, or occupational diseases occurred this year
- Taiwan plants certified with ISO 45001 Occupational Health and Safety Management System
- Taiwan plants awarded the Healthy Workplace Certification by the Health Promotion Administration, Ministry of Health and Welfare
- Local hiring reached 84%, and Taiwan plants met the full statutory quota for employing persons with disabilities
- Total employee training hours reached 132,209 hours
- Female employees accounted for 38% of total staff, holding 33% of management positions
- Adopted the greening project of 60 roadside trees in the industrial park

Governance (G)

- Consolidated operating revenue reached NT$13,428,198,000, with earnings per share (EPS) of NT$1.63(Par value per share is NT$0.4)
- Ranked in the top 5% among TPEx-listed companies in the 12th Corporate Governance Evaluation
- Accumulated a total of 262 patent applications and 6 trademark rights worldwide
- Local procurement expenditure accounted for 59% of total procurement

Corresponding policies, strategies, and action plans to UN Sustainable Development Goals (SDGs)

SDGs Core Objectives	Achievements	Corresponding Issues
3 GOOD HEALTH AND WELL-BEING	■ Conduct annual employee health checkups, establish health risk level management, follow up on employee health and encourage treatment in a timely manner, and prevent occupational diseases. ■ Provide a safe and healthy working environment, continuously monitor work environments, and promote occupational safety and health promotion programs.	4.4 Occupational Health and Safety
4 QUALITY EDUCATION	■ Hold vocational training courses covering a wide range of fields for employees every year.	4.3 Talent Development and Diversity Cultivation
	■ Supporting local education by actively promoting industry-academia and cooperative education programs with local universities, colleges, and vocational high schools.	4.5 Social Engagement
5 GENDER EQUALITY	■ Formulated the “Regulations Governing the Maternal Health Protection of Female Employees” to ensure the physical and mental health of pregnant, postpartum, and breastfeeding female employees. ■ Advocate a gender-friendly workplace; both male and female colleagues may apply for unpaid parental leave and family care leave.	4.2 Talent Attraction and Retention
6 CLEAN WATER AND SANITATION	■ The discharge of wastewater is controlled by each plant to comply with local regulations. ■ Each plant promotes conservation measures such as water recycling systems and water-saving design of machinery and equipment.	3.4 Water Resources Management
7 AFFORDABLE AND CLEAN ENERGY	■ Increase installed capacity of rooftop solar system	3.3 Energy Management
8 DECENT WORK AND ECONOMIC GROWTH	■ Employment equality, respect for human rights, employee diversity, and prohibition of child labor and forced labor are incorporated into our recruitment principles and processes.	4.1 Human Rights Policies
	■ Provide competitive compensation systems and fair promotion opportunities.	4.2 Talent Attraction and Retention
	■ Taiwan plants introduced the ISO 45001:2018 Occupational Health and Safety Management System and obtained certification. ■ Established the Safety and Health Committee. ■ Regularly examine our operating environment to eliminate and improve unsafe conditions and potential hazards.	4.4 Occupational Health and Safety
	■ Promoting industry-academia collaboration programs by offering internship opportunities to help students align with industry needs.	4.5 Social Engagement
10 REDUCED INEQUALITIES	■ Sponsor the NTU Medical Social Service Team to conduct medical services in remote areas, reducing urban-rural inequality through home visits and school-age children education.	4.5 Social Engagement
11 SUSTAINABLE CITIES AND COMMUNITIES	■ Adopting street trees greening projects to maintain green landscapes and enhance urban livability and community cohesion.	4.5 Social Engagement
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	■ Comply with the Responsible Business Alliance Code of Conduct (RBA) and the Responsible Minerals Initiative (RMI) based on which suppliers are required to comply with relevant rules and standards.	2.7 Sustainable Supply Chain
	■ We adopt the latest version of ISO14001:2015 environmental management system and obtain relevant certifications. ■ We set up the environmental management units, including the Environmental Management Committee of the head office and the Environmental Safety Center and Occupational Safety Office of each plant, which are responsible for issues and effectiveness of environmental management.	3.1Environmentally Sustainable Development
13 CLIMATE ACTION	■ In accordance with Task Force on Climate-related Financial Disclosures (TCFD), we identify the climate-related risks and opportunities, strengthen renewable energy and extend to the operation of carbon neutrality.	3.2 TCFD
	■ We continue to conduct greenhouse gas inventories.	3.3 Energy Management
	■ Adopting street trees greening projects to enhance environmental awareness and climate resilience.	4.5 Social Engagement
14 LIFE BELOW WATER	■ Remove threats from invasive species through wetland conservation activities and arrange professional ecological tours to raise employee awareness of natural ecosystem conservation.	4.5 Social Engagement
15 LIFE ON LAND	■ Adopting street trees greening projects to protect and increase urban green spaces and provide habitats for animals and plants.	4.5 Social Engagement
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	■ We offer multiple communication channels for stakeholders to solicit opinions and report of improper interests.	1.1 Sustainable Development Organizations and Strategies
	■ Strictly prohibit any actions about corruption, bribery, embezzlement and improper enrichment. We have a zero-tolerance policy for any violations.	2.2 Integrity Management
	■ Strictly prohibit our suppliers from engaging in child or forced labor, and closely observe fair business principles.	4.1 Human Rights Policies
17 PARTNERSCHAP OM DOELSTELLINGEN TE BEREIKEN	■ Enhancing employability through industry-academia collaboration and establishing cross-disciplinary partnership networks.	4.5 Social Engagement

About CWTC 【GRI 2-1、2-6】

Chang Wah Technology Co., Ltd. was established on December 24, 2009, as a subsidiary of Chang Wah Electromaterials Inc. (CWE). The Company focused on the development and production of packaging materials for LED lead frames initially and was listed on the Taipei Exchange under stock code 6548 in 2016. It purchased the shares of SH Asia Pacific Pte. Ltd. (SHAP), an investee of the Japanese company, SH Materials Co., Ltd. (S.H.M), on March 17, 2017, marking its official start to the upstream metal lead frame industry to become a leading global IC substrate manufacturer.

Our role in the IC and LED supply chain is to provide materials for packaging following wafer production. Wafers need to be packaged before they can be used in subsequent module production and be installed in/applied to various electronic consumer products. Same as other IC and LED packaging companies, we are material suppliers of the back-end process in the early stages of the entire industry chain. CWTC is one of the top five lead frame suppliers in the world.

Stock Code	6548	Chairman	Chen,Chih-Hung
Company Name	Chang Wah Technology Co., Ltd.	President	Chuen-Sing Hung
Business ID No.	70849957	Paid-in capital	NT$380,185,880
Industry	Semi-conductor industry	Par value per common share	NT $0.4
Main businesses	Manufacturing	Headquarter	No. 24, Kaifa Road, Nanzhi District, Kaohsiung City

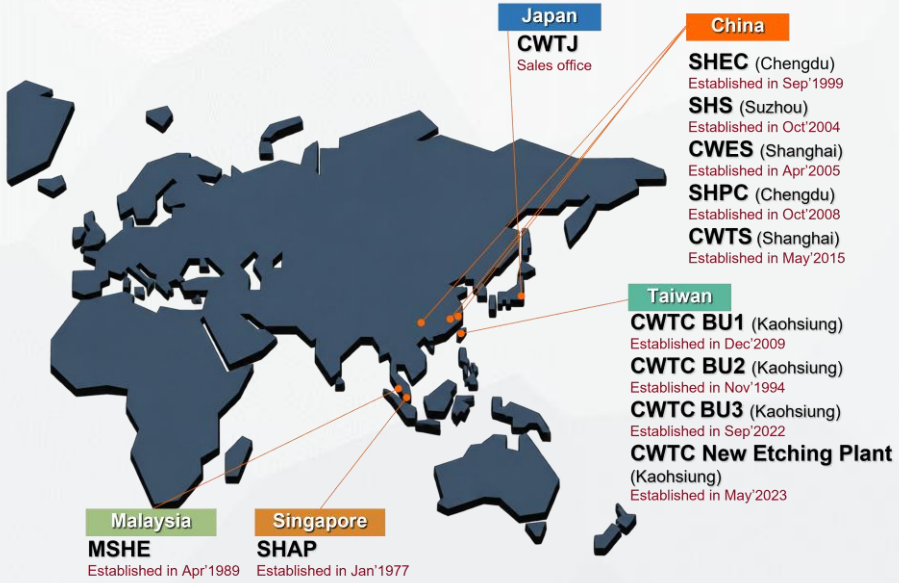
Note : The completion of capitalization change registration was on March , 2026.

Participation in Associations 【GRI 2-28】

By actively participating in associations, we can establish good interactions with the industry and society, enabling us to stay closely informed about industry development trends at all times.

Organization	Position
The Institute of Internal Auditors-Chinese Taiwan	Member
Taiwan External Trade Development Council	Member
Taiwan Computer Emergency Response Team / Coordination Center	Member
Chinese Society for Quality	Member

Main Business Locations of CWTC Group 【GRI 2-1、2-2】



Chang Wah Technology Co., Ltd.	
Location	No. 24, Kaifa Rd., Nanzi Dist., Kaohsiung City, Taiwan (R.O.C.) No. 16, E. 7th St., Nanzi Dist., Kaohsiung City, Taiwan (R.O.C.) (Plant 2) No. 133, Jing 5th Rd., Nanzi Dist., Kaohsiung City, Taiwan (R.O.C.) (Plant 3) No. 36, Jing 3th Rd., Nanzi Dist., Kaohsiung City, Taiwan (R.O.C.) (New Etching Plant)
Main Business	Manufacturing of lead frames
Branch office in Japan of CWTC	
Location	Takano Building, 2-5-3, Uchi-kanda, Chiyoda-ku, Tokyo, Japan
Main Business	Trading of lead frames

SH Electronics Suzhou Co., Ltd.（SHS）	
Location	No. 123, Longtan Road, Suzhou Industrial Park, Jiangsu Province, China
Main Business	Manufacturing of lead frames
SH Electronics Chengdu Co., Ltd.（SHEC）	
Location	No. 7, Xin Yuan South 2nd Road, Singapore Industrial Park, Chengdu Hi-Tech Zone, Sichuan Province, China
Main Business	Manufacturing of lead frames
SH Precision Chengdu Co., Ltd.（SHPC）	
Location	No.6, West Zone, No.8, Kexin Road, West Park, Chengdu Hi-tech Zone, Sichuan Province, China
Main Business	Manufacturing of lead frames
Shanghai Chang Wah Electromaterials Inc. （CWES）	
Location	Room 2101, 1027 Changning Road, Changning District, Shanghai, China
Main Business	Trading of IC packaging materials
CWTC (Shanghai) Inc.（CWTS）	
Location	Room E01, 2F, No. 207, Fute North Road, Pilot Free Trade Zone, Shanghai, China
Main Business	Trading of lead frames
SH Asia Pacific Pte. Ltd （SHAP）	
Location	10 Eunos Road 8 #05-04/05 Singapore Post Centre Singapore 408600
Main Business	Trading of lead frames
Malaysian SH Electronics Sdn. Bhd. （MSHE）	
Location	Lots 5,7&9, Jalan Ragum 15/17, 40200 Shah Alam, Selangor Darul Ehsan, Malaysia
Main Business	Manufacturing of lead frames

Note : CWTC's subsidiaries, WSP Electromaterials Ltd. and Shing Zheng Investment Co., Ltd., which are not main operational locations, primarily engage in investment activities. Their financial information, GHG inventory, and social information are included in this report. The other information please refer to Section VIII in 2025 Annual Report.

Vision and Mission

- ✓ To meet or exceed customer expectation
- ✓ To achieve customer's request on quality and delivery
- ✓ Extraordinary service and craftsmanship

✓ Share holder
Throughout efficiency management, sustainability to pursuit the maximization of the interest.

✓ Customer
To segment our market with skills, quality, delivery and production cost and become a highly competitive enterprise.

✓ Employees
To create decent working environment, clearly specify the job and responsibility.

✓ Government
To follow all regulation and law principal.

✓ Human is fundamental
To provide employees safe, friendly and fair working environment. Focus on working environment safety, continue to develop talented employee, offer complete promotional map and build highly developing stage.

✓ Integrity
Integrity is the foundation of an enterprise sustainable operation.

✓ Innovation
Innovation is the source of grow, continue to create and improve our product to satisfy customer's expectation.

1.Sustainability Management

【GRI 2-12、2-13、2-14、2-22、2-23】

1.1 Sustainable Development Organizations and Strategies

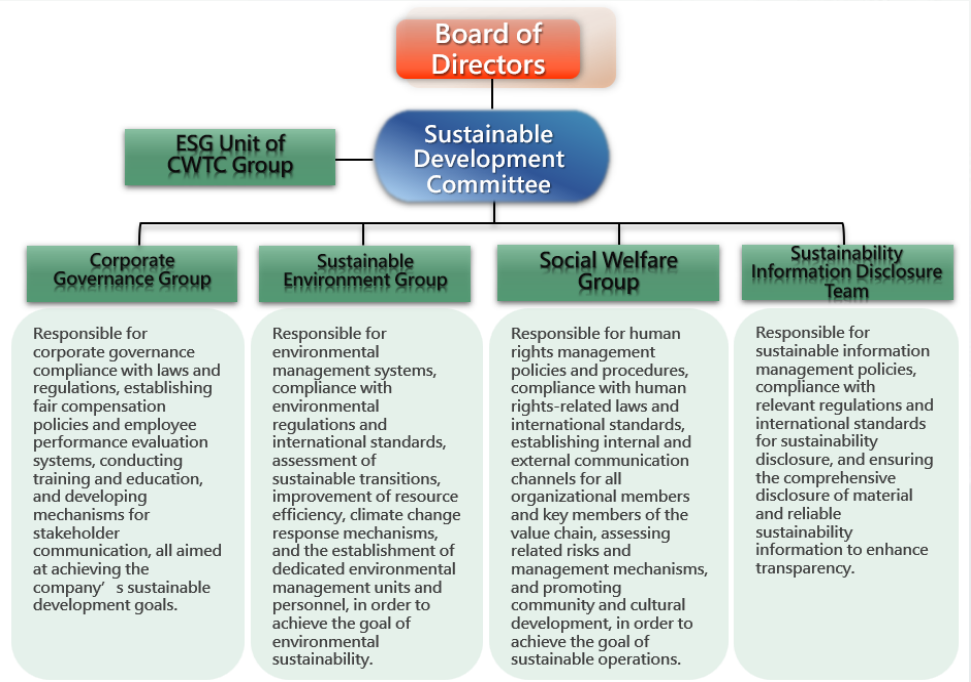
To fulfill the sustainable development goals in environmental protection, social responsibility, and corporate governance, CWTC established the Sustainable Development Committee under the Board of Directors in August 2024. This committee strengthens the Board's role and management mechanisms in advancing sustainability efforts. The Chairman of the Board serves as the Chairperson and Convener of the committee, while other members are appointed by Board resolution—more than half of whom are independent directors. The term of the committee members aligns with that of the appointing Board.

The Sustainable Development Committee is structured around the promotion of various sustainability initiatives. The company's Group ESG Team is responsible for coordinating all sustainability-related matters and reports the progress and strategic alignment of these initiatives to the Committee. Furthermore, sustainability performance is linked to both short-term and long-term incentive compensation for the General Manager and senior executives.

The Committee regularly reports its implementation status to the Board of Directors. Beyond its supervisory and advisory roles, the Board may also prompt the management team to make adjustments when necessary to ensure the achievement of sustainability objectives.

For more details on CWTC's sustainability strategy, please refer to the Corporate Social Responsibility Policy linked on the right.

CWTC Corporate Social Responsibility Policy



The Main Points for Reporting to the Board of Directors in 2025

Date	Content
02/20	Business integrity performance with reviews revealing there were no violations in the previous year.
08/06	Preparation and assurance of the 2024 Sustainability Report, and explanation of material topics, goals, and management approaches.
12/18	Execution status of sustainability-related risk management, and reporting and explanation of greenhouse gas inventory and verification planning progress.

1.2 Stakeholder Engagement 【GRI 2-12、2-16、2-25、2-29】

Based on the five major principles of the AA1000 Stakeholder Engagement Standard (AA1000 SES) which includes Influence, tension, responsibility, dependency and diverse perspectives, CWTC has identified six major categories of stakeholders, which are government agencies, investors, employees, customers, suppliers and society (including local communities and non-profit organizations (NGOs)).

Communication with Stakeholders

Stakeholder	Significance	Communication Channel	Frequency
Employees	Employees are our foundation to sustainable operating and the key toward the road of our sustainable operations.	Welfare Committee meetings	At least once every quarter
		Labor-management meetings	At least once every quarter
		Human Resources Arbitration Committee	At least twice every year
		Environmental Management Committee	At least once every quarter
		Improvement proposal incentive form	Irregularly
		Employee opinion mailbox / Reporting hotline	Timely
Customers	Focus on customer demands and provide our services using our core technology fully and comprehensively.	Telephone / E-mail	Timely
		Different types of meetings	Irregularly
		Customer Satisfaction Survey	At least once every year
		Conduct an audit	Irregularly
Suppliers	We are paying more attention to quality of raw materials from suppliers, and we gain trust in market and customers through joint efforts to achieve benefit-sharing and sustainable growth.	Supplier audit and interview	At least once every year
		Inspection at equipment suppliers' premises	Irregularly
		Interview / telephone / E-mail	Irregularly
		Construction Safety Commitments	At least once every year
		Supplier evaluation form	At least once every year
		Company website	Timely

Stakeholder	Significance	Communication Channel	Frequency
Investors	Investors' support is our motivation for continuous growth and responsibility.	Company website	Irregularly
		Investor conferences	At least once every quarter
		Shareholders' meeting	At least once every year
		Annual Report / Financial Report	At least once every year
Government agencies	Prudently comply with the requirements of local government agencies for each plant, and we will adjust by using methods in line with local circumstances.	Official Correspondence	Irregularly
		Inspection and Audit	Irregularly
		Material Information Announcement	Irregularly
Society (including local communities and NGOs)	To be a good corporate citizen, implement corporate social responsibility and create prosperity and a common good for society.	Project Collaborations and Activities	Irregularly
		Telephone / E-mail	Timely
		Company website	Timely

1.3 Identify Material Topics

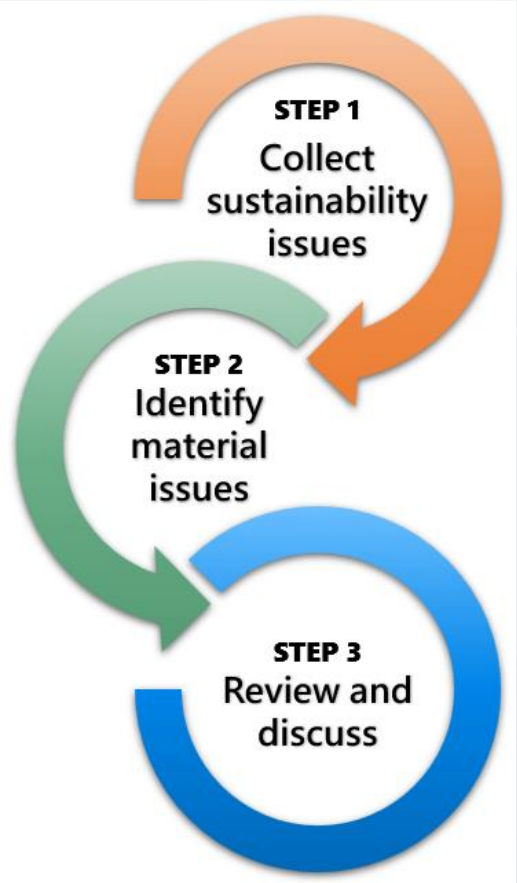
【GRI 3-1、3-2、3-3】

According to the Company's vision and sustainable development strategy, and referring to the updated GRI Universal Standards, SDGs, topics of concern to peers, as well as important industry trends, we summarize three aspects for sustainability topics listing with consideration to stakeholders' feedback.

We identify the external impact for each topic and integrate it into questionnaire. The significance of impacts is then evaluated and ranked through stakeholder questionnaire surveys. After confirmation by the ESG Unit of CWTC Group, the topics are submitted to the Sustainable Development Committee for approval. For material topics with high impact, we disclose our management policies and performance in the sustainability report under corresponding to particular topics of the GRI Universal Standards. We ensure that the contents of the report comply with the principles of stakeholder inclusiveness, materiality, and completeness, and reflect on the position and sustainability influence of CWTC in the value chain. This is used as an important basis for examining and continuously improving our sustainability management and performance.

CWTC's material topic analysis for sustainability issues mainly carries out identification and prioritizing through questionnaire survey results. Based on results of a materiality matrix compiled, the high concern and high impact are listed as material topics. In 2025, building on the results of the 2023 survey, CWTC has eight material topics resulting the investigation.

Process of Identifying Material Topics



STEP 1：Collect sustainability issues

Referring to the updated GRI Universal Standards, SDGs, topics of concern to peers, and important industry trends, we summarize three aspects for listing sustainability topics, taking stakeholder feedback into consideration.

STEP 2：Identify material issues

The significance of impacts is then evaluated and ranked through stakeholder questionnaire surveys. After confirmation by the ESG Unit of CWTC Group, the topics are submitted to the senior management for approval.

STEP 3：Review and discuss

For material topics with high impact, we disclose our management policies and performance in our sustainability report, corresponding to specific topics of the GRI Universal Standards, as an important basis for evaluating and continuously improving our sustainability management and performance.

Materiality Matrix

Economic Topics

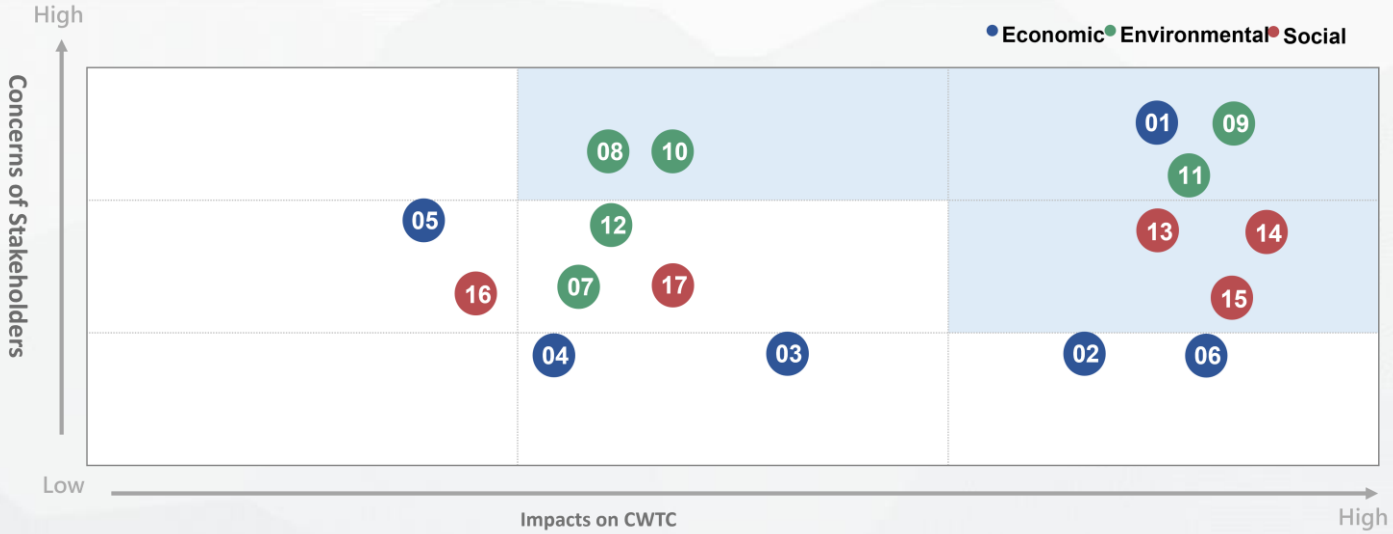
01. Economic Performance ✓
02. Governance and Risk Management
03. Procurement Practices
04. Supplier Management
05. Business Ethics
06. Customer Relationship Management

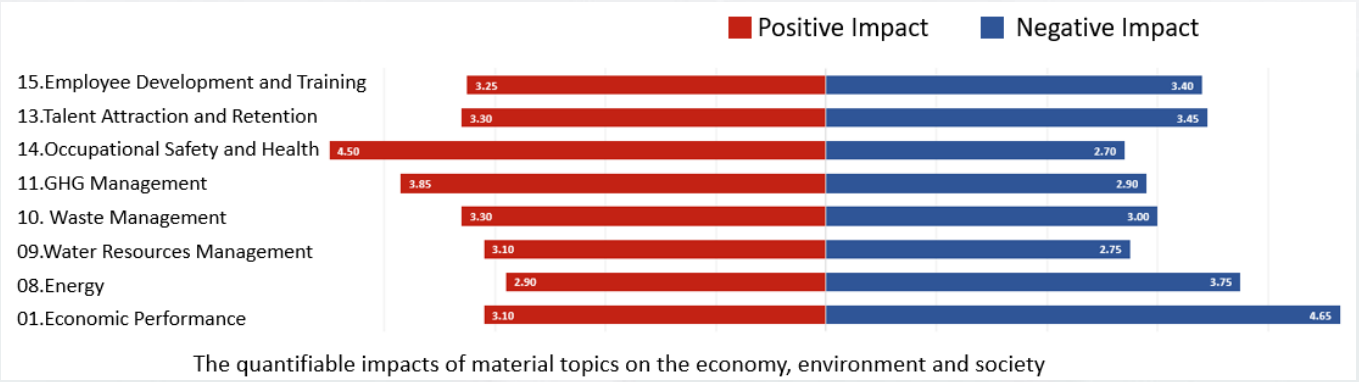
Environmental Topics

07. Hazardous Substance Management
08. Energy ✓
09. Water Resources Management ✓
10. Waste Management ✓
11. GHG Management ✓
12. Climate Change Mitigation and Adaptation

Social Topics

13. Talent Attraction and Retention ✓
14. Occupational Safety and Health ✓
15. Employee Development and Training ✓
16. Community Investments and Participations
17. Employees' Rights and Diversity and Equality





The quantifiable impacts of material topics on the economy, environment and society

Changes in the List of Selected Material Topics

In 2025, based on the 2023 identification results, there were no changes to the list or prioritization of material topics. :

Economic Performance → Energy → Water Resources Management → Waste Management → GHG Management → Talent Attraction and Retention → Occupational Safety and Health → Employee Development and Training

Involvement Levels in the Value Chain for Material Topics and the Management Policies

Material Topics		Corresponding to GRI Guidelines Material Topics	Corresponding Chapter	Response measures	Value Chain Impacts Boundaries (Boundaries of Topics)			Management indicators	2025 Goals	2025 Achievements	2026 Goals
					All Plants	Downstream value chains	Upstream value chains				
E	Water Resources Management	GRI303	3.4 Water Resources Management	Our plating and etching processes require a high level of water resources. We will establish emergency response measures for water supply interruptions and use recycled water to reduce the consumption of tap water.	●	●		Recycling rate of water withdrawal[Note1]	>30%	33.44%	>30%
					●	●		Water recycling rate of Taiwan plants[Note2]	New indicators expected in 2026		>50%
	GHG Management	GRI305	3.3 Energy Management	Strengthen carbon reduction and facilitate process efficiency, as well as continue to plan on purchasing renewable energy.	●	●		GHG Inventories and Verification	100%	100%	100%
	Waste Management	GRI306	3.5 Waste Management	Sources reduction, recycling and the use of precious metal recycling techniques, along with the establishment of in-house treatment systems, are implemented to reduce waste emissions.	●	●		Reuse rate of waste	>40%	97%	>40%
	Energy	GRI302	3.3 Energy Management	Improve energy performance using PDCA approach for ISO50001 energy management systems, increase energy efficiency, and develop green energy to reduce environmental impact.	●	●		Energy efficiency	Energy Saving >3,000GJ	Energy Saving 8,584GJ	Energy Saving >3,000GJ
S	Occupational Health and Safety	GRI403	4.4 Occupational Health and Safety	Build comprehensive education and training programs and continuously improve safety and health management to reduce occupational accidents and create a safe, healthy, and high-quality work environment.	●	●	●	Regular promotion of Safety Week	4 times	5 times	4 times
								Regular Occupational Safety and Health Committee	20 meetings	56 meetings	20 meetings
								Regularly working environment monitoring	5 times	12 times	5 times
								Employee Health Check-up Completion Rate	New indicators expected in 2026		100%
	Talent Attraction and Retention	GRI401	4.2 Talent Attraction and Retention	Create a happy and friendly workplace, and continue to enhance the competitiveness of remuneration and diverse benefits, as well as promote internship cooperation plans with universities and colleges.	●			Regular Employer-employee Meeting	4 meetings	4 meetings	4 meetings
								Turnover rate	15%	10.48%	15%
								Number of employees receive retention bonus[Note3]	>100 employees	66 employees	>20%
	Employee Development and Training	GRI404	4.3 Talent Development and Diversity Cultivation	Focus on talent cultivation and strengthen employees' core technological skills to maintain our core competence.	●			Participants in training	24,000 employees	31,560 employees	24,000 employees
G	Economic Performance	GRI201	2.3 Operating Performance	Ensure the Company's profitability and growth momentum, strengthen long-term competitiveness, and maintain a stable dividend policy to create a win-win situation for CWTC, shareholders and employees.	●	●	●	Investor conference	4 investor conferences	6 investor conferences	4 investor conferences
								Shareholders meeting	1 Shareholders meeting	1 Shareholders meeting	1 Shareholders meeting
								Payout Ratio	New indicators expected in 2026		>50%

Note1 : The recycling rate of water withdrawal indicator is only included in the group's factories that have built a water recovery system ; Recycling rate of water withdrawal = Water recycled / Water withdrawal
Note2 : The water recycling rate at the Taiwan plant is used for the calculation of water consumption fees levied by the Ministry of Economic Affairs.
Note3 : Starting in 2025, the target is to use the ratio of personnel receiving retention bonuses to the number of new hires in the previous year as a management indicator.

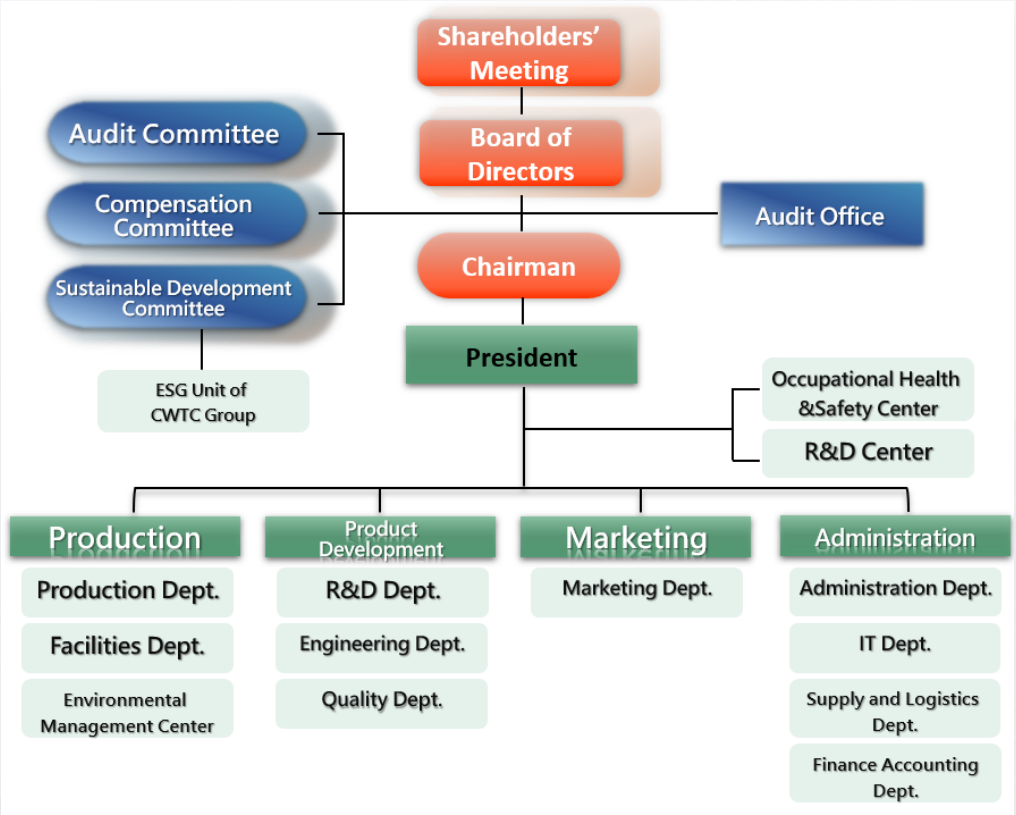
2. Corporate Governance

2.1 Organization and Operation of Corporate Governance

CWTC deeply understands that integrity is the solid foundation for sustainable development. With the protection of shareholders' rights and interests as the starting point, we aim to maximize corporate value through sound business management, while also ensuring the rights and interests of all stakeholders.

In accordance with the "Corporate Governance 3.0 - Sustainable Development Roadmap" promoted by the Financial Supervisory Commission (FSC) of Taiwan and the "Code of Practice for Corporate Governance," revised and approved by the Board of Directors in 2020, CWTC continuously reviews and assesses the status and effectiveness of its corporate governance practices. Through a process of self-evaluation, we strive to enhance sustainability and competitiveness, dedicating ourselves to becoming an excellent company with long-term sustainable operations.

Organizational Structure



Note: The "Sustainability Development Committee" was renamed to the "Sustainability Development and Nomination Committee" by resolution of the Board of Directors on March 25, 2026.

Department	Main Functions
Audit Office	Implementation of internal audit and risk assessment, planning and execution of internal control system, assessment of operational efficiency, and provision of system improvement recommendations.
President	Planning and execution of the Company's overall operation, development and execution of the Company's medium and long-term operational strategies, establishment and supervision of the operation and system of each department.
Occupational Health & Safety Center	Formulation, planning, supervision and promotion of occupational safety and health management issues.
ESG Unit of CWTC Group	Planning and promotion of the Group’s sustainable development objectives with a focus on sustainable risk management and opportunities.
R&D Center	Research and development of the company's future short, medium and long-term products and technologies.
Marketing Dept.	Market development and sales, customer services and consulting, business resource planning, management and utilization, industry data investigation and collection.
R&D Dept.	Market survey for new products, research and development and production of new technologies and molds, and business activities and customer services for new products at the initial stage.
Engineering Dept.	Control of process yield rate and improvement of quality yield rate, product project development, testing for mass production of new product introductions, planning and management of sample deliveries and shipments, and estimation of component composition and equipment loss in the plant.
Quality Dept.	Establishment and maintenance of quality systems, management of supplier audits, control of incoming material and process quality, response and improvement associated with internal, external, and customer audits, assurance on product reliability testing, maintenance of calibration systems, handling and tracking of customer complaints.
Production Dept.	Planning of production line operation and production process, control of production schedule and planning of production targets.
Facilities Dept.	Establishment of safety operating standards, inspection of risk factors and collaboration of elimination, compliance with labor laws and regulations, labor safety and health training, operation of environmental protection equipment, wastewater treatment, and maintenance of facilities and electrical and plumbing facilities.
Environmental Management Center	Plan and implement pollution prevention measures for processes involving water, air, and noise, improve resource use efficiency, manage and report environmental data, and ensure that company operations comply with regulatory requirements to avoid legal violations or fines.
Supply and Logistics Dept.	Arrangement of production capacity, control of delivery schedules, coordination between production and sales, planning of materials and control of production costs, management of outsourced production, and warehouse control.
Finance Accounting Dept.	Finance and accounting management, funding arrangements, tax management, and investor relations, etc.
Administration Dept.	Human resource planning, various education courses, corporate operation management, general affairs, etc.
IT Dept.	Establishment, introduction and maintenance of software and hardware information systems and development of smart technology applications.

Structure and operation of the Board of Directors 【GRI 2-9、2-10、2-11、2-12】

The Board of Directors is the highest governance body of CWTC. In conducting the Company's affairs, it shall exercise its powers with a high level of self-discipline and prudence, and assist in supervising, appointing, and instructing the management, as well as overseeing the Company's operations. In addition to matters that must be resolved by the shareholders' meeting in accordance with the law or the Articles of Incorporation, the Board of Directors conducts the Company's business based on its resolutions and is also responsible for formulating the Company's corporate social responsibility and sustainable development strategies. The CWTC Board of Directors consists of eight directors with extensive industry experience, including four directors and four independent directors, one of whom is a female director. The Board members are selected in accordance with a fair, impartial, and transparent director appointment process. The election of directors follows a candidate nomination system, where candidates are approved by the Board of Directors and then submitted to the shareholders' meeting for final appointment.

To establish proper governance system of the Board of Directors, improve supervision and strengthen management efficiency, we formulate the Rules of Procedure for Board of Directors' Meetings based on Article 2 of the Regulations Governing Procedure for Board of Directors Meetings of Public Companies. The CWTC Board of Directors convenes at least once every quarter. For the operation of the Board of Directors, please refer to CWTC's 2025 Annual Report.

A total of seven board meetings were held in 2025. The current directors' terms run from May 30, 2024, to May 29, 2027—a three-year term. Information on the board members is as follows:

Information of the Board members

Title	Name	Gender / Age	Experience (Education)	Number of Other Public Companies in Which the Individual is Concurrently Serving in the BOD	Attendance in Person	Attendance by Proxy	Attendance Rate (%)
Chairman	**Yuan Yao Energy Technology Co., Ltd. Representative: Chen,Chih-Hung** note1	Male 61~70 years old	• Graduated from Kuochi Senior Vocational High SchoolDepartment of Electronic Communication Engineering。 • Currently serves as Chairman of the Company, as well as Chairman of Wah De Precision Optical Material Co., Ltd. • Currently serves as Chairman of the Company, as well as Chairman of Wellstech Optical Co., Ltd. • Has previously served as General Manager of Shi Jong enterprise co., ltd., Supervisor ofCWE, Supervisor of CWTC, Director of feng ching metal corporation, and Independent Director of Easyhwa Enterprise Co., Ltd., with over 30 years of experience in the industry.	0	6 note1	1 note1	86% note1
Director	**Chang Wah Electromaterials Inc. Representative: Hung, Chuen-Sing**	Male 61~70 years old	• Graduated from Hong Kong Polytechnic University. • He is now the president of CWTC and a director in entities of the CWE Group. • Once served as the president of Possehl Electronics Hong Kong Ltd. and SH Electronics Taiwan Co., Ltd., he has been involved in the operation and strategic management of semiconductor industry for more than 30 years.	3	7	0	100%

Title	Name	Gender / Age	Experience (Education)	Number of Other Public Companies in Which the Individual is Concurrently Serving in the BOD	Attendance in Person	Attendance by Proxy	Attendance Rate (%)
Director	**Chang Wah Electromaterials Inc. Representative: Tsai, Rong-Dong**	Male 71~80 years old	• Graduated from Indiana University with an MBA. • He is now the director of Gold Circuit Electronics Ltd. And the independent director of ALi Corporation. • Once served as the president of Ta Chong Commercial Bank Co., Ltd. and Taishin International Bank Co., Ltd., he has been involved in the operation and strategic management of finance industry for more than 30 years.	2	6	1	86%
Director	**Yuan Yao Energy Technology Co., Ltd. Representative: Angus, Shih**	Male 51~60 years old	• Graduated with a Ph.D. in Electrical Engineering at the National Taiwan University. • He is now the president and director of Vizionfocus Inc. • Once served as a R&D assistant manager/director at several multinational corporations such as Tong Bao Technology Co., Ltd. and Innolux Corporation, he has been involved in the high-tech industry for more than 20 years	1	6	1	86%
Independent Director	**Lin, Yi-Jing**	Female 51~60 years old	• Graduated from the Department of Accounting in Tunghai University. • Passed the Senior Examinations for Certified Public Accountants and has a CPA license. • She is now an independent director of several companies, including Contrel Technology Co., Ltd. and Sun Rise E&T Corporation. • Once served as a senior manager of Deloitte & Touche, specializing in corporate finance and accounting.	3	7	0	100%
Independent Director	**Lin, Ren-Lin**	Male 61~70 years old	• Graduated from the City University of New York with a Master of Information Management. • He is the president of Hsin Yi Recreation Enterprise Co., Ltd. • Once served as vice president of Hanyu Electronic Technology Co., Ltd. and president of Konlin Digital Technology Co., Ltd., he has been involved in the operation and strategic management of electronics industry for more than 20 years.	0	7	0	100%
Independent Director	**Ou, Jia-Ruey** note2	Male 61~70 years old	• Graduated from the Institute of Transportation of National Chiao Tung University with a PhD. • He is now the chairman of Sustainable & Circular Economy Development Association, the director of ShinFox Energy Co., Ltd. And the independent director of Formosa Chemicals & Fibre Corporation. • Once served as the director-general Bureau of Energy, Ministry of Economic Affairs, the president of Dayeh University, and the chairman of CPC Corporation, and accumulated vast experience in the industry, government and academy.	3	7	0	100%
Independent Director	**Huang, Wen-Gu**	Male 61~70 years old	• Graduated from the National Taiwan Normal University with a PhD in Technology Application and Human Resource Development. • He is now the Director of New Taipei DaZe Education Foundation and the independent director of Echem Materials Company Limited • Once served as the Director of the Export Processing Zone Administration under the Ministry of Economic Affairs, he has accumulated extensive experience.	1	7	0	100%

Note 1: Yuan Yao EnergyTechnology Co., Ltd. changed its designated representative on February 23, 2026; the former representative, Director Tomas, Huang, stepped down, and the new representative, Director Chen Chih-Hong, assumed office on February 23, 2026. Due to a job position change of Chairman Hung Chuan-Cheng on March 25, 2026, the Board of Directors elected Mr. Chen Chih-Hong to serve as the new Chairman, who assumed office on March 25, 2026.

Note 2: Independent Director Ou, Jia-Ruey resigned on May 7, 2026.

Board Diversity 【GRI 2-10】

To ensure that the Board of Directors has strong governance capabilities, it is required that the Board of Directors members possess professional competencies in areas such as operational judgment, financial analysis, business management, risk management, industry knowledge, international market perspective, leadership, and decision-making.

The nomination and selection of the Board members comply with the Articles of Incorporation and adopt a candidate nomination system. The Finance Department reviews the qualifications of candidates before submitting them to the Board of Directors for final resolution, ensuring the diversity and independence of the Board members.

Implementation of Board Diversity

Policy	Goals	Performance in 2025	Accomplishment
Professional Competence	Diversity of professional background, skills and industry experience.	The Board members include professionals from industry, accounting, technology and management fields. The directors possess the knowledge, skills and competencies required to carry out their duties, and their industry experience and professional expertise are diverse and complementary.	✓
Gender Equality	The number of female board members should ideally reach one-third of the total board seats.	Among the eight board members, there is one female director, accounting for 12.5% of the board.	In the future, the Company plans to increase the number of female directors in order to achieve the target ratio.
Independence	The number of directors who are also managers of the Company should be less than one-third of the Board seats. The number of independent directors should be at least one-third of the Board seats. Independent directors should not serve consecutively for more than three terms.	Only one director also serve as manager of the Company, accounting for 12.5%. Four of the eight directors are independent, accounting for 50%. None of the independent directors have served for more than three consecutive terms.	✓

Diverse Backgrounds of the Board Members

Name \ Diversified Core Competence	Nationality	Gender	Concurrently serving as company officers	Age			Independent Director Term and Experience			Professional Knowledge and Skills				
				< 60 years old	61-70 years old	> 71 years old	< 3 years	3-9 years	> 9 years	Industry Operation	Marketing Management	Technology R&D	Risk Management	Accounting and Financial Analysis
Yuan Yao Energy Technology Co., Ltd. Representative:Chih-Hung, Chen note1	ROC	Male			✓					✓	✓		✓	✓
Chang Wah Electromaterials Inc. Representative: Chuen-Sing, Hung	H. K	Male	✓		✓					✓	✓	✓	✓	✓
Chang Wah Electromaterials Inc. Representative: Rong-Dong, Tsai	ROC	Male				✓				✓	✓		✓	✓
Yuan Yao Energy Technology Co., Ltd. Representative: Angus, Shih	ROC	Male		✓						✓	✓	✓	✓	✓
Lin, Yi-Jing	ROC	Female		✓				✓					✓	✓
Lin, Ren-Lin	ROC	Male			✓			✓		✓	✓		✓	✓
Ou, Jia-Ruey note2	ROC	Male			✓			✓		✓	✓		✓	
Huang, Wen-Gu	ROC	Male			✓		✓			✓	✓		✓	

Note 1: Yuan Yao EnergyTechnology Co., Ltd. changed its designated representative on February 23, 2026; the former representative, Director Tomas, Huang, stepped down, and the new representative, Director Chen Chih-Hong, assumed office on February 23, 2026. Due to a job position change of Chairman Hung Chuan-Cheng on March 25, 2026, the Board of Directors elected Mr. Chen Chih-Hong to serve as the new Chairman, who assumed office on March 25, 2026.

Note 2: Independent Director Ou, Jia-Ruey resigned on May 7, 2026.

Continuing Education of Directors 【GRI 2-17】

To enhance the functions of the members of the CWTC Board of Directors, the Board members actively participate in relevant training courses which organized by institutions designated by the Taiwan authorities, in accordance with Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies and the regulations of the Taiwan authorities. The Board members remain attentive to developments in domestic and international economic, environmental, and social regulations by taking courses in various areas including finance, risk management, operations, business, accounting, law, corporate governance, integrity and ethics, and corporate social responsibility. This approach aims to strengthen the Board's leadership and decision-making capabilities and ensure the diligent execution of business and management responsibilities. In 2025, the total training hours of the CWTC Board members met the legal requirement of six hours, with an average of 6 training hours per director and a total of 48training hours.

Continuing Education of Directors Recently

Year	Number of Directors	Training Hours	Average Hours
2025	8	48	6
2024	8	63	7.88
2023	7	54	7.71

Performance Evaluation of the Board of Directors 【GRI 2-18】

To strengthen the operational functions and efficiency of the Board of Directors, CWTC has established the Rules for Performance Evaluation of the Board of Directors to assess the performance of the Board at least once every year. To ensure the Board of Directors is capable of fulfilling its responsibilities in corporate governance, management operations and achieving sustainable development, the evaluation includes the level of company engagement, the enhancement of decision-making quality, composition and structure of the Board, the election and continuing education of the directors, and internal control.

In 2025, the overall average self-evaluation score of the CWTC Board of Directors was 4.85 out of 5. The overall average self-evaluation score for individual board members was also 4.85 out of 5, with an overall performance rating of "Good."
In addition to internal evaluations, evaluations are carried out by external independent agencies or a team of experts at least once every three years. The evaluation criteria include non-financial indicators and elements related to sustainability, enabling an assessment of the board's and individual directors' performance in leading and overseeing the company's operations. The Board of Directors will work to fully enhance overall effectiveness based on the professional and objective evaluation report. A performance evaluation was commissioned from Chin-En Management Consulting Co., Ltd. in 2025, and another external evaluation is planned for 2028.

Results of the Board Performance Evaluation for Years

Year	Internal Evaluation	External Evaluation
2025	4.85 / 5 Overall Operational Rating: “Good”	Overall operations are running smoothly, and the governance unit will continue to maintain this level of performance in accordance with its corporate governance responsibilities.
2024	4.83 / 5 Overall Operational Rating: “Good”	-
2023	4.76 / 5 Overall Operational Rating: “Good”	-

Compensation Policy for the Directors and Executives 【GRI 2-19、2-20、2-21】

Remuneration of Directors

The Compensation Committee assesses remuneration by referring to overall operational performance, the level of engagement in company's operations for each director, sustainable value contribution, and peer remuneration levels. According to The Company's Articles of Incorporation, CWTC states that the remuneration to Directors shall not exceed 1.5% of the Company's profits for the year, and the remuneration of individual directors shall be disclosed in the annual report and reported to the shareholders' meeting.The assessment items and weightings for directors' remuneration are as follows:

- Business Performance: A comprehensive evaluation based on the previous year's revenue growth rate (40%), pre-tax profit growth rate (30%), and operating profit growth rate (30%). This accounts for 40% of the overall assessment.
- Sustainability Performance: A comprehensive evaluation based on the company's sustainability commitment targets, including the achievement of goals in green materials and processes, carbon management and energy efficiency, social responsibility and talent sustainability, and occupational health and safety. This accounts for 30% of the overall assessment.
- Industry Benchmarking: A comprehensive evaluation based on the average directors' remuneration within the industry. This accounts for 30% of the overall assessment.

Remuneration of Executives

According to the rules of compensation management, the remuneration of executives includes a fixed component where severance pay and pensions are distributed in accordance with the rules. The variable portion of the compensation is linked to KPIs and short- and medium-term incentives, which serve as the basis for compensation distribution. The rules of compensation management must be approved by the Compensation Committee, and any related payments require a proposal from the Compensation Committee and approval by the Board of Directors.

In 2025 the ratio of the President's compensation to the median annual compensation of other employees was 31.4, and the change rate in annual compensation was 0 to 1.

To encourage senior executives to prioritize long-term and comprehensive performance and to achieve sustainable operations, starting in 2022, sustainability performance has been integrated into both the short-term and long-term incentive compensation for the President and senior executives.

Target	Performance Indicators	Implementation Method (Weighting)
President	Financial Performance (30%)	-
	Market and Customers (30%)	-
	Sustainability Performance (30%)	Water Resources Management (30%), GHG Emission(20%), Waste Management (20%), Energy (15%), Occupational Health and Safety (15%)
	Crisis Management (10%)	-
Senior executives	Sustainability Performance (10%)	Water Resources Management (40%), GHG Emission (30%), Waste Management (30%)

Succession Planning for Directors and Executive

Succession Planning and Operation for Board Members

1.The selection of directors is conducted in accordance with the company's Articles of Incorporation through a candidate nomination system. The "Corporate Governance Best Practice Principles" and the "Director Nomination Procedures" stipulate that board composition should consider diversity. A diversity policy is formulated based on the company's operations, business model, and development needs, covering (but not limited to) two major areas: basic qualifications and values, as well as professional knowledge and skills.

2. The nomination process for director candidates must comply with qualification reviews and relevant regulations to ensure that, in the event of a vacancy or planned increase in board seats, suitable new directors can be effectively identified and selected.

3. The company maintains an ongoing succession plan for directors and builds a candidate database based on the following criteria:
(1) Possession of professional knowledge, skills, and industry experience beneficial to the company's management and operations
(2) Integrity, honesty, responsibility, decisiveness, and alignment with the company's core values.
(3) Industry experience relevant to the company's business operations.
(4) The collective expertise of the Board should include areas such as corporate strategy and management, accounting and taxation, finance, and law.

4. The company has established a "Board Performance Evaluation Policy." Through performance evaluation metrics—including understanding of the company's goals and missions, awareness of duties, participation in operations, internal relationship management and communication, professional competence and training, internal controls, and expression of concrete opinions—the effectiveness of the Board's operations and individual director performance can be assessed. This serves as a reference for future director selection.

Succession Planning and Operation for Key Management Personnel

1. Employees at the level of Associate Vice President and above are considered key management personnel in the company, responsible for various business and management operations. Each management level has designated deputies to ensure business continuity.
2. In addition to possessing the necessary professional skills and relevant experience, key management personnel must also align with the company's corporate values and business philosophy.
3. The Human Resources Department is responsible for establishing and overseeing the talent development mechanism. Based on each candidate's expertise and development potential, the company conducts training aligned with core competencies and management functions by level, executing succession plans in phases.
4. Succession training includes topics such as business management, strategic planning, market operations, human resources, and financial risk management. In addition to strengthening knowledge in corporate governance and industry development, the program also offers courses in leadership, trend analysis, global perspectives, international economics and politics, digital transformation, and sustainable development—broadening senior executives' horizons and strategic thinking while enhancing their operational and decision-making capabilities.

Functional Committees 【GRI 2-15、2-20】

To effectively enhance the functions of the Board of Directors, develop supervisory functions and strengthen management mechanisms, CWTC has established the “Compensation Committee,”“Audit Committee” and “Sustainable Development Committee” under the Board, based on their authorities and functions. These committees are designed to ensure the effective implementation of independent supervision and checks and balances mechanisms, and to ensure that all resolutions and actions of the Board are duly reported and discussed. If a proposal involves any conflict of interest with a director or the legal entity they represent, the director must recuse themselves to uphold the best interests of stakeholders.
Additionally, an administrative audit unit, the "Audit Office," has been set up. Its responsibility is to audit and evaluate the reliability and effectiveness of the Company's internal control system. The Audit Office regularly reports audit results and provides improvement recommendations to the Audit Committee to promote the Company's effective operations.

Audit Committee

The Audit Committee is composed of four independent directors, one of whom must possess expertise in accounting and finance. The committee assists in overseeing the fair presentation of the Company’s financial statements; the appointment (or dismissal), independence, and performance evaluation of the Company’s CPAs; the effective implementation of internal controls; compliance with relevant laws and regulations; and the management of existing or potential risks. The resolutions passed in the meetings are documented in minutes and submitted to the Board of Directors. In 2025, the committee held six meetings, with an overall attendance rate of 100% by its members. The overall average self-evaluation score of the CWTC Audit Committee was 4.99 out of 5, with an overall performance rating of "Excellent" in 2025.

Attendance of the Audit Committee in 2025

Title	Name	Attendance in Person note1	Attendance by Proxy	Attendance Rate (%)
Independent Director	**Lin, Yi-Jing** (Convener)	6	0	100%
Independent Director	**Lin, Ren-Lin**	6	0	100%
Independent Director	**Ou, Jia-Ruey** note2	6	0	100%
Independent Director	**Huang, Wen-Gu**	6	0	100%

Note1:Only the number of meetings attended in the current term is disclosed.
Note2: Independent Director Ou, Jia-Ruey resigned on May 7, 2026.

Compensation Committee

The Compensation Committee is composed of four independent directors. The committee assists the Board of Directors in implementing and evaluating the Company's overall compensation and benefits policies, as well as the remuneration of directors and executives, with a professional and objective perspective. The committee regularly provides recommendations to the Board as a reference for decision-making. In 2025, the committee held 4 meetings, with an overall attendance rate of 100% by its members. The overall average self-evaluation score of the CWTC Compensation Committee was 4.99 out of 5, with an overall performance rating of "Excellent" in 2025.

Attendance of the Compensation Committee in 2025

Title	Name	Attendance in Person note1	Attendance by Proxy	Attendance Rate (%)
Independent Director	**Lin, Ren-Lin** (Convener)	4	0	100%
Independent Director	**Ou, Jia-Ruey** note2	4	0	100%
Independent Director	**Lin, Yi-Jing**	4	0	100%
Independent Director	**Huang, Wen-Gu**	4	0	100%

Note1:Only the number of meetings attended in the current term is disclosed.
Note2: Independent Director Ou, Jia-Ruey resigned on May 7, 2026.

Sustainable Development Committee Note

The Sustainable Development Committee is composed of the Chairman and two independent directors, all of whom possess professional knowledge and practical experience in areas related to Environmental, Social, and Governance (ESG). Their expertise covers sustainability strategy planning, regulatory compliance, risk management, business ethics, and stakeholder communication. This enables them to effectively support the company in advancing its sustainability goals and long-term value creation. Regular reports are submitted to the Board of Directors. In 2025, the committee held 2 meetings, with a 100% attendance rate by all members.

Attendance of the Sustainable Development Committee in 2025

Title	Name	Attendance in Person	Attendance by Proxy	Attendance Rate (%)
Chairman Note	**Chuen-Sing, Hung** (Convener)	1	0	100%
Independent Director	**Lin, Yi-Jing**	1	0	100%
Independent Director	**Lin, Ren-Lin**	1	0	100%

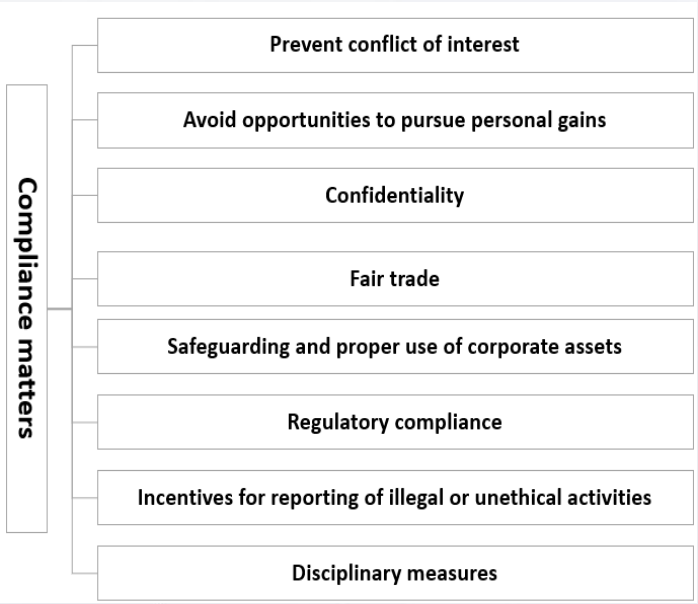
Note：On March 25, 2026, the "Sustainability Development Committee" was renamed to the "Sustainability Development and Nomination Committee" by resolution of the Board of Directors. Due to a job position change of Chairman Chuen-Sing, Hung on March 25, 2026, the Board of Directors elected Mr. Chih-Hung, Chen to serve as the new Chairman, who assumed office on March 25, 2026. Director Chih-Hung, Chen and Independent Director Huang, Wen-Gu were additionally appointed as committee members, with Independent Director Huang, Wen-Gu serving as the convener and meeting chairman.

2.2 Integrity Management

Integrity Management

The Board has gradually adopted rules of business conduct and ethics and established policies, guidelines, operating procedures, a code of conduct, and grievance systems to prevent unethical behavior. We are committed to conducting all business activities and actions with integrity, and have dedicated a chapter on the employees' code of conduct in our working rules, which is applicable to all employees of the Company and its subsidiaries. The Company has designated the Integrity Management Committee, which reports directly to the Board of Directors, as the dedicated unit responsible for handling matters related to integrity management. This includes the revision, implementation, interpretation, and advisory services of the integrity management procedures and code of conduct, as well as the registration and documentation of reported cases and the supervision of their execution. The ESG Unit of CWTC Group assesses our business integrity performance every year and reports the results to the Board of Directors.

Relevant rules



Internal Rules	Date of Establishment (Amendment)
Code of Ethical Conduct	October 21, 2015
Code of Business Integrity	March 29, 2016
Procedures and Guidelines of Business Integrity	March 29, 2016
Procedures for Preventing Insider Trading	December 21, 2023
Code of Sustainable Development Best Practice Principles	December 18, 2025
Code of Practice for Corporate Governance	February 21, 2023
Risk Management Policy	February 21, 2023

Regulatory Compliance 【GRI 2-27 / SASB TC-SC-320a.2.】

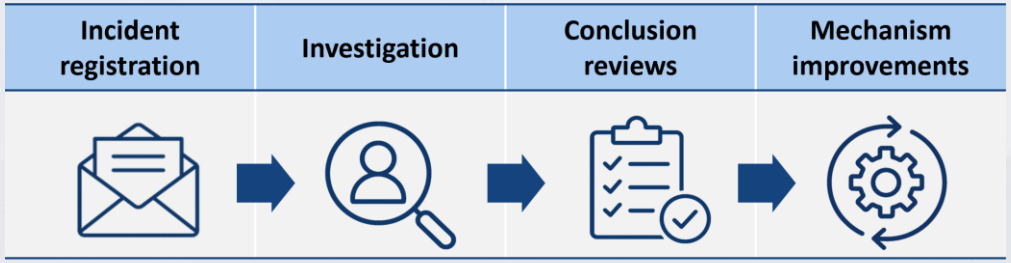
In addition to continuously focusing on domestic and international policies and laws that may potentially impact the Company's business and finances, CWTC has established various corporate governance regulations. The Audit Office is responsible for auditing regulatory compliance and coordinating updates to internal rules accordingly. No violations in 2025.

Regulatory Compliance for Each Department

Department	Regulatory Compliance	External Assistance
President Office	Report regularly on legal disputes and the progress of related litigations and cases, and take actions accordingly.	Plan for external legal advice and services.
Administration Dept.	Conduct internal training on relevant laws and regulations to strengthen employees' awareness of legal compliance.	Coordinate with external consultants to plan and obtain certificates of relevant educational training
Departments and Subsidiaries	Comply with local laws and regulations.	Work with local authorities to conduct regulatory training courses and obtain relevant certificates.
Audit Office	Implement internal audits and control business risks.	

Prevention and Grievance 【GRI 2-26】

To guide our employees and stakeholders in understanding the Company's corporate social responsibility (CSR) policies, we have released the relevant policies and practices on the Company's official website and communicated our concepts and actions through various means, such as education and promotion, within the Company.



- In terms of human rights, in 2025, each plant convened meetings with labor and management representatives. The Taiwan plants held labor-management meetings quarterly; the Chengdu plant in China held employee representative exchange meetings every six months; the Suzhou plant in China held labor union meetings quarterly; and the Malaysia plant held welfare committee meetings monthly, covering 100% of the total workforce. Proposals related to company operations and personnel affairs were discussed in these meetings, relevant departments were requested to provide explanations regarding the content of proposals, and follow-up reports were conducted at the subsequent meetings.
- In terms of environment, the Taiwan plant holds the Environmental Management Committee meetings quarterly, while other plants hold the meetings monthly in 2024. In addition to promoting laws and regulations, and conducting education and training, environmental monitoring, measurements, as well as internal and external communications and proposals, are fully discussed and resolved in the meetings.

A stakeholder mailbox is created as a communication channel for soliciting opinions and reporting of improper interests with the whistleblower's identity strictly kept confidential. To ensure its effectiveness, the auditing officer is appointed to handle reported incidents. If the investigation reveals any material irregularities or the Company may suffer significant losses, a report will be prepared immediately to notify the Independent Directors in writing. As of the end of 2024, the Company has not received any reporting of incidents.

Stakeholder mailbox : michelle.hsu@cwtcglobal.com

Personal Data Protection

CWTC values the personal data privacy rights of all stakeholders. To ensure the security and transparency of data processing, we have established a Privacy Protection Policy in accordance with the Personal Data Protection Act, and formulated the Personal Data Protection Management Measures to oversee and manage related practices. These measures cover the collection, processing, and use of personal data.

A dedicated Personal Data Task Force has been established as the responsible unit to develop appropriate responses and ensure that stakeholders' rights are respected. Personal data is handled with integrity, lawfulness, and appropriateness. When data is collected by the responsible unit, individuals must be clearly informed—or their written consent obtained—regarding the purpose, scope, and potential impact of data collection, as well as their legal rights.

In 2025, a total of 244 new employees joined the Taiwan plants, all of whom have signed personal data use consent forms, achieving a coverage rate of 100%. The employee personal data protection training was completed by 76 participants, with total training hours amounting to 38 hours, representing 95% of all employees. In addition, no stakeholder complaints or reports regarding major violations of personal data protection occurred during 2025.

2.3 Operating Performance

Business Performance

<<<Key Material Issue 【GRI 201】

Impact Description

Enhancing economic performance management helps improve operational efficiency and financial stability, promotes optimal resource allocation, strengthens corporate competitiveness, and ultimately creates sustainable value for stakeholders.

Management Policy and Commitment

The company upholds the core values of prudent management and sustainable development. We continuously improve operational efficiency and financial performance to enhance competitiveness and resilience. Through effective cost management, strategic product planning and global market expansion, we are committed to creating long-term economic value for stakeholders and supporting investments in other sustainability-related initiatives.

Management Mechanism and Implementation

Responsible Units:
Board of Directors / Office of the General Manager / Finance Department

Strategic Directions:
- Strengthen working capital management and cash flow control
- Streamline manufacturing and optimize costs
- Develop high value-added products and diversify markets

Relevant Internal Policies:
Risk Management Policy, Annual Operating Plan, Annual Budget Operation Guidelines

Risk Control:
Establish a financial risk early warning system to address impacts from exchange rate, interest rate and raw material prices fluctuations.

Specific Action Plan

1. Optimize operational performance: Implement intelligent systems to enhance manufacturing efficiency and resource allocation.
2. Improve cost structure: Regularly review material, process, and labor cost structures, and promote energy saving and consumption reduction.
3. Diversified market development: Strengthen market share in existing markets and evaluate opportunities for overseas expansion.
4. Financial transparency: Regularly disclose financial statements and operational information to ensure timely and accurate communication.
5. Stakeholder engagement: Address key concerns through mechanisms such as shareholders' meetings, investor conferences, and Q&A sessions with investors.

Tracking and Verification Mechanism

Execution Cycle: Apply the PDCA (Plan-Do-Check-Act) management model to various operational and financial indicators.
Performance Review Frequency: Conduct quarterly operational review meetings to evaluate strategy implementation.
Major Exception Handling: Report any issues exceeding the risk tolerance level to the Board of Directors or Audit Committee for necessary adjustments.
Information Disclosure: Disclose financial and operational information to regulators, shareholders, and the public in accordance with applicable regulations.

Index Items	Short Term	Mid Term	Long Term
Operating Profit Margin (%)	Maintain within the top 50% of industry peers 2025 Target: 5.26 / Actual Performance: 12.49 ✓	Increase by 1–2%	Maintain a steady upward trend over the long term
Free Cash Flow Stability (NT$ Thousand)	Ensure positive cash flow 2025 Target: >0 / Actual Performance: 1,272,283 ✓	Annual Earnings Distribution Ratio ≥ 50%	Establish a structure capable of supporting both investments and dividends

Note: Take 2024 as the base year；Short term: within 3 years、Mid term: within 5 years、Long term: over 5 years

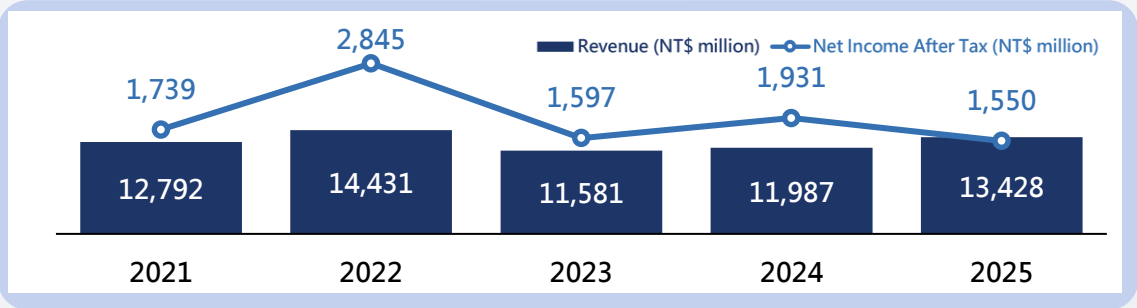
CWTC specializes in metal substrates and is dedicated to the manufacturing, R&D, and sales of IC lead frame packaging materials to meet the demands of global top-tier IC manufacturing and packaging foundries, as well as vertically integrated manufacturers. Our goal is to become the world's largest IC lead frame supplier by 2025. To meet the demands of various customers, CWTC continuously engages in technological innovation and product development to enhance product performance and quality. Meanwhile, we are also actively expanding our capacity and pursuing M&A strategies to ensure long-term sustainable revenue growth, maintain our competitive advantage in the market, and achieve stable sales growth over the long term. Our operating revenue was NT$13,428,198 thousand in 2025, and earnings per share (EPS) after tax were NT$1.63.

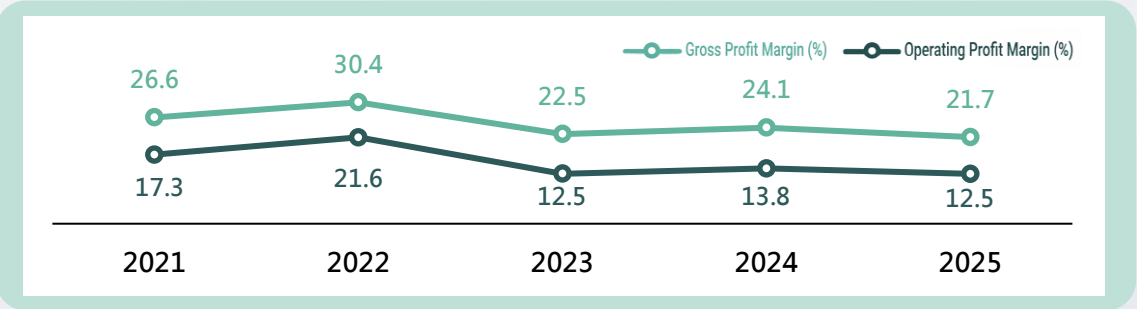
Financial Information of CWTC Group

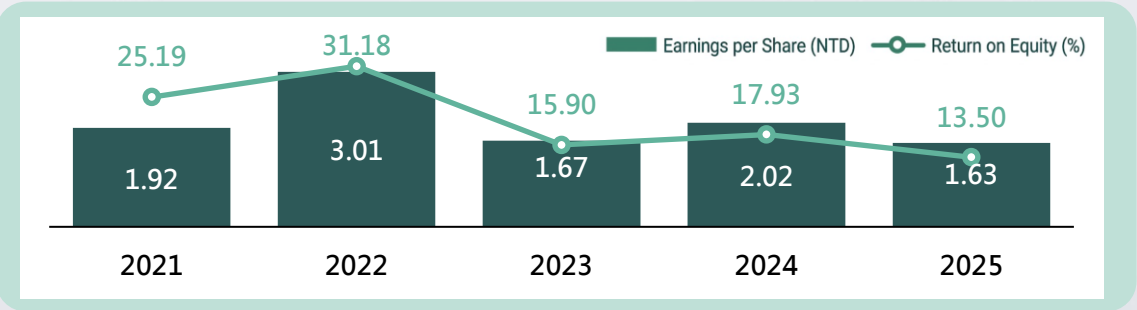
Economic value distributed in 2025

Category	Item	NTD (Thousands)
Direct Economic Value Generated	Operating Revenue	13,428,198
Economic Value Distributed	Operating Costs	9,441,155
	Employee Wages and Benefits	2,075,213
	Corporate Income Tax	361,270
	Dividends to Shareholders	1,260,277
	Community Investments	300
Economic Value Retained		289,983

Operating performance for the past five years



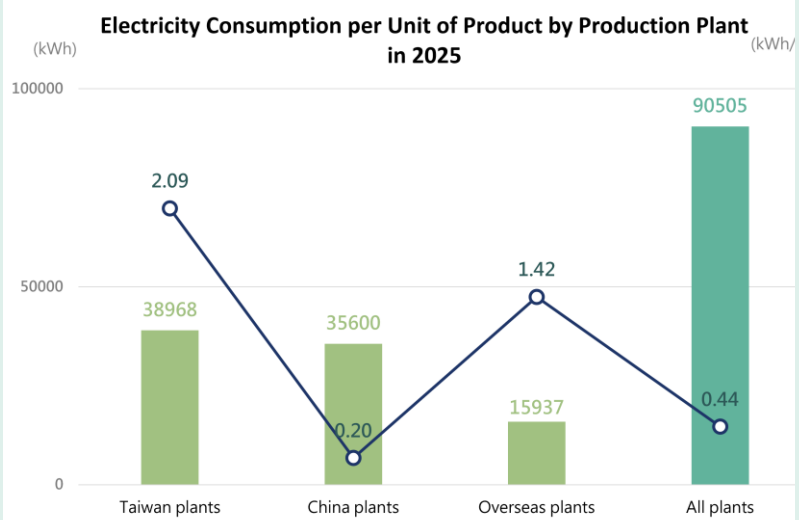


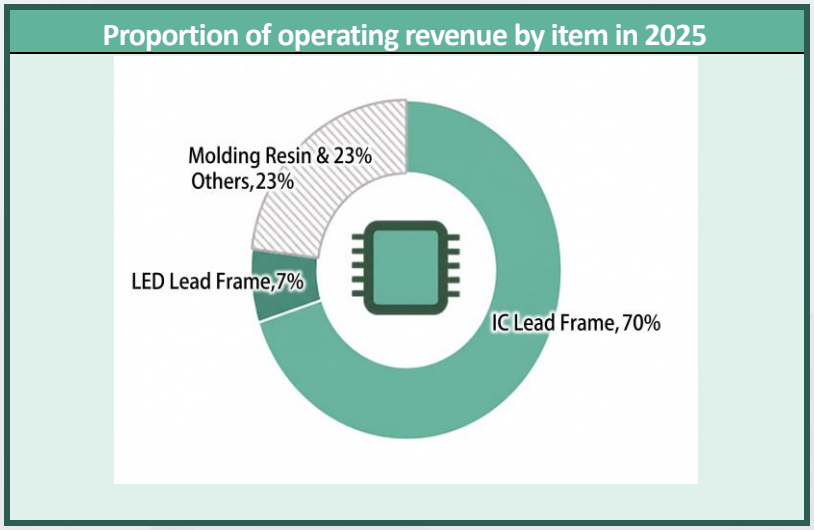


Sustainable Economic Activities – Green Revenue

In response to global sustainability development trends and the "Green Finance Action Plan" promoted by the government, CWTC conducts internal inventory and identification operations in accordance with the "Reference Guidelines for Identification of Sustainable Economic Activities" issued by the Financial Supervisory Commission to review whether its operational activities and products comply with aspects such as low-carbon economy, circular economy, efficient resource utilization, and pollution prevention and control. The main business activity of CWTC is the manufacturing of IC lead frames and LED lead frames. According to the "Reference Guidelines for Identification of Sustainable Economic Activities," it falls under general economic activities in the semiconductor industry. Upon review, the product unit electricity consumption is 0.729 kWh/kPCS, which is superior to the technical screening criterion (≤55 kWh/kPCS), complying with the technical screening criteria for climate change mitigation. Furthermore, after assessment, the relevant economic activities cause no significant harm to the six environmental goals and meet the minimum social safeguards. Therefore, the operating revenues derived from IC lead frames and LED lead frames are recognized as green revenue.

In 2025, green revenue complying with sustainable economic activities reached NT$10,335,973 thousand, accounting for 77% of the total annual operating revenue, indicating that the Company's main operations have become highly aligned with low-carbon and sustainable development directions. In the future, CWTC will continue to follow competent authority policies and international sustainability development trends, deepen environmental sustainability management, expand the range of products complying with sustainable economic activities, and continuously increase the proportion of green revenue to implement corporate sustainable operation and create long-term value.





Category	Economic Activity	Operating Revenue Amount (NT$ Thousand)	2025 Proportion of Operating Revenue
General Economic Activities-Semiconductor	IC Lead Frames	9,400,850	70%
	LED Lead Frames	935,123	7%
Total Green Revenue		10,335,973	77%
Non-Green Revenue		3,092,225	23%
Total Operating Revenue		13,428,198	100%

Government Subsidies 【GRI 201-4】

The Company and its subsidiaries receive government financial subsidies primarily through loan subsidies under the Action Plan for Welcoming Overseas Taiwanese Businesses to Return to Invest in Taiwan, as well as incentives from the Three Authorized Tax Collection Commissions in China and employment stabilization policies in China.

(In Thousands of New Taiwan Dollars)

Item	2021	2022	2023	2024	2025
Government subsidies	32,058	32,184	37,304	32,909	26,559

Additionally, the Company qualified for tax reductions in 2025 by meeting the government's criteria for encouraging investment in smart machinery and research and development. Subsidiaries SHEC and SHPC qualify for a 15% corporate income tax rate due to meeting the conditions of the China Western Development Policy, are exempt from customs duties on imported self-use equipment, and also benefit from R&D investment tax reductions. Subsidiary SHS has obtained Chinese high-tech enterprise certification, entitling it to a 15% corporate income tax rate.

Tax Policies

CWTC adheres to both domestic and international tax regulations in its operations and is committed to establishing a robust tax management system and governance culture, with the goal of effectively managing tax risks to promote sustainable corporate development and create corporate value. In recent years, under the trend of international tax fairness and anti-tax avoidance principles, and in response to the Controlled Foreign Company (CFC) rules that has been implemented, CWTC has adjusted its organizational structure, carefully assessing the policy’s tax impact on the group, and continues to closely watch on any revision of applicable laws and regulations.

The tax affairs of CWTC are managed by the Finance Department of the parent company, while the accounting department of each subsidiary acts as the execution unit. Based on the overall business strategy and operating environment, the Company formulates comprehensive tax governance policies to ensure the effective operation of the tax management mechanism. After filing annual income tax returns, the execution of tax management is reported to the Board of Directors of the parent company each year.

2.4 Risk Management

To provide a framework for the Company's risk management operations and effectively manage risks, we established a "Risk Management Policy" in 2023. On the operational front, a Business Continuity Plan (BCP) and emergency response mechanisms have been established to identify and manage major operational risks. Through regular drills, response and recovery capabilities are continuously strengthened to reduce operational impacts and ensure operational stability.

The Company holds each functional unit accountable for risk identification based on professional division of labor, and formulates management strategies and response plans to reduce, transfer, or avoid risks, thereby effectively mitigating corporate operational risks.
To ensure the Company’s normal operations and achieve business continuity, we proactively and cost-effectively integrate and manage all potential strategic, operational, financial, and hazard-related risks that could impact operations and profitability. Through regular group risk assessments, we utilize a risk matrix to understand the frequency of risk events and their potential impact on the Company's operations, define risk priorities and levels, and adopt corresponding risk management strategies based on the risk levels.

Risk Management Structure and Relevant Responsibilities

Risk Identification and Countermeasures

Our risk management process includes elements such as risk identification, risk assessment, risk response, risk monitoring, and risk management information communication and handling. In addition to assessing the overall impact of various risks on the Company through cross-departmental communication and data collection, the degree of each risk's impact is also linked to the Company's short, medium, and long-term operational goals to gauge its risk tolerance. To implement the risk management mechanism, a group risk assessment is conducted annually, and the results of the risk assessment are regularly reported every year to the Audit Committee (composed of three independent directors) and the Board of Directors. The report includes a summary of the various risks the Company faces during the year, risk response measures, and planned improvements, which are subsequently tracked annually. The Audit Office is notified of the tracking results, and it conducts risk management audits to ensure the effective operation and execution of the Company's risk management.

Material Issue	Risk Evaluation Item	Risk Management Policy and Measure
Finance	Interest rate fluctuations	• Monitor changes in interest rate markets and manage existing short- and long-term loan positions, using market tools as needed. • Determine the use of funds based on the cost of capital and possible returns and risks. • Maintain close contact with banks to secure the best financing and deposit rates.
	Exchange rate fluctuations	• Collect daily information on exchange rate fluctuations and comprehensively evaluate future trends and influencing factors to determine the most appropriate pricing. • Achieve a certain degree of natural hedging through trading and adjust the positions of assets and liabilities denominated in foreign currencies in a timely manner.
	Changes in the inflation rate	• Closely monitor price fluctuations in the upstream raw materials markets. • Maintain good relationships with suppliers and customers in order to properly adjust the inventory level of raw materials.
Operation	Peers competition	• Map out cross-regional strategies with developments in the Asia-Pacific market as our advantages. • Maintain excellent customer relations to enhance customer loyalty and trust.
	Shrinking of profit margin	• Focus on expanding product applications to ensure that products meet the diverse needs of different customers. • Strengthen product reliability in terms of design and verification to improve customer satisfaction and trust.
	Customization affects production efficiency	• Focus on key customers, concentrate on advantages of mainstream products, and committing to planned production to increase production efficiency. • Strengthen customer communication to ensure timely and efficient production while aiming to reduce costs associated with work-in-progress inventory.
Environment	Environmental protection	• Promote reduced water usage in the manufacturing process, establish wastewater recycling facilities, and improve wastewater treatment efficiency with an annual target to increase the recycling volume by 10%.
	Climate change	• Implement energy conservation and carbon reduction initiatives, conducting GHG inventories annually to gradually reduce carbon dioxide emissions.
Society	Workplace safety	• Conduct at least two plant-wide disaster prevention drills and emergency responses every year, covering scenarios such as earthquakes, fires, and chemical spills, based on operational characteristics and types of hazards.
	Employees recruitment and training	• Prioritize local hires when recruiting and employing new team members. Our company training courses include new employee orientation and on-the-job training, with assessments and evaluations conducted to motivate employees and ensure appropriate empowerment.
Corporate Governance	Regulatory compliance	• Ensure that all personnel and operations fully comply with relevant laws and regulations by establishing a governance structure and implementing internal control mechanisms.

2.5 Internal Control

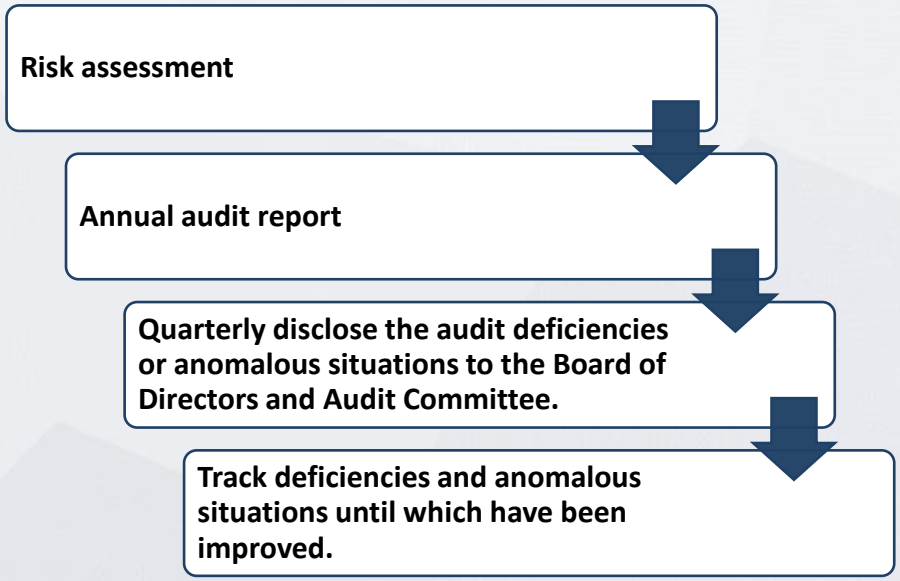
According to the "Regulations Governing Establishment of Internal Control Systems by Public Companies" issued by the Financial Supervisory Commission (FSC), CWTC has established an internal control system under the Board of Directors, which is implemented by an independent audit office. Its purpose is to assist the Board of Directors and management in overseeing all internal systems and processes, ensuring the effective execution of annual audit plans and continuous monitoring of relevant operational systems. This helps reasonably ensure that the goals of accurate, reliable, timely, and transparent operational, financial, and management information, as well as compliance with relevant laws, are met. Additionally, it provides timely improvement recommendations to ensure the continued and effective implementation of the internal control system.

Furthermore, the Audit Office reviews the self-inspection reports for the internal control system prepared by all departments and subsidiaries as required, and regularly submits these reports on the results, along with their corrections, to the Board of Directors. This process ensures that management is informed and that the supervisory mechanism is effectively implemented.

Audit Work

- ✓ Every year, based on identified risks, an annual audit plan is developed for the next year and executed upon approval by the Board of Directors.
- ✓ Monthly, the execution of audit items in the plan is checked, and audit reports are prepared and submitted to the Board of Directors and the Audit Committee for review. Quarterly, a report on the internal audit activities is presented at the Board of Directors meeting.
- ✓ The parent and subsidiary companies are required to conduct at least one self-inspection annually. The results of these self-inspections, along with the Audit Office's findings of internal control deficiencies and irregularities, are reviewed and used as the basis for the President and Board of Directors to issue the Internal Control System Statement.
- ✓ Deficiencies and irregularities identified during audits that require follow-up must be tracked with reports issued at least quarterly until fully resolved, ensuring that the relevant units have taken appropriate and timely corrective actions.
- ✓ Conduct related project audits as needed.
- ✓ Complete the required internet information system reporting within the deadlines set by the regulatory authorities.

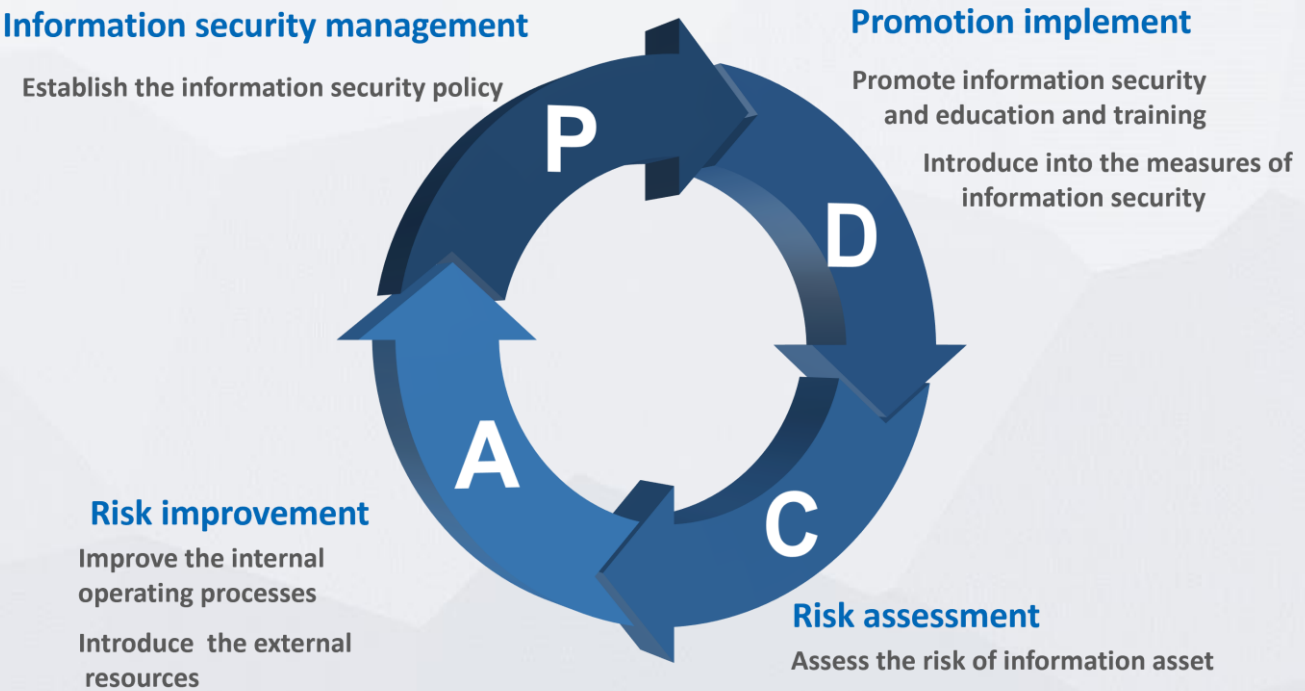
Audit Process



2.6 Information Security Management

To strengthen information security resilience and management mechanisms in response to various cybersecurity threats and operational risks, the internal information management system adopts a PDCA cyclical management model. This model includes system establishment, implementation, risk assessment, and improvement measures to enhance CWTC's information security framework. It ensures the confidentiality, integrity, and availability of the company's critical information assets while complying with relevant laws and regulations to maintain sustainable operations and key business functions. The Company has established a Cybersecurity Dedicated Unit, with Manager Fu-ren Zhang serving as the cybersecurity officer. The unit is responsible for formulating, implementing, and managing policies related to CWTC's information security and trade secret protection. It conducts regular annual security assessments of information assets and adjusts information security policies as needed, based on updates to security tools or technologies, to ensure the effective operation of the information security management system. The IT department is responsible for executing cybersecurity advocacy and handling cybersecurity incidents.

PDCA for Information Security Management



Information Security Control Measures

The Company regularly reviews its information security management mechanisms and relevant operational processes to continuously strengthen information technology risk management. To enhance employee awareness of information security, social engineering drills and information security training are conducted periodically. Through simulated phishing email tests and case promotions, employees' ability to identify suspicious emails and their awareness of information security risk prevention are strengthened, thereby lowering the risk of information security incidents.

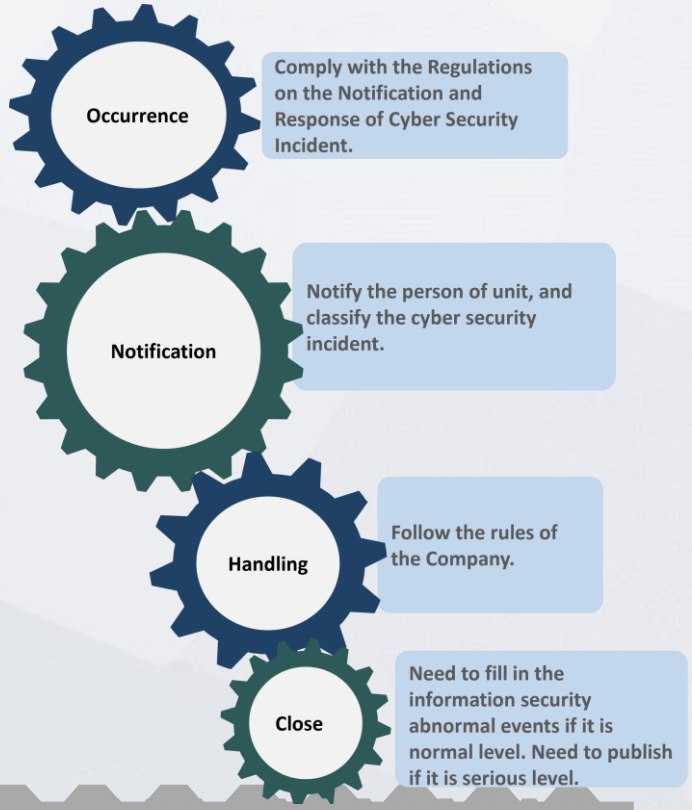
In 2025, information security training for Taiwan plants totaled 540 hours. Through continuously strengthening information security management, education, and promotion, no major cyberattack incidents occurred in 2025, nor were there any information security incidents that caused a significant impact on company operations. Furthermore, no major complaints regarding infringements on customer privacy or loss of customer data were received.

Risk management	• Install endpoint detection and response (EDR) software on personal computers and servers under the control of the master control unit, and update threat definition files regularly. • Deploy patches through Windows Server Update Services (WSUS). Schedule restarts for changes to take effect. • Establish Urchin Tracking Module (UTM) to prevent malicious attacks. • Conduct regular disaster drills and exercises related to information security systems.
Information operation security	• Formulate backup plans in compliance with the 3-2-1 backup principle. • Initiate virtual platforms and employ high availability (HA) mechanism. • Monitor the operational efficiency of core systems through SYSLOG.
Device security	• Prohibit the use of personal computers within the plants. • Disable USB ports on company computers. Applications are required for user access. • Establish a network access control (NAC) platform to block access from unknown devices.
Information security of suppliers	• Require all departments to ensure that NDAs (Non-Disclosure Agreements) are signed with suppliers. • Conduct irregular audits or inspections of suppliers annually to prevent supply chain disruptions caused by information security incidents.
Field Security	• Enforce computer control for visitors entering the plant and regulate 3C products, personal mobile phones, and USB drives on production lines and in laboratories. • Establish a zoned management mechanism for office and controlled areas, as well as access control and abnormal event monitoring for computer rooms, with regular reviews and continuous improvements.
Human Resources Security	• New employees of the Company and its subsidiaries shall sign the non-disclosure agreements (NDA) when joining the Company. Information security is part of the orientation program. • Information system accounts and permissions are reviewed and managed by the IT unit. • Information security awareness programs are conducted regularly to raise employees' awareness.

Information Security Incident Reporting

Process

A comprehensive information security incident reporting process has been established, allowing employees to report incidents through multiple channels. Once the Information Security Task Force receives a notification, a dedicated team is formed to handle the incident based on its category and severity. In 2025, no information security incidents were reported by employees.



2.7 Sustainable Supply Chain 【GRI 2-6 / SASB TC-SC-440a.1】

CWTC values cooperation and growth with its suppliers, actively committing to sustainable collaboration within the supply chain. Through the " Sustainable Development Best Practice Principles," the Company urges suppliers to fulfill corporate social responsibility, implement environmental protection, energy conservation and carbon reduction, improve health and safety, respect human rights, manage risks effectively, and adhere to ethical standards, thereby jointly building a stably developing and sustainable supply chain.

Prior to the introduction of a new supplier, a qualification review and supplier evaluation must be completed in accordance with the "Supplier Management Procedures." An evaluation team composed of relevant units conducts the audit, and only suppliers passing the evaluation are included in the approved supplier list. In addition to items such as quality, delivery time, technical capabilities, and delivery reputation, the evaluation includes the quality and environmental management systems; suppliers obtaining management system certifications such as ISO 9001, IATF 16949, or ISO 14001 receive additional points, encouraging them to continuously improve management capabilities. For suppliers failing the evaluation, the Procurement Department communicates the non-compliant items to the vendors and requires them to submit an improvement plan within 7 days. Suppliers must be re-evaluated and qualified before being listed as approved suppliers, while procurement will not be conducted with suppliers failing to make improvements on schedule. Furthermore, the Company has established the "Supplier Social Responsibility Audit Management Procedures" to conduct annual self-assessments of suppliers via an audit checklist.

All new or existing suppliers are required to sign the “Responsible Business Alliance Code of Conduct (RBA Code of Conduct) Compliance Declaration,” the “Corporate Social Responsibility Statement,” and the “Conflict Minerals Declaration,” and complete the relevant background information survey forms. Additionally, we implement the RBA Code of Conduct, uphold the Human Rights Declaration, and comply with current laws, regulations, and customer requirements. In 2025, none of the Company's existing suppliers or contractors had any significant negative impact, either actual or expected, on the environment, labor conditions, human rights, or society.

Quality Management for Suppliers

CWTC has identified several key materials that pose potential operational risks, including copper alloys, iron-nickel alloys, and silver. Some of these materials are characterized by high price volatility or a high concentration of supply sources. In the event of geopolitical conflicts, trade restrictions, or stricter environmental regulations, there could be significant cost increases or supply chain disruptions. To reduce reliance on single sources and ensure supply stability, we have adopted a diversified procurement strategy. We prioritize collaboration with suppliers from regions with stable political and economic environments and have established supplier review and management mechanisms accordingly.

According to its supplier procurement management procedures, CWTC conducts a thorough review of each supplier's qualifications. This review covers basic company information, financial status, quality management, environmental management, and relevant system certifications. Where necessary, on-site factory audits are conducted to assess suppliers' performance in areas such as quality control, delivery management, system integration, and sustainability risk control. Suppliers must be jointly reviewed and approved by the Procurement, Quality, Engineering, and other relevant departments before being included on the approved supplier list. In addition, Chang Wah Technology conducts regular on-site evaluations of suppliers each year to ensure continued compliance with company requirements and relevant standards. In 2024, no new major raw material suppliers were added, and all existing key suppliers had obtained internationally recognized quality management system certifications. Therefore, no on-site factory audits were conducted during the year.

Relevant Value Chains of Main Products (Material Stability and Price & Inventory Control)

Industry	Upstream	Midstream	Downstream	Product Applications
IC	Copper alloys, nickel-iron alloys, industrial epoxies	Lead frame manufacturers	IC packaging companies	LCD panels, automobiles, computers and peripherals, lighting fixtures, handheld consumer electronics devices, precision instruments, aerospace industry
LED			LED packaging companies	

Quality Audit Process for Suppliers

To understand the current status of suppliers in depth, CWTC evaluates the performance of “key suppliers of the current year" or "key suppliers rated as Class C in the previous assessment." The assessment includes 11 aspects: document control, design control, quality systems, quality records, procurement, process control, management of non-hazardous materials, control of non-conforming products, verification management, product protection, storage, packaging and transportation, product identification, and batch tracking management. These aspects are covered in both the suppliers' self-assessments and the Company’s on-site evaluations.

Supplier Tier Management

Rank	Score	Result	Action
A	>85	Approval	Normal purchases.
B	70~85	Conditional approval	Annual audits and counseling.
C	<70	Fail	Improvement plans shall be submitted within 7 days. Suppliers failing to make improvements as scheduled would be banned.

Supplier Assessment

To proactively manage risks and enhance overall supply chain quality, CWTC conducts sustainability risk assessments for suppliers. CWTC distributes self-assessment questionnaires to primary materials suppliers to investigate their potential environmental, social , and human rights risks. Based on the results, suppliers are categorized into five risk levels. High-risk suppliers are required to make improvements within a prescribed timeframe. Those who fail to make improvements on time will be disqualified from our supplier list. In 2025, the Company sampled and evaluated 17 out of 25 key material suppliers, achieving a coverage rate of 68%, with results showing that none had significant or potential negative social impacts.

Risk Assessment of 2025

Category	Extremely Low	Low	Medium	High	Extremely High
Risk Level	0~3	4~6	7~9	10~12	13~15
Numbers	0	16	1	0	0

Conflict Minerals Policy

CWTC has long been committed to complying with the standards and initiatives of the Responsible Business Alliance (RBA), the Global e-Sustainability Initiative (GeSI) and the Responsible Minerals Initiative (RMI). We clearly state that conflict minerals originating from the Democratic Republic of Congo (DRC) and its neighboring areas, controlled by armed groups—such as gold (Au), tantalum (Ta), tungsten (W), cobalt (Co), tin (Sn), and other conflict minerals—are not accepted in our supply chain. Suppliers are also required to comply with the RBA Code of Conduct.

CWTC Conflict Minerals Policy

Specific Measures

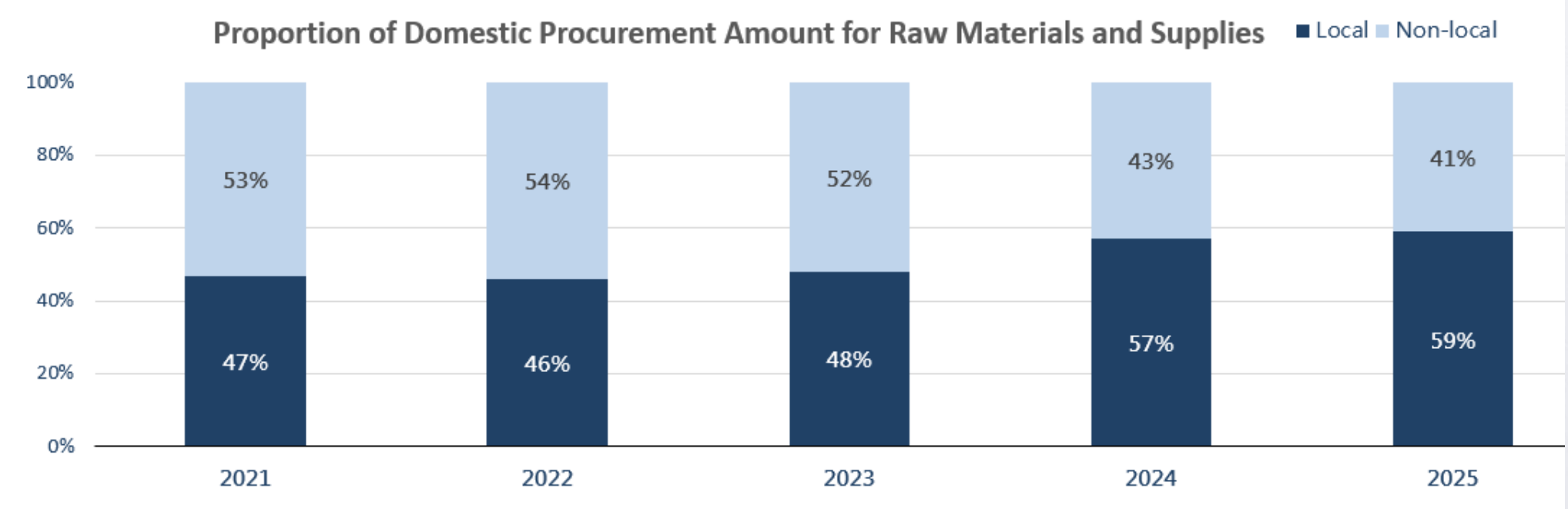
- ✓ Do not use conflict minerals from illegal sources, and do not purchase conflict metals produced in conflict-affected and high-risk areas.
- ✓ Encourage all suppliers in our supply chain to participate in programs such as the RBA (Responsible Business Alliance) and the RMI (Responsible Minerals Initiative).
- ✓ Commit to conducting due diligence on conflict minerals to ensure more transparent sourcing of conflict metals and minerals.

Local Procurement

CWTC has been committed to promoting local procurement to reduce carbon emissions from material transportation and improve procurement stability, while also fostering local employment and economic development. Local procurement also helps strengthen relationships with local suppliers, enhancing the flexibility and efficiency of the supply chain. In 2022, we expanded our facilities in Taiwan, increasing production capacity and gradually raising the proportion of self-produced materials while reducing overseas procurement. In 2025, the proportion of local procurement for raw materials reached 59%.

Proportion of Local Procurement Amount of Raw Materials in Our Plants

Plant	2021	2022	2023	2024	2025
Taiwan Plant	31%	29%	38%	51%	56%
China Plant	90%	81%	91%	90%	89%
Overseas Plant	24%	24%	19%	23%	21%



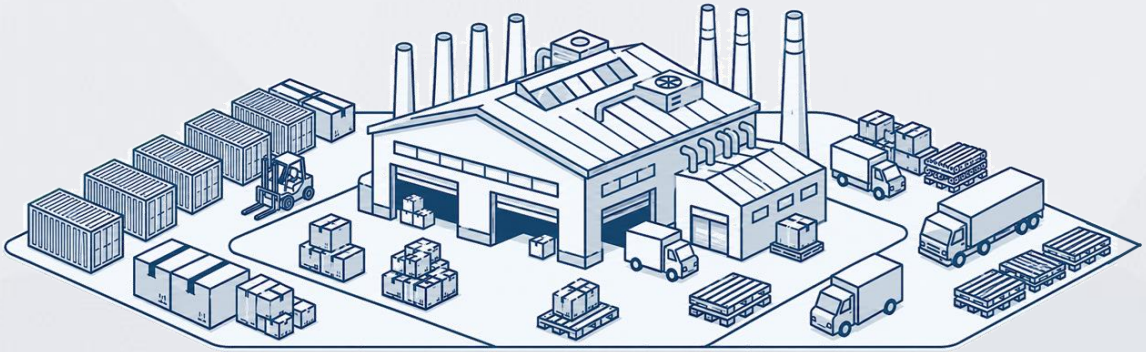
Green Procurement

The Company continues to integrate sustainability concepts into its procurement management processes, prioritizing products and equipment with energy-saving, environmentally friendly, and low-environmental-impact characteristics to reduce the environmental load throughout operational processes and product lifecycles. Green procurement mainly follows domestic and international green label and certification systems recognized by the Ministry of Environment, including Environmental Protection Mark, Energy Label, Energy Star, EPEAT, TCO Certified, FSC, and PEFC, as the basis for procurement evaluations. This continuously enhances resource efficiency, reduces energy consumption and environmental impacts, and implements green supply chain and sustainable procurement management. In 2025, green procurement expenditure for Taiwan plants totaled NT$1,700,408, with procurement items covering energy-saving IT equipment, displays, LED lighting, office equipment, and eco-friendly consumables.

Product Lifecycle Management 【SASB TC-SC-410a.1·TC-SC-410a.2】

As a key lead frame manufacturer in the semiconductor supply chain, CWTC fully recognizes the environmental impact that may arise throughout the lead frame's lifecycle—from metal raw material procurement, stamping, to etching processes. We actively uphold our sustainability responsibilities toward both downstream customers and upstream suppliers. Although individual product carbon footprint assessments have not yet been completed, we continuously work to enhance resource efficiency by optimizing processes and promoting efficient resource utilization. Through circular economy practices and optimized product design, we aim to reduce scrap generated during manufacturing and collaborate with supply chain partners to achieve energy-saving, carbon-reduction, and circular economy goals.

Looking ahead, we will continue to strengthen digital management of production processes and prepare for carbon footprint assessments. These efforts will lay the foundation for the comprehensive implementation of Product Life Cycle Assessment (LCA), driving a green transformation focused on high resource efficiency and low environmental impact, while improving the overall environmental transparency and sustainability performance of our lead frame production.



2.8 Product Research, Development and Innovation

With the rise of emerging technologies such as 5G, AI and IoT, the consumer and automotive electronics markets would continue to grow in size and bring new opportunities for display applications as products shift toward being thin, light, and compact with high value-added or high-end specifications.

- Using QFN as our raw material, we create different processes to differentiate our products from the market and enter the niche market of lead frames for mini LED and automotive power management.
- Our PMMS (pre-mode metal substrate) for mini LEDs use flat metal lead frames to open up the beam angle of LED chips to 170 degrees, superior to the 130 degrees in the conventional packaging structure. It greatly improves the contrast and brightness of mini LED backlights, which are formerly constrained by the multi-chip arrangements. There are also lead frames with high reliability for automotive / industrial power supply applications and GaN/SiC. In terms of applications, one is for TFT backlights while the other is lead frames for automotive power management.
- As lead frames for mini LED display technology and automotive power management enter the mass production stage, new challenges have emerged. Through commercialization of results from our R&D Center, we are developing packaging metal substrates with higher precision, thinner in thickness, better reliability and greater diversity. By maximizing the number of chips on the laminate substrates in a larger area with high density, we assist customers with improving the product performance, packaging quality, and production efficiency. These products will become the market mainstream in the future.

R&D Investments and Achievements

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Item		2020	2021	2022	2023	2024	2025
R&D Investments	Revenue(A)	9,678,146	12,792,169	14,431,284	11,581,245	11,986,794	13,428,198
	R&D expenses (B)	228,583	461,211	422,484	420,520	431,124	388,392
	Total number of employees (C)	1,927	2,066	2,202	2,130	2,260	2,310
	Total number of R&D personnel (D)	118	213	266	190	242	216
	Average R&D expense per R&D personnel (B/D)	1,937	2,165	1,588	2,213	1,782	1,798
	Proportion of R&D expenses (B/A)	2.36%	3.61%	2.93%	3.63%	3.60%	2.89%
R&D	Cumulative number of patents – Domestic	39	37	43	55	51	49
	Cumulative number of patents – Overseas	78	88	109	254	218	213
	Cumulative number of trademarks – Domestic	3	3	3	2	3	3
	Cumulative number of trademarks – Overseas	-	-	-	3	3	3

Customer Relationship and Product Safety Management

CWTC is committed to serving global customers with integrity, professionalism, and innovation. Guided by the principle of "growing together with customers and creating win-win outcomes," we view customer satisfaction as a core indicator of our long-term business sustainability. To this end, we provide high-quality, safe, and compliant products, along with responsive technical support, to strengthen long-term partnerships with customers worldwide. In accordance with the ISO 9001 Quality Management System, we conduct comprehensive reviews of product design, production, and delivery processes to meet customer expectations and ensure that our products pose no health or safety risks to customers or end users throughout their lifecycle. The Company has also established a customer complaint handling mechanism to maintain stable and positive relationships. In 2025, no major customer complaints were reported.

3.Sustainable Environment

3.1 Environmentally Sustainable Development

CWTC is a professional manufacturer of metal lead frames, dedicated to production, manufacturing and product development. Our operation model is built on the business philosophy of humanity, rationalization, standardization, and internationalization, with a fair and transparent management approach. As we are well aware of the potential environmental impact of our products, activities and services, we have fully implemented an “Environmental Management System” and advocate for “full participation, conserving social resources, and complying with environmental regulations.”

Our environmental management organization includes the Environmental Management Committee, as well as the environmental management unit at each plant. These entities are responsible for executing comprehensive tasks related to internal and external issues and environmental considerations raised by various units, and for reviewing and confirming the environmental consideration data from each unit. A committee is established at each plant, chaired by the plant manager, which regularly convenes meetings to review performance. The meetings involve coordination, research, and examination of environmental management issues with supervisors and employee representatives from all units, demonstrating a high level of commitment to environmental management.

Our plants, both domestic and overseas, have adopted ISO14001 Environmental Management Systems, with certifications acquired. The latest version of ISO14001:2015 was introduced with certifications received in 2016 for our Taiwan plants and in 2020 for our overseas plants. This extends environmental management to the entire product lifecycle and addresses environmental risks and mechanisms at each stage, establishing a macro-level strategic policy and action plan aligned with the latest international management trends.

ISO14001：2015 Certifications

Taiwan Plant	Overseas Plant	China Plant		

3.2 Task Force on Climate-Related Financial Disclosures (TCFD) 【GRI 201-2】

Climate action has become a critical factor in evaluating international commitments to carbon reduction. Therefore, CWTC follows the framework of the Task Force on Climate-related Financial Disclosures (TCFD) to disclose effective data on the financial impacts, the risks and opportunities brought by climate change, and to establish relevant response strategies while assessing potential financial impacts. This approach aims to enhance the management framework for responding to climate change, demonstrating the resilience of the Company's operations.

Governance

- The Board of Directors serves as the highest decision-making and supervisory unit for the Company's response to climate change.
- The Sustainable Development Committee is responsible for coordinating and overseeing climate change-related affairs.
- The Sustainable Development Committee is responsible for formulating and implementing response measures related to climate change issues, and for holding regular meetings to review the progress of implementation and the achievement of targets.

Strategy

- Assess the potential operational and financial impacts of relevant climate risks and opportunities on the company in the short, medium, and long term.
- Develop response strategies for the climate-related risks and opportunities faced.
- Evaluate the impact of transition risks and physical risks through scenario analysis.

Risk Management

- The Sustainable Development Committee regularly identifies significant risks and opportunities through the collection of risk factors and the assessment of operational impacts and likelihood of occurrence.
- For the identified primary transition and physical risks, further management actions are taken, including decisions to mitigate, accept, or control these risks.
- Integrate the management of climate-related risks into the overall risk management process, and regularly review the climate-related risk management process.

Metrics and Targets

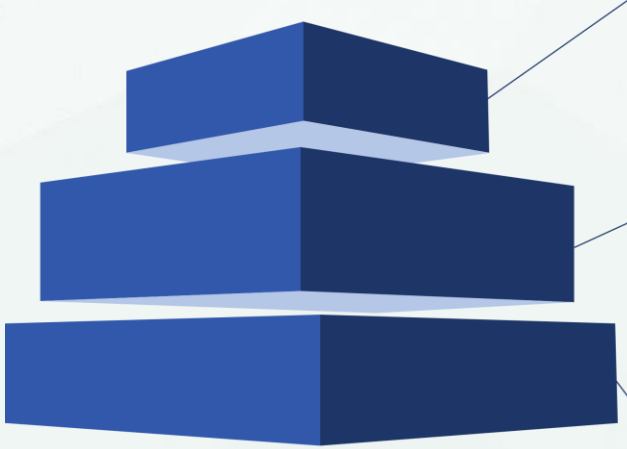
The Company has set 2024 as the base year[Note] (128,876 tCO2e) · and established carbon reduction targets:

- Short-term :reduce 20% in 2030
- Medium-term :reduce 40% in 2035
- Long-term : Carbon neutrality in 2050

Note: To align with the consistency principle of the Financial Supervisory Commission's "Sustainable Development Roadmap " and meet the management requirements of the parent company (CWE), the company has changed the base year to 2025.

Governance

The Company has established the Sustainable Development Committee of CWTC Group, which is responsible for formulating the Company's climate policy, coordinating sustainable development and climate change-related affairs, and ensuring the alignment and integration of the company's environmental and social activities. Under the Sustainability Development Committee, a Group ESG Unit has been established to coordinate cross-departmental communication and integrate management activities related to sustainability and climate change. The ESG Unit also oversees the implementation status. The Company's long-term goals and development strategies for climate change and renewable energy are reported to the Board of Directors by the Sustainability Development Committee every six months.



Board of Directors

At the highest level of decision-making, responsible for approving overall risk management policies and major decisions.

Sustainability Development Committee

Responsible for formulating climate policies and coordinating climate change-related issues, the Group ESG team under its supervision is tasked with identifying and reviewing climate-related risks and opportunities, as well as examining climate risk management reports.

Risk Management Unit

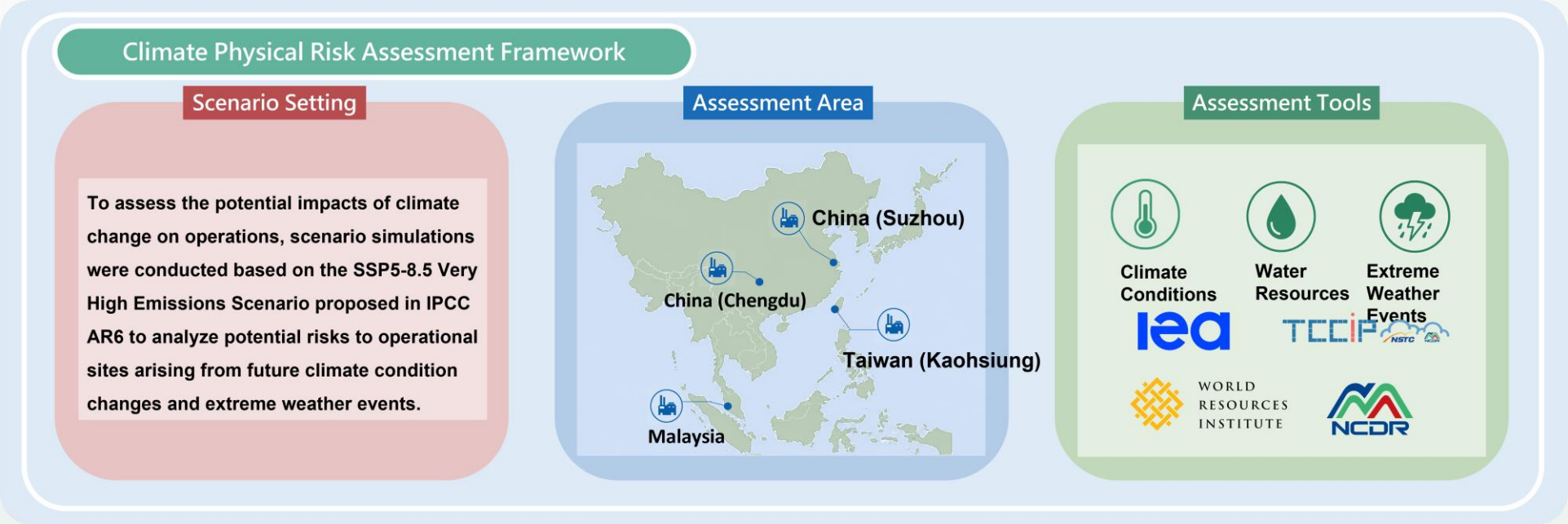
Composed of department heads, is responsible for assessing and analyzing climate-related risks and opportunities, and implementing climate-related strategies and actions.

Note: The "Sustainability Development Committee" was renamed to the "Sustainability Development and Nomination Committee" by resolution of the Board of Directors on March 25, 2026.

Strategy

To effectively manage climate-related risks and opportunities, the Group ESG Unit convenes department heads from the Risk Management Unit. Through multiple cross-departmental meetings and scenario analyses, the unit consolidates the major climate risks and opportunities faced by the Company. Based on internal management needs, the Company defines the short term as within 3 years, the mid term as 3 to 5 years, and the long term as over 5 years. The production sites of the Group cover Taiwan (Kaohsiung), China (Suzhou and Chengdu), and Malaysia. As climatic conditions, rainfall patterns, and the characteristics of extreme weather events vary across regions, a regional analysis approach was adopted to enhance the completeness of risk identification and the precision of management.

The



evaluation of physical risks utilizes international and local government databases, such as climate simulation data provided by the International Energy Agency (IEA), World Resources Institute's (WRI) Aqueduct Water Risk Atlas, Taiwan Climate Change Projection Information and Adaptation Knowledge Platform (TCCIP), and National Science and Technology Center for Disaster Reduction (NCDR). Scenario simulations were conducted using multiple plausible climate models to ensure that scenario assumptions are scientifically based and regionally representative, thereby achieving a more comprehensive grasp of medium- to long-term climate development trends. Through the aforementioned scenario assumptions and data utilization, potential risks across all plants were evaluated. In addition to existing risks of flooding, drought, and high temperatures, Taiwan plants further incorporated risk evaluations of strong wind disasters from typhoons, mudslides and landslides from torrential rain, as well as sea level rise.

Analysis of Climate-Related Physical Risks at Each Plant Site

Site	CWTC (Taiwan Plant)	SHS (Suzhou Plant)	SHEC / SHPC (Chengdu Plant)	MSHE (Malaysia Plant)
Climate & Environmental Characteristics	Subtropical monsoon climate with four distinct seasons, featuring high temperatures and abundant rainfall in summer	Monsoon climate with pronounced plum rains, featuring high temperatures and high humidity in summer	Inland subtropical climate with pronounced high temperatures in summer and seasonally concentrated rainfall	Tropical rainforest climate with high temperatures, high humidity, and year-round rainfall
Key Climate Risk Scenarios	Extreme high temperatures, heavy rainfall, and frequent summer typhoons, with an increasing trend in high-temperature days and extreme rainfall events in the future	High-temperature heatwaves, short-duration heavy rainfall, and water supply fluctuations; the frequency of heatwaves and degree of high-temperature exposure increase, elevating risks to water supply stability	Heatwaves, increase in high-temperature days, and localized heavy rainfall, with a clear overall warming trend	Prolonged high temperatures and high humidity, heavy rainfall, and an increase in future heatwave events
Water Resource Risks	Water supply pressure may be faced during the dry season, and attention must be paid to heavy rainfall and flooding risks in localized areas	Located in the Yangtze River Delta, a region with high population density and intense industrial activities, water stress maintains a long-term high-risk level; challenges regarding water supply stability and water resource management may still be faced in the future	Located in an area with high water demand, maintaining a high water stress level under both current and future scenarios; water supply stability and water resource dispatching still face certain challenges	Overall water resource risk is relatively low, but interannual rainfall variability and river flooding risks show an increasing trend in the future
Impacts on Core Processes	Etching and electroplating are the core processes for lead frames, which are highly sensitive to temperature, humidity, and water supply stability. Extreme high temperatures may increase process cooling and heat rejection loads, affecting indoor temperature control and equipment stability; water supply fluctuations or short-duration heavy rainfall may also impact utility systems and production resilience, while high-temperature and high-humidity environments will raise process control and water quality management requirements.			

Based on the established climate risk assessment, and considering the differences in climate conditions among various sites as well as the high dependence of products on water and electricity resources, the Company further inventoried potential transition risks and physical risks facing operations. Focusing on primary risks and opportunities with high impact and high likelihood, we evaluated their potential impacts on the Company's financials or operations and conducted scenario analyses for key transition risks and physical risks. Following the TCFD guidelines, a total of 13 climate risks and 10 opportunities were identified; through risk matrix analysis, 3 major climate risks and 2 derived opportunities were ultimately summarized.

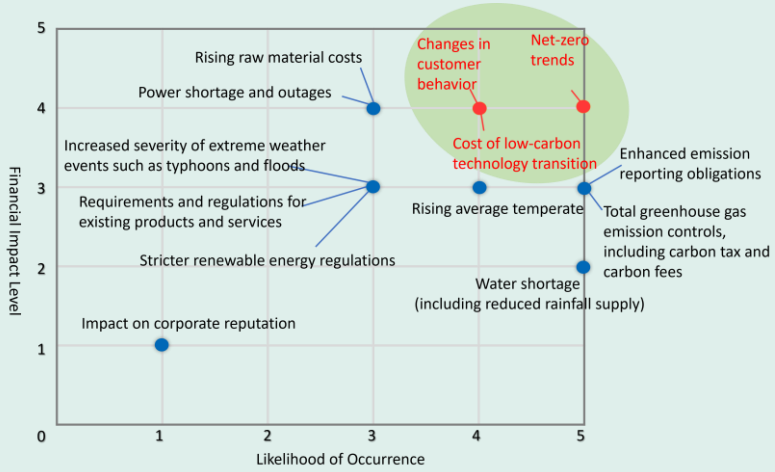
Climate Change Risk and Opportunity Matrix

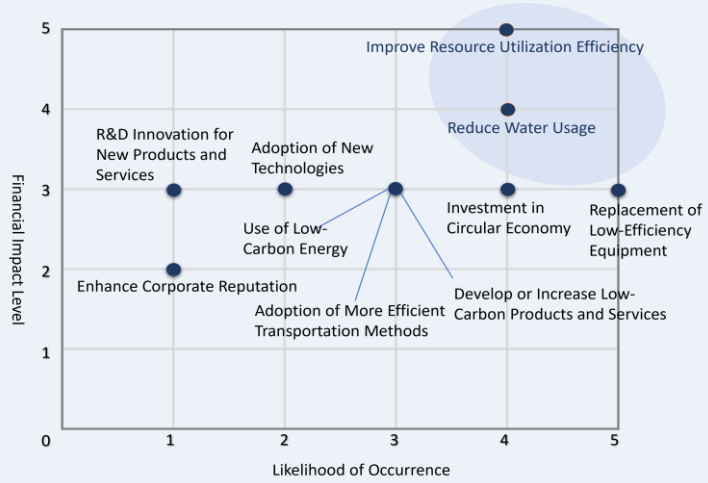
Transition risks

1. Net zero trend
2. Changes in customer behavior
3. Costs of transitioning to low-carbon technologies
4. **Strengthened emissions reporting obligations**
5. **Imposition of carbon fees/taxes due to GHG emissions control**
6. **Rising raw material costs**
7. **Stricter regulations on renewable energy**
8. **Requirements and oversight of existing products and services**
9. **Corporate reputation impact**

Physical Risk

1. **Rising average temperature**
2. **Power shortage or power outage**
3. **Water scarcity (including reduced water supply due to pressure drop)**
4. **Increasing severity of extreme weather events, such as typhoons and floods**





Opportunity

1. **Improve resource efficiency**
2. **Reduce water consumption**
3. **Phasing out low-efficiency equipment**
4. **Investing in the circular economy**
5. **Developing or increasing low-carbon products and services**
6. **Adopting more efficient transportation methods**
7. **Using low-carbon energy**
8. **Utilizing new technologies**
9. **Research and innovation in developing new products and services**
10. **Raising corporate reputation**

Financial Impacts and Response Measures of Climate Change Risk and Opportunity

Risk / Opportunity Type		Duration of Impact	Potential Financial Impacts	Response Measures
Transition Risk	Net zero trend	Long Term	✧ Increased capital expenditures and operating costs for upgrading or installing carbon reduction equipment ✧ To reduce greenhouse gas emissions, production capacity expansion may be restricted, potentially impacting revenue.	➢ Continuously implementing greenhouse gas reduction actions ➢ Purchasing renewable energy certificates
	Changes in customer behavior	Long Term	✧ Customer shift resulting in decreased revenue from non-low-carbon products ✧ Increased climate awareness leads customers to prefer low-carbon or more environmentally transparent products/services, resulting in decreased demand for certain goods and services. ✧ Customers demand the company to provide related products/services and disclose emissions. Failure to meet these requirements may pose a risk of losing customers.	➢ Enhancing product carbon footprint disclosure： 1. Establishment of production systems and equipment 2. Investment in information technology personnel 3. ISO 14067 guidance and verification
	Costs of transitioning to low-carbon technologies	Mid Term	✧ Capital expenditures and R&D investments in low-carbon technology transition result in increased operating costs. ✧ Research and development of new and alternative technologies may lead to a decline in demand for existing products and services, causing a significant drop in revenue.	➢ Narrower and wider format designs with reduced spacing, along with equipment and mold design and investment, to reduce customer material usage.
Opportunity	Improve resource efficiency	Short Term	✧ Increased capital investment in energy-saving equipment and related assets. ✧ Improving energy efficiency in the production process and strengthening the management of materials, energy resources, and waste to reduce resource consumption and carbon emissions, thereby lowering operating costs.	➢ Acquire energy-saving equipment. ➢ Replacing outdated equipment with high-efficiency units and upgrading to energy-saving inverter modules. ➢ Track energy consumption through energy management systems.
	Reduce water consumption	Short Term	✧ Increased capital investment in water-saving equipment and related assets. ✧ Reducing the water conservation charge imposed by the government, thereby lowering operating costs.	➢ Increase the use of reclaimed water. ➢ Introduce water-saving management measures as well as technology for recycling process water. ➢ Automatically shutting off non-essential water usage during equipment standby or downtime. ➢ Installing water-saving devices on faucets throughout the plant.

Climate Scenario Analysis

Based on TCFD recommendations, the Company uses scenario analysis of both transition and physical risks, as well as climate opportunities, to assess the resilience of its climate strategy under the most severe scenarios.

Type	Reference	Details
Transition Risk	The assessments and reports on climate emission pathways by the Intergovernmental Panel on Climate Change (IPCC) and the International Energy Agency (IEA).	Controlling temperature rise to approximately 3°C, 1.8°C, and 1.5°C, the corresponding carbon pricing trends were respectively evaluated for their potential operational impacts on carbon emissions-related expenditures.
Physical Risk	The Taiwan Climate Change Projection Information and Adaptation Knowledge Platform (TCCIP) conducts projections based on the RCP8.5[Note] scenario.	If temperature control is not effectively achieved, evaluate the operational impact of extreme weather conditions in a worst-case warming scenario.

Note : Under a scenario of extremely high GHG emissions (RCP8.5), climate change would exacerbate changes in the average temperature, extreme high temperatures, total annual precipitation, the annual maximum 1-day intensity of heavy precipitation, the annual maximum number of consecutive dry days, and the proportion of strong typhoons in the future.

Scenario Analysis	2030 Carbon Price (USD/tCO_2e)	Financial Planning Impacts	2050 Carbon Price (USD/tCO_2e)	Financial Planning Impacts
Passive Transition Scenario (Current Policies) · Warming of approx. 3°C • Reflects only policies and measures currently implemented or explicitly committed, with no further strengthening of climate policies.	5.95	Operating costs increase, accounting for 0.18% of annual revenue	8.75	Operating costs increase, accounting for 0.26% of annual revenue
Disorderly Transition Scenario (Delayed Transition) · Warming of approx. 1.8°C • Early emissions reduction actions are relatively slow across countries, with low-carbon transition accelerating only after 2030, thus requiring more drastic reduction measures to control warming.	5.95	Operating costs increase, accounting for 0.18% of annual revenue	279	Operating costs increase, accounting for 8.25% of annual revenue
Orderly Transition Scenario (Net Zero 2050) · Warming of approx. 1.5°C • Achieving the goal of net-zero emissions globally by 2050.	152.4	Operating costs increase, accounting for 4.56% of annual revenue	708.8	Operating costs increase, accounting for 21.21% of annual revenue

Note: Carbon price data is sourced from "Price Carbon" (Region=TWN) in the REMIND-MAgPIE 3.3-4.8 model of NGFS Climate Scenarios Phase 5 (Version 5.1).

Risk Management

In 2023, CWTC established a “Risk Management Policy” to integrate climate-related risk management processes into its enterprise risk management processes. The results and experiences of this ongoing work are regularly reported to the Board of Directors by the responsible units. The Audit Committee periodically reviews reports from the Chief Internal Auditor regarding the design and effectiveness of internal controls related to climate-related risks, as well as any audit findings.

Plan /Do

Step 1 Collection of data Period: 2025/1/1~2025/12/31
Step 2 Boundaries: Taiwan Plant, Overseas Manufacturing Plants
Step 3 Analysis of impact Hold an annual meeting to discuss and identify climate change risks and opportunities
Identify the prioritization of risks and opportunities based on the severity of impact and the possibility of occurrence

Check / Action

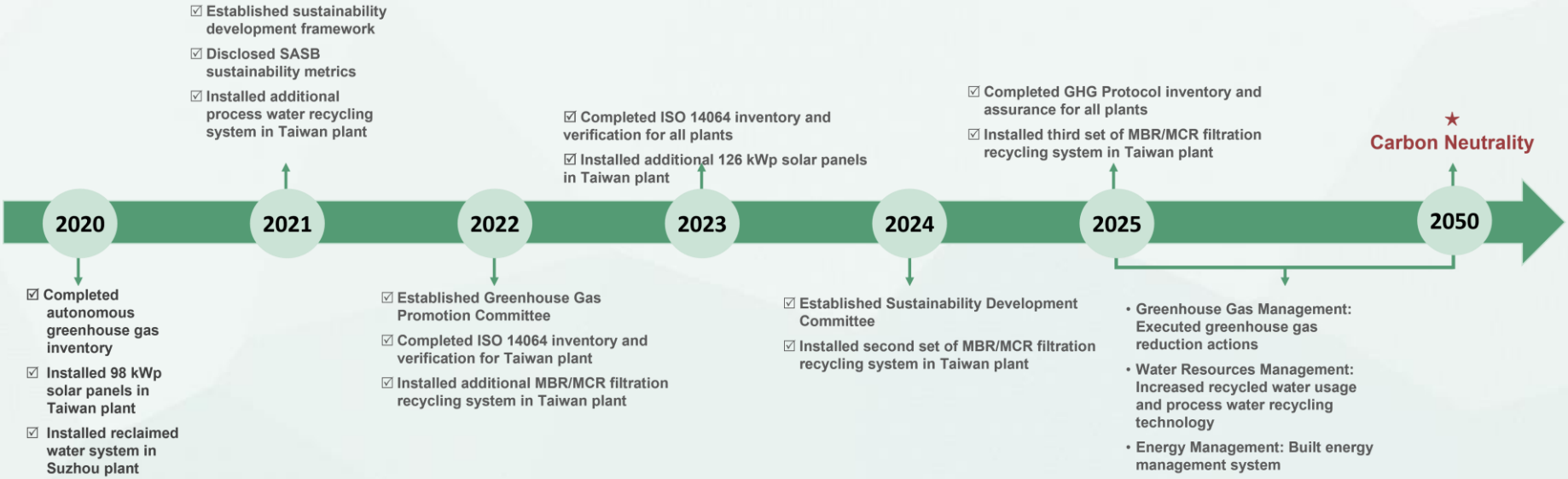
Step 4 Goal setting CWTC takes 2024 as the base year to set an absolute GHG emission reduction targets.

Step 5 Control Measures Select response strategies to achieve the 2050 carbon neutrality goal.

Step 6 Review and Optimization Hold review meetings every six months.

Metrics and Targets 【SASB TC-SC-110a.2】

The company conducts an annual inventory of its greenhouse gas emissions and has them verified by an independent third-party organization to ensure the accuracy of the emissions data. The “Climate Change Response Act,” amended in 2023, explicitly stipulates that net-zero greenhouse gas emissions must be achieved by 2050. It also calls for science-based assessments of climate risks to strengthen governance capabilities and enhance resilience. Accordingly, the company will implement a phased carbon reduction strategy in alignment with this policy, supported by the Science Based Targets initiative (SBTi). In accordance with the consistency principle of the Financial Supervisory Commission's "Sustainabilty Development Roadmap for Listed Companies" and to meet the management requirements of the parent company (CWE), the greenhouse gas inventory base year was adjusted to 2025. Taking the entire Group's 2025 greenhouse gas emissions (128,876 metric tons) as the base year, absolute targets for short-, medium-, and long-term greenhouse gas emission ductions were established. Among these, greenhouse gas emissions in 2030 (short term) are projected to drop to 103,101 metric tons, emissions in 2035 (medium term) are projected to decrease by 40% compared to the base year, and the carbon neutrality goal is set to be achieved by 2050 (long term).



3.3 Energy Management

<<<Key Material Issue

【GRI 302-1、302-3 / SASB TC-SC-130a.1】

Impact Description

Energy use and management are closely tied to a company's operating costs, environmental impact, and carbon emissions, and are directly related to climate change mitigation and process efficiency. Poor management may increase financial risks and affect supply chain stability. Energy consumption at the manufacturing facilities of the Company is highly relevant, and improving energy efficiency is one of the core elements of sustainable operations.

Management Policy and Commitment

CWTC Group is committed to improving energy efficiency, reducing energy intensity, and implementing energy-saving equipment and management systems. Through ongoing audits and improvement actions, the Group aligns with government energy-saving policies and international energy trends, moving toward green manufacturing and low-carbon transition.

Management Mechanism and Implementation Strategy

Responsible Units:

Facility Departments, Environmental Management Centers, and R&D Departments

Relevant Internal Policies:

Energy Resource Operation Management Procedure, Facility Equipment Maintenance Procedure, Environmental Management Work Instruction.

Key Strategies:

Implement energy data monitoring, set energy-saving targets, regularly review energy efficiency and the effectiveness of energy-saving measures, and promote training and education programs.

Specific Action Plan

1. Energy Auditing and Monitoring: Identify high-energy-consuming equipment and energy hotspots.
2. Replacement with High-Efficiency Equipment: Promote the upgrade of air compressors, chillers, pumps, lighting, and other systems to energy-efficient models.
3. Process Improvement and Energy-Saving Projects: Implement variable frequency drives (VFDs), dynamic load management, and other efficiency measures.
4. Renewable Energy Application: Install solar panels.

Tracking and Verification Mechanism

1. Routine Monitoring: Regular recording of equipment electricity usage, diesel consumption, and reporting of anomalies.
2. Monthly Reporting: Submission of energy analysis reports to relevant supervisors for review.
3. Annual Review: Annual assessment of overall energy performance and update of improvement targets.

Index Items	Short Term	Mid Term	Long Term
Energy Intensity per Unit of Output (kWh/unit)	3% Reduction 2024 Baseline: 7.353 2025 Target: 7.13 Actual Performance: **6.741**	Cumulative reduction of 10%	Cumulative reduction of ≥ 20%
Energy Management Training Hours	≥ 12 hours/3 years 2025 Target: ≥ 12 hours/3 years Actual Performance: Retraining is expected to be completed in 2027	Stable at ≥ 3 hr/Year	Deepen to ≥ 5 hours and expand the target audience

Note: Take 2024 as the base year；Short term: within 3 years、Mid term: within 5 years、Long term: over 5 years

To respond to the challenges of global energy shortages and climate change, we consolidate energy-saving proposals from all units to set relevant targets and action plans each year and periodically monitors and controls performance. Additionally, we promote production machinery assessments to drive energy efficiency improvements in plant facilities.

Based on our energy-saving plan submitted to the Bureau of Energy, Ministry of Economic Affairs, the average energy-saving rate approved for our Taiwan Plant was 1.37%~2.84% in 2025. In line with the government's promotion of renewable energy, we increased the installed capacity of solar panels at our Taiwan plant in 2020, reaching a cumulative capacity of 233 kWp by 2025, generating 364,301 kWh.

Energy Consumption

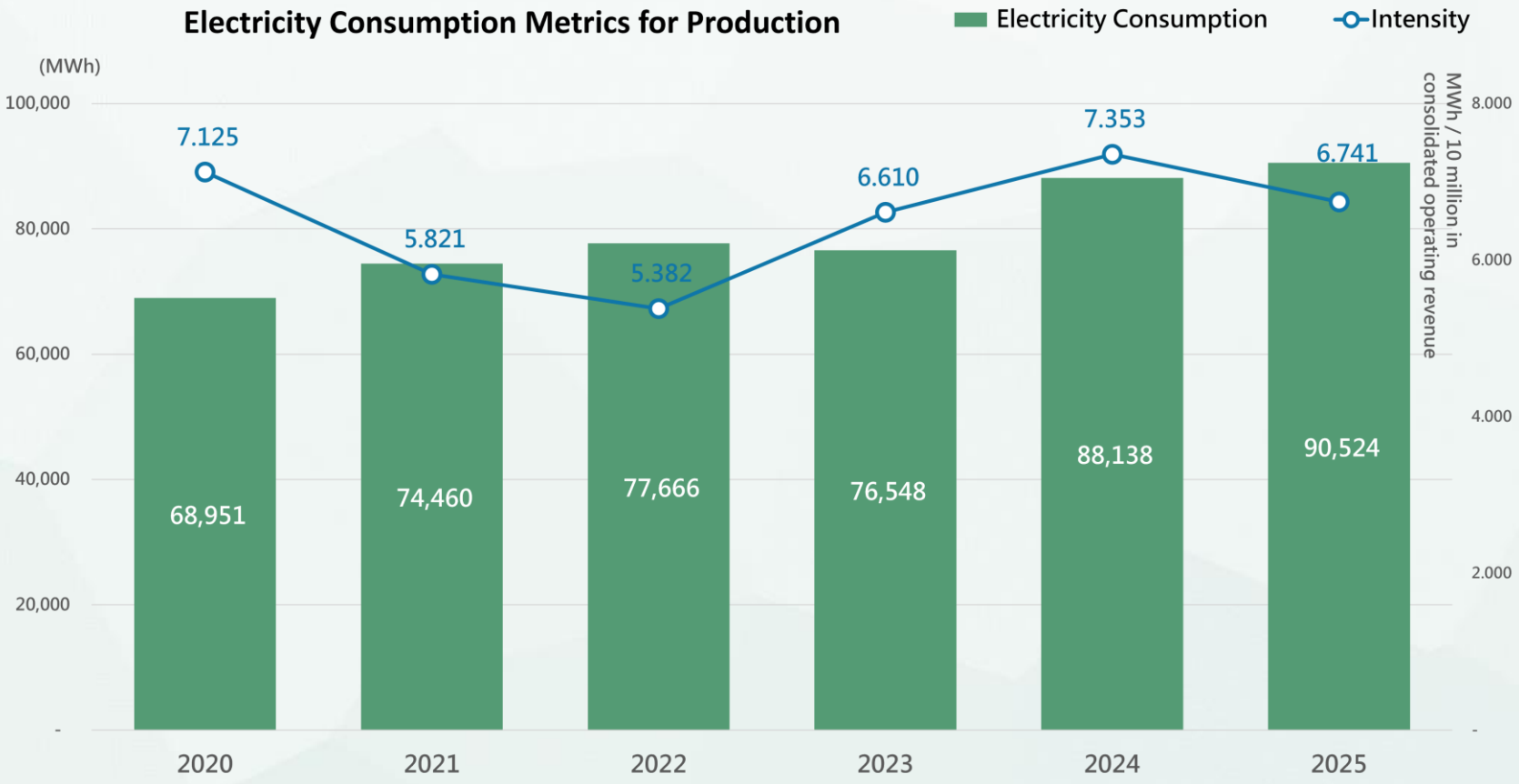
Unit: GJ

Item		2021	2022	2023	2024	2025
Direct Energy	Diesel fuel	276	1,174	365	416	500
	Gasoline	361	500	486	779	767
	Natural gas	22,115	22,673	17,110	20,994	35,247
Indirect Energy	Purchased electricity	268,055	279,597	275,574	317,297	325,886
	Renewable energy	-	-	347	347	4,787
Total		**290,807**	**303,944**	**293,882**	**339,833**	**367,187**

Note1: Conversions are based on the "Heat Content of Energy Products" of the Ministry of Economic Affairs. Starting from 2024, the unit conversion for diesel and gasoline will be calculated based on the calorific values announced by the Ministry of Environment.
Note2: Renewable energy refers to solar energy, which is estimated annually based on the daily generation in GJ of the installed capacity.
Note3: The 2023 data includes all consolidated entities, while data for other years covers only Taiwan Plant, China Plant and Malaysia Plant.
Note4: In March 2025, the SHS plant in China began implementing a solar photovoltaic system for self-generation and self-consumption.

Electricity Usage of Production

In 2025, total electricity consumption reached 90,523,754 kWh (90,524 MWh), with an electricity intensity of 6.741. The primary sources of electricity consumption were process power and air conditioning systems. In 2025, the company's overall operations and production activities continued to grow, resulting in a total electricity consumption increase of approximately 2.7% compared to 2024. However, the electricity intensity per unit decreased by approximately 8.3%, indicating an improvement in energy efficiency compared to the previous year. Moving forward, we will continue to focus on planning and implementing initiatives related to energy efficiency, as well as the selection and adoption of renewable and alternative energy sources.



Energy-saving Measures 【GRI 302-4 / SASB TC-SC-110a.2】

To effectively lower energy consumption and GHG emissions, we actively promote various energy-saving measures. The focus is on improving the energy efficiency of plant facilities and production equipment, optimizing operational efficiency by adjusting production equipment parameters, and replacing traditional lighting with energy-efficient alternatives. We aim to achieve our environmental and energy-saving goals through initiatives across its plants. Additionally, we raise energy-saving awareness by encouraging employees to turn off lights when not in use and shut down computers after work. We also promote the widespread use of energy-efficient lighting and installs motion-sensor switches in areas with intermittent lighting needs to reduce energy waste by changing daily habits.

Key Points of Energy-saving Programs

Programs	Taiwan Plant	China Plant	Overseas Plant
Parameter setting	★	★	★
Production process integration	★	-	★
Equipment process integration	★	★	-
Energy-saving of facilities	★	★	★

Progressive Energy-saving Plans

Stage	Measures
Short term	➢ Convert existing air conditioners to a central air conditioning system. ➢ Replace all lighting in the plant with LED lights. ➢ Install sensor-activated LED floodlights around the plant. ➢ Use sensor-activated landscape ground lights for sidewalks. ➢ Prioritize purchasing high-energy-efficiency equipment and those rated with energy-saving level 1. ➢ Replace old power-consuming equipment, such as air compressors and chillers, with high-energy-efficiency alternatives, and manage them through a central monitoring system. ➢ Increase the air conditioning temperature when equipment is shut down. ➢ Shut down power-consuming facility equipment during holidays.
Mid and Long term	➢ Install a central monitoring system to control the energy consumption of utility equipment. ➢ Continuously adopt the latest energy-saving technologies to improve the efficiency of processes and utility equipment.

Energy-saving Measures and Performance of Each Plant in 2025

Plant	Energy-saving Measures and Performance
Taiwan Plant	Replacement of chillers, added variable frequency drives to water pumps, optimized process air conditioning equipment supply mechanisms, and replaced stamping air handling units, achieving annual energy savings of 1,102,559 kWh (equivalent to 3,969 GJ).
Chengdu Plant	Adjusted operational settings of certain air conditioning equipment and monitored regional temperature and humidity conditions during shutdown periods. Shut down non-essential air conditioning equipment and implemented unified control management. Utilized heat energy from oil temperature controllers to raise workshop temperatures during winter to reduce the activation quantity of air conditioning equipment. Achieved annual energy savings of 164,035 kWh (equivalent to 590 GJ).
Suzhou Plant	Implemented variable frequency modifications for equipment such as cooling water pumps, chilled water pumps, and exhaust tower electrical control boxes. Adjusted operational settings of certain air conditioning equipment and monitored regional temperature and humidity conditions during shutdown periods. Adjusted street lighting illumination based on seasonal daylight hours, achieving annual energy savings of 1,118,000 kWh (equivalent to 4,025 GJ).
Total	**8,584GJ**

GHG Emissions Management

<<<Key Material Issue 【GRI 305-1、305-2、305-3、305-4 / SASB TC-SC-110a.1、TC-SC-110a.2】

Impact Description

Climate change is a significant global risk that we all face together. As a manufacturer, the energy use and emissions management of the Company have a major impact on operational sustainability. Without effective management of greenhouse gas emissions, we may encounter multiple challenges, including rising costs, customer demands, regulatory constraints, and reputational risks. At the same time, actively reducing carbon emissions is a key strategy for enhancing brand competitiveness and securing green procurement orders.

Management Policy and Commitment

CWTC Group is committed to complying with greenhouse gas management regulations and international standards. We continuously conduct inventories, disclose emissions, and implement reduction measures for greenhouse gases. Our efforts focus on lowering our carbon footprint, adopting renewable energy, and planning a pathway toward net-zero emissions. Our goal aligns with the global "1.5°C scenario" to achieve Science Based Targets (SBT) for carbon reduction.

Management Mechanism and Implementation Strategy

Responsible Units:

Sustainable Development Committee and Environmental Management Centers / Facility Departments

Relevant Internal Policy:

Greenhouse Gas Inventory Management Procedure

Key Strategies:

- Implement ISO 14064-1 and evaluate the adoption of the ISO 50001 Energy Management System ； Starting from 2025, emission classification and calculation will be conducted in accordance with the GHG Protocol to align with the IFRS Sustainability Disclosure Standards.
- Establish a cross-departmental Carbon Management Task Force to manage emission sources, improve energy performance, and promote the use of renewable energy.

Specific Action Plan

1. Greenhouse Gas Inventory and Disclosure: Emission data is verified annually by a third party and disclosed in the Sustainability Report.
2. Energy Efficiency Improvement Projects: Implement energy-saving upgrades for air conditioning, lighting, and production equipment, and promote projects such as the adoption of variable-frequency drives.
3. Renewable Energy Adoption: Installation of solar power equipment.
4. Carbon Neutrality Strategy Planning: Develop carbon reduction pathways based on the Science Based Targets initiative (SBTi) and assess the feasibility of implementing carbon offset and carbon neutrality mechanisms.

Tracking and Verification Mechanism

1. Annual Monitoring: Conduct emissions inventory → third-party verification → compile improvement plans → report progress to the Board of Directors / Sustainable Development Committee.
2. Internal and External Audits:
   - Engage third-party organizations for annual verification.
   - Conduct internal supervision and responsibility reviews for units that fail to meet improvement targets.
3. In line with TCFD requirements, identify climate-related financial risks and implement carbon pricing simulations and sensitivity analyses.

Index Items	Short Term	Mid Term	Long Term
Scope 1 and 2 Total Carbon Emissions (tCO2e)	3% Reduction 2025 Actual Performance (Base Year): 47,985	Cumulative reduction ≥10%	Cumulative reduction ≥20%
Carbon Emission Intensity per Unit of Product (tCO2e per 10 million of consolidated operating revenue)	5% Reduction 2025 Actual Performance (Base Year): 3.573	Overall reduction ≥ 20%	Implement low-carbon processes and continuously optimize them

Note1: Short term: within 3 years、Mid term: within 5 years、Long term: over 5 years

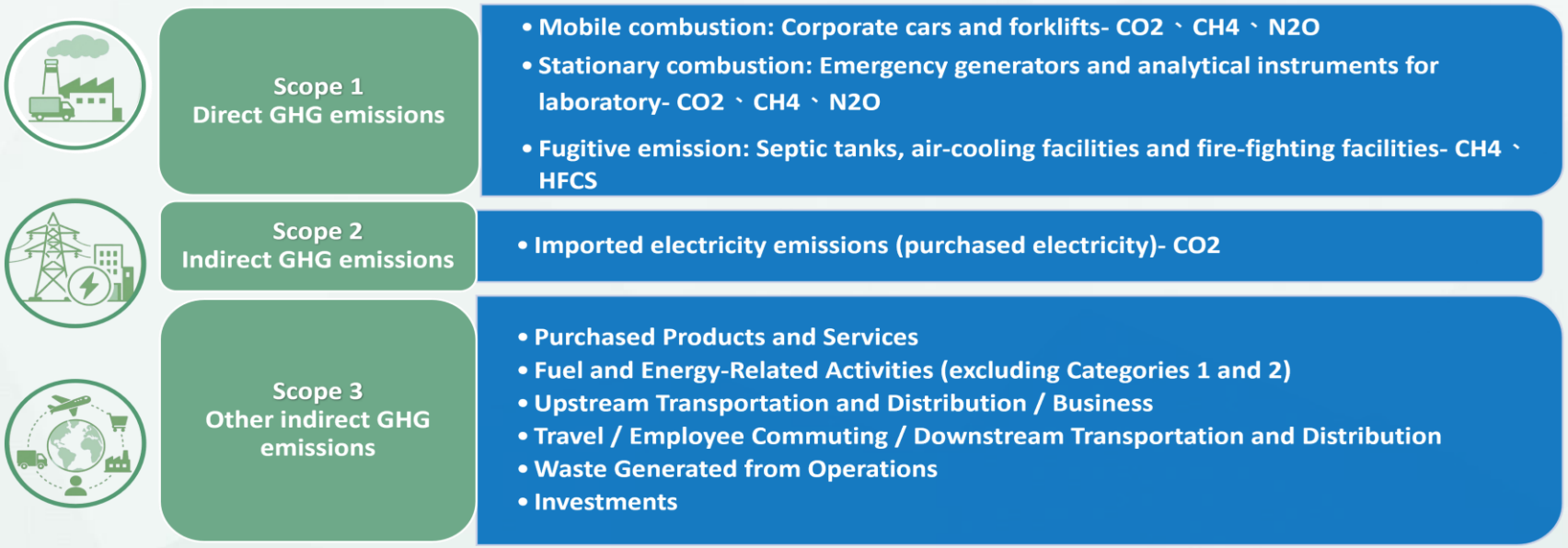
Note2: To align with the consistency principle of the Financial Supervisory Commission's "Sustainable Development Roadmap " and meet the management requirements of the parent company (CWE), the company has changed the base year to 2025.

To fulfill our social responsibility, we voluntarily conduct an annual self-assessment and disclosure of our GHG emissions. To meet our own targets, we adopted ISO14064-1:2018 for our 2022 GHG inventory of Taiwan plant as a demonstration. GHG data were consolidated using the operational control approach and verified by a third-party assurance agency. In 2023, all subsidiaries completed the external assurance of their GHG inventories, and we have completed the external assurance of the Group's GHG inventory. We adopted external inventory under ISO14064-1:2018 for the first time at our Taiwan plant in 2022, while other sites implemented it in 2023.

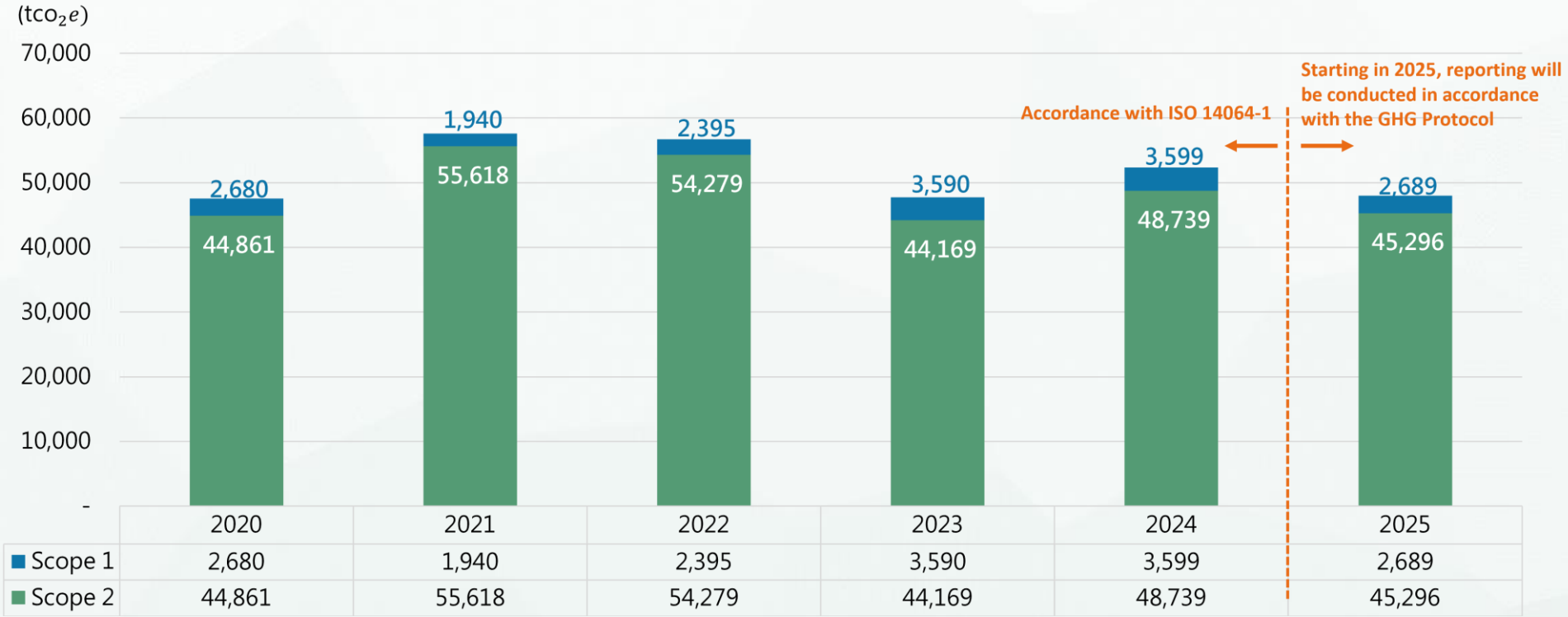
CWTC Group Greenhouse Gas Third-Party Assurance Report

The Taiwan plants first introduced ISO 14064-1:2018 external verification in 2022, while the remaining plants introduced ISO 14064-1:2018 external verification for the first time in 2023. In 2025, in compliance with regulatory policies, the principles for calculation and classification of the greenhouse gas inventory were shifted to adhere to the GHG Protocol (Greenhouse Gas Protocol), adopting the financial control approach to conduct a group-wide (including overseas subsidiaries) greenhouse gas inventory to align with the IFRS Sustainability Disclosure Standards.

Emission factors are sourced based on the principle of adhering to local regional applicability, such as: Taiwan plants calculate greenhouse gas emissions with reference to the "Greenhouse Gas Emission Factors" announced by Taiwan's Ministry of Environment on February 5, 2024, the electricity carbon emission factors published by the Energy Administration of Taiwan's Ministry of Economic Affairs, and the Ministry of Environment's "Product Carbon Footprint Calculation Platform"; China plants reference the " General rules for calculation of the comprehensive energy consumption " and the "2022 National Electricity Carbon Emission Factor" published by China's Ministry of Ecology and Environment; Malaysia references the Malaysia Energy Statistics Handbook 2023 published by Suruhanjaya Tenaga (Energy Commission) of Malaysia and grid emission factors published by IEA (2025) to calculate greenhouse gas emissions; Singapore references grid emission factors published by IEA (2025) to calculate greenhouse gas emissions. The Global Warming Potential (GWP) adopts the IPCC Assessment Report IPCC AR6 WGI (2021), updated by Errata (2025-10-07). The seven inventoried greenhouse gases are CO2, CH4, N2O, HFCs, PFCs, SF6, and NF3, with zero group-wide greenhouse gas emissions originating from perfluorinated compounds.



Note: Calculated based on the results of the materiality assessment for each plant site.



	2020	2021	2022	2023	2024	2025
Scope 1	2,680	1,940	2,395	3,590	3,599	2,689
Scope 2	44,861	55,618	54,279	44,169	48,739	45,296

Note 1: Data from 2023 onward includes all consolidated entities. The remaining data covers only the Taiwan, Mainland China, and Malaysia plants.
Note 2: Prior to 2024, greenhouse gas inventory calculation and classification were conducted in accordance with ISO 14064-1. Starting from 2025, in compliance with regulatory requirements to align with international standards and ensure information consistency, the inventory was shifted to adhere to the GHG Protocol.

Types of Scope 1 and Scope 2 Greenhouse Gas Emissions in 2025

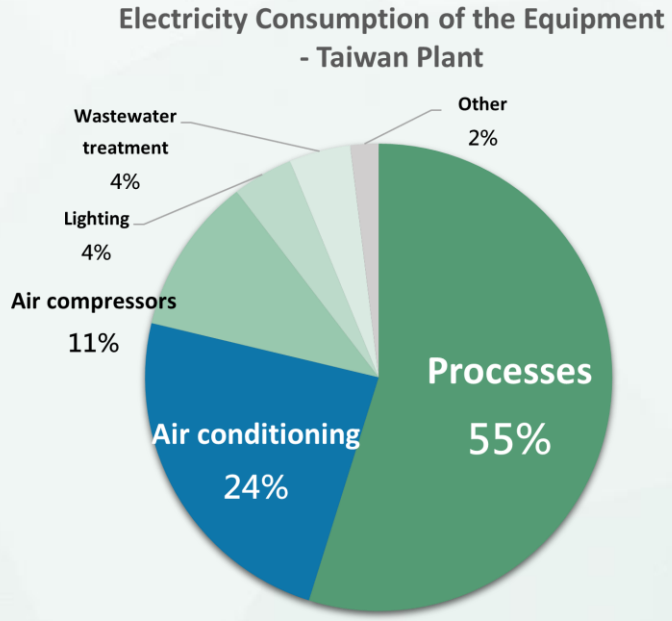
Item	CO_2	CH_4	N_2O	HFCs	PFCs	SF_6	NF3	**Total**（tCO2e）
Scope 1	1,423	57	19	1,190	-	-	-	2,689
Scope 2	45,296	-	-	-	-	-	-	45,296

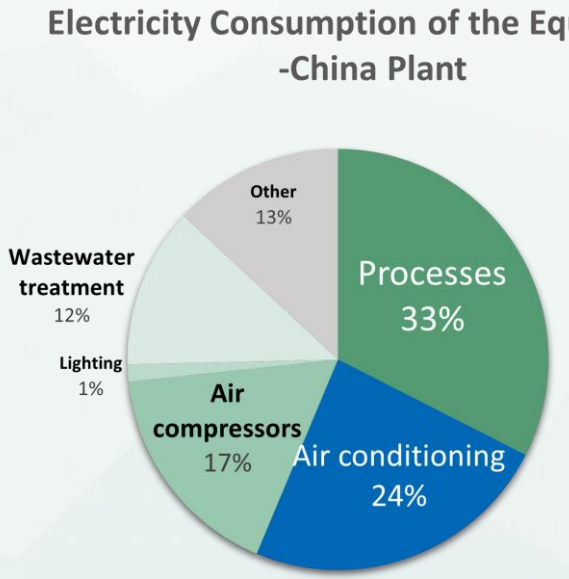
Note 1: Data from 2023 onward includes all consolidated entities. The remaining data covers only the Taiwan, Mainland China, and Malaysia plants.
Note 2: Prior to 2024, greenhouse gas inventory calculation and classification were conducted in accordance with ISO 14064-1. Starting from 2025, in compliance with regulatory requirements to align with international standards and ensure information consistency, the inventory was shifted to adhere to the GHG Protocol.

GHG Emission Intensity (Scope 1 + Scope 2)

Item	2020	2021	2022	2023	2024	2025
Total GHG emissions (tCO2e)	47,541	57,558	56,674	47,759	52,338	47,985
Intensity (tCo2e / Consolidated revenue in millions of NT$)	4.912	4.500	3.927	4.124	4.366	3.573

The primary source of greenhouse gas emissions for the CWTC Group comes from Scope 2 – purchased electricity. Therefore, we further analyzed the sources of electricity consumption within the Group's facilities, which are mainly used for production processes. Other sources include air conditioning systems, air compressors equipment, wastewater treatment systems, lighting, and other equipment. We are committed to reducing energy consumption and improving energy efficiency in order to minimize greenhouse gas emissions generated during the production process. For related energy-saving measures, please refer to Section 3.3 Energy Management – Energy Conservation and Power Saving Plan.





2025 Scope 3 – Other Indirect GHG Emissions

Scope 3 – Other Indirect GHG Emissions (tCO2e)	80,891
Purchased Goods and Services	40,495
Capital Goods	-
Fuel- and Energy-Related Activities	33,098
Upstream Transportation and Distribution	2,239
Waste Generated in Operations	590
Business Travel	84
Employee Commuting	2,779
Upstream Leased Assets	-
Downstream Transportation and Distribution	202
Processing of Sold Products	-
Use of Sold Products	-
End-of-Life Treatment of Sold Products	-
Downstream Leased Assets	-
Franchises	-
Investments	1,404

Air Pollution Control

The production processes of CWTC Group include electroplating, which generates air pollutants such as acidic and alkaline gases, as well as volatile organic compounds (VOCs). In response to these emissions, we strictly comply with environmental regulations applicable to the locations of each plant. We also regularly commission third-party organizations to conduct sampling and monitoring to ensure that exhaust concentrations meet regulatory emission standards.

Taking the Taiwan plant as an example, in addition to complying with the Ministry of Environment's Air Pollution Control Act by appointing dedicated air pollution control personnel and deputies, and providing relevant training, the plant also uses wet scrubbers. Acidic and alkaline gases, along with VOCs, are collected from emission ducts and directed into scrubbers for neutralization and treatment before discharge. Relevant data is recorded and monitored daily to ensure emission control performance aligns with regulatory requirements.

In 2025, the total VOC emissions from the Taiwan plant amounted to 6.8 metric tons[Note]. All production facilities within the Group met regulatory emission standards, with no major air pollution violations reported.

Beyond process-related emission controls, the Taiwan plant is also promoting behavioral change among employees. This includes offering incentives and subsidies for switching to electric scooters, encouraging the adoption of low-carbon transportation options to reduce emissions and pollution from commuting — demonstrating our commitment to fulfilling environmental responsibilities.

Note: Calculated using the mass balance method.

3.4 Water Resources Management

<<<Key Material Issue 【GRI 303-1、303-2、303-3、303-4、303-5 / SASB TC-SC-140a.1.】

Impact Description

The manufacturing processes at the CWTC Group involve several water-intensive operations, such as etching, electroplating, and cleaning. Without proper water resource management, there is a risk of operational disruptions, water pollution liability, and regulatory non-compliance. In addition, water use efficiency directly impacts process costs and resource allocation. For facilities located in high water-risk regions, competition for water access and social expectations for responsible usage become even more critical. Therefore, water resource management is not only essential for regulatory compliance and environmental responsibility but also plays a key role in ensuring operational stability, protecting brand reputation, and supporting long-term sustainability in the industry.

Management Policy and Commitment

CWTC Group is committed to improving water use efficiency and increasing recycling rates in accordance with local regulatory requirements. We strive to reduce the consumption of water resources and minimize the environmental impact of wastewater discharge. Our goal is to ensure that our operations do not compete for or pollute regional water resources, and to advance toward a management approach of reduced water withdrawal, efficient usage, and compliant discharge.

Management Mechanism and Implementation Strategy

Responsible Units:
Environmental Management Centers / Sustainable Development Committee

Relevant Internal Policies:
Tap Water Supply Management and Emergency Response Work Instructions, Environmental Operations Control Implementation Procedure

Key Strategies:
Conduct water resource usage inventories, implement water quality monitoring equipment and real-time data feedback systems, and establish communication channels with industrial park management units to promptly address water-related issues

Specific Action Plan

1. Water Source Inventory and Risk Assessment: Annually update water source usage and conduct process water usage analysis.
2. Introduction and Improvement of Water-Saving Technologies: Implement recirculating cooling systems, low water consumption equipment, and replace faucets with sensor-activated models.
3. Greywater Reuse and Recycling: Establish greywater reuse systems to recycle and reuse process water.
4. Wastewater Quality Monitoring and Compliant Discharge: Ensure all discharges comply with environmental regulations and proactively disclose water quality data.
5. Employee Water Conservation Education: Promote daily water-saving awareness and practices among employees.

Tracking and Verification Mechanism

1. Daily Monitoring: Install flow meters on key water-use facilities for regular recording and prompt reporting of abnormalities.
2. Monthly Reporting: Analyze water usage and discharge volumes, investigate causes of anomalies, and track corrective actions.
3. Annual Review: Review water-saving performance and evaluate achievement rates of set targets.

Index Items	Short Term	Mid Term	Long Term
Total water withdrawal (ML)	Increase ≤ 2% 2024 Baseline: 1,376 2025 Target: 1,404 2025 Actual Performance: 1,491 ✖	Stable or decreasing year by year	Stable or decreasing year by year
Recycling rate of water withdrawal (%)	≥ 30% 2025 Target: ≥ 30% 2025 Actual Performance: 33.44 ✔	Stable at ≥ 35%	Stable at ≥ 40%
Abnormal wastewater pollution incidents	Meets Standards No Violations 2025 Target: No Violations 2025 Actual Performance: 0 ✔	Meets Standards No Violations	Meets Standards No Violations

Note 1: Take 2024 as the base year；Short term: within 3 years、Mid term: within 5 years、Long term: over 5 years
Note 2: The water recycling rate includes only plants in the Group that have established water recycling systems.
Note 3: Total water withdrawal did not meet the target; for related explanations, please refer to-📄 Use of Water Resources and Management

CWTC primarily uses tap water for wet processing (plating), cleaning and environmental protection purposes. The water sources for each plant are from surface water supplied by third parties, with all sources being freshwater (≤1,000 mg/L total dissolved solids). The water supply for the Taiwan plants comes from the Taiwan Water Corporation, specifically the Gaoping River Weir, Nanhua Interconnecting Pipeline, and Fengshan Reservoir; the plants in China receive water from the Minjiang River and Taihu Lake, while the overseas plants source water from the Selangor River. None of these raw water sources are classified as national or international nature reserves, nor do they come from sensitive water bodies. Additionally, based on the AQUEDUCT WATER RISK ATLAS, the water risk assessment for each plant indicates that the plants in China are rated as "High-Medium risk (3-4)" due to water stress, while all other locations are classified as "Low-Medium risk (1-2)" and are not considered water-stressed areas.

Use of Regional Water Resources

Region		Taiwan	China		Overseas
		Taiwan Plant	Chengdu Plant	Suzhou Plant	Malaysia Plant
Water Sources	Tap water	Gaoping-River Weir, Nanhua Interconnecting Pipeline and Fengshan Reservoir	Minjiang River	Taihu Lake	Selangor River
	Groundwater and others	Groundwater	None	None	None
Water supply (10 thousand metric tons/day)		173.1	154.2	45	530.6
Water withdrawal (10 thousand metric tons/day)		0.14	0.07	0.13	0.07
Use of regional water (%)		0.08	0.05	0.28	0.01

Note : Water supply is derived from data on the websites of the Water Resources Agency and the local water companies.

The Use of Water Resources and Performance Management

CWTC primarily uses tap water for wet processes (electroplating), cleaning, and environmental protection purposes. Facing global climate change in recent years, to ensure that the plants do not encounter immediate water shortage crises due to a lack of water resources, the Company continuously implements water consumption monitoring and actively promotes water-saving measures across its plants. Starting in 2021, the Taiwan plants installed additional process recycling systems to treat, filter, and reuse rinsing water containing high acid concentrations, replacing direct discharge after wastewater treatment plant processing, thereby improving process wastewater recycling rates and working in conjunction with various water-saving measures to reduce water resource consumption. Furthermore, the Company closely monitors government water condition disclosures; during periods of water scarcity or restrictions, non-essential water use will be prioritized for reduction based on water conditions, and the proportion of process recycled water used will be increased to minimize the impact of water restrictions on production operations and maintain the stability of plant water supply and production operations.

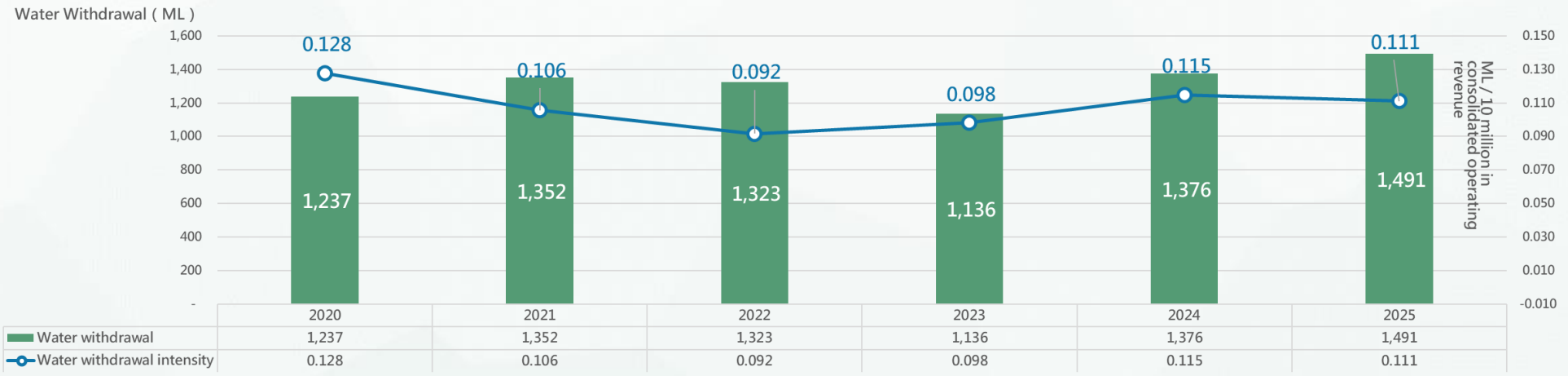
Use of Water Resources and Management

In 2025, increased production capacity drove water withdrawal up to 1,491 million liters (+8.36%); however, this growth rate remained lower than the increase in production volume (+9.88%), indicating continuous improvement in water use efficiency. The water recycling rate also rose from 27.69% to 27.83%, demonstrating the effectiveness of water conservation management.

Unit: megaliters

Plant	Item	2020	2021	2022	2023	2024	**2025**
Taiwan Plant	Water withdrawal (A)	306	388	417	396	498	**521**
	Water recycled (B)	48	70	96	131	161	**203**
	Total consumption (C=A+B)	354	458	513	527	659	**724**
	Water recycled / Total consumption (%) = (B/C)	13.56	15.28	18.71	24.86	24.43	**28.04**
	Recycling rate of water withdrawal (%)=(B/A)	15.69	18.04	23.02	33.08	32.33	**38.96**
	Water discharge (D)	294	370	379	364	487	**527**
	Water consumption	60	88	134	163	172	**197**
China Plant	Water withdrawal (A)	629	640	585	475	623	**720**
	Water recycled (B)	27	98	141	133	220	**212**
	Total consumption (C=A+B)	656	738	726	608	843	**932**
	Water recycled / Total consumption (%) = (B/C)	4.12	13.28	19.42	21.88	26.10	**22.75**
	Recycling rate of water withdrawal (%)=(B/A)	4.29	15.31	24.10	28.00	35.31	**29.44**
	Water discharge (D)	472	527	475	400	507	**571**
	Water consumption	184	211	251	208	336	**361**
Overseas Plant	Water withdrawal (A)	302	324	321	265	255	**250**
	Water recycled (B)	-	-	-	-	-	**-**
	Total consumption (C=A+B)	302	324	321	265	255	**250**
	Water recycled / Total consumption (%) = (B/C)	-	-	-	-	-	**-**
	Recycling rate of water withdrawal (%)=(B/A)	-	-	-	-	-	**-**
	Water discharge (D)	245	267	266	203	189	**184**
	Water consumption	57	57	55	62	66	**66**
Total	Water withdrawal (A)	1,237	1,352	1,323	1,136	1,376	**1,491**
	Water recycled (B)	75	168	237	264	381	**415**
	Total consumption (C=A+B)	1,312	1,520	1,560	1,400	1,757	**1,906**
	Water recycled / Total consumption (%) = (B/C)	5.72	11.05	15.19	18.86	21.68	**21.77**
	Recycling rate of water withdrawal (%)=(B/A)	6.06	12.43	17.91	23.24	27.69	**27.83**
	Water discharge (D)	1,011	1,164	1,120	967	1,183	**1,282**
	Water consumption	301	356	440	433	574	**624**

Changes in Water Withdrawal Intensity



Water Withdrawal and Consumption

Unit: megaliters

Item				2022		2023		2024		2025	
				All plants	Areas with Water Stress	All plants	Areas with Water Stress	All plants	Areas with Water Stress	All plants	Areas with Water Stress
Water withdrawal by sources	Third-party water	Freshwater	Surface water	1,323	383	1,136	322	1,376	420	1,491	720
			Groundwater	-	-	-	-	-	-	-	-
			Seawater	-	-	-	-	-	-	-	-
			Produced water	-	-	-	-	-	-	-	-
	Total water withdrawal			1,323	383	1,136	322	1,376	420	1,491	720
Water discharge by destination	Total water consumption			440	233	433	197	574	326	624	361

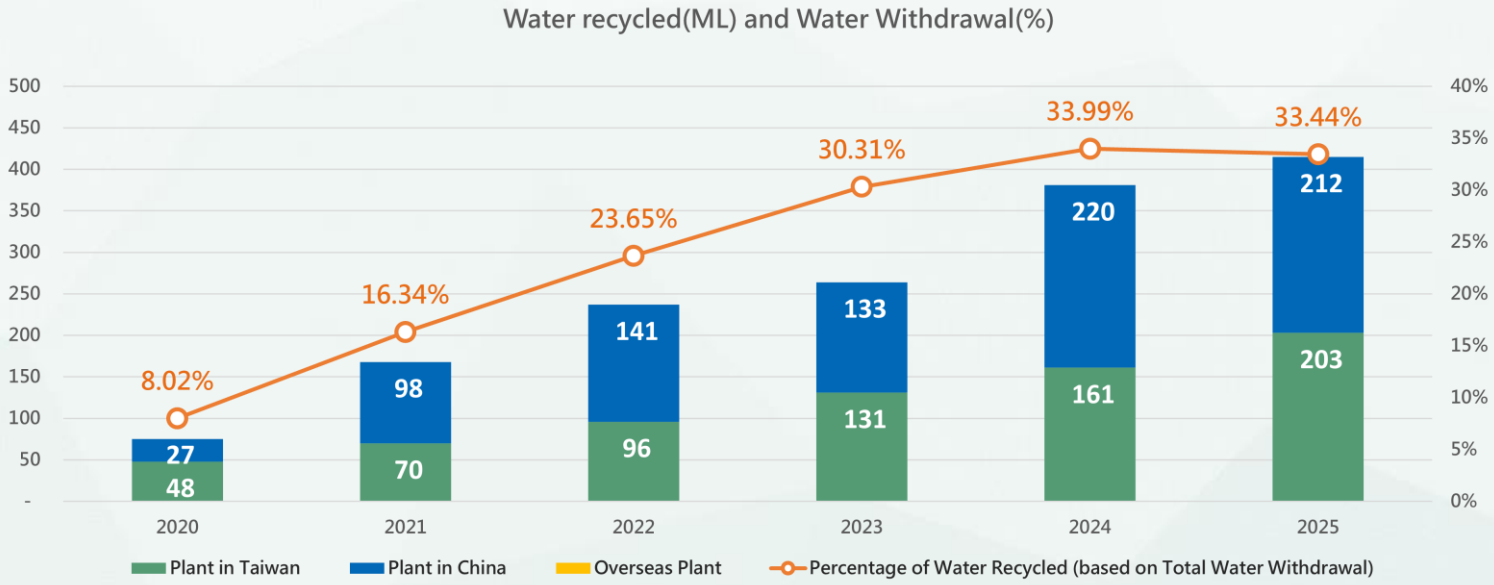
Note 1 : The Company's water withdrawal sources exclude surface water, groundwater, seawater and produced water.
Note 2 :For regions facing water stress, refer to the AQUEDUCT WATER RISK ATLAS; the Chengdu plant will be included in the 2025 revision.

Water Conservation Measures within the Plants

Water Reclamation System - Recycling and Reuse of Process Water

In 2021, the Taiwan plants installed recycling systems where process water is recycled for reuse through ultrafiltration (UF) and reverse osmosis (RO) processes. In 2022, we adopted membrane bioreactors (MBR), Membrane Chemical Reactor (MCR) devices to replace the UF system. The enlarged membrane pore size increased fluxes and improved the fouling issue, enhancing the efficiency of the water recycling system. At the same time, the switch reduced the frequency of backflushing and chemical cleaning and consequently the consumption of recycled water. Additionally, the less frequent replacement of filter bags led to waste reductions.

Since 2022, MBR systems have been progressively added, with the third MBR system completed in 2025. The daily amount of recycled water increased from 170 tons in 2023 and 181 tons per day in 2024 to a daily average of 224 tons recycled to the industrial water pool in 2025, demonstrating significant results. Plans are in place to install a fourth MBR system in 2026.



Note 1 : The recycling rate of water withdrawal indicator is only included in the group's factories that have built a water recovery system.
Note 2 : Recycling rate of water withdrawal = Water recycled / Water withdrawal

Pure Water Recycling System - Recycling and Reuse of Pure Water

The Taiwan plants expanded their process water recycling system in 2021 by adding a pure water recovery system. The concentrated water produced by the RO pure water system is further treated through a secondary reverse osmosis (RRO) for reuse in the manufacturing process. Due to the 2B3T pretreatment design of the RO pure water system, the quality of the concentrated water from the secondary RRO system is even better than tap water, enabling its recycling and reuse in the industrial water pool. In 2025, the total volume of ultrapure water recovered from processes at the Taiwan plants reached 82,867 metric tons, accounting for 11.4% of total water usage.

Water-saving Design of Machinery and Equipment

Electroplating equipment adopts the counter-current rinsing design where the rinse water is circulated through three washing tanks, achieving water conservation.

Related Facilities

Control panel of recycling system

Raw water tank for recycling

MBR / MCR filtration

RO filtration

Waste Water Discharge and Water Quality Monitoring and Control

CWTC conducts regular annual sampling and testing of various parameters in the effluents to ensure that wastewater generated from the manufacturing processes fully complies with the current environmental laws and regulations and the standards of the industrial park management, thereby minimizing environmental pollution impact. We are proactively reviewing and improving the wastewater pollution control systems at our plants. In 2023, the test results of effluents discharged from all plants remained in compliance with the regulatory standards[Note] approved in their respective locations.

Note : The Taiwan plants adhere to the "Standards for Wastewater Discharge into Sewerage Systems of Nanzih Technology Industrial Park, Kaohsiung." The China plants comply with the "Integrated Wastewater Discharge Standard," the "Water Quality Standards for Discharge to Municipal Sewers," and the "Discharge Standards of Pollutants for Electroplating." The overseas plants follow Malaysia's "Environmental Quality Act 1974."

Discharge

Unit: megaliters

Year		2022		2023		2024		2025	
Item		All plants	Areas with Water Stress	All plants	Areas with Water Stress	All plants	Areas with Water Stress	All plants	Areas with Water Stress
By destinations	A Surface water	**266**	**-**	**203**	**-**	**189**	**-**	**184**	**-**
	B Groundwater	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	C Seawater	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	D Third-party water (total)	**854**	**283**	**764**	**250**	**994**	**507**	**1,282**	**571**
	E Third-party water sent for use to other organizations	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total wate discharge	F=A+B+C+D+E	**1,120**	**283**	**967**	**250**	**1,183**	**507**	**1,466**	**571**
Freshwater		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Others		**1,120**	**283**	**967**	**250**	**1,183**	**507**	**1,466**	**571**

3.5 Waste Management

<<<Key Material Issue 【GRI 306-1、306-2、306-3 / SASB TC-SC-150a.1.】

Impact Description

The manufacturing processes at CWTC Group generate various types of waste, including general waste, hazardous industrial waste (such as electroplating sludge and heavy metal-containing liquids), packaging materials, and recyclables. If waste is not properly classified, stored, and disposed of, it may lead to violations of environmental regulations and pose risks to the surrounding environment, soil and water quality, and human health. Moreover, excessive waste generation indicates inefficient resource utilization, which increases operating costs and carbon footprint. Therefore, establishing a robust waste management system is essential for ensuring environmental sustainability and effectively managing operational risks.

Management Policy and Commitment

CWE Group is committed to complying with all relevant environmental regulations and continuously improving its waste management processes based on the principles of reduction, segregation, resource recovery, and harmless treatment. By strengthening source reduction, increasing recycling and reuse rates, and ensuring transparent information disclosure, the Group aims to reduce total waste generation and promote circular economy goals—fulfilling our corporate environmental responsibility.

Management Mechanism and Implementation Strategy

Responsible Units:
Environmental Management Centers / Equipment and Process Units of subsidiary manufacturing plants

Relevant Internal Policies:
Waste Management Guidelines, Chemical Warehouse Management Guidelines, Toxic Substances Handling Procedures

Key Strategies:
Comply with environmental regulations by reporting waste accurately and ensuring proper handling through verified waste manifests. Implement the ISO 14001 Environmental Management System and track environmental performance indicators annually.

Specific Action Plan

1. Source Reduction Design: Improve processes to reduce by-products and packaging usage, and enhance raw material utilization efficiency.
2. Clear Classification and Labeling: Implement a color-coded labeling system to ensure proper sorting and easy identification by on-site personnel.
3. Promotion of Recycling and Reuse: Establish partnerships with qualified recyclers to increase the recycling rates of metals, packaging materials, and liquids.
4. Enhanced Hazardous Waste Disposal: Conduct sampling, testing, and documentation of hazardous waste, and ensure it is handled by certified disposal contractors with traceable proof of treatment.
5. Employee Training and Audits: Regularly conduct waste classification training and on-site internal audits to support continuous improvement.

Tracking and Verification Mechanism

1. Daily Monitoring: Maintain regular records and promptly report any abnormalities.
2. Monthly Reporting: Submit monthly reports detailing waste classification data.
3. Annual Review: Review the reuse rate of managed waste and the amount of waste generated per unit of product.
4. Ensure all waste handling processes comply with local government regulations.

Index Items	Short Term	Mid Term	Long Term
Waste generation per unit of product (kg/KMproduct)	≤ 30% 2025 Target: ≤ 30% Actual Performance: 24% ✓	≤ 25%	Stable at ≤20% and enhance resource recycling
Ratio of general / hazardous waste (%)	≤ 40% 2025 Target: ≤ 40% Actual Performance: 37% ✓	Reduced to ≤ 35%	Stable at ≤25% and enhance resource recycling
Waste recycling and reuse rate (%)	≥ 40% 2025 Goal: ≥ 40% Actual: 96% ✓	Stable at ≥ 60%	Stable at ≥ 70%

Note: Take 2024 as the base year；Short term: within 3 years、Mid term: within 5 years、Long term: over 5 years

With the philosophy of “contributing to the community” and recognizing “the finite nature of Earth's resources” and “the importance of environmental protection,” CWTC Group is committed to environmental protection in all aspects including business operations, products and services.

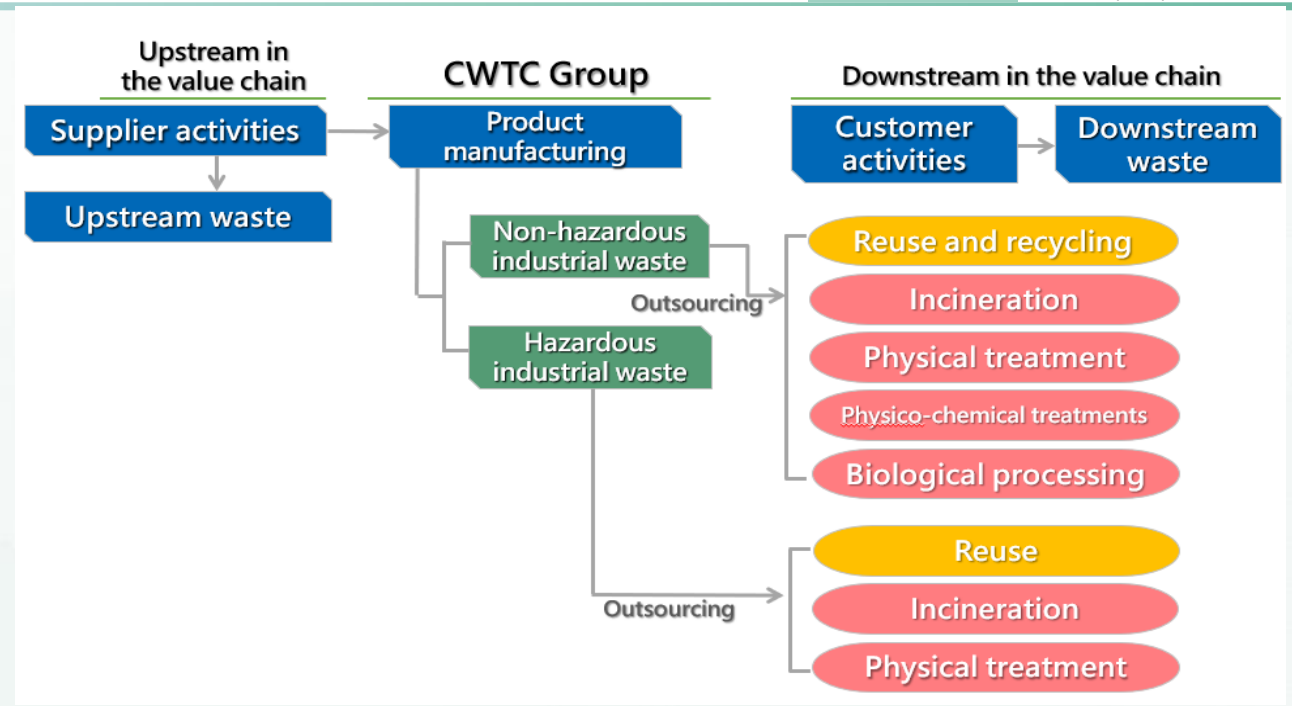
1. Adopt low-pollution raw materials and clean production methods; commit to environmental protection and reduce the environmental impact of our product supply chain.
2. Comply with relevant environmental laws and regulations and fulfill the environmental responsibilities of all entities within the CWTC Group.
3. Continuously improve and enhance environmental performance through environmental target setting, regular audits, and management reviews.
4. Adopt appropriate risk control techniques to effectively reduce the risk of hazards to stakeholders, and continuously strengthen relationships with contractors and suppliers.
5. Protect natural resources through programs for efficient use and waste reduction.
6. Reduce and prevent the environmental impact of harmful substances to protect our employees and the environment.
7. Improve production quality to reduce waste.

Waste Management

Waste generated by the CWTC Group can be categorized into two major types: “non-hazardous industrial waste” and “hazardous industrial waste,” which are further classified into recyclable and non-recyclable waste based on disposal methods. In addition to implementing waste sorting, the Company complies with local regulations for waste reporting, sorting, and storage, and engages qualified vendors to assist in the removal, disposal, and recycling of waste. We ensure that our waste is properly handled through regular vendor reviews and audits. For example, Taiwan Plant No. 2 manages industrial waste online through the "Three-Party Waste Disposal Control and Delivery Form." It also formulates an audit plan for waste clearance and disposal organizations by dispatching personnel to conduct on-site inspections of their management practices, with the audit results recorded in an inspection log. If any irregularities are detected during inspections, the company will notify the contractor to make improvements and schedule a follow-up audit to ensure that the waste is managed in compliance with regulations.

Among the sales offices within the CWTC Group, only non-hazardous waste (such as household garbage and wastewater) is generated. Since the actual weight of this waste cannot be obtained, it is not included in the waste generation statistics table below.

The Company will continue to focus on waste reduction at the source, recycling, and reuse as management objectives to minimize waste generation, aiming to reduce operating costs and environmental impact.



Waste Treatment Methods and Types for Taiwan Plant in the Past Two Years

Unit: metric tons

Category	Treatment Method	Disposal	Type	2024	2025
Non-hazardous industrial waste	Reuse and recycling	Off-site	Scraps, waste steel belt, resin, waste lubricant, waste wood	2,684	3,258
	Incineration	Off-site	Household waste, waste dry film, waste plastic mixtures	221	229
	Physico-chemical / Physical treatments	Off-site	Waste electronics components, waste plastic mixtures, scraps and defectives	10	13
	Biological processing	Off-site	Waste such as night soil or excrements	42	42
Hazardous industrial waste	Reuse	Off-site	Sludge, Waste filter cores, filter bags, chemical waste containers, waste glass containers, iron drums	1,331	2,324
	Incineration	Off-site	Waste solutions, acetone, empty drums (plastic bags)	-	-
	Physical treatment	Off-site	Waste solutions	30	2

Waste Treatment Methods and Types for All Plants in 2025

Unit: metric tons

Category	Treatment Method	Disposal	Type	Weight
Non-hazardous industrial waste	Reuse and recycling	Off-site	Scraps, waste steel belt, resin, waste lubricant, waste wood	5,044
	Incineration	Off-site	Household waste, waste dry film, waste plastic mixtures	260
	Physico-chemical / Physical treatments	Off-site	Waste electronics components, waste plastic mixtures, scraps and defectives	13
	Biological processing	Off-site	Waste such as night soil or excrements	107
Hazardous industrial waste	Reuse	Off-site	Sludge, Waste filter cores, filter bags, chemical waste containers, waste glass containers, iron drums, waste solutions and waste oil	14,388
	Incineration	Off-site	Sludge, waste solutions, acetone, empty drums (plastic bags)	252
	Physical treatment	Off-site	Waste solutions, waste electronics components	62

Statistics of Waste Volume

Unit: metric tons

Category	Treatment Method	2021		2022		2023		2024		2025	
		Weight	%	Weight	%	Weight	%	Weight	%	Weight	%
Non-hazardous industrial waste	Recyclable	1,673	8	1,589	8	2,341	14	4,437	25	5,044	25
	Non-recyclable	5,379	26	5,841	29	4,408	27	375	2	380	2
Hazardous industrial waste	Recyclable	11,787	57	11,342	56	8,617	53	12,615	70	14,388	71
	Non-recyclable	1,853	9	1,332	7	1,047	6	509	3	314	2
Total		20,692	100	20,104	100	16,413	100	17,936	100	20,126	100
Waste intensity		1.6176		1.3931		1.4172		1.4963		1.4988	

Note: Waste intensity = Waste generated / Consolidated revenue in millions of NT$

Circular Economy

In response to environmental sustainability and the promotion of resource circulation, CWTC Group has established recycling processes for different metals as part of its ongoing optimization of lead frame manufacturing. Through these recycling measures, the Group not only reduces waste emissions but also effectively lessens dependence on virgin resources, thereby mitigating the risk of natural resource depletion.

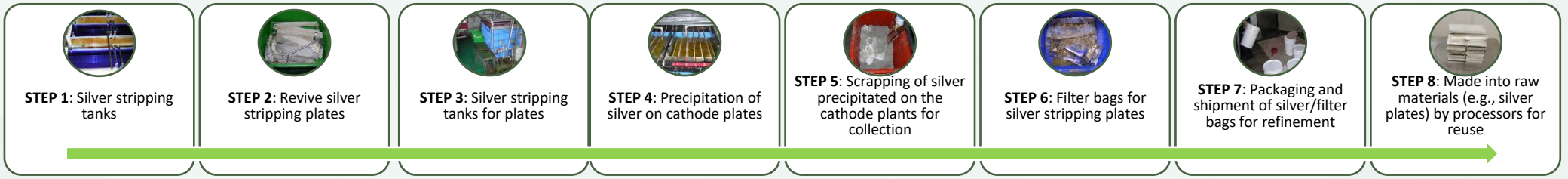
Raw Material Metal Recycling – Copper and Nickel

The primary product of CWTC Group is IC lead frames, which are made from copper alloys and iron-nickel alloys. During the stamping process of lead frame production, scrap materials are generated, mainly composed of copper, iron, and nickel. These scrap materials are collected and sent to certified recycling companies for smelting and reuse. In addition, for QFN products, the electroplating process generates waste liquid that contains a high concentration of copper and nickel ions. To improve resource utilization efficiency and reduce treatment costs, we have installed copper recovery electrolysis equipment to extract copper from the electroplating waste liquid in the form of copper rods, which are then handled by external contractors.

Precious Metal Reuse – Silver, Gold, Palladium

In the electroplating process, silver (Ag) is primarily used in conductive plating layers to enhance conductivity and soldering stability, while gold (Au) and palladium (Pd) are commonly applied as conductive layers or surface treatments to improve oxidation resistance and high conductivity. In response to the increasing use of precious metals and the resulting resource and cost pressures, CWTC has introduced precious metal recovery technologies and established in-house treatment systems. Through the "Silver-Containing Wastewater Recovery System" and the "Gold and Palladium Plating Wastewater Centralized Recovery System," plating solutions and rinse liquids containing precious metals generated during the electroplating process are collected and sent to certified external recycling partners for treatment. By recovering precious metals from process waste liquids, we not only significantly reduce raw material loss and associated costs but also minimize the discharge of heavy-metal-containing wastewater, thereby reducing potential environmental impacts. Our main precious metal recovery technologies include the following:

- Recycling and refinement of waste filter cores (bags) and silver soil into raw materials



- Electrolytic recovery and refinement of waste solutions containing silver into raw materials

• Set up resin towers to recover rinsing water with low concentration of gold and palladium and collect waste solutions with high concentration from plating tanks foroutsourced treatment and recycling

Resin tower for glod

Resin tower for palladium

Drums for waste gold/palladium solutions

Taiwan Plant currently has 22 silver recovery machines installed, along with 5 gold recovery resin towers and 6 palladium recovery resin towers, forming a comprehensive precious metal recycling and processing system. The carbon reduction benefit for the entire year of 2025 is expected to reach 782 tCO2e.

In addition, we have strengthened our collaboration with suppliers by selecting qualified third-party recycling companies to ensure that the entire recycling and processing workflow meets environmental standards. At the same time, we provide education and training for frontline operators to implement a company-wide green manufacturing culture.

CWTC Group will continue to optimize resource use efficiency in the lead frame production line and enhance the reuse value of metal resources required in the process through data-driven management, aiming toward a high-efficiency, low-consumption sustainable manufacturing model.

Recycled Metal Volume from Circular Economy at Taiwan Plant in the Past Three Years

Unit: Kilograms (kg)

Item	2023	2024	2025
Recycled Copper (including waste solutions)	382,744.00	473,432.00	439,947.00
Recycled Iron	8,857.50	13,919.50	11,154.50
Recycled Nickel (including waste solutions)	892.50	1,552.50	580.00
Recycled Silver (including waste solutions)	1,189.49	1,718.76	1,698.50
Recycled Gold (including waste solutions)	1.40	0.89	0.99
Recycled Palladium (including waste solutions)	6.21	8.20	8.36

3.6 Biodiversity Commitment

To respond to international concerns regarding biodiversity and forestry conservation, we have declared our "CWTC Group Biodiversity and Zero Deforestation Commitment." Through the oversight and promotion of corporate sustainability governance, we demonstrate our determination to conserve ecological environments and actively respond to the challenges posed by climate change. All of our plants are located within legal industrial parks and are not situated in Key Biodiversity Areas (KBAs) identified globally or nationally. While the direct impact on natural habitats is relatively limited, the Company continues to pay attention to potential environmental impacts arising from its operational activities.

CWTC
Biodiversity and Zero Deforestation Commitment

CWTC Group Biodiversity and Zero-Deforestation Commitment

Avoid impacts on key ecological areas	Create positive environmental benefits	Regulatory compliance and zero deforestation	Respond to international biodiversity initiatives	Assess and manage ecological impacts	Collaboration and initiatives
Avoid constructing manufacturing facilities or engaging operations adjacent to globally or nationally protected biodiversity areas.	**The Company is committed to biodiversity conservation with the goal of Net Positive Impact on the environment and ecology.**	**Comply with the international or local forestry laws or specific regulations, ensuring that our products and services meet the principle of Zero Net Deforestation.**	**Respond to the United Nations Convention on Biological Diversity (CBD) and the initiative to preserve biodiversity.**	**Conduct regular ecological surveys and impact assessments at business operation sites.**	**Collaborate with external partners to fulfill this commitment.**

Actions	Restoration and Habitat Management of Yuanjhong Harbor Wetland in Kaohsiung in 2025
Event Outcomes	**[Integrating Wetland Management to Enhance Natural Carbon Sink Functions of Wetlands]**

Wetlands serve as crucial natural carbon sink ecosystems. Beyond providing habitats for organisms, they offer ecosystem service functions such as carbon sequestration, water purification, and climate regulation. In alignment with the national development direction for natural carbon sinks, the Company has incorporated wetland conservation into its environmental sustainability implementation strategy.

In 2025, over 100 employees from CWE Group participated in the restoration and habitat management of Yuanzhonggang Wetland in Kaohsiung, assisting in improving wetland environmental quality, maintaining native vegetation, and enhancing biodiversity, thereby further strengthening the natural carbon sink functions of the wetland. Through measures such as invasive species removal, habitat arrangement, environmental maintenance, and ecological education, the event helped safeguard the wetland's ecological environment, improve habitat quality, and boost natural carbon sink capacities. This fulfilled the corporate commitment to supporting biodiversity conservation and natural carbon sink management, backing the 2050 Net-Zero Transition and natural capital conservation with concrete action.

Event Outcomes	**[Environmental Education and Promotion]**

During the event, professional ecological tours and environmental education courses were arranged, led by wetland conservation experts to guide employees in understanding the ecological characteristics and natural carbon sink value of Yuanjhong Harbor Wetland. By introducing fiddler crabs and the mangrove ecosystem, the sessions detailed their ecosystem service functions—including maintaining wetland ecological balance, carbon sequestration, bank protection, and providing wildlife habitats. This helped colleagues understand the interconnections among wetland conservation, natural carbon sinks, and biodiversity, further enhancing corporate sustainability awareness toward natural carbon sink management and ecological conservation.

4.Growth and Common Prosperity

4.1 Human Rights Policy

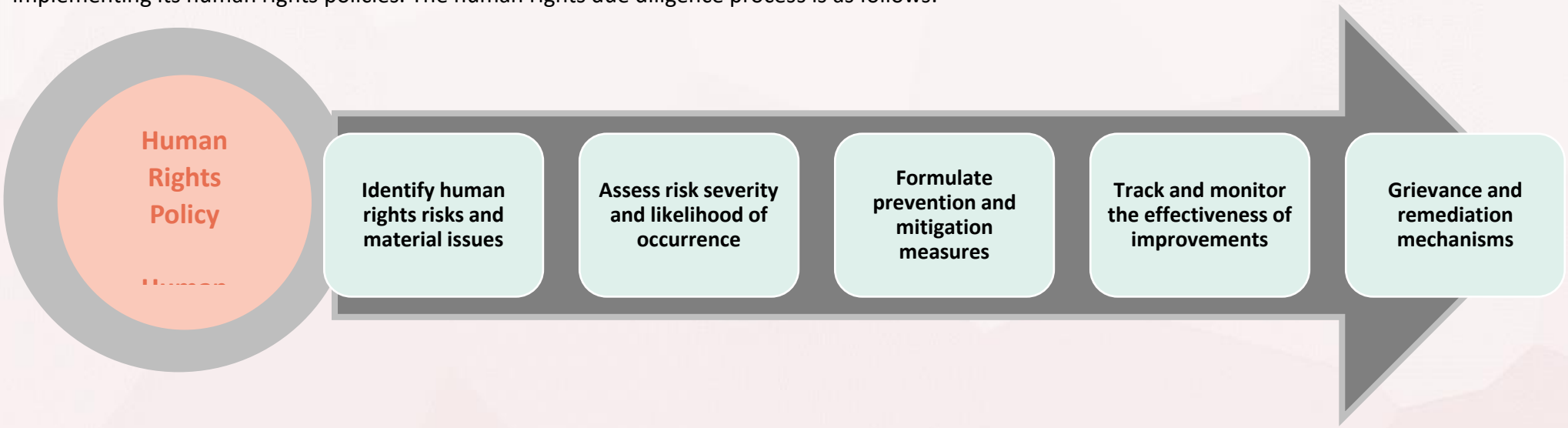
CWTC Human Rights Policy

Human Rights Commitments 【GRI 2-24】

CWTC strictly complies with labor-related laws and regulations in the countries where it operates, protects the legal rights and interests of employees, and adheres to the spirit and basic principles of human rights protection outlined in the “United Nations Global Compact”, the “United Nations Universal Declaration of Human Rights”, the “ILO Declaration on Fundamental Principles and Rights at Work” and other international human rights conventions. We treat all employees with dignity and respect.

Human Rights Due Diligence

To fulfill corporate social responsibility and perform its commitment and responsibility to the defense of human rights, the Company has established human rights policies and related management guidelines. Drawing upon the spirit of the UN Guiding Principles on Business and Human Rights(UNGPs), the Company is gradually constructing a human rights due diligence mechanism to strengthen human rights risk identification, prevention, and mitigation, thereby fully implementing its human rights policies. The human rights due diligence process is as follows:



Employees and suppliers serve as the primary focus subjects of the Company's human rights due diligence. Regarding employees, risk identification and assessment are conducted for material human rights issues, including health and safety, working hours management, workplace equality, prevention of workplace unlawful infringement, and personal data protection. Furthermore, human rights risk management and preventive measures are continuously strengthened through internal management systems, educational training, grievance channels, and regulatory compliance reviews.

Regarding suppliers, the Company gains an understanding of suppliers' management status in aspects such as labor rights, working hours management, health and safety, working environment, non-discrimination, and regulatory compliance through supplier social responsibility self-assessment questionnaires and daily cooperative management. In addition, key suppliers are required to complete SA8000 self-assessment questionnaires, Responsible Business Alliance (RBA) Code of Conduct commitment letters, and conflict minerals declarations, among other relevant documents, to jointly implement human rights protections, business ethics, and corporate social responsibility requirements. This approach aims to mitigate potential human rights risks in the supply chain and continuously enhance suppliers' sustainability management capabilities.

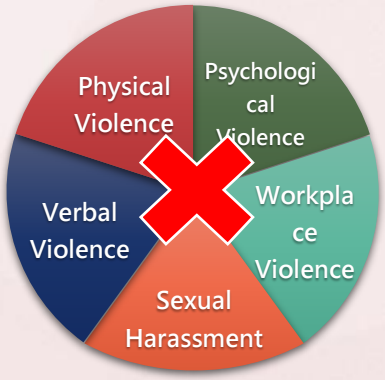
Human Rights Target Subjects	Risk Topics	Potential Human Rights Risks	Risk Mitigation or Remediation Measures
Employees	Health and Safety	Workplace conditions or operational risks may affect employees' health and safety	7S inspections are executed monthly in the working environment to immediately improve unsafe workplace factors, reducing operational risks and maintaining workplace safety. Relevant safety topics are continuously tracked through the Safety and Health Committee, with safety week activities and relevant educational training arranged to enhance employee safety awareness. We conduct annual health checkups and regularly invite occupational physicians to help employees understand their health status; we also organize health promotion activities and health education seminars to encourage employees to adopt healthy lifestyle habits.
	Working Hours Management	Excessive working hours or insufficient rest may adversely affect employees' physical and mental health.	We provides rest areas and sports facilities to help employees recharge physically and mentally and maintain their energy at work. It also actively reviews staffing and task assignments through assessments of abnormal workloads to reduce potential work-related stress and emotional burnout.
	Workplace Equality	Discrimination, unfair treatment, or a lack of equal opportunities may affect employees' rights and interests.	We continue to promote policies on equal employment and diversity and inclusion, prohibit all forms of discrimination and unequal treatment, and provide fair opportunities for recruitment, training, and promotion. We hold quarterly labor-management meetings to establish a communication mechanism between management and employees and to fully listen to employees' opinions and needs. Additionally, through employee satisfaction surveys and complaint channels, we gather feedback on the work environment, leadership, relationships with colleagues, and workplace conditions, and take timely corrective measures to protect employees' rights and interests.
	Prevention of Workplace Harassment	Inappropriate words, actions, or interactions may infringe upon employees' personal dignity and workplace rights.	We have established a Workplace Harassment Prevention Plan and Sexual Harassment Prevention Measures, set up confidential complaint, investigation, and resolution mechanisms, and conduct regular educational outreach and training to prevent incidents such as workplace bullying, violence, and sexual harassment, thereby fostering a safe, respectful, and friendly work environment. In 2025, a total of four cases of workplace misconduct were received. All cases were processed, investigated, and resolved through mediation in accordance with internal procedures, and appropriate corrective measures were taken and necessary assistance provided based on the circumstances of each case.
	Personal Data Protection	Improper management of personal data may pose risks to privacy or information security.	Establish an information security and personal data protection management system to reduce the risk of information leaks and the misuse of personal data through measures such as access controls, information security training, system protection, and access management.

Human Rights Target Subjects	Risk Topics	Potential Human Rights Risks	Risk Mitigation or Remediation Measures
Suppliers	Working Hours Management	Workers' rights to reasonable work hours and rest periods may be affected.	Through supplier social responsibility self-assessment questionnaires and day-to-day collaboration management, we monitor suppliers' working hour management practices and require them to comply with local labor laws and the principles of reasonable working hours to mitigate the risk of excessive working hours.
	Work Environment	Workers' rights to health and safety may be affected.	Through supplier social responsibility self-assessment questionnaires and day-to-day collaboration management, we gain insight into suppliers' work environments and occupational safety and health management practices, and encourage suppliers to continuously improve their work environments and safety and health management measures.
	Equality in the Workplace	Workers' rights to equal employment opportunities and protection against discrimination may be affected.	Suppliers are required to comply with local labor laws and corporate social responsibility requirements, sign the Responsible Business Alliance (RBA) Code of Conduct, complete the SA8000 Social Responsibility Self-Assessment Questionnaire, and submit relevant declaration documents. Through supplier social responsibility self-assessments and ongoing collaboration, we monitor suppliers' compliance with standards regarding equal employment opportunities, the prohibition of forced labor, the prohibition of child labor, and human rights management, in order to mitigate potential human rights risks in the supply chain.
	Forced Labor	Workers' right to be free from forced or coerced labor may be compromised.	
	Child Labor	Children's rights and the protection of underage workers may be affected.	

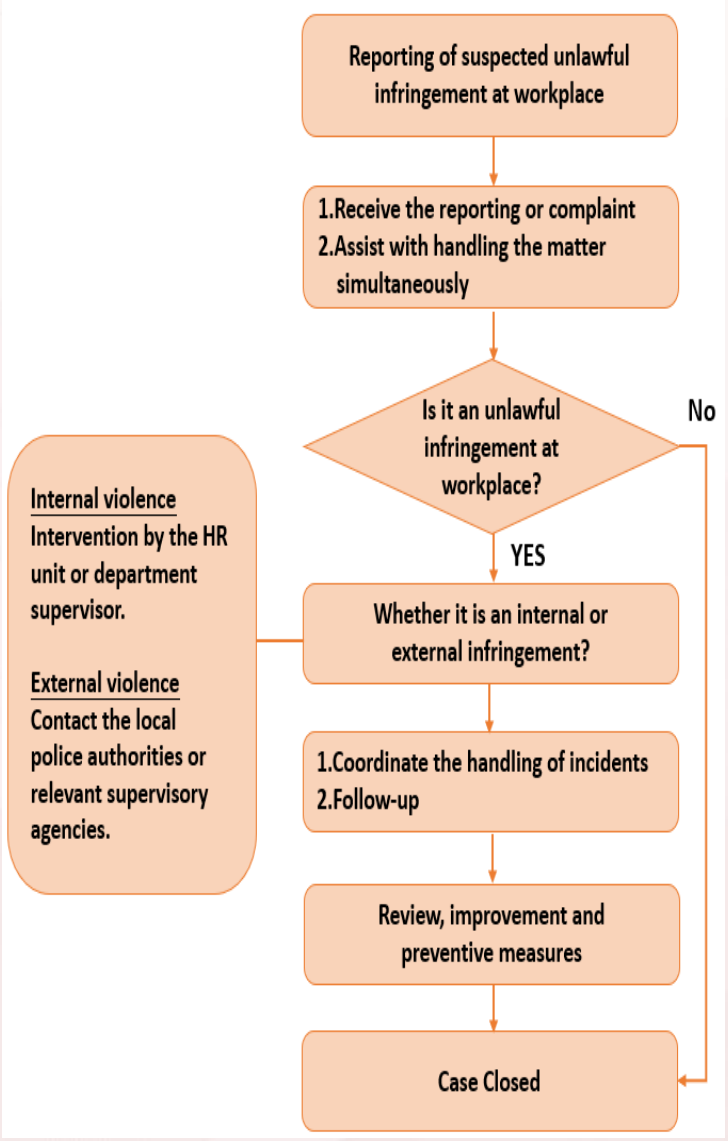
Workers' Rights 【GRI 2-26】

To ensure that employees fully understand the Company's commitment to human rights protection, as well as the prevention of workplace violence and sexual harassment, we have made the "Human Rights Policy," "Corporate Social Responsibility Policy," and "Written Statement Prohibiting Workplace Violence" mandatory courses for new employees and part of the annual training. We have also established a formal grievance channel, managed confidentially by designated personnel, to address various workplace issues, including safety and health, gender equality, and workplace violence, ensuring a safe and healthy working environment for all employees.

CWTC has established a labor-management committee in accordance with the law to facilitate effective communication between the Company and its employees, aiming to build a positive labor-management relationship. The committee meets at least quarterly, and in addition to handling labor-management matters submitted by various departments, it solicits employee proposals through representatives from both sides to ensure that employee opinions and needs are thoroughly considered. In 2025, there was one labor-management dispute at the Suzhou plant, which was resolved through negotiation; no labor-management disputes occurred at the other plants.



Reporting Process for Unlawful Infringement at Workplace



In-charge Department / Personnel	Description
Employees **Departments**	➢ Informed by employees on their own initiative. ➢ Reported, complained or raised by others.
Administration Dept.	➢ Interview, hazard identification and risk assessment by occupational safety personnel, nurses, human resources unit, and the employees involved (and other relevant and appropriate personnel). ➢ For internal incident, labor representatives shall be involved in the investigation. ➢ For external incident, the local police or relevant authorities shall be contacted.
Employees **Administration Dept.** **Human Resources Unit** **Department Supervisors**	➢ Employer may make timely referrals or arrangements for consultation, counseling, leave of absence, or flexible adjustments of work duties, working hours, etc. ➢ Medical resources may be employed, such as follow-up by healthcare professionals or appropriate personnel, or referrals to local occupational disease and injury prevention centers. ➢ Implement internal disciplinary procedures when needed. ➢ Assist with subsequent legal actions when needed. ➢ Timely work adjustment for the two parties involved when needed.
Administration Dept. **Department Supervisors** **Human Resources Unit**	➢ The in-charge departments shall properly retain relevant records of their respective departments.

Employee Satisfaction

To gain a deeper understanding of each employee's thoughts about the Company, CWTC launched a group-wide employee satisfaction survey starting in 2024. The survey collects anonymous feedback covering various aspects such as work environment, career growth and development, compensation and benefits, and overall well-being.

The Group's overall response rate for 2024 was 69%, with an average satisfaction score of 3.65 (out of 5). The survey results show that employees expressed high satisfaction with "work environment," "supervision and leadership," and "relationships with coworkers." This reflects that the company has earned strong recognition from its employees for providing a safe and comfortable workplace, establishing excellent leadership and management practices, and fostering a culture of positive collaboration. At the same time, the survey also clearly indicated that there is room for improvement in certain areas, particularly regarding "compensation and benefits" and "well-being."

In response to the feedback and suggestions raised by employees in the survey, the company has formulated relevant improvement measures. Regarding compensation and benefits, the company has introduced retention bonuses for positions with high turnover to strengthen compensation incentives and enhance talent retention. In terms of well-being, the company provides break rooms and fitness facilities to help employees recharge physically and mentally and maintain work vitality. Additionally, the company will actively review staffing levels and task assignments to reduce potential work-related stress and emotional burnout.

CWE Group values the opinions of every employee and believes that "listening" and "responding" are the solid foundation for driving the company's sustainable development. Moving forward, we will continue to use surveys and concrete improvement measures to assist management and various departments in developing improvement plans, working together with all our colleagues to create a more supportive, healthy, and growth-oriented workplace environment.

4.2 Talent Attraction and Retention

<<<Key Material Issue

Impact Description

Establishing effective talent attraction and retention strategies helps to attract top talent, reduce employee turnover, and ensure the stability of key competencies. This contributes to improved organizational efficiency and supports long-term development.

Management Policy and Commitment

In response to changes in the labor market and the needs of sustainable organizational development, CWE Group is committed to building an attractive and growth-oriented workplace. By implementing a fair recruitment system, offering competitive compensation and benefits, providing comprehensive career development planning, and fostering a positive corporate culture, the Group aims to enhance employee satisfaction and sense of belonging. These efforts help attract top talent, improve retention rates, and strengthen organizational resilience.

Management Mechanism and Implementation Strategy

Responsible Unit:
Administration Division
Responsible Functions:
Talent Recruitment, Compensation Planning, Career Development, Training and Development, Employee Relations.
Relevant Internal Policies:
Recruitment and Selection Management Procedure, Salary Management Procedure, and Employee Training Management Procedure.
Stakeholder Response Mechanism:
Establishment of employee suggestion boxes, regular employee surveys, and labor-management meetings.

Specific Action Plan

1. Build Employer Brand: Strengthen campus recruitment partnerships and organize company visits and internship opportunities.
2. Optimize Recruitment Process: Shorten the time required to fill vacancies.
3. Enhance Compensation and Benefits: Regularly review and adjust based on market salary data, and promote flexible benefits.
4. Promote Career Development: Design competency-based promotion paths and training programs.
5. Increase Employee Engagement: Organize care activities, internal innovation proposals, and provide subsidies for departmental employee gatherings.

Tracking and Verification Mechanism

Plan：Set talent goals and action strategies, and implement Key Performance Indicators (KPIs) at the beginning of the year.
Do：Each department executes recruitment, retention, and training activities based on the annual HR plan.
Check：Regularly review key metrics such as turnover rate, employee satisfaction, and recruitment efficiency.
Act：Management strategies are reviewed and adjusted continuously based on data, incorporating internal audits and improvement mechanisms.

Index Items	Short Term	Mid Term	Long Term
Overall Employee Turnover Rate (%)	Maintain below 10%	Reduce to 8%	Maintain a stable rate below 7%

	Target	Actual Performance
2025	below 10%	10.48 ✖

Note1: Take 2024 as the base year；Short term: within 3 years、Mid term: within 5 years、Long term: over 5 years
Note2: The overall employee turnover rate has not met the target. For more information, please see "Statistics of Employee Turnover."

Human Capital Policy

CWTC Group views employees as our most valuable asset and incorporates this perspective into our recruitment, compensation design, performance management, and training policies and systems, with a focus on enhancing both company growth and employee effectiveness. We prioritize hiring local talent as partners, believing that mutual success with employees is key to the Company's sustainable development and enables employees to enjoy their work and harness collective strength.CWTC Group complies with regulations set by the International Labour Organization and local labor standards, ensuring that no child labor is employed and that no individuals are forced or coerced into performing labor. In line with the fundamental human right to equal employment opportunities, we base hiring decisions solely on professional abilities and job fit, without consideration of race, ideology, religion, political affiliation, nationality, gender, marital status, or disability. The CWTC Group also adheres to relevant regulations regarding the promotion of persons with disabilities and assigns suitable job roles based on their capabilities.

Employees Structure

【GRI 2-7、2-8、402-1 / SASB TC-SC-330a.1】

As of the end of December 2025, CWTC Group had a total workforce of 2,310 employees (97.16%) and 74 non-employee workers (2.84%). The non-employee workers are employed by contractors hired by the company, and their primary duties include facility cleaning, security guard duties, and landscaping. Of the total workforce, 62% are male and 38% are female; the age group is primarily concentrated between 30 and 50 years old, accounting for approximately 65%. A total of 242 employees left the company, an increase of 0.3% compared to 2024; there are 9 employees with disabilities and 15 members of ethnic minority groups, accounting for approximately 0.44% and 0.31%, respectively. Additionally, to address local labor shortages, some employees are foreign nationals who must hold work visas to work. In 2025, 377 employees—representing 16.32% of the workforce—will need to apply for work visas. Through lawful hiring practices and transparent contracts, all foreign employees requiring visas are referred by licensed agencies. Employment contracts are provided in their native languages and clearly specify conditions such as working hours, salary, and housing to ensure the rights and interests of both parties. In 2025, CWTC Group did not experience any significant operational changes. Should any significant operational changes occur, advance notice will be provided in accordance with local labor laws (10–30 days in Taiwan, within 30 days in Mainland China, 1–4 weeks in Singapore, and 4–8 weeks in Malaysia).

Workforce Structure by Region

Region	2021		2022		2023		2024		2025	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Taiwan	434	312	525	361	514	357	591	386	602	389
China	475	309	467	301	446	303	468	305	474	316
Overseas	353	183	360	188	342	168	336	174	353	176
Total by genders	1,262	804	1,352	850	1,302	828	1,395	865	1,429	881
Total	**2,066**		**2,202**		**2,130**		**2,260**		**2,310**	
Percentage	61%	39%	61%	39%	61%	39%	62%	38%	62%	38%

Composition of Employees Classified by Employment Contract 【GRI 2-7、405-1】

Type	Item		2021		2022		2023		2024		2025	
	Category	Gender / Workplace location	No. of Employees	%	No. of Employees	%	No. of Employees	%	No. of Employees	%	No. of Employees	%
Recruited	Regular employees	Male	1,170	56.63	1,262	57.31	1,213	56.95	1,308	57.87	1,423	61.61
		Female	727	35.19	771	35.01	753	35.35	788	34.87	875	37.87
	Temporary employees	Male	92	4.45	90	4.09	89	4.18	87	3.85	6 note	0.26
		Female	77	3.73	79	3.59	75	3.52	77	3.41	6 note	0.26
	Regular employees	Taiwan	746	36.10	886	40.24	871	40.89	977	43.23	991	42.90
		China	773	37.42	761	34.56	722	33.90	747	33.05	778	33.68
		Overseas	378	18.30	386	17.53	373	17.51	372	16.46	529	22.90
	Temporary employees	Taiwan	-	-	-	-	-	-	-	-	-	-
		China	11	0.53	7	0.32	27	1.27	26	1.15	12	0.52
		Overseas	158	7.65	162	7.35	137	6.43	138	6.11	-	-
Contracted	Full-time employees	Male	1,262	61.08	1,352	61.40	1,302	61.13	1,395	61.72	1,429	61.87
		Female	804	38.92	850	38.60	828	38.87	865	38.28	881	38.13
	Part-time employees	Male	-	-	-	-	-	-	-	-	-	-
		Female	-	-	-	-	-	-	-	-	-	-
	Full-time employees	Taiwan	746	36.10	886	40.24	871	40.89	977	43.23	991	42.90
		China	784	37.95	768	34.88	749	35.17	773	34.20	790	34.20
		Overseas	536	25.95	548	24.88	510	23.94	510	22.57	529	22.90
	Part-time employees	Taiwan	-	-	-	-	-	-	-	-	-	-
		China	-	-	-	-	-	-	-	-	-	-
		Overseas	-	-	-	-	-	-	-	-	-	-

Note: In 2025, the management method for overseas subsidiary MSHE was changed, converting personnel previously classified as temporary employees into permanent employees (foreign nationals).

Diversity Performance in 2025 【GRI 405-1】

Type	Category	Male	%	Female	%	Total	%
Nationality	Migrant workers [Note]	253	10.95	124	5.36	377	16.32
	Local workers	1,176	50.92	757	32.77	1,933	83.68
Age	< 30	357	15.45	183	7.92	540	23.37
	30 - 50	882	38.19	624	27.01	1,506	65.20
	> 50	190	8.23	74	3.20	264	11.43
Ranking	Management level	396	17.39	194	8.27	590	25.53
	Non-management level	1,033	44.33	687	30.01	1,720	74.47
Function	Sales	25	1.24	19	0.80	44	1.90
	Manufacturing	1,196	48.93	673	28.98	1,869	80.91
	R&D	142	7.39	73	3.32	215	9.31
	Administration and others	66	4.16	116	5.18	182	7.88
Education	Masters	38	1.99	23	0.80	61	2.65
	Junior College / Bachelor	538	23.50	349	14.60	887	38.40
	Senior high school and below	853	36.23	509	22.88	1,362	58.95

Note: Migrant workers are categorized based on their nationality requiring a work visa.

Statistics of New Employee Hires 【GRI 401-1】

CWTC Group places a high priority on employment strategies that support local job creation and continues to promote a policy of local hiring. In 2025, the company hired a total of 256 new employees, of whom 252 lived in the same area where they worked, resulting in a local hiring rate of 98.44% for new hires.

Type	Category	2022			2023			2024			2025		
		New Recruits	Total Employees	%	New Recruits	Total Employees	%	New Recruits	Total Employees	%	New Recruits	Total Employees	%
Gender	Male	315	1,352	**23.30**	146	1,302	**11.21**	226	1,395	**16.20**	161	1,429	**11.27**
	Female	187	850	**22.00**	84	828	**10.14**	129	865	**14.91**	95	881	**10.78**
Age	< 30	254	542	**46.86**	109	472	**23.09**	195	536	**36.38**	144	540	**26.67**
	30 - 50	238	1,475	**16.14**	119	1,450	**8.21**	156	1,465	**10.65**	111	1,506	**7.37**
	> 50	10	185	**5.41**	2	208	**0.96**	4	259	**1.54**	1	264	**0.38**
Workplace location	Taiwan	331	886	**37.36**	141	871	**16.19**	244	977	**24.97**	156	991	**15.74**
	China	67	768	**8.72**	39	749	**5.21**	74	773	**9.57**	64	790	**8.10**
	Overseas	105	548	**18.98**	50	510	**9.80**	37	510	**7.25**	36	529	**6.81**
Total of Each Type		502	2,202	**22.80**	230	2,130	**10.80**	355	2,260	**15.71**	256	2,310	**11.08**

Note: Hiring rate = Total number of new hires for the year (employees who have been with the company for more than 3 months) / Number of employees in the group at year-end (December 31).

Statistics of Employee Turnover 【GRI 401-1】

The overall turnover rate in 2025 was 10.48%, a slight increase of 0.3% compared to 2024. A total of 242 employees left the company, of whom 200 left voluntarily, accounting for 82.64% of the total number of departures. This indicates that employee turnover is primarily driven by factors related to independent career planning and personal career development. The company continues to enhance employee retention and organizational cohesion through compensation and benefits, training and development, and talent development initiatives.A further analysis by age group shows that the turnover rate for employees under 30 was 17.59%, higher than the overall average, reflecting the higher mobility typical of younger employees during the career exploration phase. In the future, the company will continue to strengthen support for new hires, career development planning, and talent cultivation measures to help employees establish long-term career paths and thereby increase the willingness of young talent to remain with the company.

Type	Category	2022			2023			2024			2025		
		Resignations	Total Employees	%	Resignations	Total Employees	%	Resignations	Total Employees	%	Resignations	Total Employees	%
Gender	Male	227	1,352	**16.79**	211	1,302	**16.21**	142	1,395	**10.18**	155	1,429	**10.85**
	Female	142	850	**16.71**	120	828	**14.49**	88	865	**10.17**	87	881	**9.88**
Age	< 30	159	542	**29.34**	141	472	**29.87**	80	536	**14.93**	95	540	**17.59**
	30 - 50	192	1,475	**13.02**	177	1,450	**12.21**	134	1,465	**9.15**	120	1,506	**7.97**
	> 50	18	185	**9.73**	13	208	**6.25**	16	259	**6.18**	27	264	**10.23**
Workplace location	Taiwan	191	886	**21.56**	146	871	**16.76**	133	977	**13.61**	139	991	**14.03**
	China	86	768	**11.20**	96	749	**12.82**	51	773	**6.60**	43	790	**5.44**
	Overseas	92	548	**16.79**	89	510	**17.45**	46	510	**9.02**	60	529	**11.34**
Total of Each Type		369	2,202	**16.76**	**331**	**2,130**	**15.54**	**230**	**2,260**	**10.18**	**242**	**2,310**	**10.48**

Note: Turnover rate = Total number of resignations for the year (employees who have been with the company for more than 3 months) / Number of employees in the group at year-end (December 31).

Equal Opportunity

With regard to the development of women in the workplace, we uphold the principle of "equal treatment" and firmly oppose any form of gender discrimination. We are committed to ensuring that recruitment, compensation, promotion opportunities, and other factors are not influenced by gender, race, nationality, religious beliefs, age, physical condition, political stance, marital status, or union affiliation. Through concrete actions, we aim to create a supportive work environment that helps female employees achieve a balance between work and life. As of 2025, female employees represent 38% of the total workforce, and women hold 33% of management positions.

Proportion of Female Employees (%)

Type	2022			2023			2024			2025		
	Taiwan Plant	China Plant	Overseas Plant	Taiwan Plant	China Plant	Overseas Plant	Taiwan Plant	China Plant	Overseas Plant	Taiwan Plant	China Plant	Overseas Plant
Female employee proportion	41	39	34	41	40	33	40	39	34	39	40	33
Overall proportion of female employees		**39**			**39**			**38**			**38**	
Proportion of female non-management employees	45	38	39	45	39	38	42	38	39	42	39	38
Proportion of female management employees	20	43	8	26	44	8	26	43	8	31	44	6
Proportion of female senior-level supervisors	17	35	30	12	34	27	20	35	28	18	31	28
Proportion of female executives	25	14	33	20	13	33	22	14	60	25	13	33
Proportion of female employees in management positions		**30**			**31**			**32**			**33**	

Compensation 【GRI 401-2】

To attract and retain top talent, CWTC is committed to offering a competitive and legally compliant compensation system. The salary structure is designed based on market standards, external talent competitiveness, and labor market supply and demand, while strictly adhering to minimum wage regulations set by local governments. We ensure that there are no pay disparities based on gender, thereby upholding the principle of pay equity.
The compensation structure consists of fixed and variable components. Fixed salaries are adjusted based on local market salary levels, educational background, work experience, and market surveys. Variable compensation is tied to the company's operational performance and individual employee performance, and includes incentive mechanisms such as year-end bonuses and employee profit-sharing, reinforcing a performance-driven and results-sharing culture. Salary and promotion adjustments are based on the company's overall performance, individual employee performance, the consumer price index, and relevant government policies.

Comparison of the Non-managerial Positions at CWTC

(In Thousands of New Taiwan Dollars)

Item	2021	2022	2023	2024	2025
Number of employees	195	731	794	833	917
Average salary	681	767	637	761	764
Median salary	616	622	568	669	671

Note: The number of employees in this table excludes the Company's managers. The term "manager" is defined according to Official Letter No. Taiwan-Finance-Securities-III-920001301 issued by the competent authority on March 27, 2003. This is consistent with the scope of managers disclosed in the Company's annual report.

The ratio of women's median pay to men's median pay and variable bonuses in 2025

Item	Gender	
	Female	Male
Median salary ratio	0.91	1
Median variable bonus ratio	1.17	1

Note: The scope of these statistics is limited to Taiwan plant areas.

Ratio of Female to Male Base Salary and Total Compensation in 2025 (%)

Job Level	Base Salary		Compensation	
	Female	Male	Female	Male
Non- Supervisors	1.00	1	0.95	1
Supervisors	0.79	1	0.82	1

Note: The formula calculation is based on the average of colleagues.

2025 Gender Pay Ratio (%)

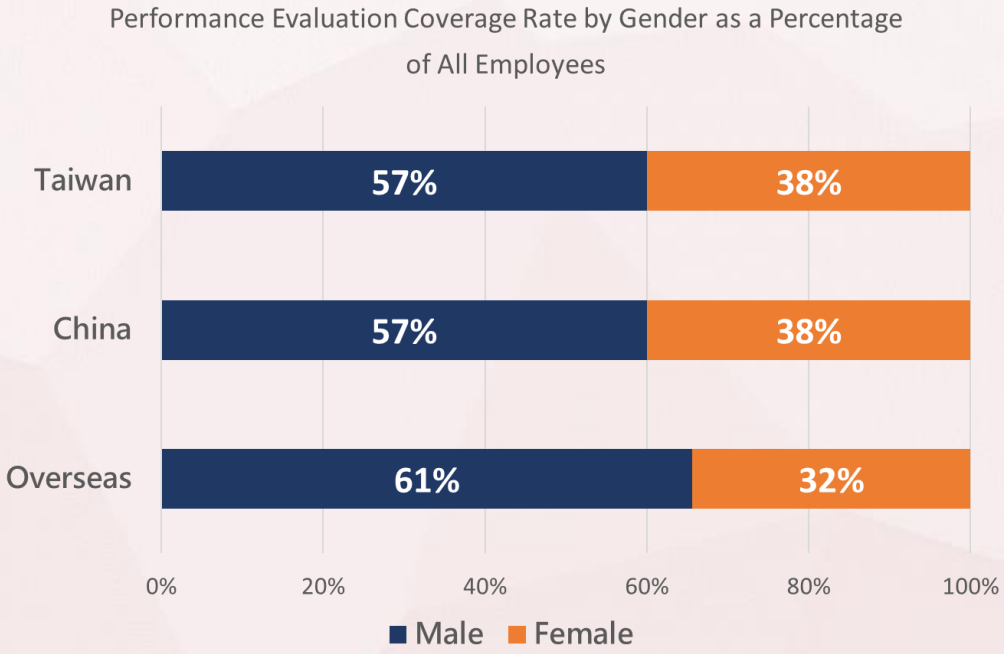
Job Level	2023		2024		2025	
	Female	Male	Female	Male	Female	Male
Non-managerial	0.92	1	0.98	1	0.95	1
Managerial	0.92	1	0.99	1	0.96	1
Manager	1.12	1	0.73	1	0.80	1
Executive	0.85	1	0.99	1	0.97	1

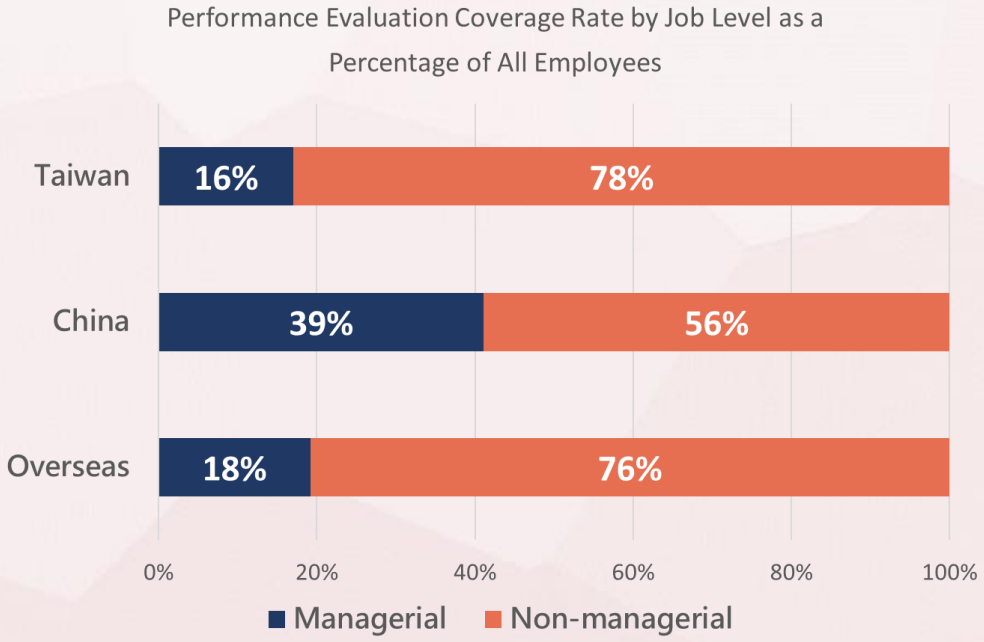
Note: The formula calculation is based on the average of colleagues.

Performance Evaluation System 【GRI 401-3】

To effectively commend, reward, and motivate employees with outstanding performance, the CWTC Group conducts annual performance evaluations. Through two-way communication between supervisors and employees, we ensure the objectivity and transparency of performance evaluations. These evaluations serve as the basis for salary adjustments, promotions, training, and talent development. This approach effectively motivates high-performing employees and helps individuals identify their growth paths. Taking the Taiwan Plants as example, Taiwan Plant 1 conducts quarterly performance evaluations for direct labor employees, while indirect labor employees are assessed semi-annually, in July and December. At Taiwan Plant 2, quarterly evaluations are carried out for employees below the assistant manager level, and those at the assistant manager level and above undergo performance evaluations in August and the following February each year. In 2025, the overall performance evaluation coverage rate for employees at the Taiwan facilities reached 93%. In addition, annual career development assessments are conducted to ensure that all employees have the opportunity to fully realize their professional potential.

Performance Evaluation Coverage Rate of the Group in 2025

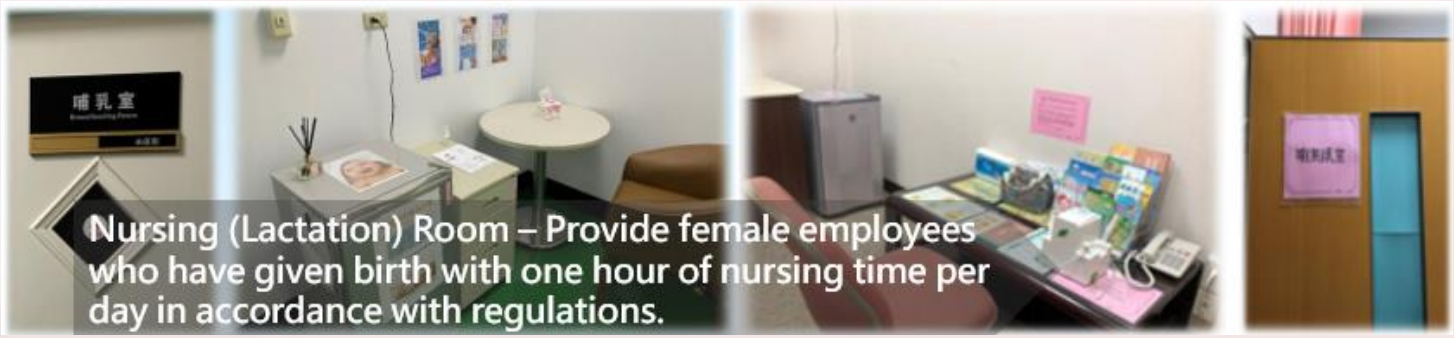




Note: Employees still in their probationary period during the evaluation, as well as certain plants under the direct management of the General al Manager, are excluded from the evaluation. Manager, are excluded from the evaluation.

Maternity Protection Program and Unpaid Parental Leave

To promote a harmonious and equitable workplace environment, CWTC has established the "Maternity Health Protection Implementation Measures for Female Workers" to provide comprehensive health care for female employees, ensuring their physical and mental well-being during pregnancy, postpartum, and breastfeeding. In 2025, there were 37 employees in Taiwan eligible for parental leave without pay (18 males and19 females). Of those eligible, 10 applied for the leave (4 males and 6 females). A total of 7 employees returned to work (4 males and 3 females), resulting in a return-to-work rate of 100% and a retention rate of 67%.



Statistics of Unpaid Parental Leave and Return-to-Work in the Past Two Years

Item	2023		2024		2025	
	Male	Female	Male	Female	Male	Female
Number of employees eligible for unpaid parental leave during the year (A)	21	21	20	22	18	19
Number of applicants for unpaid parental leave during the year (B)	1	7	3	7	4	6
Number of employees expected to be reinstated from unpaid parental leave during the year (C)	-	4	3	-	4	3
Number of employees actually reinstated after parental leave during the year (D)	-	5	3	-	4	3
Return-to-work rate (D/C)	NA	75%	100%	NA	100%	100%
Number of employees reinstated in the previous year (E)	1	4	-	3	3	-
Number of employees reinstated in the previous year and have worked for more than one year (F)	1	3	-	1	2	-
Retention rate after unpaid parental leave (F/E)	100%	75%	-	33%	67%	-

With 2024 as an example, the data for other years are calculated in the same way:
Note1: Calculation of the number of employees eligible for unpaid parental leave: The number of employees who applied for maternity leave and paternity leave from 2021 to 2024.
Note2: Return-to-work rate= (Number of employees actually reinstated after parental leave in 2024 / Number of employees who shall be reinstated after parental leave in 2024) × 100%
Note3: Retention rate= (Number of employees employed by the Company for 12 months after reinstatement from parental leave in 2023 / Number of employees reinstated after parental leave in 2023) × 100%

Employee Care and Benefits 【GRI 401-2】

To enhance employee engagement and ensure their rights, the CWTC Group has established a comprehensive benefits system and, in accordance with local regulations, has set up an employee benefits committee. This committee is responsible for managing and distributing the benefits funds. Each plant is tasked with planning and implementing corresponding welfare policies to fully address employees' benefit needs.

In addition, the company is committed to creating a friendly workplace and supporting employees in balancing their work and family lives. It offers marriage and childbirth benefits, such as wedding bonuses and maternity/paternity allowances, and has signed partnership agreements with two kindergartens located near the industrial park to provide childcare resources and related discounts for employees' children. These initiatives help alleviate the burden of child-rearing and foster a work environment that supports both secure parenting and stable employment.

Employee Benefits

Item	Description
Basic Benefits	Labor and health insurance, labor pension, group insurance, and educational training.
Retirement Security	In accordance with local laws and regulations, monthly pension contributions are made to a government-designated account at a specific percentage of the salary to ensure employees' retirement rights.
Compensation Plan	Employees are entitled to shares reserved from cash capital increase for employee stock purchase plans, the transfer of treasury shares to employees, employee stock options and restricted shares.
Financial Planning	The Company initiates an employee share ownership trust and matches 100% of employee contributions. Employees are entitled to receive annual dividends and can fully redeem their shares after five years. For those who choose to continue participating, the company's matching contribution rate will increase to 110%. Furthermore, every subsequent five-year term, participants who opt to continue will receive an additional 10% increase in the company's matching contribution rate.
Health Care	Free employee health check-ups, on-site doctor consultations, maternity health protection policies, and health promotion activities.
Special Leave	Maternity leave/prenatal leave, leave for pregnancy checkups and paternity leave, family care leave.
Other	To encourage the use of electric motorcycles, we provide a subsidy of NT$30,000 per motorcycle for a total of 150 motorcycles in response to energy conservation and carbon reduction.

Marriage and Childbirth Allowance

Benefit Items	Total Number of Applicants in 2025	Total Allowance Amount in 2025
Marriage Allowance (NT$2,000/person)	8	16,000
Childbirth Allowance (NT$1,000/birth)	8	8,000

Talent Retention

CWTC upholds the belief that "employees are the most valuable asset" and is committed to building a stable and cohesive team. To recognize employees' long-term dedication and encourage new hires to remain with the company, we have designed a variety of reward mechanisms that acknowledge the commitment and contributions of employees at different stages of their careers. By implementing long-service awards and retention incentive programs, we not only enhance employees' sense of belonging and loyalty but also reinforce our long-term commitment to investing in human capital, thereby advancing toward the goal of sustainable business development.

Long-Service Bonus

To express gratitude for employees' long-term service, the company has established a Long-Service Bonus Program, which provides appropriate rewards based on years of service and job role. This program reflects our respect and appreciation for senior employees. Staff who have served for 5, 10, or 20 years are eligible to receive corresponding bonuses according to their tenure and job level. The program covers general staff, technical professionals, and managerial positions, demonstrating a reward system that balances fairness and motivation. In 2025, a total of 51 employees at our Taiwan Plant received long-service bonuses under this program.

Retention Incentives

To encourage stable employment and enhance new employees' sense of belonging, the company has implemented a specially designed Retention Bonus Program. This program targets newly hired employees in eligible job grades, offering attractive bonuses to those who complete a required period of service and meet performance standards. By providing this incentive, the company aims to reduce employee turnover, stabilize the structure of frontline and technical personnel, and foster a workplace environment that supports long-term growth and development. In 2025, a total of 66 employees at the Taiwan site received retention bonuses under this program.

4.3 Talent Development and Diversity Cultivation

<<<Key Material Issue 【GRI 404-1、403-5】

Impact Description

Establishing a comprehensive employee development and training mechanism helps enhance employees' professional skills and work performance, promotes career development and organizational competitiveness, and in turn strengthens employee satisfaction and retention rates.

Management Policy and Commitment

CWTC Group firmly believes that talent is the foundation of sustainable corporate growth. The Group is committed to providing a systematic employee development and training mechanism to help employees enhance their professional capabilities, leadership skills, and career advancement. By fostering a learning-oriented organization, the Group promotes both internal and external training, cross-departmental job rotation, and succession planning to drive organizational innovation and strengthen competitiveness.

Management Mechanism and Implementation Strategy

Responsible Unit:
Administration Division
Relevant Internal Policies:
Employee Training Management Procedure, Talent Development Quality Management Manual, Promotion Management Regulations.
Key Strategies:
Develop annual training plans with courses classified by competency / job level, design leadership development and key talent training programs, and promote an internal instructor system along with technical knowledge transfer.

Specific Action Plan

1. New Employee Training: Provide onboarding training, workplace safety, corporate culture, and job skill orientation.
2. Professional Technical Training: Arrange internal and external competency training, certification courses, and practical exercises based on departmental needs.
3. Leadership Development Courses: Design training on leadership, change management, and communication coordination for mid-to-senior level managers.

Tracking and Verification Mechanism

1. Implement the PDCA management cycle：
   Plan：Annual training needs survey and budget allocation.
   Do：Implement training courses according to the plan and maintain records.
   Check：Post-training questionnaires, supervisor feedback, and learning effectiveness evaluation.
   Act：Course optimization, instructor adjustments, and performance reports provided for senior management review.
2. Regular analysis：
   - Consolidate training hours and number of participants annually.
   - Review annual training budget utilization and course satisfaction.

Index Items	Short Term		Mid Term	Long Term
Average annual training hours per employee (hour)	Per person ≥ 60 hr		Increase to ≥ 65 hr	Stable at ≥ 68 hr
2025	Target	Actual Performance		
	≥ 60	57.23 ✖		

Note1: Take 2024 as the base year；Short term: within 3 years、Mid term: within 5 years、Long term: over 5 years
Note2: For an explanation of why the average annual training hours per employee fell short of the target, please refer to the -Statistics of Training 。

To enhance employees' learning abilities and professional skills, the CWTC Group considers training and professional development as a long-term investment in its staff. We are committed to strengthening employees' job knowledge, skills, and attitudes to achieve the Company's business objectives. Our diverse training programs include new employee orientation training and on-the-job training, with each program undergoing assessments and effectiveness evaluations to ensure its impact. We also encourage employees to participate in training activities such as overseas visits, domestic company tours, conference attendance, and job rotations to strengthen human resource development and motivate employees to continue growing and advancing.

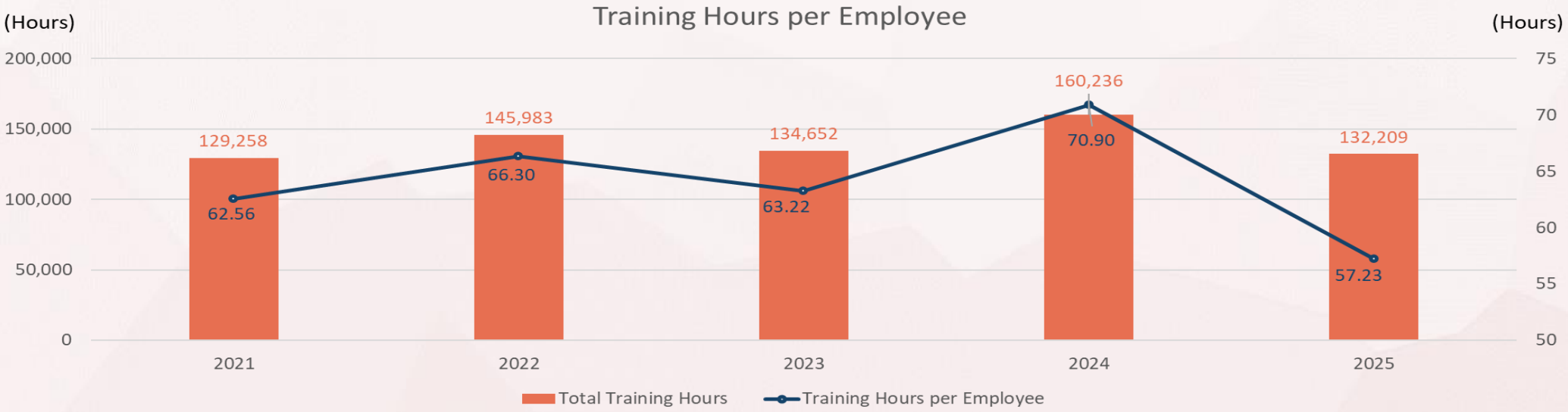
Diverse Training

Item	Description
New Employee Orientation Training	General education and basic skills training.
On-the-job Training	It is divided into general training and skills training. The training covers internal departmental training, quality system, occupational and environmental safety, internal audit and control, production management, and administrative management.

CWTC Group also adheres to the requirements of ISO 9001 Quality Management Systems and ISO 14001 Environmental Management Systems by regularly conducting both internal and external training programs to enhance employees' professional competence and work skills. Based on the nature of employees' work, we provide corresponding occupational health and safety education and training to ensure employees thoroughly understand the importance of occupational health and safety. Additionally, we assign employees to participate in external training to comply with local regulatory requirements and obtain relevant occupational health and safety certifications. For example, in our Taiwan plants, the training includes specific areas such as chemical substance handling supervisors, organic solvent handling supervisors, ionizing radiation operators, and forklift operators.

Statistics of Training

In 2025, driven by growing market demand, total production volume increased by approximately 9.9% compared to the previous year. To accommodate increased production capacity and operational needs, the company prioritized its training resources on key competencies and essential training courses; as a result, the average number of training hours was 57.23, slightly below the annual target of 60 hours. Moving forward, the company will continue to optimize its training plans to improve training coverage and learning outcomes.



Statistics of Training – by Gender

Type	2021		2022		2023		2024		2025	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Internal Training Hours	68,881	53,567	85,534	53,479	74,785	51,623	101,411	52,172	84,490	41,757
External Training Hours	4,976	1,834	5,705	1,265	6,301	1,943	4,877	1,776	4,451	1,510
Total (A)	73,857	55,401	91,239	54,744	81,086	53,566	106,288	53,948	88,942	43,267
Number of Employees (persons) (B)	1,262	804	1,352	850	1,302	828	1,395	865	1,429	881
Training Hours per Employee (A/B)	58.52	68.91	67.48	64.40	62.28	64.69	76.19	62.37	62.24	49.11

Statistics of Training – by Position

Type	2021		2022		2023		2024		2025	
	Non-Managerial Position	Managerial Position	Non-Managerial Position	Managerial Position	Non-Managerial Position	Managerial Position	Non-Managerial Position	Managerial Position	Non-Managerial Position	Managerial Position
Internal Training Hours	114,907	7,540	128,392	10,621	104,280	22,128	132,159	21,424	111,931	14,316
External Training Hours	3,876	2,935	3,664	3,306	4,199	4,045	3,008	3,645	3,409	2,553
Total (A)	118,783	10,475	132,056	13,927	108,479	26,173	135,167	25,069	115,340	16,869
Number of Employees (persons) (B)	1,546	520	1,650	552	1,555	575	1,680	580	1,720	590
Training Hours per Employee (A/B)	76.83	20.14	80.03	25.23	69.76	45.52	80.46	43.22	67.06	28.59

Educational Training on Specific Topics in 2025

Type	Quality Training	Personal Data Protection Training	Gender Equality Training	Information Security Training	Ethical Management Training
Total number of participants	4,215	183	183	540	201
Total number of courses	11,574	46	46	540	204

Diverse Training in 2025

Type	New Employee Orientation Training	General Training	Skills Training	Management Training	Total
Total number of participants	499	20,702	8,141	2,218	31,560
Total number of courses	16,386	25,867	85,735	4,221	132,209

4.4 Occupational Health and Safety

<<<Key Material Issue

Impact Description

Establishing comprehensive occupational safety management measures can reduce the incidence of workplace accidents and occupational safety risks, thereby protecting workers' occupational health and safety.

Management Policy and Commitment

CWTC Group upholds “Zero Accidents” as its highest goal and is committed to providing a safe, healthy, and secure working environment. Through a systematic occupational safety and health management system, continuous education and training, and hazard prevention measures, the Group reduces the risk of workplace accidents and safeguards employees’ physical and mental well-being. It also adheres to relevant laws and international standards, embodying the spirit of sustainable operation.

Management Mechanism and Implementation Strategy

Responsible Units:
Occupational Safety Centers of the manufacturing plants and Occupational Safety and Health Departments at each plant.

Relevant Internal Policies:
Occupational Safety and Health Policy, Operational Safety Guidelines, Emergency Response Plan, etc.

Operational Mechanism:
- In accordance with the principles and requirements of the ISO 45001 Occupational Health and Safety Management System
- Regularly convene the Occupational Safety and Health Committee, with employee representation meeting legal requirements
- Conduct hazard identification and risk assessment, and establish an incident reporting and improvement mechanism

Specific Action Plan

1. Operational Risk Control:
   Annually update risk identification data and strengthen the management of high-risk operations.
2. Safety Training and Education:
   Provide tiered training for new employees, contractors, supervisors, and personnel involved in specific operations.
3. Health Promotion and Care:
   Conduct regular health check-ups and promote mental health awareness.
4. Safety Culture Promotion:
   Organize annual Safety Week and emergency response drills.
5. Incident Investigation and Prevention:
   Enforce reporting and improvement mechanisms for unsafe behaviors, and regularly review and revise operational procedures.

Tracking and Verification Mechanism

1. Implement the PDCA management cycle: Enhance the effectiveness of occupational safety and health management through risk assessment, implementation of measures, performance review, and continuous improvement.
2. Self-management and audits: Conduct regular internal and external audits as well as ISO certification audits to track and address nonconformities.

Index Items	Short Term	Mid Term	Long Term
Number of Occupational Accidents (including contractors)	Within 1 year ≤ 5 cases 2025 Target: ≤ 5; Actual Performance: 9 ✗	Within 1 year ≤ 3 cases	Achieve zero occupational accidents
Follow-up Completion Rate After Abnormal Health Check Results (%)	≥ 95% 2025 Target: ≥ 95%; Actual Performance: 100% ✓	≥ 98%	Achieve 100% completion rate and integrate with the health management system
Recordable Incident Rate (SR)	Lower than the industry 3-year average 2025 Target: 27; Actual Performance: 8 ✓	Lower than half of the industry 3-year average	Lower than one-third of the industry 3-year average

Note1: Take 2024 as the base year ; Short term: within 3 years 、Mid term: within 5 years 、Long term: over 5 years
Note2: For an explanation regarding the failure to meet the occupational accident target, please refer to-Occupational Accidents Management

Occupational Safety and Health (OSH) Management System 【GRI 403-1、403-4、403-8】

Safety Certified

Certificate of Registration

Chang Wah Technology Co., Ltd.

No.24, Kaita Rd., Nanzih Dist, Kaohsiung City, 811, Taiwan (R.O.C.)/
No.16, E. 7th St., Nanzih Dist, Kaohsiung City, 811, Taiwan (R.O.C.)/
No.133, Jing 5th Rd., Nanzih Dist, Kaohsiung City, 811, Taiwan (R.O.C.)/
No. 36, Jing 3th Rd., Nanzih Dist, Kaohsiung City, 811, Taiwan(R.O.C)

operates a

Safety Management System

which complies with the requirements of

ISO 45001:2018

The registration covers the manufacturing and sales of lead frames.

Registration No: TA2235-SC
Current Certification Approval: 28 October 2025
Certificate Issued: 29 October 2025

Original Certification: 19 November 2024
Expiry Date: 22 November 2028

Sean Bates
CEO
TQCS International (Group) Pty Ltd
For the TQCSI Certification Approval Panel

This certificate verifies the original certificate issued and is valid as long as it is displayed as an electronic copy at www.tqcsi.com and surveillance audits are satisfactorily completed. TQCS International Pty Ltd (ABN 59 095 853 824) of Quality House, 1174 Taylors Hill Road, Hendon, SA, 5014, Australia issues certification subject to the TQCSI Rules of Certification.

TQCS International Pty Ltd

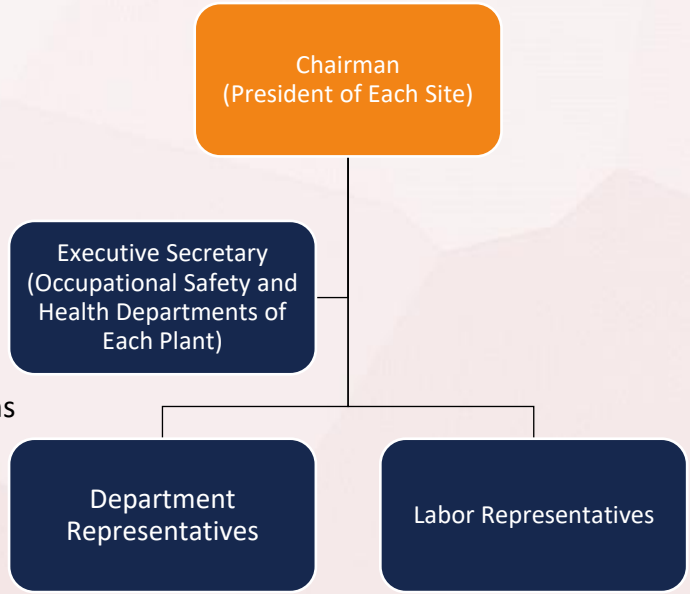
CWTC OSH management system covers a total of 2,326 persons, including 2,260 employee and 66 non-employee workers, with an employee coverage rate of 100%. The Taiwan Plant has established an Occupational Safety and Health Management System in accordance with ISO 45001 and completed certification in 2024. Additionally, to effectively discuss and resolve practical occupational safety and health issues within the facility, a Safety and Health Management Committee has been specially established across the entire plant.

The structure of the Safety and Health Committee is as follows:

The President of each site would serve as the chairman and hold regular meetings. In Taiwan, meetings are held at least once every three months while monthly meetings are arranged for our China and overseas plants.

Duties of the Committee are as follows:

1. Review OSH policies.
2. Review OSH management plans.
3. Review the implementation plan of safety and health education and training.
4. Review work environment monitoring plan, monitoring results and action plans.
5. Review health management, occupational disease prevention and health promotion matters.
6. Review various safety and health proposals.
7. Review self-inspections and safety and health audits of business units.
8. Review preventive measures for hazards of machinery, equipment, or raw materials and materials.
9. Review occupational disaster investigation reports.
10. Assess the performance of on-site safety and health management.
11. Review safety and health management of contractor business.
12. Responsible for other matters related to OSH management.



The Company conducts regular safety and health compliance audits to ensure that our business operations adhere to regulations. In 2025, all sites were in compliance with local regulations, and there were no safety and health violations. To ensure that employees can work in a safe and healthy environment and to enhance the Company's competitiveness, each site conducts regular monitoring of the working environment and occupational hazards as required by local laws and regulations— twice a year for our Taiwan plants and once a year for our overseas and China plants. The monitoring results have met all requirements and remained below the regulatory thresholds.

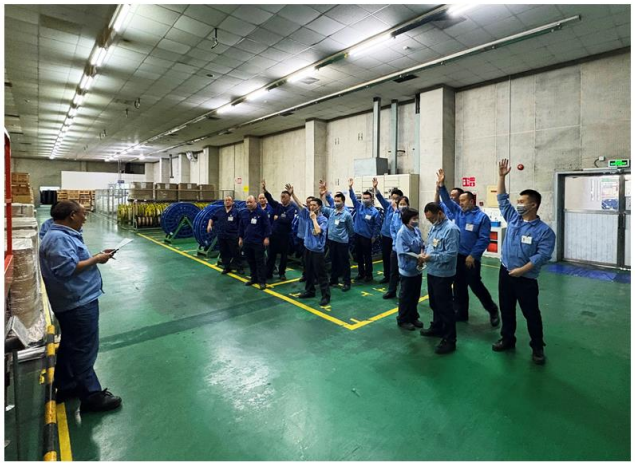
Safety Promotion 【GRI 403-2、403-5 / SASB TC-SC-320a.1】

CWTC Group aims for zero incidents in occupational hazard management, prioritizing employee safety. If immediate danger arises in the workplace, personnel must cease operations, move to a safe location, and report the issue, without facing any disciplinary action. Each year, "Safety Risk Week" activities are held at each plant to enhance employees' awareness of safety and health, ensuring a safe working environment. Each plant conducts at least one comprehensive disaster drill annually, covering scenarios such as earthquakes, fires, and chemical spills, tailored to the specific operational characteristics and hazards of each site.
Additionally, to reduce occupational injuries, a hazard identification and risk assessment is performed annually for operations in each department. Risks are classified by severity and likelihood, with medium- and high-risk operations requiring additional risk control measures to lower their risk levels. The principle of transparent reporting of occupational accidents is enforced, encouraging departments to proactively identify safety hazards during daily operations and observe unsafe conditions through labor behavior monitoring, with safety suggestions tracked for improvement. The company includes near-miss incidents in its reporting procedures, intervening to make improvements before any harm occurs to prevent future incidents.

Emergency Drills

Training Courses for Safety and Health

▲ Each plant conducts various internal training courses and activities focused on safety and employee health



▲ Each plant holds an annual Safety Week event to enhance employees' awareness of and ability to address safety and risk-related issues.

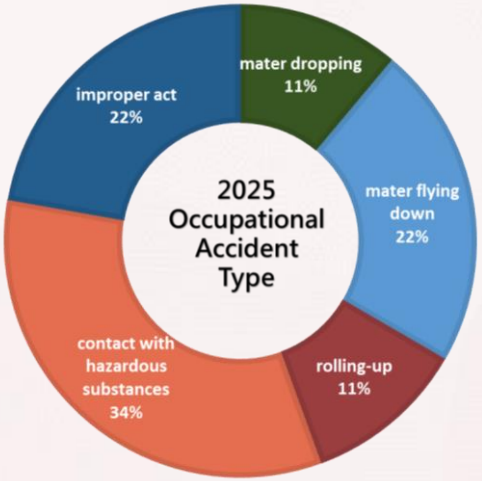
Occupational Accidents Management

【GRI 403-2、403-9 / SASB TC-SC-320a.1】

Occupational injury statistics are calculated based on the definitions provided by the “Occupational Safety and Health Act” and the key disabling injury indicators published by the Global Reporting Initiative (GRI), focusing on the frequency rate (FR) and severity rate (SR) of disabling injuries.

In 2025, the CWE Group reported a total of 9 occupational injuries, with no major injury or fatal occupational incidents. For each occupational injury case, we complete an incident report and investigate the direct, indirect, and root causes of the injury. In addition to conducting training and reviewing standard operating procedures (SOPs), we reassess the risk evaluation of the relevant work environment to understand the underlying causes of each occupational injury. Appropriate corrective measures are then implemented and extended to other similar work environments or tasks to minimize hazards and effectively prevent recurrence of similar incidents.

In 2025, the primary type of occupational injury was “exposure to hazardous substances” (34%), followed by “falling objects” and “improper movements” (22% each). The company has conducted an investigation and analysis of the causes of these incidents and is focusing on managing high-risk operations, improving the work environment, and strengthening safety education and training to continuously enhance employees’ ability to identify risks and their safety awareness, thereby preventing similar incidents from occurring again.



Statistics of Occupational Injuries in the Past Two Years

Type	Statistical Indicators	2023				2024				2025			
		Taiwan Plant	Overseas Plant	China Plant	Total	Taiwan Plant	Overseas Plant	China Plant	Total	Taiwan Plant	Overseas Plant	China Plant	Total
Employees	Recordable occupational injuries	6	0	0	6	12	0	0	12	6	2	0	8
	Rate of fatalities as a result of occupational injuries	0	0	0	0	0	0	0	0	0	0	0	0
	High-consequence occupational injuries	1	0	0	1	0	0	0	0	0	0	0	0
	Rate of high-consequence occupational injuries	0.55	0	0	0.21	0	0	0	0	0	0	0	0
Non-employees	Recordable occupational injuries	0	0	0	0	0	0	0	0	1	0	0	1
	Rate of fatalities as a result of occupational injuries	0	0	0	0	0	0	0	0	0	0	0	0
	High-consequence occupational injuries	0	0	0	0	0	0	0	0	0	0	0	0
	Rate of high-consequence occupational injuries	0	0	0	0	0	0	0	0	0	0	0	0

Note1: Severe occupational injurie are those where employees are unable or unlikely to return to their pre-injury state of health within six months.

Note2: The statistics exclude injuries sustained while commuting.

Statistics on the Frequency and Severity Rates of Disabling Injuries in Recent Years

Year	Disabling Injury Frequency Rate (FR)				Disabling Injury Severity Rate (SR)			
	Taiwan Plant	Overseas Plant	China Plant	Total	Taiwan Plant	Overseas Plant	China Plant	Total
2021	3.93	0	0	1.24	45	0	0	14
2022	5.06	0	0	1.80	26	0	0	9
2023	3.30	0	0	1.23	102	0	0	38
2024	5.87	0	0	2.32	62	0	0	24
2025	2.76	1.29	0	1.50	16	3	0	8

Contractor Safety and Health Management 【GRI 403-7】

To further enhance workplace safety and extend protection to contractors, the CWTC Group has established Contractor Management Procedures at all plants. These procedures ensure that safety management mechanisms are in place when contractors perform work on-site, aiming for zero workplace injuries. Before starting any work, contractors must hold a safety meeting with project and occupational safety personnel. The occupational safety personnel will outline the safety requirements for the project, and work can only commence once these requirements are met. For special operations, such as slinging and lifting, hot work, confined spaces, or hazardous piping, a special work permit must be submitted, along with a relevant protection plan, and approved before proceeding. Project and safety personnel conduct periodic inspections during the contractor's work to ensure compliance with safety requirements and to safeguard the contractor’s work safety. In 2025, no contractor-related workplace injuries were reported at any domestic or overseas plants.

▲ 2025 Contractor Occupational Safety and Health Awareness Seminar

Toxic Chemical Substance Management 【GRI 403-10 / SASB TC-SC-320a.1】

Due to production process requirements, CWTC Group uses several hazardous toxic chemical substances during operations, primarily including sodium cyanide, potassium cyanide, silver cyanide, and cuprous cyanide. These chemicals are highly toxic, and improper management may pose significant health risks to workers, such as central nervous system damage, respiratory difficulties, or toxic reactions, and may even lead to occupational diseases. To ensure workplace safety and employee health, we have established and implemented a Toxic Chemical Substance Management System in accordance with relevant regulations. This system covers the processes of procurement, storage, use, and disposal.

Health Care Management

【GRI 403-3、403-6、403-7、403-10 / SASB TC-SC-320a.1】

The Company provides health check-ups that exceed regulatory requirements, offering all employees annual health screenings, including general check-ups and special hazard-related assessments, to understand and protect our employees' health status. Since 2019, the Taiwan plant has also included electrocardiography to assess cardiovascular health and prevent overwork. Health check-up results are managed by risk levels. We track employees in high-risk health groups and provide relevant health education and consultation services to safeguard their health and prevent occupational diseases. In 2025, 103 employees at the Taiwan plant were categorized for Level 2 to Level 3 management based on their special health check results. They were interviewed and monitored by nurses and on-site physicians, with results from follow-up doctor appointments uploaded to the official system as required by law. No occupational disease cases were diagnosed at any domestic or overseas plants in 2025. On-site health services by contracted occupational health physicians are arranged at our Taiwan plant on a monthly basis, with a total of 51 appointments in 2025. The services include disease health interviews and guidance, assessment for return-to-work or job reassignment, recommendations for improving workplace environmental hazards, and reviews of health interview documents by nurses, etc.

Health Management Classification

Year	Number of Participants in Health Check-ups			Number of Participants In Special Health Check-ups		Number of Employees with Abnormal Results from Special Health Check-ups	
	Taiwan Plant	Overseas Plant	China Plant	Taiwan Plant	Overseas Plant	Taiwan Plant	Overseas Plant
2020	566	507	462	312	40	116	12
2021	608	521	467	294	11	102	10
2022	761	532	457	346	82	71	40
2023	791	512	407	415	173	102	0
2024	828	358	414	384	76	180	0
2025	950	335	422	395	124	103	0

Note: The health check-ups in our China site have already included special operation items; therefore, they are not listed separately.

Regular Health Check-up in 2025

Physical and Mental Health Care

To enhance employees' physical and mental well-being, CWTC has established fitness areas at our Taiwan and China plants, offering a variety of exercise equipment, table tennis, billiards, and a basketball court (at the Chengdu plant) for use during breaks. Additionally, we require our catering service to provide multigrain rice and cook a variety of vegetables with minimal oil, salt, and sugar to offer healthier dietary options. Vending machines stocked with sugar-free beverages and fruits are also provided to meet employees' needs and promote better health and productivity.

▲ Provide multigrain rice, and cook a variety of vegetables with minimal oil, salt, and sugar.

▲ Establish fitness areas, offering a variety of exercise equipment, table tennis, and billiards.

Accredited Healthy Workplace

CWTC Taiwan Plant is committed to promoting workplace tobacco hazard prevention and health promotion. The Company actively enforces a smokefree workplace and implements various health promotion measures to establish an excellent and healthy working environment. In 2024, it was certified by the Health Promotion Administration, Ministry of Health and Welfare, as meeting the standards for the Badge of Accredited Healthy Workplace, enabling employees to work with peace of mind in a smokefree, healthy environment.

4.5 Social Engagement

Protecting Natural Habitats, Building a Sustainable Future

- The company has long been committed to environmental protection and biodiversity issues. In 2025, it joined forces with other group companies to participate in a wetland conservation initiative at Yuanjhong Harbor Important Wetland in Kaohsiung City, mobilizing 101 employees to take part in wetland maintenance efforts and demonstrate its support for ecological conservation through concrete actions.
- During the event, staff members worked in groups to clean up trash, remove weeds, and eradicate the invasive species *Leucaena leucocephala*. In total, they collected more than 60 bags—weighing 520 kilograms—of invasive species and trash, effectively improving the quality of the wetland environment and the landscape of the habitat. Professional ecological guided tours were also organized; through on-site observations and explanations, these tours enhanced employees' understanding of wetland ecosystems, biodiversity, and nature conservation issues.

Daren Time, Walking Together on the Medical Journey

- Our company has long been committed to addressing issues related to medical resources in remote areas and health equity. In 2025, we sponsored the National Taiwan University College of Medicine Student Social Service Group in organizing a summer medical service team to visit Daren Township in Taitung County and surrounding remote tribal communities. Through a variety of initiatives—including medical services, home visits, educational programs for schoolchildren, and cultural exchanges—the team addressed the health and living needs of local residents.
- The program's activities encompass medical care, home visits, camp activities and group recreation, and community cultural exchanges. In addition to providing medical services, the team also gains a deep understanding of the tribal living environment and cultural context, and examines the social factors affecting residents' health, thereby enhancing the effectiveness of their services and strengthening their connection to the local community.

Industry-Academia Collaboration to Support the Development of Local Education

- To support local education, provide students with practical work experience, and address labor shortages caused by population outflow, the company actively promotes industry-academia and work-study cooperation programs with local colleges, universities, and high schools and vocational schools. Through practical training, we enhance students' employability, mitigate population outflow, and foster mutual growth between industry and academia.
- In addition, in line with The New Southbound Policy and in response to the Overseas Community Affairs Council's efforts to promote education for overseas compatriot students, the company cultivates professional technical talent through Taiwan's high-quality vocational and technical education resources. It has introduced the "3+4 Industry-Academia Collaboration Program for overseas compatriot students," which utilizes industry-academia partnerships and practical training mechanisms to foster and retain talent, encouraging overseas compatriot students to remain in Taiwan for employment after graduation and fully utilize their professional expertise.

Program	Partner Schools	Number of people
3+4 Industry-Academia Collaboration Program for overseas compatriot students	Cheng Shiu University	46
	Chung Shan Industrial & Commercial School	8
International Program of Industry-Academia Collaboration	Fooyin University	2

Social Engagement

CWTC upholds the principle of "local care and sustainable prosperity" by actively participating in community development and public welfare activities in its local area. The Company is committed to building mutual trust and cooperative relationships between the enterprise and the community. Through diverse forms of engagement, it strengthens ties with the community, promotes local economic and social development, and fulfills its corporate social responsibility.

Public Welfare Project	Details	Demonstration of Benefits
Environmental Protection	■ Mobilized the Group family to participate in the Restoration and Habitat Management of Yuanjhong Harbor Wetland, CWTC sent a total of 25 participants, who contributed approximately 63 volunteer hours.	■ Removed 60 bags totaling 520 kilograms of invasive species (*Leucaena leucocephala*) and trash to improve the wetland environment and preserve the native ecosystem. ■ Through professional ecological tours and environmental education, we enhanced employees' understanding of wetland ecosystems, biodiversity, and nature conservation, as well as their environmental awareness.
	■ Starting in 2024, we will undertake landscaping and beautification projects along the streets surrounding the Dafa Industrial Park and adopt 60 street trees.	■ Increased the green coverage rate in the industrial park, creating a greener environment and improving the park's surroundings. The adopted street trees are estimated to absorb approximately 1,200 kg of CO_2 annually. ■ The shade from the trees helps mitigate the urban heat island effect, lowering surface temperatures along the adopted section during summer. Continued tree adoption and maintenance efforts aim to establish a culture of greening and stewardship.
Rural Service	■ Sponsored the National Taiwan University College of Medicine Social Service Group to conduct a rural service project in Daren Township, Taitung County, addressing the issue of insufficient medical and educational resources in rural areas.	■ Provides services including medical care, home visits, camp activities, and community cultural exchanges to respond to the health and living needs of residents in rural areas. ■ Through gain a deeper understanding of indigenous communities living environments and cultural backgrounds, social factors affecting resident health are explored to enhance service effectiveness and deepen connections with local communities.
Industry-Academia Collaboration Program	■ We support local education by actively promoting industry-academia and cooperative education programs in collaboration with local universities, colleges, and vocational high schools. ■ Subsidies were provided for transportation, lodging, and other related expenses, with a total amount of NT$213,038	■ Collaborate with three local schools. ■ Provided a pathway for overseas Chinese students to join the company directly after graduation. ■ Enhanced cross-cultural teamwork efficiency on the production line and accelerated talent deployment at overseas sites.

5.Appendix

5.1 GRI Standards Content Index

Statement of Use	**CWTC has reported in accordance with the GRI Standards for the period from January 1 to December 31, 2025.**
GRI 1 Used	**GRI 1: Foundation 2021**
Applicable GRI Sector Standard(s)	**NA**

No.	Disclosure Titles	Corresponding Chapters	Page
GRI 2: General Disclosures 2021			
The organization and its reporting practices			
2-1	Organizational details	About CWTC	5
2-2	Entities included in the organization's sustainability reporting	About CWTC	6
2-3	Reporting period, frequency and contact point	About This Report	1
2-4	Restatements of information	Not applicable	-
2-5	External assurance	About This Report	1
Activities and workers			
2-6	Activities, value chain and other business relationships	About CWTC	5
		2.7 Sustainable Supply Chain	36
2-7	Employees	4.2 Talent Attraction and Retention	84
2-8	Workers who are not employees	4.2 Talent Attraction and Retention	85
Governance			
2-9	Governance structure and composition	2.1 Organization and Operation of Corporate Governance	15-23
2-10	Nomination and selection of the highest governance body	2.1 Organization and Operation of Corporate Governance	15-16
2-11	Chair of the highest governance body	2.1 Organization and Operation of Corporate Governance	15-16
2-12	Role of the highest governance body in overseeing the	1.1 Sustainable Development Organizations and Strategies	8
		1.2 Stakeholder Engagement	9

No.	Disclosure Titles	Corresponding Chapters	Page
2-13	Delegation of responsibility for managing impacts	1.1 Sustainable Development Organizations and Strategies	8
2-14	Role of the highest governance body in sustainability reporting	1.1 Sustainable Development Organizations and Strategies	8
2-15	Conflicts of interest	2.1 Organization and Operation of Corporate Governance	22
2-16	Communication of critical concerns	1.2 Stakeholder Engagement	9
2-17	Collective knowledge of the highest governance body	2.1 Organization and Operation of Corporate Governance	19
2-18	Evaluation of the performance of the highest governance body	2.1 Organization and Operation of Corporate Governance	19
2-19	Remuneration policies	2.1 Organization and Operation of Corporate Governance	20
2-20	Process to determine remuneration	2.1 Organization and Operation of Corporate Governance	20
2-21	Annual total compensation ratio	2.1 Organization and Operation of Corporate Governance	20
Strategy, policies and practices			
2-22	Statement on sustainable development strategy	1.1 Sustainable Development Organizations and Strategies	8
2-23	Policy commitments	1.1 Sustainable Development Organizations and Strategies	8
2-24	Embedding policy commitments	4.1 Human Rights Policy	77
2-25	Processes to remediate negative impacts	1.2 Stakeholder Engagement	9
2-26	Mechanisms for seeking advice and raising concerns	2.2 Integrity Management	24-26
		4.1 Human Rights Policy	77-82
2-27	Compliance with laws and regulations	2.2 Integrity Management	25
2-28	Membership associations	About CWTC	5
Stakeholder engagement			
2-29	Approach to stakeholder engagement	1.2 Stakeholder Engagement	9
2-30	Collective bargaining agreements	We have no union. Not applicable.	-
GRI 3: Material Topics 2021			
3-1	Process to determine material topics	1.3 Identify Material Topics	10-11
3-2	List of material topics	1.3 Identify Material Topics	12
3-3	Management of material topics	1.3 Identify Material Topics	12

No.	Disclosure Titles	Corresponding Chapters	Page
Specific Topics: GRI 200: Economic Series			
GRI 201: Economic Performance 2016			
GRI 201-1	Direct economic value generated and distributed	2.3 Operating Performance	27
GRI 201-2	Financial implications and other risks and opportunities due to climate change	3.2 Task Force on Climate-Related Financial Disclosures (TCFD)	45-52
GRI 201-4	Financial assistance received from government	2.3 Operating Performance	30
Specific Topics: GRI 300: Environmental Disclosures Series			
GRI 302: Energy 2016			
GRI 302-1	Energy consumption within the organization	3.3 Energy Management	54
GRI 302-3	Energy intensity	3.3 Energy Management	55
GRI 302-4	Reduction of energy consumption	3.3 Energy Management	56
GRI 303: Water and Effluents 2018			
GRI 303-1	Interactions with water as a shared resource	3.4 Water Resources Management	62-68
GRI 303-2	Management of water discharge-related impacts	3.4 Water Resources Management	62-68
GRI 303-3	Water withdrawal	3.4 Water Resources Management	64-65
GRI 303-4	Water discharge	3.4 Water Resources Management	64-65
GRI 303-5	Water consumption	3.4 Water Resources Management	64-65
GRI 305: Emissions 2016			
GRI 305-1	Direct (Scope 1) GHG emissions	3.3 Energy Management	58-60
GRI 305-2	Energy indirect (Scope 2) GHG emissions	3.3 Energy Management	58-60
GRI 305-3	Other indirect (Scope 3) GHG emissions	3.3 Energy Management	61
GRI 305-4	GHG emissions intensity	3.3 Energy Management	60
GRI 306: Waste 2020			
GRI 306-1	Waste generation and significant waste-related impacts	3.5 Waste Management	70-74
GRI 306-2	Management of significant waste-related impacts	3.5 Waste Management	70-74
GRI 306-3	Waste generated	3.5 Waste Management	70-74

No.	Disclosure Titles	Corresponding Chapters	Page
Specific Topics: GRI 400: Social Disclosures Series			
GRI 401: Employment 2016			
GRI 401-1	New employee hires and employee turnover	4.2 Talent Attraction and Retention	87-88
GRI 401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	4.2 Talent Attraction and Retention	90、94-96
GRI 401-3	Parental leave	4.2 Talent Attraction and Retention	93-94
GRI 403: Occupational Health and Safety 2018			
GRI 403-1	Occupational health and safety management system	4.4 Occupational Health and Safety	102
GRI 403-2	Hazard identification, risk assessment, and incident investigation	4.4 Occupational Health and Safety	104-105
GRI 403-3	Occupational health services	4.4 Occupational Health and Safety	108
GRI 403-4	Worker participation, consultation, and communication on occupational health and safety	4.4 Occupational Health and Safety	102
GRI 403-5	Worker training on occupational health and safety	4.3 Talent Development and Diversity Cultivation	98-100
		4.4 Occupational Health and Safety	103-104
GRI 403-6	Promotion of worker health	4.4 Occupational Health and Safety	108-111
GRI 403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	4.4 Occupational Health and Safety	106
GRI 403-8	Workers covered by an occupational health and safety	4.4 Occupational Health and Safety	102
GRI 403-9	Work-related injuries	4.4 Occupational Health and Safety	105
GRI 403-10	Work-related ill health	4.4 Occupational Health and Safety	108-109
GRI 404: Training and Education 2016			
GRI 404-1	Average hours of training per year per employee	4.3 Talent Development and Diversity Cultivation	99
GRI 404-3	Percentage of employees receiving regular performance and career development reviews	4.2 Talent Attraction and Retention	92

5.2 SASB Index – Semiconductor Industry

SASB Topics	Code	Metric	Category	Corresponding Chapters / Descriptions
Greenhouse Gas Emissions	TC-SC-110a.1	(1) Gross global Scope 1 emissions (2) Amount of total emissions from perfluorinated compounds	Quantitative	3.3 Energy Management Scope 1: 2,689 tCO2e Total emissions of PFCs: 0
	TC-SC-110a.2	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Discuss And Analyze	3.2 Task Force on Climate-Related Financial Disclosures (TCFD) 3.3 Energy Management
Energy Management in Manufacturing	TC-SC-130a.1	(1) Total energy consumed (2) Percentage grid electricity (3) Percentage renewable	Quantitative	(1) Total energy consumption：367,187 GJ (2) Percentage of electricity from the grid：88.75% (3) Proportion of renewable energy：1.30%
Water Management	TC-SC-140a.1	(1) Total water withdrawn (2) Total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress	Quantitative	Please refer to Section 3.4 Water Resources Management for details on total water withdrawal and total water consumption. The percentage of total water withdrawal and total water consumption in areas of high or extremely high baseline water stress is 48% and 58%, respectively.
Waste Management	TC-SC-150a.1	(1) Amount of hazardous waste from manufacturing (2) Percentage recycled	Quantitative	(1) Hazardous waste generated：14,702 metric tons (2) Recycling rate：98%
Workforce Health & Safety	TC-SC-320a.1	Description of efforts to assess, monitor, and reduce exposure of workforce to human health hazards	Discuss And Analyze	4.4 Occupational Health and Safety
	TC-SC-320a.2	Total amount of monetary losses as a result of legal proceedings associated with employee health and safety violations	Quantitative	No monetary losses resulting from legal proceedings related to employee health and safety violations in 2025.
Recruiting & Managing a Global & Skilled Workforce	TC-SC-330a.1	Percentage of employees requiring a work visa	Quantitative	In 2025, 377 employees will need to apply for work visas, accounting for 16.32 percent.
Product Lifecycle Management	TC-SC-410a.1	Percentage of products by revenue that contain IEC 62474 declarable substances	Quantitative	Currently, CWTC does not perform statistical management of IEC 62474 materials, but it has established hazardous substance management standards that suppliers are required to comply with.
	TC-SC-410a.2	Processor energy efficiency at a system-level for: (1) Servers (2) Desktops (3) Laptops	Quantitative	As CWTC is not an end-product manufacturer, it does not calculate the overall energy efficiency of processors.
Materials Sourcing	TC-SC-440a.1	Description of the management of risks associated with the use of critical materials	Qualitative	2.7 Sustainable Supply Chain
Intellectual Property Protection & Competitive Behaviour	TC-SC-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behaviors regulations	Quantitative	In 2025, no financial losses occurred due to legal proceedings related to anti-competitive behavior.
Total production	TC-SC-000.A	Varies by product type	Quantitative	Unit：KKPCS IC Lead Frame: 2024: 107,595; 2025: 117,093 LED Lead Frame: 2024: 5,373; 2025: 7,041 Total: 2024: 112,968; 2025: 124,134
Percentage of production from owned facilities	TC-SC-000.B	Percentage (%)	Quantitative	CWTC is a professional lead frame manufacturer with 100% of its production coming from its own facilities.

5.3 Sustainability Disclosure Indicators- Semiconductor Industry

No.	Indicator	Indicator Type	Unit	Annual Disclosure
1	Total energy consumption, percentage of purchased electricity and renewable energy usage	Quantitative	Gigajoules (GJ), Percentage (%)	Total energy consumption：367,187 GJ Percentage of purchased power：88.75% Percentage of renewable energy usage：1.30%
2	Total water withdrawal and total water consumption	Quantitative	Thousand cubic meters (m^3)	Total water withdrawal：1,491 m^3 Total water consumption：624 m^3
3	Total hazardous waste generated and percentage recycled	Quantitative	Metric tons (t), Percentage (%)	Total hazardous waste output：14,702 t The hazardous waste recycling rate：98%
4	Types of, number of employees in and rate of occupational accidents	Quantitative	Quantity, Percentage (%)	Mater dropping：1 injury，11% Mater flying down：2 injuries，22% Rolling-up：1 injury，11% Contact with hazardous substances：3 injuries，34% Improper act：2 injuries，22%
5	Product Lifecycle Management Disclosure: including weights of scraps and electronic waste and percentage recycled (Note)	Quantitative	Metric tons (t), Percentage (%)	Weight of scrap products and electronic waste：19,053t Percentage of recycling：78%
6	Description of the management of risks associated with the use of critical materials	Qualitative	Not applicable	CWTC does not use conflict minerals in its manufacturing process and conducts due diligence within its supply chain to ensure that all products are 100% free from minerals sourced from conflict areas.
7	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	Quantitative	Reporting currency	In 2025, no financial losses occurred due to legal proceedings related to anti-competitive behavior.
8	Production by product category	Quantitative	Depending on the product type	Unit：KKPCS 2024 / 2025 IC Lead Frame: 107,595 / 117,093 LED Lead Frame: 5,373 / 7,041 Total: 112,968 / 124,134

Note: Descriptions including the sale of scraps and the recycling and processing of waste.

5.4 ESG Data Summary

Environmental Data

Energy Consumption								
Item		Unit	2021	2022	2023	2024	2025	Remarks
Direct Energy	Diesel fuel	GJ	276	1,174	365	416	500	Note1: The 2023 data includes all consolidated entities, while data for other years covers only Taiwan Plant, China Plant and Malaysia Plant. Note2: Conversions are based on the "Heat Content of Energy Products" of the Ministry of Economic Affairs. Starting from 2024, the unit conversion for diesel and gasoline will be calculated based on the calorific values announced by the Ministry of Environment. Note3: Renewable energy refers to solar energy, which is estimated annually based on the daily generation in GJ of the installed capacity. Note4: Electricity intensity= Electricity consumption / Consolidated revenue in millions of NT$
	Gasoline		361	500	486	779	767	
	Natural gas		22,115	22,673	17,110	20,994	35,247	
Indirect Energy	Purchased electricity		268,055	279,597	275,574	317,297	325,886	
	Renewable energy		-	-	347	347	4,787	
Total			290,807	303,944	293,882	339,833	367,187	
Electricity consumption		MWH	74,460	77,666	76,548	88,138	90,524	
Electricity intensity			5.82	5.38	6.61	7.353	6.741	

GHG Emission							
Item	Unit	2021	2022	2023	2024	2025	Remarks
Direct emissions- Scope 1	tCO2e	1,940	2,395	3,590	3,599	2,689	Note1: For Scope 3 emissions, some overseas plants started tracking in 2021, the Taiwan plant started in 2022, and all others began in 2023. Note2: The 2023 data includes all consolidated entities, while the other data only covers the Taiwan, China, and Malaysia plants. Note3: GHG emission intensity= GHG emissions (tCO2e) / Consolidated revenue in millions of NT$
Indirect emissions- Scope 2		55,618	54,279	44,169	48,739	45,296	
Other indirect emissions- Scope 3		495	9,564	49,852	58,877	80,892	
GHG emission intensity (Scope 1 + Scope 2)		4.500	3.927	4.124	4.366	3.573	

Water Resources							
Item	**Unit**	**2021**	**2022**	**2023**	**2024**	**2025**	**Remarks**
Total water withdrawal	**ML**	1,352	1,323	1,136	1,376	1,491	Note1: The Company's water withdrawal sources come from third-party water-surface water, excluding other surface water, groundwater, seawater and produced water. Note2: Recycling rate of water withdrawal = Water recycled / Water withdrawal Note3: Water withdrawal intensity = Total water withdrawal / Consolidated revenue in millions of NT$
Total water recycled		168	237	264	381	415	
Total water discharge		1,164	1,120	967	1,183	1,282	
Total water consumption		356	440	433	574	624	
Recycling rate of water	**%**	12.43	17.91	23.24	27.69	27.83	
Water withdrawal intensity	-	0.106	0.092	0.098	0.115	0.111	

Waste							
Item	**Unit**	**2021**	**2022**	**2023**	**2024**	**2025**	**Remarks**
Total waste generated	**metric tons**	20,692	20,104	16,413	17,936	20,126	Note: Waste intensity = Total waste generated / Consolidated revenue in millions of NT$
Recyclable waste		13,460	12,931	10,958	17,052	19,432	
Waste intensity	-	1.6176	1.3931	1.4172	1.4963	1.4988	
Reuse rate of waste	**%**	65	64	67	96	96	

Social Data

Achievements of the Diverse Workforce

Type	Category	Gender	2021		2022		2023		2024		2025	
			No. of Employees	%	No. of Employees	%	No. of Employees	%	No. of Employees	%	No. of Employees	%
Nationality	Migrant workers Note	Male	82	3.97	157	7.13	146	6.86	168	7.43	253	10.95
		Female	42	2.03	76	3.45	62	2.91	65	2.88	124	5.37
	Local workers	Male	1,180	57.12	1,195	54.27	1,156	54.27	1,227	54.29	1,176	50.91
		Female	762	36.88	774	35.15	766	35.96	800	35.40	757	32.77
Age	< 30	Male	328	15.88	350	15.89	298	13.99	343	15.18	357	15.45
		Female	184	8.91	192	8.72	174	8.17	193	8.54	183	7.92
	30 - 50	Male	810	39.20	870	39.51	857	40.23	872	38.58	882	38.18
		Female	580	28.07	605	27.48	593	27.84	593	26.24	624	27.02
	> 50	Male	124	6.00	132	5.99	147	6.91	180	7.96	190	8.23
		Female	40	1.94	53	2.41	61	2.86	79	3.50	74	3.20
Ranking	Management level	Male	357	17.28	385	17.48	396	18.59	393	17.39	396	17.14
		Female	163	7.89	167	7.59	179	8.40	187	8.27	194	8.39
	Non-management level	Male	905	43.80	967	43.91	906	42.54	1,002	44.33	1,033	44.73
		Female	641	31.03	683	31.02	649	30.47	678	30.01	687	29.74

Note: From 2021 to 2023, the statistics on foreign employees were based on their nationality corresponding to their respective work locations; in 2024, the statistics were based on the nationality of those requiring a work visa.

Achievements of the Diverse Workforce												
Type	Category	Gender	2021		2022		2023		2024		2025	
			No. of Employees	%	No. of Employees	%	No. of Employees	%	No. of Employees	%	No. of Employees	%
Function	Sales	Male	20	0.97	21	0.95	20	0.94	28	1.24	25	1.08
		Female	23	1.11	23	1.04	22	1.03	18	0.80	19	0.82
	Manufacturing	Male	1,013	49.03	1,081	49.10	1,087	51.03	1,106	48.93	1,196	51.78
		Female	596	28.85	623	28.29	622	29.20	655	28.98	673	29.13
	R&D	Male	137	6.63	172	7.81	117	5.50	167	7.39	142	6.15
		Female	76	3.68	94	4.27	73	3.43	75	3.32	73	3.16
	Administration and others	Male	92	4.45	78	3.54	78	3.66	94	4.16	66	2.86
		Female	109	5.28	110	5.00	111	5.21	117	5.18	116	5.02
Education	Masters	Male	32	1.55	32	1.45	37	1.74	45	1.99	38	1.65
		Female	15	0.73	22	1.00	18	0.85	18	0.80	23	1.00
	Junior College / Bachelor	Male	459	22.21	478	21.71	474	22.25	531	23.50	538	23.29
		Female	306	14.81	307	13.94	313	14.69	330	14.60	349	15.11
	Senior high school and below	Male	771	37.32	842	38.24	791	37.14	819	36.23	853	36.92
		Female	483	23.38	521	23.66	497	23.33	517	22.88	509	22.03

Diverse Training										
Type	2021		2022		2023		2024		2025	
	Total No. of Participants	Total No. of Courses	Total No. of Participants	Total No. of Courses	Total No. of Participants	Total No. of Courses	Total No. of Participants	Total No. of Courses	Total No. of Participants	Total No. of Courses
New Employee Orientation Training	471	4,046	578	5,854	389	13,769	680	26,899	499	16,386
General Training	11,734	76,143	13,851	67,330	16,386	70,636	15,849	17,184	20,702	25,867
Skills Training	1,451	41,348	2,317	66,365	1,723	35,477	8,274	112,980	8,141	85,734
Management Training	3,361	7,721	2,772	6,434	5,490	14,770	1,823	3,173	2,218	4,221
Total	17,017	129,258	19,518	145,983	23,988	134,652	26,626	160,236	31,560	132,209

Governance Data

Composition of the Board of Directors							
Item	Unit	2021	2022	2023	2024	2025	Remarks
Total Board Member Seats	seat	7	7	7	8	**8**	
Independent Director Seats		3	3	3	4	4	
Female Director Seats		1	1	1	1	1	
Attendance rate of Board meeting	%	100	100	96	100	95	

Achievements of Research and Development							
Item	Unit	2021	2022	2023	2024	2025	Remarks
Proportion of R&D expenses	%	3.61	2.93	3.63	3.60	2.89	Note: Proportion of R&D expenses = Consolidated R&D expenses in thousands of NT$ / Consolidated revenue in thousands of NT$
Cumulative number of domestic and overseas patents	Number of Patents	125	152	309	269	262	

5.5 TCFD Disclosure Index

Risks and Opportunities of Climate Change to the Company and Related Measures Taken by the Company

Item	Implementation status
1. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities	3.2 Task Force on Climate-Related Financial Disclosures (TCFD)
2. Describe how the identified climate risks and opportunities affect the business, strategy, and finance of the business (short, medium and long term).	3.2 Task Force on Climate-Related Financial Disclosures (TCFD)
3. Describe the financial impacts of extreme weather events and transformational actions.	3.2 Task Force on Climate-Related Financial Disclosures (TCFD)
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	3.2 Task Force on Climate-Related Financial Disclosures (TCFD)
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.	3.2 Task Force on Climate-Related Financial Disclosures (TCFD)
6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.	3.2 Task Force on Climate-Related Financial Disclosures (TCFD)
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	The company has implemented an internal carbon pricing mechanism. Initially, it referenced the Ministry of Environment's 2024 commissioned research conducted by the London School of Economics and Political Science on Taiwan's carbon pricing system. Based on this, a reference carbon price of NT$300 per metric ton was established. The company then set its internal carbon price at NT$500 per metric ton to guide operational decisions and the promotion of carbon reduction initiatives. Through this internal carbon pricing and carbon trading management mechanism, the company aims to incentivize departments to achieve emission reduction targets and enhance overall carbon management.
8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.	3.2 Task Force on Climate-Related Financial Disclosures (TCFD)
9. Greenhouse gas inventory and assurance status and reduction targets, strategy, and concrete action plan (separately fill out in points 1-1 and 1-2 below).	See Tables 1-1 and 1-2 below.

GHG Inventory and Assurance Status for the Most Recent 2 Fiscal Years

1-1 GHG Inventory Information

Describe the emission volume (metric tons CO2e), intensity (metric tons CO2e/NT$ million), and data coverage of greenhouse gases in the most recent 2 fiscal years.

The scope of information to be disclosed by the Company in accordance with the requirements of the Sustainable Development Roadmap for TPEx-listed Companies includes the following:

1.The parent company shall begin conducting GHG inventory in 2025.
2.Subsidiaries included in the consolidated financial statements shall begin conducting GHG inventory in 2026.

Since 2022, the Company has conducted annual greenhouse gas inventories. In 2023, the scope of the inventory was expanded to include all subsidiaries in the consolidated financial statements to gain a comprehensive understanding of the Group's greenhouse gas emissions and to serve as a basis for formulating reduction strategies and tracking the effectiveness.

Through 2025, the Company and all reporting subsidiaries in the consolidated financial statements will conduct GHG inventories in accordance with the ISO 14064-1 standard, using the operational control method to aggregate GHG emissions from the Company and all reporting subsidiaries in the consolidated financial statements. Starting in 2025, the calculation and categorization of greenhouse gas emissions will be conducted in accordance with the GHG Protocol, and the organizational boundary will be adjusted to the financial control method to aggregate the greenhouse gas emissions of the Company and all subsidiaries included in the consolidated financial statements, thereby enhancing the consistency of the inventory methodology with leading international disclosure frameworks.

The greenhouse gas emissions for the last two fiscal years are as follows:

Year		2024		2025	
Item		Emission Volume (metric tons CO2e)	Intensity (metric tons CO2e/NT$ million)	Emission Volume (metric tons CO2e)	Intensity (metric tons CO2e/NT$ million)
The Company	**Scope 1:** Direct GHG emissions	783		620	
	Scope 2: Indirect GHG emissions	18,026		18,471	
	Subtotal	18,809		19,091	
All subsidiaries in the consolidated financial report	**Scope 1:** Direct GHG emissions	2,816		2,069	
	Scope 2: Indirect GHG emissions	30,713		26,825	
	Subtotal	33,529		28,894	
Total		52,338	4.366	47,985	3.573

1-1-1GHG Assurance Information

Describe the status of assurance for the most recent 2 fiscal years, including the scope of assurance, assurance institutions, assurance standards, and assurance opinion.

The scope of assurance to be executed in accordance with the requirements of the Sustainable Development Roadmap for TPEx-listed Companies includes the following:

1.The parent company shall begin conducting GHG assurance in 2027.

2.Subsidiaries included in the consolidated financial statements shall begin conducting GHG assurance in 2028.

The Company continuously conducts third-party verification of its GHG inventories to enhance the reliability of inventory data.

- Regarding the Company on an individual basis: For both 2024 and 2025, the scope of third-party verification executed accounted for 100% of the Company's total individual GHG emissions in each respective year. In 2024, DNV Business Assurance Co., Ltd executed the third-party verification in accordance with ISO 14064-3:2019 issued by the International Organization for Standardization (ISO), with the verification opinion stating reasonable assurance. In 2025, Live Susthinkability CPAs Firm executed a limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3410 " Assurance Engagements on Greenhouse Gas Statements" and issued a limited assurance report.
- Regarding all subsidiaries in the consolidated financial report: For both 2024 and 2025, the scope of third-party verification executed accounted for 100% of the total GHG emissions of all subsidiaries in the consolidated financial report in each respective year. In 2024, Bureau Veritas Certification (M) Sdn. Bhd. in Malaysia, TÜV SÜD PSB Pte Ltd in Singapore, and Centre Testing International Group Co., Ltd. (CTI) in China separately executed third-party verifications in accordance with ISO 14064-3:2019, with verification opinions all stating reasonable assurance. In 2025, Live Susthinkability CPAs Firm executed a limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3410 " Assurance Engagements on Greenhouse Gas Statements" and issued a limited assurance report.

1-2 GHG Reduction Targets, Strategy, and Concrete Action Plan

Specify the greenhouse gas reduction base year and its data, the reduction targets, strategy and concrete action plan, and the status of achievement of the reduction targets.

Reduction base year and goals for GHG

To develop a GHG reduction strategy, the Company and all subsidiaries included in the consolidated financial statements completed an inventory in 2023 using the consolidated financial statements as the boundary. However, in 2025, to align with the consistency principles outlined in the Financial Supervisory Commission's "Sustainable Development Roadmap" and to meet the management requirements of the parent company (CWE), the base year for the GHG inventory will be adjusted to 2025, and GHG emissions calculations and categorization will be conducted in accordance with the GHG Protocol. Scope 1 and Scope 2 emissions amounted to 2,689 metric tons of CO2e and 45,296 metric tons of CO2e, respectively. We aim to further implement the goal of reducing emissions by 20% from the base year by 2030 and achieving carbon neutrality by 2050 through the following concrete actions.

GHG reduction strategy and concrete action plan

The Company and all subsidiaries included in the consolidated financial statements have integrated carbon management into their operational strategies. By using a carbon management platform, they systematically integrate emissions data across the Group, providing real-time access to the information needed for carbon management. This platform also enables comprehensive oversight of various GHG reduction initiatives, including improving energy efficiency, purchasing energy-saving equipment, installing solar power systems, and reducing GHG emissions at the raw material source. These measures ensure that reduction efforts stay on track while minimizing carbon emission impacts and enhancing operational competitiveness.

To ensure that management, the execution team, and all employees work together to achieve GHG reduction targets and improve energy efficiency, key project goals have been incorporated into the Group's operational performance indicators. These indicators serve as the basis for employee performance evaluations and bonuses, reinforcing a culture of accountability in management.

Achievement of GHG reduction goals

Plant	Measures and Performance in 2025
Taiwan Plant	Replacement of chillers, added variable frequency drives to water pumps, optimized process air conditioning equipment supply mechanisms, and replaced stamping air handling units, achieving annual energy savings of 1,102,559 kWh (equivalent to 3,969 GJ).
Chengdu Plant	Adjusted operational settings of certain air conditioning equipment and monitored regional temperature and humidity conditions during shutdown periods. Shut down non-essential air conditioning equipment and implemented unified control management. Utilized heat energy from oil temperature controllers to raise workshop temperatures during winter to reduce the activation quantity of air conditioning equipment. Achieved annual energy savings of 164,035 kWh (equivalent to 590 GJ).
Malaysia Plant	Implemented variable frequency modifications for equipment such as cooling water pumps, chilled water pumps, and exhaust tower electrical control boxes. Adjusted operational settings of certain air conditioning equipment and monitored regional temperature and humidity conditions during shutdown periods. Adjusted street lighting illumination based on seasonal daylight hours, achieving annual energy savings of 1,118,000 kWh (equivalent to 4,025 GJ).
Total	8,584GJ

5.6 Third Party Assurance Statement

Assurance Statement of Sustainability Report

Ref. No. 26050006

思享永續聯合會計師事務所
Live Susthinkability CPAs Firm
12F., No. 221, Sec. 4, Zhongxiao E. Rd., Da'an Dist., Taipei City 106448, Taiwan (R.O.C.)

Independent Limited Assurance Report

Chang Wah Technology Co., Ltd.

We have completed limited assurance procedures for selected performance indicators included in Chang Wah Technology Co., Ltd. 2025 Sustainability Report. Based on these procedures, we issue this Limited Assurance Report.

Assured Information and Applicable Criteria

The selected performance indicators (referred to as the "Assured Information") and their applicable criteria are detailed in Appendix 1: Summary of Assurance Items.

Management's Responsibility

Management is responsible for preparing the Assured Information in accordance with:

- The "Taipei Exchange Rules Governing the Preparation and Filing of Sustainability Reports by TPEx Listed Companies," issued by the Taipei Exchange;
- The Global Reporting Initiative (GRI) Standards (Universal, Sector, and Topic Standards);
- The Sustainability Accounting Standards Board (SASB) Standards; and
- The company's internally designed criteria.

Management is also responsible for maintaining internal controls relevant to the preparation of the Assured Information to ensure it is free from material misstatements, whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to perform limited assurance procedures in accordance with Assurance Engagements 3000 ("Assurance Engagements Other than Audits or Reviews of Historical Financial Information"). Based on the procedures performed and evidence obtained, we aim to provide limited assurance as to whether the Assured Information (detailed in Appendix 1) contains material misstatements.

Compared to reasonable assurance engagements, the scope, timing, and nature of procedures for limited assurance are more limited, resulting in a lower level of assurance.

Using professional judgment, we planned and performed the following procedures to obtain sufficient evidence:

- Conducting inquiries with management and personnel involved in preparing the Assured Information to understand policies, processes, internal controls, and information systems, and to identify areas where material misstatements might exist.
- Performing tests on selected samples, including inspection, recalculation, re-performance, observation, and analytical procedures, to gather evidence supporting the limited assurance conclusion.

Inherent Limitations

Non-financial information, such as the Assured Information, has more inherent limitations compared to financial information. These limitations include greater reliance on management's judgments, assumptions, and interpretations. Additionally, stakeholders may interpret non-financial information differently.

Independence and Quality Management

We and our firm have complied with the independence and other ethical requirements outlined in the Code of Ethics for Professional Accountants, which emphasize integrity, objectivity, professional competence, confidentiality, and professional behavior.

Our firm also adheres to Quality Management Standard No. 1 ("Quality Management for Accounting Firms"), which requires the establishment, implementation, and maintenance of quality management systems, including policies and procedures to ensure compliance with professional standards and applicable regulations.

Conclusion

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe the Assured Information contains material misstatements in any significant respect as prepared in accordance with the applicable criteria.

Other Matters

Following the issuance of this report, any changes made by Chang Wah Technology Co., Ltd. to the Assured Information or applicable criteria are the sole responsibility of the company. We do not undertake any further assurance procedures for such changes.

Live Susthinkability CPAs Firm

Live Susthinkability CPAs Firm
Taipei, Taiwan
Republic of China
May 30, 2026

APPENDIX 1

SUMMARY OF SELECTED SUBJECT MATTER INFORMATION

No.	Assured Information	Corresponding Section	Applicable Criteria	Key Performance Indicators
1	(1) Gross global Scope 1 emissions and (2) amount of total emissions from perfluorinated compounds	3.3 Energy Management	SASB TC-SC-110a.1	1. Scope 1 greenhouse gas (GHG) emissions: 2,689 tCO_2e 2. Perfluorinated compound (PFC) emissions: None.
2	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	3.3 Energy Management	SASB TC-SC-110a.2	**Indicators** Using 2025 as the base year, the Company has established the following greenhouse gas reduction targets: Short-term (within 3 years): Reduce total Scope 1 and Scope 2 greenhouse gas emissions by 3% and decrease carbon emission intensity per unit of product by 5%. Medium-term (within 5 years): Achieve a cumulative 10% reduction in total Scope 1 and Scope 2 greenhouse gas emissions and reduce overall carbon emission intensity per unit of product by 20% or more. Long-term (beyond 5 years): Gradually achieve carbon neutrality through the adoption of low-carbon manufacturing processes and continuous process optimization. **Monitoring and Review Mechanisms:** 1. Annual Monitoring: Conduct annual greenhouse gas (GHG) emissions inventories, third-party verification, consolidation of improvement plans, and report implementation progress to the Board of Directors and/or the Sustainability Committee. 2. Internal and External Audits: Engage an independent third-party organization to verify GHG emissions annually. Internal supervision and accountability reviews are conducted for units that fail to achieve improvement targets. 3. Climate Risk Assessment: Identify climate-related financial risks in accordance with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations, and implement carbon fee simulations and sensitivity analyses to support climate risk management and decision-making.
3	(1)Total energy consumed, (2) percentage grid electricity and (3) percentage renewable	3.3 Energy Management	SASB TC-SC-130a.1	1. Total energy consumption: 367,187 GJ 2. Percentage of grid electricity: 88.75% 3. Percentage of renewable energy: 1.30%

No.	Assured Information	Corresponding Section	Applicable Criteria	Key Performance Indicators
4	(1) Total water withdrawn, (2) total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress	3.4 Water Resource Management	SASB TC-SC-140a.1	1. Total water withdrawal: 1,491 ML 2. Total water consumption: 624 ML Percentage of total water withdrawal and total water consumption in areas with high or extremely high baseline water stress: 48% and 58%, respectively.
5	(1) Amount of hazardous waste from manufacturing, (2) percentage recycled	3.5 Waste Management	SASB TC-SC-150a.1	1. Hazardous waste generated: 14,702 metric tons 2. Recycling rate: 98%
6	Description of efforts to assess, monitor, and reduce exposure of workforce to human health hazards	4.4 Occupational Health and Safety	SASB TC-SC-320a.1	**Management Framework and Implementation Strategy** **Responsible Departments:** Occupational Safety and Health (OSH) Center and the Occupational Safety and Health departments at each manufacturing site. **Relevant Internal Policies:** Occupational Safety and Health Policy, Work Safety Regulations, Emergency Response Plan, and other related internal policies. **Management Mechanisms:** The Company operates in accordance with the principles and requirements of the ISO 45001 Occupational Health and Safety Management System. Regular Occupational Safety and Health Committee meetings are convened, with employee representative participation meeting statutory requirements. Hazard identification and risk assessments are conducted on a regular basis, and an incident reporting and corrective action mechanism has been established to continuously enhance workplace safety performance. **Key Action Plans:** 1. Operational Risk Control: Update hazard identification and risk assessment records annually and strengthen the management of high-risk operations. 2. Occupational Safety Training: Provide tiered safety training programs for new employees, contractors, supervisors, and personnel engaged in designated high-risk operations. 3. Health Promotion and Employee Well-being: Conduct regular health examinations and promote mental health awareness through various health promotion initiatives. 4. Safety Culture Promotion: Organize annual Safety Week activities and conduct emergency response drills to strengthen employees' safety awareness and emergency preparedness. 5. Incident Investigation and Prevention:

No.	Assured Information	Corresponding Section	Applicable Criteria	Key Performance Indicators
				Implement incident reporting and corrective action procedures, and regularly review and improve operational processes to prevent recurrence of similar incidents.
7	Total amount of monetary losses as a result of legal proceedings associated with employee health and safety violations	4.4 Occupational Health and Safety	SASB TC-SC-320a.2	In 2025, all manufacturing sites complied with applicable local occupational safety and health regulations. There were no occupational safety and health regulatory violations, and the total monetary losses resulting from such violations amounted to NT$0.
8	Percentage of employees that require a work visa	4.2 Talent Attraction and Retention	SASB TC-SC-330a.1	Percentage of Foreign Employees: 16.32%
9	Description of the management of risks associated with the use of critical materials	5.2 SASB Standards for the Semiconductor Industry	SASB TC-SC-440a.1	2.7 Sustainable Supply Chain All new and existing suppliers are required to sign the RBA Code of Conduct Compliance Declaration, Corporate Social Responsibility (CSR) Declaration, and Conflict Minerals Declaration, and complete the relevant supplier background information questionnaires. In addition, suppliers are expected to comply with the Responsible Business Alliance (RBA) Code of Conduct, respect internationally recognized human rights principles, and adhere to all applicable laws, regulations, and customer requirements.
10	Total monetary losses resulting from legal proceedings related to anti-competitive behavior regulations	5.2 SASB Standards for the Semiconductor Industry	SASB TC-SC-520a.1	In 2025, the Company incurred no monetary losses resulting from legal proceedings associated with anti-competitive behavior regulations.
11	Total Production Volume	5.2 SASB Standards for the Semiconductor Industry	SASB TC-SC-000.A	Product: 2025 IC Lead Frames: 117,093 LED Lead Frames: 7,041 Total Production Volume: 124,134
12	Percentage of production from owned facilities	5.2 SASB Standards for the Semiconductor Industry	SASB TC-SC-000.B	Chang Wah Technology is a professional manufacturer of lead frames. In 2025, 100% of its production was generated from the Company's owned manufacturing facilities.