

STOCK CODE 1457



Yi Jinn Industrial Co., Ltd.

2024 Annual Report

Notice to readers

This English-version annual report is a summary translation of the Chinese version and is not an official document of the shareholders' meeting. If there is any discrepancy between the English and Chinese versions, the Chinese version shall prevail.

Taiwan Stock Exchange Market Observation Post System :

<https://mops.twse.com.tw>

Website : <https://www.yijinn.com.tw>

1. Spokesperson :

Name : Chang, Heng-Chia
Title : Deputy General Manager
Tel : (02)2657-5859 #530
Email : albert@yijinn.com.tw
Deputy Spokesperson :
Name : Lai, Yu-Min
Title : Deputy General Manager
Tel : (02)2657-5859 #517
Email : tina@yijinn.com.tw

2. Headquarters, Branches and Plant :

Address : 7F., No.607, Ruiguang Rd., Neihu Dist., Taipei City, Taiwan
Tel : (02)2657-5859
Fax : (02)8797-8898

3. Stock Transfer Agent :

Name : Grand Fortune Securities
Address : 6F., No.6, Sec. 1 Zhong Xiao W. Rd., Taipei City
Website : www.gfortune.com.tw
Tel : (02)2383-6888

4. Auditors :

Name : Pan, Chun-Ming Chang, Shu-Ying
Firm : KPMG Taiwan
Address : Taipei 101 Tower, 68F, No.7, Sec. 5, Xinyi Road, Taipei City
Website : www.kpmg.com.tw
Tel : (02)8101-6666

5. Overseas Securities Exchange : None

6. Corporate Website :

<https://www.yijinn.com.tw>

Contents

I. Letter to Shareholders	1
II. Corporate Governance Report	
2.1 Directors, Supervisors and Management Team	5
2.2 Remuneration of Directors and Independent Directors	10
2.3 Implementation of Corporate Governance	16
2.4 Information on the professional fees of the attesting CPAs	81
2.5 Replacement of CPA	81
2.6 If the chairman, president, and financial or accounting manager of the Company had worked for the accounting firm or related parties thereof in the most recent year	82
2.7 Changes in Shareholding of Directors, Supervisors, Managers and Major Shareholders	82
2.8 Relationship among the Top Ten Shareholders	83
2.9 Ownership of shares in Affiliated Enterprises	84
III. Capital Raising Activities and Implementation of the Company's Capital Allocation Plans :	
3.1 Disclose the company's capital, corporate bonds, preferred shares, global depository receipts, and employee stock warrants, merger activities (includin mergers, acquisitions, and demergers)	85
3.2 Implementation of the company's capital allocation plans	92
IV. Operational Highlights	
4.1 Business Activities.....	93
4.2 Market and Sales Overview.....	96
4.3 Human Resources.....	99
4.4 Environmental Protection Expenditure.....	99
4.5 Labor Relations.....	99
4.6 Cyber security management.	100
4.7 Important Contracts.....	105
V. Review of Financial Conditions, Operating Results, and Risk Management	
5.1 Analysis of Financial Status.....	106
5.2 Analysis of Operation Results.....	107
5.3 Analysis of Cash Flow.....	108
5.4 Major Capital Expenditure Items.....	109
5.5 Investment Policy in Last Year, Main Causes for Profits or Losses, Improvement Plans and the Investment Plans for the Coming Year.....	109
5.6 Analysis of Risk Management.....	109
5.7 Other important matters.....	111
VI. Special Disclosure	
6.1 Summary of Affiliated Companies.....	112
6.2 Private Placement Securities in the Most Recent Years.....	116
6.3 Other supplementary notes, where applicable.....	117
6.4 Events with Significant Impacts.....	118

I. Letter to Shareholders

I. 2024 Business Results

(1) 2024 Business plan implementation result :

China's overcapacity triggered the Red Ocean battlefield in the world. The transformation is the road that a company must take, if there is no continuous progress, the original proud advantage will be caught up or even surpassed. Therefore, the current strategy is not to accept orders due to small quantities, it might be a loss of opportunity; the only solution is taking both large and small orders, just discard those that do not have a future.

Under the crisis arising from low carbon and carbon reduction global warming, coupled with the increasingly complex formation of regional tariffs and trade barriers, globalized business competition has entered another phase, breaking the supply chain of the global division of labor and cooperation. Business competition through globalization has entered another stage, with regional trade barriers and protectionism gradually emerging, breaking the globalized supply chain of division of labor and cooperation. Therefore, we need to be more agile in product development, business model and operation management in order to overcome the challenges. In the supply chain of the textile industry, the only way is to continue to promote the vertical integration of upstream, midstream and downstream and the expansion of the horizontal value chain., at the same time, to integrate the market trend, from the development of materials, design and create differentiated quality products; in order to enhance the value-added, and drive the revenue and gross profit to grow value-added. In addition, the United States and Europe have imposed a border carbon tax, therefore, in the textile production process, we can only reduce and decarbonize the carbon, improve efficiency to reduce production costs, in order to improve competitiveness. We will continue to follow our social and environmental responsibilities, and establish and develop the use of recycled textiles in an innovative way, in order to reduce global warming impact on the environment and ecology.

The current main production business of the Company includes polyester yarn produced by the subsidiary “Hung Chou Fiber Industry Co. Ltd.” and polyester textured yarn produced by Kwang Ming Silk Mill Co. Ltd., and high gross margin industry webbing and the stable rental income are the main operation income of the parent company “YI JINN INDUSTRIAL CO., LTD”.

(2) Budget implementation: there's no budget information reported by the Company in 2024.

(3) Financial receipts and expenditures and profitability analysis :

		Unit: NT\$1,000	
Item		2023	2024
Financial receipts and expenditures	Operating revenue	3,120,655	3,389,936
	Operating costs	2,913,324	3,067,243
	Income from continuing operations before income tax	1,286,769	407,885
	Net profit after tax	1,080,606	318,386
Profitability	Return on assets (%)	6.19	2.47
	Return on equity (%)	11.60	3.46
	Pre-tax net profit to paid-in capital ratio (%)	42.66	12.88
	Net profit rate (%)	34.63	9.39
	Earnings per share (dollar)	2.55	0.91

(4) Status of research and development :

Due to the characteristics of the industry, the company does not have a full-time R&D department, which is staffed by personnel from the business and manufacturing departments. With many years of textile experience, knowledge and technology, they develop it themselves or in cooperation with raw material suppliers and customers. The main situations are as follows:

Fiber type	Composition	Usage	Feature
Fiber 37.5™ technology textile	Volcanic rock (Active carbon)	Professional sports clothing and sportswear	Use electrostatic attraction to absorb the body's evaporating water, at the same time, the infrared radiation emitted from the human body is used to heat the particles to accelerate the evaporation of water, so it can keep the body surface dry faster, and also help to store energy to keep the body at a certain temperature.
Eco-friendly yarn	Use recycled polyester chemical fiber products and recycle them again	Used in various types of garment fabrics and industrial fabrics	Resource reuse.
Graphene Fiber	Graphene is evenly dispersed to make nanoscale masterbatches, then further is used to make yarns	Smart clothing and wearable device applications.	Antistatic: graphene conductivity can reduce the surface electrical resistivity of cloth. At the same time, the surface lubrication can reduce the coefficient of friction , inhibit and reduce generating electric current, and to help prevent skin itches. Good electrical conductivity: It can act as a filter for the human body and the external environment, ensuring that the wearer maintains an ideal temperature.

II. The overview of business operations :

The main production businesses of the company are : the subsidiaries Hung Chou Fiber Industry Co., Ltd. produces polyester yarn (chips) and Kwang Ming Silk Mill Co., Ltd. produces textured yarn, and the parent company Yi Jinn's operating income is mainly high gross profit industrial ribbon and stable rental income.

(1) Guideline for Management

1. The man-made fiber industry is under the barriers of trade and tariffs, due to inflation and rising interest rates, which have impacted the prosperity of the textile industry and consumer strength, Brands maintain high gross margins and reduce inventory and the destocking speed of some brands is not as fast as expected, the supply chain has shifted from long-term orders to short-term and urgent orders. Geopolitical armed conflicts and destabilizing factors, the price of exchange rate and materials (MEG, PTA) fluctuates greatly, which makes the price of chemical fiber and textured yarn products using petrochemical products as raw materials fluctuate, because the sharp price change is not a good thing for production. On the other hand, the adjustment of the

brand purchasing base and the change of the production base of the supply chain make it more difficult for Taiwan's man-made fibers industry. When the production base leaves Taiwan, the domestic demand drops, which urges our company to develop differentiated goods more actively, and appeal for the advantages of stable quality and rapid response, so as to grasp the market opportunities.

2. In the globalization competitive environment, the management team has Hung Chou Fiber Industry Co., Ltd., the polyester yarn production manufacturing factory, and Kwang Ming Silk Mill Co., Ltd., the textured yarn manufacturing factory. They use the advantages of each company to integrate the operation competitiveness, improve the company's physique and expand the development and production of special products, stand out from the competitors, and push the product specifications to specialization, customization and internationalization, so as to meet the changing needs of market and customers. Only in this way can we cope with the shorter product life cycle, and give priority to market orientation as the most important production direction.
3. Strengthen the promotion of new products and after-sales service, improve customer satisfaction and the stable growth of the supply chain.
4. Continuous and stable growth of industrial ribbon and development of special yarn, high gross profit for the company to bring the best interests.

(2) Expected sales volume and its basis

According to the production capacity and market demand of the company, it is estimated that in 2025, the sales volume of polyester yarn will be about 37,800 tons (including 12,690 tons for the subsidiary company's own use), polyester chip will be about 21,600 tons, polyester textured yarn will be about 16,200 tons, and outsourcing industrial ribbon will be about 57,000 thousand meters.

(3) Important production and marketing policies

1 . Production policy

The company produces polyester yarn from Hung Chou Fiber and textured yarn from Kwang Ming Silk Mill, focusing on the production of differentiated innovative products and customized products. The vertical integration of upstream and downstream makes the company have advantages in reducing the purchase cost of raw materials and arranging the production line. In addition, the company is able to obtain a leading position in the source of POY raw materials, stabilize the supply system, provide diversified innovative product marketing, and enhance the competitiveness of the company.

2 . Sales policy

- (1) Stabilize excellent customers and develop potential customers with forward-looking prospects.
- (2) In response to the demand of emerging markets, strengthening the expansion of differentiated products in foreign markets.
- (3) Improve the salesperson's sales skills and professional knowledge of related fields.
- (4) Combining the upstream, middle and downstream strategic alliance and establishing marketing mechanism, we can play a complementary role in improving the operating performance and market share.

III. The future development strategy of the company, impact from the external competitive environment, regulatory environment and overall business environment

- (1) The company's mid- and long-term business development strategy, the integration of upper, middle and lower streams, from polymerization, spinning, false twisting to weaving and knitting, integrated into a chemical fiber factory production line. Besides improving the production of raw materials and having reduced costs, the control of downstream suppliers and shorten the market response time, all have significantly raised the company's acuity of market demand, therefore in the production and sales forecasting process, when the market demands begin to appear, it can keep the supply of specifications and quantities of the products demanded by the market running smoothly, and in the meantime, can also reduce production capacity when the market demand decreases, reduce the inventory to the minimum volume and avoid inactive inventory to happen.
- (2) Global environmental issues still a hot topic, focusing on reducing environmental impact. The production of Dope Dye filament yarn is also the market demand trend. No matter outdoor fabrics or sports products, including car interiors, all because of eco concepts, large number of fiber yarns which do not need dye process have been used. Among them, black yarn has been our company's long-term developing specifications. When other false twist factories still continue to produce general specifications products due to equipment cost considerations, our company has foreseen the future of the demand of environmental materials, utilize the existing machinery and equipment for development and modification, put all efforts into the development and production of various specifications of Dope Dye, is one of the largest suppliers create popular eco-friendly raw dyed yarn materials in the market.
- (3) The brand customers have an increasing demand for eco polyester yarn and is proactive in integrating the upstream and downstream supply chains to meet customers 'demands.
- (4) The company's exporting products to Europe not applicable to the provision of the regulation of Restriction of the use of Hazardous Substance (RoHS), also no impacts of other environmental regulations.

Chairman : Chan, Cheng-Tien

General Manager : Weng, Mao-Cheng

II. Corporate Governance Report

2.1 Directors, Supervisors and Management Team

(1) Board director and supervisor :

1.Board director and supervisor

April 12, 2025

Title	Nationality	Name	Gender	Date Elected	Term (years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Current Shareholding		Current Shareholding in the name of others		Main Experience(Education)	Current Positions at the Company and Other Company	Executives, Director or Supervisors who are spouses or within two degree of kinship			Remark
							Share	%	Share	%	Share	%	Share	%			Title	Name	Relation	
Chairman	ROC	Chan, Cheng-Tien	Male 81~90 age	2024 06 19	3	1991 01 07	23,101,494	7.63%	23,161,018	7.31%	2,155,727	0.68%	0	0	High School	1.Yi Jinn Industrial Co. Ltd. Chairman 2.Kwang Ming Silk Mill Co. Ltd. Chairman 3.Yi Tong Fiber Co. Ltd. Chairman 4.Hung Chou Fiber Co. Ltd. Chairman 5. Da Tien International Development Co., Ltd. Chairman 6. Dayi International Development Co., Ltd Chairman 7. Xin Mao investment Co., Ltd. Chairman 8.The First Leasing Corporation Chairman 9.Yi Shin Textile Industrial Co. Ltd. Chairman 10. Everest Textile . Co., Ltd. Chairman	Director Director	Cheng Yu Jing Chan Yi Chin	Spouse Father& daughter	None
Director	ROC	Chan, Yi-Chin	Female 31~40 age	2024 06 19	3	2011 06 10	2,916,961	0.97%	3,062,809	0.97%	0	0	0	0	Collage	1. Yi Jinn Industrial Co. Ltd. Director 2. Kwang Ming Silk Mill Co. Ltd. Director 3. Hung Chou Fiber Co. Ltd. Director	Chairman Director	Chan Cheng Tien Cheng Yu Jing	Father&d aughter Mother& daughter	None
Director	ROC	Cheng, Yu-Jing	Female 61~70 age	2024 06 19	3	2006 06 09	2,053,074	0.68%	2,155,727	0.68%	23,161,018	7.31%	0	0	Collage	1. Yi Jinn Industrial Co. Ltd. Director 2. Xin Mao investment Co., Ltd. Supervisor 3. Yi Tong Fiber Co. Ltd. Director 4. Hung Chou Fiber Co. Ltd. Director 5. Kwang Ming Silk Mill Co. Ltd. Director 6. Da Tien International Development Co., Ltd. Supervisor 7. Dayi International Development Co., Ltd Supervisor	Chairman Director	Chan Cheng Tien Chan Yi Chin	Spouse Mother& daughter	None
Director	ROC	Lai, Yu-Min	Female 51~60 age	2024 06 19	3	2006 06 09	594,916	0.20%	679,661	0.21%	0	0	0	0	Master	1. Yi Jinn Industrial Co. Ltd. Deputy General Manager 2. Xin Mao investment Co., Ltd. Director 3. Da Tien International Development Co., Ltd Director 4. Dayi International Development Co., Ltd. Director 5. Nice Plaza Co., Ltd. Director 6.The First Leasing Corporation	None	None	None	None
Director	ROC	Weng, Mao-Cheng	Female 61~70 age	2024 06 19	3	2004 01 01	582,343	0.19%	666,460	0.21%	0	0	0	0	Collage	1. Yi Jinn Industrial Co. Ltd. General Manager 2. Xin Mao investment Co., Ltd. Director 3. Yi Shin Industrial Co. Ltd President	None	None	None	None

Title	Nationality	Name	Gender	Date Elected	Term (years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Current Shareholding		Current Shareholding in the name of others		Main Experience (Education)	Current Positions at the Company and Other Company	Executives, Director or Supervisors who are spouses or within two degree of kinship			Remark
							Share	%	Share	%	Share	%	Share	%			Title	Name	Relation	
Director	ROC	Chen, Meng-Wu	Male 71~80 age	2024 06 19	3	2010 12 06	0	0%	0	0%	0	0%	0	0%	Master	Director of Masada Small and Medium Enterprises Foundation	None	None	None	None
Independent Director	ROC	Chen, Shiou- Chung	Male 71~80 age	2024 06 19	3	2015 06 12	0	0%	0	0%	0	0%	0	0%	Collage	1. Tah Tong Textile Co., Ltd. Chairman 2. Great Bell Printing & dyeing Co., Ltd. Director	None	None	None	None
Independent Director	ROC	Lai, Sun-Quac	Male 61~70 age	2024 06 19	3	2017 06 16	0	0%	0	0%	0	0%	0	0%	Phd	1. PhytoHealth Corporation Independent Director 2. Metaage Technology Digital. Independent Director	None	None	None	None
Independent Director	ROC	Huang, Tien-Chang	Male 71~80 age	2024 06 19	3	2017 05 17	0	0%	0	0%	0	0%	0	0%	Master	1. Heran Co., Ltd. Independent Director 2. The First Leasing Co., Director 3. FOCl Fiber Optic Co., Director 4. Gomaji Corp.,Ltd Director	None	None	None	None

Note 1 : For directors and supervisors acting (as the representatives of corporate shareholders, shall indicate the names of the corporate shareholders). and shall fill in the following table I.

Note 2 : Please list the actual age and express it in a range, such as 41~50 years old or 51~60 years old.

Note 3 : Fill in the date of first elected as a director or supervisor of the company. If there is any interruption, it shall be noted.

Note 4 : The experience related to the current position, if the person has worked in a CPA firm or affiliated company during the previous disclosure period, shall state the job title and the responsible position.

Note 5 : Where the chairperson of the board of directors and the general manager or person of an equivalent post (the highest level manager) of a company are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto (For example, the number of independent directors seats shall be increased, and a majority of the directors may not serve concurrently as an employee or managerial officer) .

2. Information on Professional Qualifications of Directors and Supervisors and Independence of Independent Directors :

Qualifications Name	Principal work experience and professional qualifications (Note 1)	Status of independence (Note 2)	Number of other Companies of public offering Where the board director or supervisor serves as independent director
Chan, Cheng-Tien	High School Hung Chou Fiber Co. Ltd. Chairman Kwang Ming Silk Mill Co. Ltd. Chairman Oriental Union Chemical Corporation Independent Director Taiwan Textile Federation Chairman	Not applicable	None
Chan, Yi-Chin	Collage Hung Chou Fiber Co. Ltd. Director Kwang Ming Silk Mill Co. Ltd. Supervisor	Not applicable	None
Cheng, Yu-Jing	Masters Hung Chou Fiber Co. Ltd. Director Kwang Ming Silk Mill Co. Ltd. Director	Not applicable	None
Lai, Yu-Min	Masters Yi Jinn Industrial Co. Ltd. Deputy General Manager	Not applicable	None
Weng, Mao-Cheng	Collage Yi Jinn Industrial Co. Ltd. General Manager	Not applicable	None
Chen, Meng-Wu	Masters Small and Medium Enterprise Modernization Research Foundation Chairman Deloitte Chief of Operations	None (Note 2)	None
Lai, Sun-Quae (Independent Director)	Masters CSBC Corporation, Taiwan Chairman Small and Medium Enterprise Administration Director General Topco Scientific Co., Ltd. Chairman	None (Note 2)	2
Huang, Tien-Chang (Independent Director)	Masters Taiwan Business Bank Co., Ltd. Chairman Trust Association of R.O.C. Chairman Mega International Commercial Bank Co., Ltd. Managing Independent Director	None (Note 2)	3
Chen, Shiou-Chung (Independent Director)	Collage Tah Tong Textile Co., Ltd. Chairman Taiwan Spinner's Association Executive Director Taiwan Textile Federation Executive Director Taiwan Textile Research Institute Director Chinese National Federation of Industries Industry Consultant	None (Note 2)	0

Note 1 : Professional Qualifications and Experience : Specify the professional qualifications and experience of individual directors and supervisors, and if they are members of the Audit Committee and have accounting or financial expertise, describe their accounting or financial background and work experience, and state whether they have not been subject to the provisions of Article 30 of the Company Act.

Note 2 : The independent directors shall be stated the independence status, including but not limited to whether he/she, his/her spouse, his/her second degree of kinship or other relatives are directors, supervisors or employees of the Company or its affiliates; the number and proportion of shares held by him/her, his/her spouse, his/her second degree of kinship or other relatives (or by using the name of others); whether he/she is a director, supervisor or employee of a company with a specific relationship with the Company (refer to Article 3, Item 1, Paragraphs 5 to 8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies); or that provides commercial, legal, financial, accounting or related services to the company or any affiliate of the company for which the provider in the past 2 years has received cumulative compensation.

Note 3: For the method of disclosure, please refer to the best practice reference examples on the website of the Corporate Governance Center of the Taiwan Stock Exchange.

3. The composition of the board of directors shall be determined by taking diversity

The composition of the board of directors of the company shall consider diversification. In addition to the fact that the number of directors who are also managers of the company shall not exceed one-third of the seats of the board of directors, an appropriate diversification policy shall be formulated according to their own operation, operation pattern and development needs. It shall include but not be limited to the following two major criteria :

1. Basic conditions and values : gender, age, nationality and culture, etc.
2. Professional knowledge and skills : professional background (such as law, accounting, industry, finance, marketing or technology), professional skills and industrial experience, etc. The board members shall have the knowledge, skills and qualities necessary for performing their duties. In order to achieve the ideal goal of corporate governance, the board of directors shall have the following abilities : 1. Operational judgment ability. 2. Accounting and financial analysis ability 3. Management administration ability. 4. Conduct crisis management ability. 5. Industrial knowledge. 6. Perspective of international market. 7. Leadership. 8. Decision making ability.

Name	Nationality	Gender	Operational judgment ability	Accounting and financial analysis ability	Management administration ability	Conduct crisis management ability	industrial knowledge	Perspectiv e of international market	Leadership	Decision making ability
Chan, Cheng-Tien	ROC	Male	V	V	V	V	V	V	V	V
Chan, Yi-Chin	ROC	Female	V		V	V		V	V	V
Lai, Yu-Min	ROC	Female	V		V	V		V	V	V
Weng, Mao-Cheng	ROC	Male	V	V	V	V		V	V	V
Cheng, Yu-Jing	ROC	Female	V		V	V	V	V	V	V
Chen, Meng-Wu	ROC	Male	V	V	V	V		V	V	V
Lai, Sun-Quae	ROC	Male	V	V	V	V		V	V	V
Chen, Shiou-Chung	ROC	Male	V	V	V	V		V	V	V
Huang, Tien-Chang	ROC	Male	V	V	V	V	V	V	V	V
Diversified policy objectives (seats)		2	8	4	8	8	3	6	6	6
Achievement of diversification policy		qualify	qualify	qualify	qualify	qualify	qualify	qualify	qualify	qualify

In order to improve the above-mentioned diversified professional knowledge and skills of directors, the company will give priority to recommend or enroll the above courses for directors when handling six-hour continuing education plan annually for directors, and the cost of the courses will be paid by the company in full.

4 .Board Independence :

The number of independent directors of the Company is three, accounting for one-third of the total number of nine directors. There are no circumstances between the independent directors and the Company or the members of the board of directors, such as those stipulated in Items 3 and 4 of Article 26-3 of the Securities and Exchange Act. Although three of the Company's directors (including the chairman) are relatives, including spouses and second degree of kinship, and two of the Company's directors are managers of the Company, the board of directors shall recuse himself/herself from any discussion or voting on any resolution in which a director has an interest, and shall refer the resolution to the independent directors and disinterested directors for discussion and vote in order to maintain the independence of the Company's board of directors.

(2) Information of general manager, deputy general manager, associate manager, managers of departments and branches :

April 12, 2025

Title (Note 1)	National ity	Name	Gender	Inauguration date	Shareholding		Spouses & Minor Shareholding		Current Shareholding in the name of others		Experience (Education)(Note 2)	Current Positions at Other Companies	Managers who are spouses or within two degrees of kinship			Remark (Note 3)
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
General Manager	R.O.C.	Weng, Mao-Cheng	Male	2015.03.26	666,460	0.21%	0	0%	0	0%	Collage	1. Xin Mao investment Co., Ltd. Director 2. Yi Shin Industrial Co. Ltd President	None	None	None	None
Deputy General Manager	R.O.C.	Chang, Heng- Chia	Male	2020.11.12	156,887	0.05%	0	0%	0	0%	Junior Collage	1.Hung Chou Fiber Co. Ltd. Director 2.Dayi International Development Co., Ltd. Director 3. Yi Tong Fiber Co. Ltd. Director 4. The First Leasing Co., Supervisor 5. Dayi International Development Co., Ltd. Director	None	None	None	None
Deputy General Manager	R.O.C.	Lai, Yu- Min	Female	2020.11.12	679,661	0.21%	0	0%	0	0%	Master	1. Xin Mao investment Co., Ltd. Director 2. Da Tien International Development Co., Ltd Director 3. Dayi International Development Co., Ltd. Director 4. Nice Plaza Co., Ltd. Director 5.The First Leasing Corporation 6. Kwang Ming Silk Mill Co. Ltd. Governance Director 7. Hung Chou Fiber Co. Ltd. Governance Director	None	None	None	None

Note1 : The information on the company's general manager, deputy general managers, deputy assistant general managers, and the supervisors of all the company's divisions and branch units, and someone of an equivalent post shall be disclosed.

Note 2 : The experience related to the current position, if the person has worked in a CPA firm or affiliated company during the previous disclosure period, shall state the job title and the responsible position.

Note3 : Where the general manager or person of an equivalent post (the highest level manager) and the chairperson of the board of directors of a company are the same person, spouses, or relatives within the first degree of kinship, the information shall be given.

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

2.2 Remuneration of Directors and independent Directors

(1) Remunerations of Directors and Independent Directors

Title	Name	Remuneration of Director								Ratio of Total Remuneration (A+B+C+D) to Net Income (%)(Note 10)		Remuneration from other jobs								The sum of A, B, C, D, E, F and G as a percentage of after-tax net profit (Note 10)		Remuneration from re-invested businesses other than subsidiaries (Note 11)
		Remuneration (A) (Note 2)		Retirement pension (B)		Director remuneration (C) (Note 3)		Business execution expenses (D) (Note 4)				Remuneration, bonus and special fees (E) (Note 5)		Retirement pension (F)		Employee remuneration (G) (Note 6)						
		The Company	All Companies in the consolidated financial statement (Note 7)	The Company	All Companies in the consolidated financial statement (Note 7)	The Company	All Companies in the consolidated financial statement (Note 7)	The Company	All Companies in the consolidated financial statement (Note 7)	The Company	All Companies in the consolidated financial statement (Note 7)	The Company	All Companies in the consolidated financial statement (Note 7)	The Company	All Companies in the consolidated financial statement (Note 7)	The Company		All Companies in the consolidated financial statement (Note 7)		The Company	All Companies in the consolidated financial statement	
																Cash	Share	Cash	Share			
Director	Chan, Cheng-Tien	2,747	4,187	0	0	872	1,095	180	600	3,799 1.80%	5,882 2.78%	0	1,373	0	0	0	0	115	0	3,799 1.80%	7,370 3.48%	None
Director	Chan, Yi-Chin	0	0	0	0	872	1,072	180	480	1,052 0.50%	1,552 0.73%	589	589	0	0	0	0	0	0	1,641 0.78%	2,141 1.01%	None
Director	Cheng, Yu-Jing	0	0	0	0	871	1,294	180	600	1,051 0.50%	1,894 0.90%	0	735	0	0	0	0	114	0	1,051 0.50%	2,743 1.30%	None
Director	Weng, Mao-Cheng	0	0	0	0	871	871	180	180	1,051 0.50%	1,051 0.50%	2,540	2,540	0	0	200	0	200	0	3,791 1.79%	3,791 1.79%	None
Director	Lai, Yu-Min	0	0	0	0	871	871	180	180	1,051 0.50%	1,051 0.50%	1,347	1,347	0	0	100	0	100	0	2,498 1.18%	2,498 1.18%	None
Director	Chen, Meng-Wu	0	0	0	0	871	871	180	180	1,051 0.50%	1,051 0.50%	0	0	0	0	0	0	0	0	1,051 0.50%	1,051 0.50%	None
Independent Director	Chen, Shiou-Chung	0	0	0	0	0	0	640	640	640 0.30%	640 0.30%	0	0	0	0	0	0	0	0	640 0.30%	640 0.30%	None
Independent Director	Lai, Sun-Quae	0	0	0	0	0	0	640	640	640 0.30%	640 0.30%	0	0	0	0	0	0	0	0	640 0.30%	640 0.30%	None
Independent Director	Huang, Tien-Chang	0	0	0	0	0	0	640	640	640 0.30%	640 0.30%	0	0	0	0	0	0	0	0	640 0.30%	640 0.30%	None
Please describe the compensation policy, system standards/packages, procedures and the linkage to operating performance and future risk exposure to the Independent directors The total compensation paid to the Independent director is decided based on each Independent director's participation in company operations, contribution and take into consideration of company performance. It is reviewed by the Compensation Committee then presented to the board of directors for approval. Except for the disclosure in the table above, the remuneration received by the directors of the company for services to all companies in the financial report in the most recent year (such as non-employee consultants) : NT\$ 0.																						

Range of Remunerations

Range of remuneration	Name of Directors			
	Total of (A+B+C+D)		Total of (A+B+C+D+E+F+G)	
	The Company (Note 8)	All companies in the consolidated financial statement (Note 9) H	The Company (Note 8)	All companies in the consolidated financial statement (Note 9) I
Lower than NT\$ 1,000,000	Huang, Tien-Chang, Lai, Sun-Quae, Chen, Shiou-Chung	Huang, Tien-Chang, Lai, Sun-Quae, Chen, Shiou-Chung	Huang, Tien-Chang, Lai, Sun-Quae, Chen, Shiou-Chung	Huang, Tien-Chang, Lai, Sun-Quae, Chen, Shiou-Chung
NT\$ 1,000,000 (included) ~NT\$ 2,000,000 (excluded)	Chan, Yi-Chin, Cheng, Yu-Jing, Chen, Meng-Wu Lai, Yu-Min, Weng, Mao-Cheng	Chan, Yi-Chin, Cheng, Yu-Jing, Chen, Meng-Wu Lai, Yu-Min, Weng, Mao-Cheng	Cheng, Yu-Jing, Chen, Meng-Wu Chan, Yi-Chin,	Chen, Meng-Wu
NT\$ 2,000,000 (included) ~NT\$ 3,500,000 (excluded)			Lai, Yu-Min,	Cheng, Yu-Jing, Lai, Yu-Min, Chan, Yi-Chin
NT\$ 3,500,000 (included) ~NT\$ 5,000,000 (excluded)	Chan, Cheng-Tien		Chan, Cheng-Tien Weng, Mao Cheng	Weng, Mao-Cheng
NT\$ 5,000,000 (included) ~NT\$ 10,000,000 (excluded)		Chan, Cheng-Tien		Chan, Cheng-Tien
NT\$ 10,000,000 (included) ~NT\$ 15,000,000 (excluded)				
NT\$ 15,000,000 (included) ~NT\$ 30,000,000 (excluded)				
NT\$ 30,000,000 (included) ~NT\$ 50,000,000 (excluded)				
NT\$ 50,000,000 (included) ~NT\$ 100,000,000 (excluded)				
NT\$ 100,000,000 or more				
Total	9 people	9 people	9 people	9 people

Note 1 : The Directors' names shall be listed separately (if a corporate shareholder, the corporate name and the representative's name should be listed separately), and the payments shall be consolidated for disclosure. If the director is also the general manager or deputy general manager, shall fill in this table and table (3-1), or table (3-2) and (3-2-1) and (3-2-2).

Note 2 : The Director's remuneration for the most recent year (including salary, job allowances, severance payment, various bonuses and incentives).

Note 3 : The latest amount of Director's remuneration as passed by the board of directors.

Note 4 : The latest annual business execution expenses of the Director (including transportation costs, special expenses, various subsidies, dormitory expenses, car expenses and other physical provisions). In case of the provision of expenses for housing, cars and other means of transportation or exclusive personal expenses, please disclose the nature and cost of the assets provided, the actual or fair market price of the rent, gasoline and other

payments. If a driver is provided, please indicate the Company's relevant remuneration to the driver, but the amount shall not be included in the remuneration.

- Note 5 : The latest salary, job allowances, severance payment, various bonuses, incentives, car expenses, special expenses, various subsidies, dormitory expenses, car expenses and other physical provisions for the Director's other jobs (including the positions of General Manager, Deputy General Manager, Manager and other positions). In case of the provision of expenses for housing, cars and other means of transportation or exclusive personal expenses, please disclose the nature and cost of the assets provided, the actual or fair market price of the rent, gasoline and other payments. If a driver is provided, please indicate the Company's relevant remuneration to the driver, but the amount should not be included in the remuneration. According to IFRS 2's recognition of remuneration in "Share-Based Payments", the remuneration shall include employee stock options, restricted-right employee shares and share subscription from participation in cash capital increase.
- Note 6 : If a Director receives employee remuneration (including stock and cash) on his/her other job(s) (including the positions of General Manager, Deputy Manager, Manager and other positions) in the latest year, please disclose the amount of employee remuneration as passed by the board of directors in the latest year. If the amount cannot be estimated, it shall be calculated based on the percentage of the actual amount distributed last year, and Appendix 1-3 shall be filled out.
- Note 7 : The total remuneration paid by all the companies (including the Company) in the consolidated report to the Company's Director shall be disclosed.
- Note 8 : The total remuneration paid by the Company to each Director; the Director's name shall be disclosed in the respective tier.
- Note 9 : The total remuneration paid by all the companies (including the Company) in the consolidated report to each of the Company's Directors shall be disclosed, and the Director's name shall be disclosed in the respective tier.
- Note 10 : Net profit after tax refers to the net after-tax profit for the latest year. If the International Financial Reporting Standards have been adopted, then it is the net after-tax profit of the individual company or the respective financial statement.
- Note 11 : a. In this field the amount of remuneration paid to the Director by the Company's re-invested businesses other than the subsidiaries shall be clearly indicated.
- b. If the Director receives remuneration from the Company's re-invested businesses other than the subsidiaries, such remuneration should be incorporated into column I of the Remuneration Tiers Table, and the name of the field shall be changed to "All re-invested businesses".
- c. Remuneration refers to the compensation, reward (including that for an employee, director or supervisor) and business execution expenses received by the Company's Director for acting as a director, supervisor or manager of the Company's re-invested businesses other than the subsidiaries.
- * The contents of the remuneration disclosed in this table are different from those in the Income Tax Law. Therefore, this statement is for the purpose of disclosure but not for taxation.

(2) Remunerations of general manager and deputy general managers

Title	Name	Salary (A)(Note 2)		Retirement pension (B)		Bonus and special fees (C) (Note 3)		Employee remuneration (D) (Note 4)				The sum of A, B, C and D as a percentage of after-tax net profit(%) (Note 8)		Remuneration from reinvested businesses other than subsidiaries (Note 9)
		The Company	Companies in the consolidated financial statements (Note 5)	The Company	Companies in the consolidated financial statements (Note 5)	The Company	Companies in the consolidated financial statements (Note 5)	The Company		Companies in the consolidated financial statements (Note 5)		The Company	Companies in the consolidated financial statements (Note 5)	
								Cash	Stock	Cash	Stock			
General Manager	Weng, Mao-Cheng	2,540	2,540	0	0	0	0	200	0	500	0	2,740 1.30%	2,740 1.30%	None
Deputy General Manager	Chang, Heng-Chia	1,379	1,379	0	0	0	0	100	0	300	0	1,479 0.70%	1,479 0.70%	None
Deputy General Manager	Lai, Yu- Min	1,347	1,347	0	0	0	0	100	0	650	0	1,447 0.68%	1,447 0.68%	None

Note : The company shall not require to disclose the 5 highest remunerations paid to top managers.

Range of Remuneration

Range of Remuneration (NT\$)	Name of General Manager and Deputy General Manager	
	The Company (Note 6)	Companies in the consolidated financial statements (Note 7) E
Lower than NT\$ 1,000,000		
NT\$1,000,000 (included) ~ NT\$2,000,000 (excluded)	Chang, Heng-Chia, Lai, Yu-Min	Chang, Heng-Chia, Lai, Yu-Min
NT\$2,000,000 (included) ~ NT\$3,500,000 (excluded)	Weng, Mao-Cheng	Weng, Mao-Cheng,
NT\$3,500,000 (included) ~ NT\$5,000,000 (excluded)		
NT\$5,000,000 (included) ~ NT\$10,000,000 (excluded)		
NT\$10,000,000 (included) ~ NT\$15,000,000 (excluded)		
NT\$15,000,000 (included) ~ NT\$30,000,000 (excluded)		
NT\$30,000,000 (included) ~ NT\$50,000,000 (excluded)		
NT\$50,000,000 (included) ~ NT\$100,000,000 (excluded)		
NT\$100,000,000 or more		
Total	3 people	3 people

Note 1 : The General Manager's and the Deputy General Managers' names shall be listed separately, and the payments should be consolidated for disclosure. If the director is also the general manager or deputy general manager, shall fill in this table and table (1-1), or table (1-2-1) and (1-2-2).

Note 2 : The latest amount of the General Manager's and the Deputy General Managers' salary, job allowances and severance payment.

Note 3 : The latest annual business execution expenses of the General Manager and the Deputy General Managers (including transportation costs, special expenses, various subsidies, dormitory expenses, car expenses and other physical provisions). In case of the provision of expenses for housing, cars and other means of transportation or exclusive personal expenses, please disclose the nature and cost of the assets provided, the actual or fair market price of the rent, gasoline and other payments. If a driver is provided, please indicate the Company's relevant remuneration to the driver, but the amount shall not be included in the remuneration. According to IFRS 2's recognition of remuneration in "Share-Based Payments", the remuneration shall also include employee stock options, restricted-right employee shares and share subscription from participation in cash capital increase.

Note 4 : The employee remuneration (including stock and cash) distributed to the General Manager or Deputy General Manager as approved by the board of directors in the latest year. If the amount cannot be estimated, it shall be calculated based on the percentage of the actual amount distributed last year, and Appendix 1-3 should be filled out.

Note 5 : The total remuneration paid by all the companies (including the Company) in the consolidated report to the Company's General Manager and Deputy General Managers shall be disclosed.

Note 6 : The total remuneration paid by the Company to each General Manager and Deputy General Manager; the General Manager's and the Deputy General Managers' names are disclosed in the respective tiers.

Note 7 : The total remuneration paid by all the companies (including the Company) in the consolidated report to each of the Company's General Manager and Deputy General Managers should be disclosed, and the General Manager's and the Deputy General Managers' names shall be disclosed in the respective tier.

Note 8 : Net profit after tax refers to the net after-tax profit for the latest year.

Note 9 : a. In this field the amount of remuneration paid to the General Manager or the Deputy General Managers by the Company's re-invested businesses other than the subsidiaries shall be clearly indicated. (If none, please fill in "None")

b. If the General Manager and Deputy General Managers receive remuneration from the Company's re-invested businesses other than the subsidiaries, such remuneration shall be incorporated into column E of the Remuneration Tiers Table, and the name of the field shall be changed to "All re-invested businesses".

c. Remuneration refers to the compensation, reward (including that for an employee, director or supervisor) and business execution expenses received by the Company's General Manager or Deputy General Manager for acting as a director, supervisor or manager of the Company's re-invested businesses other than the subsidiaries.

* The contents of the remuneration disclosed in this table are different from those in the Income Tax Law. Therefore, this statement is for the purpose of disclosure but not for taxation.

(3) Remuneration of the top five highest-paid executives of listed companies: Not applicable

(4) Managers with Employee Remuneration Distribution

Managers with Employee Remuneration Distribution

March 31, 2025

	Title (Note 1)	Name (Note 1)	Stock Bonus	Cash Bonus	Total	Ratio of Total Amount to Net Income (%)
Manager	General Manager	Weng, Mao-Cheng	0	400,000	400,000	0.19%
	Deputy General Manager	Chang, Heng-Chia				
	Deputy General Manager	Lai, Yu-Min				

Note 1 : The names and titles shall be listed separately, and the remuneration. distribution may be consolidated for disclosure.

Note 2 : The latest amount of the manager's employee remuneration as passed by the board of directors (including shares and cash) in the latest year. If the amount cannot be estimated, it shall be calculated based on the percentage of the actual amount distributed last year. Net profit after tax refers to the net after-tax profit for the latest year. If the International Financial Reporting Standards have been adopted, then it is the net after-tax profit of the individual company or the respective financial statement.

Note 3 : The definition of manager, as governed by the letter of the SFC on March 27, 2003 with a reference no. of Tai-Tsai-Cheng III 0920001301, is as follows:

- (1) General manager and equivalent.
- (2) Deputy general manager and equivalent.
- (3) Associate and equivalent.
- (4) Head of financial department.
- (5) Head of accounting department
- (6) Other people who have the right to manage the company's affairs and are the company's authorized signatories.

Note 4 : If the director, general manager and deputy general manager receive employee remuneration (including shares and cash), except fill in Appendix 1-2, shall also fill in this table.

- (5). Analysis of the proportion of the total remuneration of directors, supervisors, general managers and deputy general managers of the Company paid by the Company and all companies in the consolidated financial statement to net profit after tax in individual financial statements of the recent two years. Explanation of remuneration policies, standards and packages, the procedure for determining remuneration, and its linkage to operating performance and future risk exposure.

- 1 . Analysis of the ratio of total remuneration paid to the Directors, Supervisors, General Manager and Deputy General Managers of the Company by the Company and all the companies in the consolidated statements in the last two years to net profit after tax:

Title \ Year	Ratio of total remuneration to net profit after tax (%)			
	2023	2023 consolidated	2024	2024 consolidated
Director	3.86%	5.39%	7.45%	10.17%
General Manager and Deputy General Managers	1.41%	1.47%	2.68%	2.68%

The Company's net income after income tax for 2024 was lower than 2023, and the amount of directors' remuneration was also decreased compared to 2023. The directors' remuneration decreased by 20% compared to the previous year, plus the total amount of remuneration for concurrently serving employees decreased by 28% compared to the previous year; however, due to the gain from disposal of real estate by the subsidiary Kwang Ming Silk Mill Co. Ltd. amounted to NT\$1.3 billion in 2023, plus the Company's general manager and

deputy general manager were concurrently serving as employees, thus, when calculating the ratio of the total amount of remuneration to the net income, the ratio in 2024 was higher than that in 2023.

2. Remuneration policies, standards, and packages, the procedure for determining remuneration, and its linkage to operating performance and future risk exposure:

- (1) In accordance with Article 17 of the Company's Articles of Incorporation, the Directors' remuneration is authorized the Board of Directors to determine according to usual level in the same industry as well as with reference to their contributions to the Company's business, resolved by the Board of Directors and reported to the shareholders' meeting.
- (2) The remunerations paid to general managers and deputy general managers including salary and bonus etc. are based on their responsibility and contribution to the Company. The calculation is also referred to the industrial level.
- (3) The remunerations paid to the directors, general manager and deputy general manager are well-considered the Company's revenues and correlation of operation performance.
- (4) The Company has established a Remuneration Committee on December 27, 2011 to regularly evaluate and formulate policies, systems, standards and structures for directors' and managers' remuneration, and submit its recommendations to the Board of Directors for discussion. Important indicators of its performance evaluation are as follows:
 1. Financial performance and cost control
 2. Internal control and regulatory compliance
 3. Risk control
 4. Continuous communication with stakeholders

2.3 Implementation of Corporate Governance :

(1) Board of Directors :

6 Board meetings (A) were held in most recent year (2024). Directors and Independent Directors attendance was as follows :

Title	Name (Note 1)	Attendance in Person (B)	By Proxy	Attendance rate (%) (B/A) (Note 2)	Remarks
Chairman	Chan Cheng Tien	6	0	100.00%	
Director	Chan Yi Chin	0	0	0.00%	
Director	Chen Meng Wu	6	0	100.00%	
Director	Weng Mao Cheng	6	0	100.00%	
Director	Lai Yu Min	6	0	100.00%	
Director	Cheng Yu Jing	6	0	100.00%	
Independent Director	Lai Sun Quae	6	0	100.00%	
Independent Director	Huang Tien Chang	6	0	100.00%	
Independent Director	Chen Shiou Chung	3	0	50.00%	

Other matters required to be recorded :

1. If there are the circumstances referred to the following issue, the Company shall specify the dates of meetings, sessions, contents of motions, all independents' opinion and the Company's response to independent directors' opinion :

(1) The matters listed in Article 14-3 of the Securities Exchange Act :

Date of meeting	Session	Contents of motions and resolution result
2024/03/12	2024-1	<p>*Discussion on the distribution of employees' and directors' remuneration of the Company in 2023 Director Chan Cheng Tian, director Cheng Yu Jing, director Chen Meng Wu, director Weng Mao Cheng and director Lai Yu Min of the Company are the interested parties in this case. When requesting to discuss the remuneration of individual directors, they recuse the discussion and resolution and acting chairman of the board of directors Lai Sun Quae is invited to discuss and resolve the case.</p>
		<p>Opinions of independent directors : No objection or unqualified opinion The Company's handling of the opinions of independent directors : not applicable Resolution : Except for individual directors who shall recuse from the discussion and voting accordance with the law, the rest directors present raised no objection and passed the resolution and presented to the shareholders' meeting for report.</p>
		<p>*Discuss the proposal to amend the company's " Rules of Procedure for Board Meetings ".</p>
		<p>Opinions of independent directors : No objection or unqualified opinion The Company's handling of the opinions of independent directors : not applicable Resolution : The chairman consulted all the directors present and agreed to pass the resolution .</p>
		<p>*Discuss the amendment of Annex 1 “Rules for the Exercise of Powers of the Audit Committee” to the Company’s “Audit Committee Charter”.</p>
		<p>Opinions of independent directors : No objection or unqualified opinion The Company's handling of the opinions of independent directors : not applicable Resolution : The chairman consulted all the directors present and agreed and passed the resolution.</p>
		<p>*Discuss the "Nomination and Resolution of Director Candidate List" of the Company. The Chairman and the above-mentioned directors will abstain from this case due to conflicts of interest. Director Lai Sun Quae is requested to serve as the acting chairman of this motion to discuss and resolve this case.</p>
		<p>Independent director's opinion: No objection or reservation Company's handling of independent director's opinion: Not applicable Resolution: Approved by all directors present without objection, the list of nominees is as follows: Chan Cheng Tien, Cheng Yu Jing, Chan Yi Chin ,Chen Meng Wu, Weng Mao Cheng, Lai Yu Min are candidates for general directors, and Lai Sun Quae, Huang Tien Chang, Chen Shiou Chung are candidates for independent directors.</p>
		<p>*Discuss the case of "Removing the Non-competition Restriction of New Directors" of the Company. Chairman Chan Cheng Tien, Director Cheng Yu Jing, Director Lai Yu Min, and Independent Director Chen Shiou Chung of the Company are interested parties in this case. When it is proposed for discussion, they will voluntarily abstain from the discussion and resolution. The Chairman and the above-mentioned directors will abstain from this case due to their interests. Director Lai Sun Quae is requested to serve as the acting chairman of this motion to discuss and resolve this case.</p>

		<p>Opinions of independent directors : No objection or unqualified opinion The Company's handling of the opinions of independent directors : not applicable Resolution : Except for individual directors who shall recuse from the discussion and voting accordance with the law, the rest directors present raised no objection and passed the resolution and presented to the shareholders' meeting for report.</p>
		<p>*Discuss the appointment of our company's 2024 certified public accountants, Pan Chun Ming and Chang Shu Ying.</p>
		<p>Opinions of independent directors : No objection or unqualified opinion The Company's handling of the opinions of independent directors : not applicable Resolution : The Chairman sought the consent of all directors present and the proposal was passed.</p>
2024/05/14	2024-2	<p>*Discuss the company's "Removal of the Non-competition Restriction for New Directors" case. Chairman Chan Cheng Tien and Director Cheng Yu Jing of the company recused themselves from the case due to conflicts of interest, and Director Lai Sun Quae served as the acting chairman of the motion to discuss and resolve the case.</p>
		<p>dependent directors' opinions: No objections or reservations Company's handling of independent directors' opinions: Not applicable Resolution: Except for the company's Chairman Chan Chen Tien and Director Cheng Yu Jing who have a vested interest in this case and have recused themselves in accordance with the law, the Chairman consulted with the other directors present and approved the proposal without objection.</p>
2024/06/19	2024-3	<p>Appointment of members of the 6th Salary and Remuneration Committee. As independent directors Mr. Lai Sun Quae, Mr. Huang Tien Chang and Mr. Chen Shiou Chung are interested parties in this case, please recuse yourself first.</p>
		<p>Opinions of independent directors : No objection or unqualified opinion The Company's handling of the opinions of independent directors : not applicable Resolution : Except for the directors who withdrew their interests according to law and did not participate in the discussion and voting, the other directors present passed the proposal without objection.</p>
2024/07/15	2024-4	<p>* Discussion on the Company's "Lifting the Manager's Non-compete Clause" Case Our Director Weng Mao Cheng has a vested interest in this case and recused himself in accordance with the law.</p>
		<p>Opinions of independent directors : No objection or unqualified opinion The Company's handling of the opinions of independent directors : not applicable Resolution : The chairman consulted all the directors present and agreed to pass the resolution .</p>
		<p>* Discussion of the company's "Proposed Increase in the Amount of Stock Acquisition and Disposal of Listed Companies" (For six stocks including GIGABYTE, GADA, ASUS, TSMC, ETCOM, and MediaTek, the board of directors is proposed to authorize the increase in the amount of stocks acquired and disposed of from NT\$50 million to NT\$200 million, authorizing the chairman to acquire or dispose of stocks within the NT\$200 million quota in the centralized market.)</p>
		<p>Opinions of independent directors : No objection or unqualified opinion The Company's handling of the opinions of independent directors : not applicable Resolution : The Chairman consulted with all the directors present and approved the proposal after no objection was raised. He also authorized the Chairman to handle the relevant matters</p>
2024/08/12	2024-5	<p>There are no circumstances listed in Article 14-3 of the Securities and Exchange Act</p>
		<p>*Discuss the case of "Independence and Competence of Certified Public Accountants and Public Expenses Review" of our company.</p>
		<p>Opinions of independent directors : No objection or unqualified opinion The Company's handling of the opinions of independent directors : not applicable Resolution : The chairman consulted all the directors present and agreed to pass the resolution .</p>
		<p>*Discuss the Company's proposed sale of shares in Nice Plaza Co., Ltd.</p>

2024/11/12	2024-6	Opinions of independent directors : No objection or unqualified opinion The Company's handling of the opinions of independent directors : not applicable Resolution : The chairman consulted all the directors present and agreed to pass the resolution.
		* Discussion on the Company's donation of charitable funds. Director Chan Cheng Tian, director Cheng Yu Jing, director Lai Yu Min and director Weng Mao Cheng and are the interested parties in this case, shall recuse discussion in accordance with the law.
		Opinions of independent directors : No objection or unqualified opinion The Company's handling of the opinions of independent directors : not applicable Resolution : Except for the Company's Chairman Chan Cheng Tien , Director Cheng Yu Jing, Director Weng Mao Cheng and Director Lai Yu Min who had an interest in this case and recused themselves in accordance with the law, the Chairman consulted with the other directors present and approved the proposal without objection. .
		* Discussion on the remuneration of directors and managers considered at the seventh meeting of the fifth session of the remuneration committee of the company. Directors (including independent directors), who are interested parties in this case, are legally withdrawn.
		Opinions of independent directors : No objection or unqualified opinion The Company's handling of the opinions of independent directors : not applicable Resolution: Directors Chan, Cheng Tien, Cheng Yu Jing, Weng Mao Cheng, Chen Meng Wu, Lai Yu Min and independent directors Sun, Quae Lai, Huang Tien Chang, and Chen Shiou Chung who had an interest in the case abstained from discussions and After the chairman consulted with the remaining directors present, the meeting was passed without objection. * Discuss the amendment of the company's "Internal Control System Chapter 12 Corporate Sustainability (ESG) Cycle Sections 1 to 7 and Related Internal Audit System".
		Opinions of independent directors : No objection or unqualified opinion The Company's handling of the opinions of independent directors : not applicable Resolution : The Chairman consulted with the directors present and passed the resolution without objection.

* Evaluation of the independence and suitability of the Company's CPAs :

Discussion on the appointment of the Company's CPAs at the Board of Directors' meeting held on March 12, 2024, with the proposed appointment of CPAs Pan Chun-Ming, Chang Shu-Ying of KPMG to conduct the 2024 audit, and obtain AQI (Audit Quality Indicator) information to be included in the consideration thereof. Discussion on the CPAs independence and suitability and audit fees at the Board meeting on November 12, 2024. The audit and attestation of the 2024 financial statements were conducted by CPAs Pan Chun-Ming, Chang Shu-Ying of KPMG.

Pursuant to Item 3 of Article 29 of the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies", the Company evaluates the independence and suitability of the appointed accountants at least once a year. In accordance with this provision, the Company has reviewed the independence and suitability of the accountants appointed by the Company with reference to the evaluation items set forth in the "The Norm of Professional Ethics for Certified Public Accountant of the Republic of China" No. 10, "Integrity, Objectivity and Independence", and has evaluated that the independence and suitability of the two accountants are in good standing.

- (2) In addition, any resolution matters of board of directors with records or statement in writing that independent director has a dissenting opinion or qualified opinion : The company's independent directors all agreed with the major resolutions of the board of directors and had no objections or reservations.

2 . Recusal of directors from motions that may have concerns of conflict of interests, shall specify the name of director, contents of motions, the reason for recuse, and the resolution of voting shall be stated :

- (1). Content of motion : 2024.03.12 (The 1st Board Meeting in 2024) Discuss the distribution of employees' and directors' remuneration of the Company in 2024.

Directors Recusal : Chan Cheng Tian, Cheng Yu Jing, Chen Meng Wu, Weng Mao Cheng and Lai Yu Min.

- Reason for recusal and the resolution of voting : Director Chan Cheng Tian, director Cheng Yu Jing, director Chen Meng Wu, director Weng Mao Cheng and director Lai Yu Min of the Company are the interested parties in this case. When requesting to discuss the remuneration of individual directors, they recuse the discussion and resolution.
- Except for chairman shall recuse from this case, acting chairman of the board of directors Lai Sun Quae is invited to discuss and resolve the relevant part of the chairman's motion
- Except for chairman and the above-mentioned directors shall recuse from this case, and the resolution was discussed and passed without objection and presented to the shareholders' meeting for report.
- (2) Content of motion: March 12, 2024 (the 1st board meeting of 2024), discuss the company's nomination and resolution on the directors' candidate list.
- Directors Recusal: Chan Cheng Tian, Cheng Yu Jing, Chan Yi-Chin, Chen Meng Wu, Weng Mao Cheng, Lai Yu-Min, Lai Sun-Quae, Huang Tien-Chang, Chen Shiou- Chung.
- Reason for recusal and the resolution of voting: Director Chan Cheng Tian and the aforementioned directors recused themselves due to their interest in this case. Director Lai Sun-Quae was appointed as the acting chairman to discuss and resolve this case.
- As approved by all directors present without objection, the nomination list was as follows: Chan Cheng Tian, Cheng Yu Jing, Chan Yi-Chin, Chen Meng Wu, Weng Mao Cheng, Lai Yu-Min as ordinary director candidates, and Lai Sun-Quae, Huang Tien-Chang, Chen Shiou- Chung as independent director candidates.
- (3). Content of motion: March 12, 2024 (the 1st board meeting of 2024), discuss the company's lifting of restriction on new directors non-compete.
- Directors Recusal: Chan Cheng Tian, Cheng Yu Jing, Lai Yu-Min, Chen Shiou- Chung
- Reason for recusal and the resolution of voting: The Chairman and the abovementioned directors recused themselves due to their interest in this case. Director Lai Sun-Quae was appointed as the acting chairman to discuss and resolve this case.
- Except for directors who should recuse themselves from participating in the discussion and voting in accordance with the law, the motion was passed and submitted to the shareholders' meeting for discussion.
- (4). Content of motion: May 14, 2024 (the 2nd board meeting of 2024), discuss the company's lifting of restriction on new directors non-compete.
- Directors Recusal: Chan Cheng Tian, Cheng Yu Jing
- Reason for recusal and the resolution of voting: The Chairman Chan Cheng Tian and director Cheng Yu Jing recused themselves due to their interest in this case. Director Lai Sun-Quae was appointed as the acting chairman to discuss and resolve this case.
- Except for the Chairman Chan Cheng Tian and director Cheng Yu Jing should recuse themselves in accordance with the law. The Chairman consulted the directors present and no objection was raised, the motion was passed.
- (5) Content of motion: June 19, 2024 (the 3rd board meeting of 2024), discuss the company's remuneration committee.
- Directors Recusal: Lai Sun-Quae, Huang Tien-Chang, Chen Shiou- Chung.
- Reason for recusal and the resolution of voting: Independent directors Lai Sun-Quae, Huang Tien-Chang, Chen Shiou- Chung were requested to recuse themselves due to their interest in this case.
- Except for directors who should recuse themselves from participating in the discussion and voting in accordance with the law, the motion was passed by all directors present.
- (6). Content of motion: July 15, 2024 (the 4th board meeting of 2024), discuss the company's lifting of restriction on managers non-compete.
- Directors Recusal: Weng Mao Cheng
- Reason for recusal and the resolution of voting: Director Weng Mao Cheng recused himself due to his interest in this case. Director Lai Sun-Quae was appointed as the acting chairman to discuss and resolve this case.
- The Chairman consulted the directors present and no objection was raised, the motion was passed.
- (7). Content of motion : 2024/11/12 (The 6th Board Meeting in 2024) Discussion on the Company's donation of charitable funds.
- Directors Recusal : Chan Cheng Tien, Cheng Yu Jing, Lai Yu Min, Weng Mao Cheng
- Reason for recusal and the resolution of voting : Director Chan Cheng Tian, director Cheng Yu Jing, director Lai Yu Min and director Weng Mao Cheng are the interested parties in this case, shall recuse discussion in accordance with the law.
- Except for Director Chan Cheng Tian, director Cheng Yu Jing, director Lai Yu Min and director Weng Mao Cheng are the interested parties in this case, shall recuse discussion in accordance with the law. The rest of the directors' present raised no objection and passed the resolution.

- (8). Content of motion: 2024/11/12 (The 6th Board Meeting in 2024) Discussion on directors' and managers' remuneration which was reviewed at the 5th meeting of the 5th session of the Remuneration Committee of the Company.
- Directors Recusal: Chan Cheng Tian, Cheng Yu Jing, Weng Mao Cheng, Chen Meng Wu, Lai Yu Min, Lai Sun Quae, Huang Tien Chang, Chen Shiou Chung
- Reason for recusal and the resolution of voting: The directors (including independent directors) were the interested parties in this case, who shall recuse in accordance with the law.
- Except for directors Chan Cheng Tian, Cheng Yu Jing, Weng Mao Cheng, Chen Meng Wu, Lai Yu Min, and independent directors Lai Sun Quae, Huang Tien Chang, Chen Shiou Chung were the interested parties in this case, who shall recuse from the discussion and voting. The chairman consulted all the directors present and agreed to pass the resolution.

3 . The evaluation cycle and period, scope, method and content of the board of directors' self-evaluation:

- (1). According to the results of the performance evaluation of the board of directors' in 2024, the average score of the Performance Evaluation of the board of directors' was 4.8, which was close to excellent. The average score of 'the Performance Evaluation of board members' was 4.7, which was close to excellent. (Out of 5 points). The average score of the self-evaluation of the performance evaluation of functional committee members (audit committee) is 4.8, which is close to excellent performance. The average score of "Self-evaluation of Functional Committee (Salary and Remuneration Committee) Performance Appraisal" is 4.9, which is close to excellent performance. (Full score is 5 points)

- (2). Evaluation implementation status of the Board of Directors (2025 The First Board of Directors 2025/3/13)

Evaluation cycle (Note 1)	Evaluation Period (Note 2)	Evaluation Scope (Note3)	Evaluation Method (Note 4)	Evaluation content (Note 5)
Once a year	2024.1.1~2024.12.31	The board of directors	Internal evaluation of the Board	The criteria for the board of directors performance evaluation : The degree of participation in the Company's operations. Improvement in the quality of decision making by the board of directors. The composition and structure of the board of directors. The election of the directors and their continuing education. Internal controls.
Once a year	2024.1.1~2024.12.31	Individual board members	Performance Evaluation of Director	Board Member Performance Evaluation: Understanding of the Company's goals and missions. Knowledge about director's duties. The degree of participation in the Company's operations. Internal relation building and communication. Directors' professionalism and continuing education ,internal controls.
Once a year	2024.1.1~2024.12.31	Functional committees (Audit Committee, Compensation Committee)	Evaluation of peers	Performance evaluation of functional committees: Degree of participation in company operations, awareness of functional committee responsibilities, improvement of decision-making quality of functional committees, composition of functional committees and selection of members, internal control

Once a year	2024.1.1~ 2024.12.31	Functional committees (Salary and Compensation Committee)	Evaluation of peers	Performance evaluation of functional committees: Degree of participation in company operations, awareness of functional committee responsibilities, improvement of decision-making quality of functional committees, composition of functional committees and selection of members, internal control
-------------	-------------------------	---	------------------------	--

Note 1: Fill in the cycle on which the board evaluations are performed, for example: performed once per year.

Note 2: Fill in the period(7) covered by the board evaluation, for example: An evaluation was performed of the performance of the board of directors from 1 January 2019 to 31 December 2019.

Note 3: The scope of the evaluation should cover the performance of the board as a whole, the individual directors, and the functional committees.

Note 4: The performance evaluation methods may include internal evaluation by the board, self-evaluations by individual board members, peer evaluations by board members, evaluations external organizations or experts engaged for that purpose, or other suitable method.

Note 5: The evaluation content shall include at least the following based on the scope of the evaluation:

- (1) Evaluation of the performance of the board should include at least the following: degree of the board's participation in the operation of the company; the quality of the board's decision making; composition and structure of the board; election and continuing education of the directors; internal control.
- (2) Evaluation of the performance of individual directors should include at least the following: familiarity with the goals and missions of the company; awareness of the duties of a director; participation in the operation of the company; management of internal relationships and communication; the director's professionalism and continuing education; internal control.
- (3) Evaluation of the performance of the functional committees: degree of participation in the operation of the company; awareness of the duties of the functional committee; quality of decisions made by the functional committee; makeup of the functional committee and election of its members; internal control.

4. To strengthen competency of the board of directors in current and recent years (e.g. to set up an Audit Committee, to enhance transparency of information, etc.) and assessment of implementation :

- (1) The operation of the board of directors of the Company is in accordance with the provisions of laws and regulations, the articles of incorporation and the resolutions of the shareholders' meeting. All directors have the necessary professional knowledge, skills and accomplishment to perform their duties, and the principle of good faith and the obligation to do their best to create the maximum benefits for all shareholders.
- (2) The Company has elected independent directors. The board of directors is also committed to establishing a good corporate governance system, improving the supervision function and strengthening the management function. In accordance with the provisions of the competent authority, it formulates the rules of procedure of the board of directors, including the main discussion contents, operating procedures, matters to be specified in the minutes, announcements and other matters to be followed, all of which shall be handled in accordance with the provisions.
- (3) The Company shall conduct annual performance evaluation of the board of directors, and strengthen the function of the board of directors. The internal audit unit shall conduct audit and prepare an audit report according to the annual audit plan. The monthly audit report shall be presented to independent directors and supervisors for review by the end of the next month, and reports to the board of directors on a quarterly basis.
- (4) On December 17, 2011, the board of directors of the company passed the resolution to set up the Remuneration Committee (the first session). On June 19, 2024, the board of directors elected the sixth Remuneration Committee. The new three remuneration committee members is all independent directors. Two meetings have been held in 2024 to review the remuneration policies of directors and managers and implementation of corporate governance

(5) On June 1, 2018, the Company established an audit committee to replace the supervisor. In 2024, the Company held fix meetings and presented the resolutions to the board of directors for resolution to implement the corporate governance.

(2) The operation of the audit committee or the participation of supervisors in the operation of the board of directors :

1. Operation of the Audit Committee:

June 19, 2024 the term of office of the third Audit Committee was from 2024/6/19 to 2027/6/18 .From January 1, 2024 to December 31, 2024, the Audit Committee held 5 meetings (A). The attendance of independent directors is as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) (B/A) (Note)	Remarks
Convener	Lai Sun Quae	5	0	100.0	Re-elected on June 19, 2024
Committee member	Huang Tien Chang	5	0	100.0	Re-elected on June 19, 2024
Committee member	Chen Shiou Chung	2	0	40.0	Re-elected on June 19, 2024

The Company's Audit Committee is composed of the entire number of independent directors and meets at least quarterly to deliberate on matters including :

1. The adoption of or amendments to the internal control system pursuant to Article 14-1 of the Securities and Exchange Act.
2. Evaluation of the effectiveness of the internal control system.
3. The adoption or amendment, pursuant to Article 36-1 of the Securities and Exchange Act, of the procedures for handling financial or business activities of a material nature, such as acquisition or disposal of assets, derivatives trading, loaning of funds to others, and endorsements or guarantees for others.
4. Matters in which a director is an interested party.
5. Asset transactions or derivatives trading of a material nature.
6. Loans of funds, endorsements, or provision of guarantees of a material nature.
7. The offering, issuance, or private placement of equity-type securities.
8. The hiring or dismissal of a certified public accountant, or their compensation.
9. The appointment or discharge of a financial, accounting, or internal audit officer.
10. Annual and semi-annual financial reports.
11. Other material matters as may be required by the Company or by the Taiwan competent authority.

Other matters required to be recorded :

A. Operation of the Audit Committee shall, if any of the following, specify date of meeting, period, contents of motions, resolution of Audit Committee and handling against opinions of Audit Committee.

(a) The matters listed in Article 14-5 of the Securities Exchange Act.

1. The 17st meeting of the 2nd session of the Audit Committee on March 12, 2024.

(1)Content of motion : Discuss the company's annual risk report for 2024.

Independent directors' objection, reservation or material proposed items content : None

Resolution of Audit Committee : The chairman consulted all the attending committee members and passed the proposal without any objection, and submitted the case to the board of directors for resolution.

The Company's Resolution of the Audit Committee's Opinion : The proposal shall be presented to the board of directors for resolution. The chairman consulted all the directors present and agreed and passed the resolution.

- (2) Content of motion : Discuss the Company's Statement of Internal Control System for 2024
Independent directors' objection, reservation or material proposed items content : None
Resolution of Audit Committee : The chairman consulted all the attending committee members and passed the proposal without any objection, and submitted the case to the board of directors for resolution.
The Company's Resolution of the Audit Committee's Opinion : The proposal shall be presented to the board of directors for resolution. The chairman consulted all the directors present and agreed and passed the resolution.
- (3) Content of motion : Discussion on the company's financial statements and business report for 2023.
Independent directors' objection, reservation or material proposed items content : None
Resolution of Audit Committee : The chairman consulted all the attending committee members and passed the proposal without any objection. and submitted the case to the board of directors for resolution.
The Company's Resolution of the Audit Committee's Opinion : The proposal shall be presented to the board of directors for resolution. The chairman consulted all the directors present and agreed and passed the resolution and presented to the shareholders' meeting for discussion.
- (4) Content of motion : Discuss the company's 2023 profit distribution plan
Independent directors' objection, reservation or material proposed items content : None
Resolution of Audit Committee : The chairman consulted all the attending committee members and passed the proposal without any objection.
The company's handling of the audit committee's opinions: Submit it to the board of directors for discussion according to the plan. The chairman seeks the approval of all directors present and approves it, and submits it to the shareholders' meeting for approval.
- (5) Content of motion : Discuss the company's plan to issue new shares through capital increase from earnings.
Independent directors' objection, reservation or material proposed items content : None
Resolution of Audit Committee : The chairman consulted all the attending committee members and passed the proposal without any objection, and submitted the case to the board of directors for resolution.
The company's handling of the audit committee's opinions: Submit it to the board of directors for discussion according to the plan. The chairman seeks the approval of all directors present and approves it, and submits it to the shareholders' meeting for approval.
- (6) Content of motion : Discuss the revision of the company's board of directors' meeting rules
Independent directors' objection, reservation or material proposed items content : None
Resolution of Audit Committee : The chairman consulted all the attending committee members and passed the proposal without any objection. and submitted the case to the board of directors for resolution.
The Company's Resolution of the Audit Committee's Opinion : The proposal shall be presented to the board of directors for resolution. The chairman consulted all the directors present and agreed and passed the resolution.
- (7) Content of motion : Discuss the proposal to amend the Appendix 1 "Rules for the Audit Committee to Exercise Its Powers" of the "Audit Committee Organization Charter" of the Company
Independent directors' objection, reservation or material proposed items content : None
Resolution of Audit Committee : The chairman consulted all the attending committee members and passed the proposal without any objection, and submitted the case to the board of directors for resolution.
The Company's Resolution of the Audit Committee's Opinion : The proposal shall be presented to the board of directors for resolution. The chairman consulted all the directors present and agreed and passed the resolution.
- (8) Content of motion : Discuss the appointment case of our company's visa accountant.
Independent directors' objection, reservation or material proposed items content : None

Resolution of Audit Committee : The chairman consulted all the attending committee members and passed the proposal without any objection, and submitted the case to the board of directors for resolution.

The Company's Resolution of the Audit Committee's Opinion : The proposal shall be presented to the board of directors for resolution. The chairman consulted all the directors present and agreed and passed the resolution.

2. The 18st meeting of the 2nd session of the Audit Committee on May 14, 2024.

(1) Content of motion : Discussion on the 2024 first quarter financial statements of the Company and the quarterly financial statements and business report reviewed by CPA.

Independent directors' objection, reservation or material proposed items content : None

Resolution of Audit Committee : The chairman consulted all the attending committee members and passed the proposal without any objection, and submitted the case to the board of directors for resolution.

The Company's Resolution of the Audit Committee's Opinion : The proposal shall be presented to the board of directors for resolution. The chairman consulted all the directors present and agreed and passed the resolution.

3. The 1st meeting of the 3rd session of the Audit Committee on July 15 2024.

(1) Content of motion : Discuss the company's 2024 corporate sustainability report, stakeholder identification and issues of concern, and corporate governance.

Independent directors' objection, reservation or material proposed items content : None

Resolution of Audit Committee : The chairman consulted all the attending committee members and passed the proposal without any objection, and submitted the case to the board of directors for resolution.

The Company's Resolution of the Audit Committee's Opinion : The proposal shall be presented to the board of directors for resolution. The chairman consulted all the directors present and agreed and passed the resolution.

(2) Content of motion : Discuss the company's lifting of the manager's non-compete restriction.

Independent directors' objection, reservation or material proposed items content : None

Resolution of Audit Committee : The chairman consulted all the attending committee members and passed the proposal without any objection, and submitted the case to the board of directors for resolution.

The Company's Resolution of the Audit Committee's Opinion : The proposal shall be presented to the board of directors for resolution. Director Weng Mao Cheng of the Company has an interest in this case and recused himself according to law. The Chairman consulted all the directors present and approved the proposal after no objection was raised.

(3) Content of motion : Discuss the Company's proposal to increase the quota for acquiring and disposing of listed company stocks.

Independent directors' objection, reservation or material proposed items content : None

Resolution of Audit Committee : The chairman consulted all the attending committee members and passed the proposal without any objection, and submitted the case to the board of directors for resolution.

The Company's Resolution of the Audit Committee's Opinion : The proposal shall be presented to the board of directors for resolution. The chairman consulted all the directors present and agreed and passed the resolution.

4. The 2st meeting of the 3rd session of the Audit Committee on August 12 2024.

(1) Content of motion : Discussion on the company's consolidated financial report for the second quarter of 2024

Independent directors' objection, reservation or material proposed items content : None

Resolution of Audit Committee : The chairman consulted all the attending committee members and passed the proposal without any objection, and submitted the case to the board of directors for resolution.

The Company's Resolution of the Audit Committee's Opinion : The proposal shall be presented to the board of directors for resolution. The chairman consulted all the directors present and agreed and passed the resolution.

5. The 3st meeting of the 3nd session of the Audit Committee on November 12 2024.

(1) Content of motion : Discussion on the company's consolidated financial report for the third quarter of 2024

Independent directors' objection, reservation or material proposed items content : None

Resolution of Audit Committee : The chairman consulted all the attending committee members and passed the proposal without any objection, and submitted the case to the board of directors for resolution.

The Company's Resolution of the Audit Committee's Opinion : The proposal shall be presented to the board of directors for resolution. The chairman consulted all the directors present and agreed and passed the resolution.

(2) Content of motion : Discuss the independence and suitability of the company's certification accountants and the review of public expenses.

Independent directors' objection, reservation or material proposed items content : None

Resolution of Audit Committee : The chairman consulted all the attending committee members and passed the proposal without any objection, and submitted the case to the board of directors for resolution.

The Company's Resolution of the Audit Committee's Opinion : The proposal shall be presented to the board of directors for resolution. The chairman consulted all the directors present and agreed and passed the resolution.

(3) Content of motion : Discuss the company's proposed sale of shares in Nice Plaza Co., Ltd.

Independent directors' objection, reservation or material proposed items content : None

Resolution of Audit Committee : The chairman consulted all the attending committee members and passed the proposal without any objection, and submitted the case to the board of directors for resolution.

The Company's Resolution of the Audit Committee's Opinion : The proposal shall be presented to the board of directors for resolution. The chairman consulted all the directors present and agreed and passed the resolution and authorize the chairman to handle relevant matters

(4) Content of motion : Discussion on the Company's donation of charitable funds.

Independent directors' objection, reservation or material proposed items content : None

Resolution of Audit Committee : The chairman consulted all the attending committee members and passed the proposal without any objection, and submitted the case to the board of directors for resolution.

The Company's Resolution of the Audit Committee's Opinion : The proposal was submitted to the board of directors for discussion. Except for the company's Chan Cheng Tien, Director Cheng Yu Jing, Lai Yu Min and Director Weng Mao Cheng who had an interest in the case and recused themselves in accordance with the law, the proposal was adopted after the chairman consulted the other directors present and had no objections.

(5) Content of motion : Discuss the proposal to amend the company's internal control system "Chapter 12 Corporate Sustainability (ESG) Cycle Sections 1 to 7 and Related Internal Audit Systems".

Independent directors' objection, reservation or material proposed items content : None

Resolution of Audit Committee : The chairman consulted all the attending committee members and passed the proposal without any objection, and submitted the case to the board of directors for resolution.

The Company's Resolution of the Audit Committee's Opinion : The proposal shall be presented to the board of directors for resolution. The chairman consulted all the directors present and agreed and passed the resolution.

(b) Except for the preceding matters, other matters not approved by the Audit Committee and approved by two-thirds or more of all directors : None.

※ Review of financial report

The Company's 2023 financial statements, the business report, and the distribution of earnings and the quarterly financial statements for the year ended December 31, 2024, among which the 2024 quarterly financial statements have been audited by Pan Jun-Ming, Chang Shu-Ying of KPMG Taiwan, and a written auditor's report was issued. The aforementioned business report, financial statements and profit distribution were approved after the chairman consulted all the members present and raised no objection, and the proposal will submit to the board of directors for resolution. (In 2024, the CPAs were Pan Jun-Ming and Chang Shu-Ying).

B. If there is Independent Directors' avoidance of motions in conflict of interest, the Independent Directors' names, contents of motions, causes for avoidance and voting should be specified :
None

C. Communications between the independent directors, the Company's Chief Internal Auditor and CPAs (including the items, methods and results of audits of corporate finance or operations, etc.) :

The Company's independent directors are the Audit Committee members, The Company's CPAs shall meet with the Audit Committee at least once a year for face-to-face communication. The Company's Chief Internal Auditor and Accounting Officer communicate with the Audit Committee members (independent directors) mainly after the Board Meeting or Audit Committee Meeting.

1. Communications between the Audit Committee members (independent directors) and CPAs: On 2025/3/13, the three independent directors, Lai Sun Quae, Huang Tien Chang, Chen Shiou Chung, had a face-to-face meeting with Pan Jun-Ming, Chang Shu-Ying of KPMG Taiwan.(Year 2024)
2. Communication between the audit committee (independent director) and the internal audit supervisor and accounting supervisor
 1. The audit unit shall send a monthly internal audit report to the independent director for review.
 2. Report the implementation of the quarterly internal audit plan to the board of directors. In the meeting, the directors (including independent directors) shall give full explanation immediately if they have any problems.
 3. Each quarter / year, the CPA shall issue the written document of the financial statements review/audit report and communicate with the Audit Committee (independent director) on the overall audit status, internal control audit status and recent amendments of relevant laws and regulations of the parent company and its subsidiaries.
 4. The CPA will issue an annual statement of independence and competence, and communicate with the Audit Committee (independent director) in accordance with relevant regulations.
 5. At the end of each Board meeting or Audit Committee meeting, the Chief Auditor communicates with Audit Committee members (Independent Director) the findings of the internal audit and the follow-up after the period, and listens to the opinions and instructions of the Audit Committee members (Independent Director).

Date	Object	Issues to Communicate	Result
March 12, 2024 (1 st meeting of 2024)	Audit Committee members (Independent Director): Lai Sun Quae, Huang Tien Chang, Chen Shiou Chung	1. The implementation of the internal audit plan for 2023 Q4. (Audit) 2. Report on the implementation of the greenhouse gas inventory plan for 2023 Q4. (Audit) 3. The board of directors' performance evaluation results for 2023. (Audit) 4. 2024 Insider trading and prevention publicity, 2024 Ethical management and codes of conduct and legal compliance publicity. (Audit) 5. Information security control execution and risk assessment results report for 2023. (Audit, Information) 6. Risk report for 2024. (Audit) 7. Statement of Internal Control System for 2023. (Audit)	The Audit Committee (Independent Directors) has no opinion

		8. Financial statements and business report for 2023. (Accounting) 9. Amendment to the "Procedure for Board of Directors Meetings" (Accounting, Audit) 10. Amendment to Annex 1 “Regulations Governing the Exercise of Powers by Audit Committees” of the “Audit Committee Charter” (Audit) 11. The appointment of the Company's CPA. (Accounting)	
	May 14, 2024 (2 nd meeting of 2024)	1. The implementation of the internal audit plan for 2024 Q1. (Audit) 2. Report on the implementation of the greenhouse gas inventory plan for 2024 Q1. (Audit) 3. The Corporate Governance evaluation results for 2023. (Audit) 4. Renewal of directors' and supervisors' and managers' liability insurance for 2024. (Audit) 5. The consolidated financial statements for 2024 Q1, and the draft consolidated quarterly financial statements reviewed by the CPA. (Accounting)	
	July 15, 2024 (4 th meeting of 2024)	1. The implementation of the internal audit plan for 2024 Q2. (Audit) 2. Report on the implementation of the greenhouse gas inventory plan for 2024 Q2. (Audit) 3. Corporate Sustainability Report, Stakeholder Identification and Issues of Concern, and Corporate Governance for 2023. (Audit) 4. Proposed increase the quota for acquisition and disposal of shares of listed companies. (Accounting)	
	August 12, 2024 (5 th meeting of 2024)	1. The consolidated financial statements for 2024 Q2. (Accounting)	
	November 12, 2024 (6 th meeting of 2024)	1. The implementation of the internal audit plan for 2024 Q3. (Audit) 2. Report on the implementation of the greenhouse gas inventory plan for 2024 Q3. (Audit) 3. Dissemination of the Corporate Governance education promotion materials for 2024. (Audit) 4. The consolidated financial statements for 2024 Q3, and the draft consolidated quarterly financial statements reviewed by the CPA. (Accounting) 5. Appointment of CPAs and review of their independence and suitability and audit fees. (Accounting)	

			6. Disposal of shares of Nice Plaza Corp. (Audit) 7. Charity donation - Jinxian Social Welfare Charity Foundation NT\$2 million. (Audit) 8. Update the Company's internal control system, "Chapter 12, Corporate Sustainability (ESG) Cycle, Sections 1 to 7 and relevant internal audit system." 9. The implementation of the internal audit plan for 2025. (Audit)	
--	--	--	---	--

Note 1 : If an independent director resigns before the end of the year, the date of his resignation shall be indicated in the remarks column. The actual attendance rate (%) shall be calculated based on the number of meetings of the audit committee and his actual attendance during his / her tenure.

Note 2 : Before the end of the year, if there is re-election of an independent director, the new and former independent directors shall be filled in, and the date of. former, new or re-election of the independent director shall be indicated in the remarks column. The actual attendance rate (%) is calculated based on the number of meetings and actual attendance of the Audit Committee during his / her tenure.

2. The state of participation in board meetings by the supervisors : Not applicable.

(3) Corporate Governance Implementation Status and any difference from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and the reasons :

Evaluation Item	Status of Implementation (Note 1)			Any difference from the 'Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies' and the reasons
	Yes	No	Summary	
1. Does the company establish and disclose the Corporate Governance Best-Practice Principles based on the 'Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies'?	V		<p>The company passed the 'Corporate Governance Best-Practice Principles' on December 16, 2014 and disclosed it on the company's website.</p> <p>The company amended the company's the 'Corporate Governance Best-Practice Principles' with reference to the updated the 'Corporate Governance Best-Practice Principles' of TWSE, which was presented to the board of directors for approval on March 25, 2021 and publicly disclosed on the company's website.</p>	It complies with Articles 1~2 of the 'Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies'. In order to meet the actual situation of the company, the content is slightly amended.
2.. Shareholding structure & shareholders' rights (1) Does the company establish an internal operating procedure to deal with shareholders' suggestions, doubts, disputes and litigations, and implement based on the procedure?	V		<p>1. The general manager's office has full-time staff, spokesmen and acting spokesmen to deal with shareholders' suggestions, doubts and disputes. The company's website, corporate responsibility report and annual report all announce the telephone number, address and email of the contact person.</p> <p>The company's internal operating procedures for handling shareholders' suggestions, doubts, disputes and litigation matters are set out in Articles 4~13 of Chapter II 'protection of shareholders' rights and interests' of the 'Corporate Governance Best-Practice Principles', and the spokesperson or acting spokesperson shall response orally or in writing</p>	It complies with Articles 13 of the 'Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies'.
(2) Does the company possess the list of its major shareholders as well as the ultimate owners of those shares?	V		<p>2. The company entrusts a special stock affairs agency to handle the company's stock affairs. The company can know the increase, decrease, mortgage or change of the shares held by the shareholders holding more than 5% of the shares, directors, supervisors and managers at any time. The list of directors, supervisors, managers and</p>	It complies with Articles 19 of the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies'.

Evaluation Item	Status of Implementation (Note 1)			Any difference from the 'Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies' and the reasons
	Yes	No	Summary	
(3) Does the company establish and execute the risk management and firewall system within its conglomerate structure?	V		<p>shareholders holding more than 10% of the shares shall be entered into the information application website designated by the competent authority every month according to the regulations, or can be inquired in the annual report of the company or the company's website.</p> <p>3. The company and related enterprises are independent individual legal persons, whose assets, finance and accounting are independent, and their profits and losses and risks are borne by themselves.</p> <p>The company's financial transactions with related enterprises are interest-bearing at the market interest rate, and the amount and necessity of capital loans are reassessed annually according to the capital demand. There is also an evaluation mechanism for endorsements and guarantees of a single enterprise.</p> <p>The management of its affiliates transactions, endorsements and guarantees, and capital loans between the company and its affiliates shall be controlled in accordance with the provisions of the Securities Exchange Act. And formulate the operation of "supervision and management of subsidiaries", and implement the risk control mechanism of subsidiaries. For details, please refer to articles 14~19 of section 3 "governance relationship between the Company and its affiliates" in Chapter II of the company's 'Corporate Governance Best-Practice Principles'.</p> <p>The directors, supervisors and management teams of its affiliates are all appointed by the company to control or participate in the operation of its affiliates, review the operating performance of its affiliates on a quarterly basis, and prepare the consolidated financial statements accordingly.</p>	It complies with Articles 4~19 of the 'Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies'.
(4) Does the company establish internal rules against insiders trading with undisclosed information?	V		<p>4.1 The company has established 'Procedures for Handling Material Inside Information (prevention of insider trading management)' to regulate and urge insiders not to trade securities by using undisclosed information on the market.</p> <p>4.2 On 2024/3/12, report to the board of directors in 2024 insider trading and prevention publicity, 2023 year integrity management and moral code of conduct and legal compliance publicity. On 11/12/2024, the 2024 Corporate Governance Education Promotion Materials were reported to the board of directors for circulation.</p> <p>4.3 When the annual financial report or quarterly financial report is submitted to the board of directors for discussion or report, it is publicized to the directors that "directors and insiders are not allowed to report during the closed period of 30 days before the announcement of the annual financial report and 15 days before the announcement of the quarterly financial report.</p>	It complies with paragraph 2 of Articles 10 of the 'Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies'.
<p>3. Composition and Responsibilities of the Board of Directors</p> <p>(1) Does the Board develop and implement a diversified</p>	V		<p>1. The Company's Corporate Governance Best-Practice Principles Article 20 stipulates that the composition of the board of directors shall take into account diversity. In order to implement the diversity of directors, the Company has established the "Board Diversity Policy" and set</p>	It complies with Articles 20 of the 'Corporate Governance Best-Practice Principles

Evaluation Item	Status of Implementation (Note 1)			Any difference from the 'Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies' and the reasons
	Yes	No	Summary	
policy for the composition of its members?			targets for the diversity policy, the achievement of the diversity targets is evaluated annually by the Corporate Governance Steering Group. The specific implementation method is "To enhance the above-mentioned diversity expertise and skills of our directors, the Company gives priority to recommending or enrolling directors in the above-mentioned courses during the annual six-hour Program Planning for Director Continuing Education, and the course fees are fully paid by the Company". The 2024 Annual Shareholders' Meeting elected three seats of independent directors and 3 female directors. The current directors have diversified professional backgrounds in business management, leadership and decision-making, industry knowledge, international perspective, and financial analysis, as well as extensive operating experience. For the education, experience, gender, professional qualifications and work experience of each director, please refer to the "Board Diversity Policy" in this annual report.	for TWSE/TPEx Listed Companies'.
(2) Does the company voluntarily establish other functional committees in addition to the Remuneration Committee and the Audit Committee?		V	2. The Company established a Remuneration Committee on 2011/12/27 and an Audit Committee to replace the Supervisor on 2018/6/1. On 2021/8/4, the Company's shareholders' meeting elected three independent directors and the independent directors formed the Audit Committee. On 2024/6/19, the board of directors approved the appointment of Lai Sun Quae, Huang Tien Chang, Chen Shiou Chung as the three independent directors for the current term of 2024/6/19-2027/6/18 as remuneration committee members. The Company has not yet considered the establishment of other functional committees (The company's audit committee also (replaces) the functions of the risk management committee) and the future will depend on government regulations and the trend of corporate governance to assess the needs of the Company. Relevant provisions are recorded in the Company's compliance with articles 27~30, Section 3 of Chapter III, functional committees of the 'Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies'.	It complies with paragraph 2 of Articles 28 and 28~1 of the 'Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies'.
(3) Does the company establish a standard to measure the performance of the Board, implement it annually, report the results of the performance appraisal to the board of directors and apply the results for reference regarding individual directors' remuneration and re-appointments?	V		3. The Company has formulated a performance evaluation method for the board of directors. The members of the board of directors regularly conduct the 'Performance Evaluation of the board of directors', the 'Performance Evaluation of board members' and 'Performance Evaluation of functional committees' every year, and present a Performance Evaluation result report at the next Board Meeting (2025/3/13 of the first Board Meeting in 2025). According to the results of the performance evaluation of the board of directors in 2023, the average score of 'the Performance Evaluation of the board meeting unit' was 4.8, which was close to excellent. The average score of the 'Performance Evaluation of board members' is 4.7, which is close to excellent performance (Full score is 5), The "Self-evaluation of Functional Committee (Audit Committee)	It complies with paragraph 3~4 of Articles 37 of the 'Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies'.

Evaluation Item	Status of Implementation (Note 1)			Any difference from the 'Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies' and the reasons															
	Yes	No	Summary																
(4) Does the company regularly evaluate the V independence of CPAs	V		<p>Performance Appraisal" averaged 4.8 points, which is close to excellent performance. The average score of "Self-evaluation of Functional Committee (Salary and Remuneration Committee) Performance Appraisal" is 4.9, which is close to excellent performance. (Full score is 5 points)</p> <p>The board of directors of the Company has included the evaluation results for reference when deciding on the payment of directors' remuneration and nominating directors for further appointment.</p> <p>4. The Company's certified public accountants regularly issue a statement of "compliance with the relevant independence requirements of the Norm of Professional Ethics for CPA" once a year and send it to the board of directors for discussion and evaluation of the independence and suitability of the CPA. In 2024, the independent assessment of visa accountants (Pan Chun Ming and Chang Shu Ying) was discussed and approved. Appointment of CPAs for 2024 (Pan Jun-Ming, Chang Shu-Ying) was discussed and approved at the 1st board meeting of 2024 (March 12, 2024). The 6th board meeting of 2024 (November 12, 2024) discussed the appointment of CPAs for 2024 (Pan Jun-Ming, Chang Shu-Ying), and their independence and suitability and audit fees.</p> <p>5.</p> <table><tr><th>Evaluation items</th><th>Evaluation Result</th><th>Conformity with independence</th></tr><tr><td>1. Whether the accountant has a direct or material indirect financial interest in the Company.</td><td>No</td><td>Yes</td></tr><tr><td>2. Whether the CPA has engaged in financing or guarantees with the Company or the Company's directors.</td><td>No</td><td>Yes</td></tr><tr><td>3. Whether the CPA has a close business relationship and potential employment relationship with the Company.</td><td>No</td><td>Yes</td></tr><tr><td>4. Whether the CPA and the audit team members currently hold or have held any directorships,</td><td>No</td><td>Yes</td></tr></table>	Evaluation items	Evaluation Result	Conformity with independence	1. Whether the accountant has a direct or material indirect financial interest in the Company.	No	Yes	2. Whether the CPA has engaged in financing or guarantees with the Company or the Company's directors.	No	Yes	3. Whether the CPA has a close business relationship and potential employment relationship with the Company.	No	Yes	4. Whether the CPA and the audit team members currently hold or have held any directorships,	No	Yes	It complies with Articles 29 of the 'Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies'.
Evaluation items	Evaluation Result	Conformity with independence																	
1. Whether the accountant has a direct or material indirect financial interest in the Company.	No	Yes																	
2. Whether the CPA has engaged in financing or guarantees with the Company or the Company's directors.	No	Yes																	
3. Whether the CPA has a close business relationship and potential employment relationship with the Company.	No	Yes																	
4. Whether the CPA and the audit team members currently hold or have held any directorships,	No	Yes																	

Evaluation Item	Status of Implementation (Note 1)					Any difference from the 'Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies' and the reasons	
	Yes	No	Summary				
			<div>managerial positions or positions of significant influence over the audit of the Company in the last two years.</div> <div>5. Whether the CPA has provided any non-audit services to the Company that may directly affect the audit.</div> <div>6. Whether the CPA has brokered any shares or other securities issued by the Company.</div> <div>7. Whether the CPA has acted as the Company's advocate or coordinated conflicts with other third parties on behalf of the Company.</div> <div>8. Whether the CPA is related to the Company's directors, managers or persons with significant influence on the audit</div> <div>On March 12, 2024 and November 12, 2024, the Audit Committee and the Board of Directors approved the appointment of CPAs for 2024 and 2025 by reference to the Audit Quality Indicators (AQIs) evaluation.</div>				
4. Has the TWSE/TPEX listed company been equipped with competent and appropriate numbers of corporate governance personnel, and designated a CGO responsible for corporate governance-related affairs (including but not limited to providing directors and supervisors with the information required for business execution, assisting directors and supervisors with legal compliance, handling	V		The general manager's office has dedicated staff to collect, organize and handle corporate governance matters, and is responsible for matters related to the shareholders' meeting, the Board of Directors, the Audit Committee and the Remuneration Committee, including but not limited to providing information necessary for directors, audit committee members and remuneration committee members to perform their business, handling meetings notices of the board of directors, the Audit Committee, the Remuneration Committee and the Shareholders' Meeting, compiling meeting information and preparing and sending out minutes of meetings.			It complies with Articles 3~1 of the 'Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies'.	

Evaluation Item	Status of Implementation (Note 1)			Any difference from the 'Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies' and the reasons
	Yes	No	Summary	
matters related to board meetings and shareholders meetings in accordance with the law, and producing meeting minutes for board of directors meetings and shareholders meetings)?			<p>Company registration and change of registration are handled by the finance department in consultation with the competent authorities.</p> <p>The disclosure and declaration of information on internal audit, finance, material information, and corporate governance, as well as the public disclosure of information on the Company's website are handled by the undertaking unit on its own, while stock affairs such as changes in shareholders' shareholdings and transfers are handled by the stock affairs department of Grand Fortune Securities.</p> <p>The Company's board of directors (2021 the 1st Board Meeting on 2021/3/25) approved Lai Yu Min, deputy general manager of finance, as the corporate governance officer of the Company.</p> <p>The annual corporate governance-related matters for 2024 are as follows :</p> <ol style="list-style-type: none"> ① Organize and prepare meeting minutes of the board of directors, Audit Committee and Remuneration Committee: 6 Board meetings, 5 Audit Committee meetings, 2 Remuneration Committee meetings, 13 meetings in total. ② Organize shareholders' meetings and compile the meeting minutes: 1 time. ③ Assisted directors in their continuing education: 9 persons, 54 hours in total. ④ Assist in providing information necessary for directors to carry out their business, including materials for meetings of the Board of Directors, Audit Committee, and Remuneration Committee 7 days prior to the meeting. ⑤ Assist directors to comply with regulations in the execution of business or formal resolutions of the board of directors. ⑥ The corporate governance supervisor's training is required to be at least 12 hours a year. 	
5. Does the company establish a communication channel and build a designated section on its website for involved parties (including but not limited to shareholders, employees, customers and suppliers), as well as handle all the issues they care for in terms of corporate social responsibilities?	V		<p>The general manager's office of the Company has dedicated staff (spokesperson) to handle responses from stakeholders such as investors, shareholders, banks, employees, customers and suppliers, so as to maintain a smooth communication channel. In addition, the Company's website has a special area for interested parties, and the name, telephone number and email address of the contact person (spokesman) are posted on the website. All questions responded are answered by the contact person (spokesman) in person.</p> <p>The Company will also respond to the concerns of stakeholders through the following channels :</p> <ol style="list-style-type: none"> 1. Shareholders : Annual shareholders' meetings are held and shareholders can exercise their voting rights through electronic means. The Company issues annual report and corporate responsibility report every year, publishes monthly revenue and self-closing financial report each quarter to facilitate shareholders to understand the Company's operation. 2. Employees: Employee benefit, occupational 	It complies with Articles 47 of the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies'.

Evaluation Item	Status of Implementation (Note 1)			Any difference from the 'Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies' and the reasons
	Yes	No	Summary	
			<p>safety and health, gender equality and prevention of sexual harassment, labor employment relations and other issues can be communicated with employees through the departmental meeting, bulletin board, e-mail and document circulation, etc.</p> <p>3. Suppliers : The Company adheres to the principle of ethic operation and sustainable development, abides by the principle of fair trade, and requires manufacturers to pay attention to the protection of environmental protection, industrial safety and labor rights and interests. and strengthen communication between the two sides through annual supplier evaluation and regular visits to suppliers.</p> <p>4. Customers : Through visiting customers, participating in exhibitions and customer satisfaction surveys, and analyzing the causes of customer complaints, respond to customer concerns about quality and after-sales service. We also set up a dedicated customer contact channel on company website, provide customer phone numbers and email addresses, and collect valuable feedback from customers.</p> <p>5. Other Stakeholders or the Public : The Company publishes a Corporate Responsibility Report each year which is available on the Company's website for non-specific stakeholders or the public to view or download.</p>	
6. Does the company appoint a professional shareholder service agency to deal with shareholder affairs?	V		The Company appointed the stock affairs department of Grand Fortune Securities to handle.	It complies with paragraph 1 of Articles 7 of the 'Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies'.
7. Information Disclosure (1) Does the company have a corporate website to disclose both financial standings and the status of corporate governance?	V		1. The Company has set up a corporate website www.yjinn.com.tw to disclose the financial, business and corporate governance information of the Company, and report the financial, business and corporate governance information on the website designated by the competent authority (the Market Observation Post System).	It complies with paragraph 1 of Articles 57 of the 'Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies'.
(2) Does the company have other information disclosure channels (e.g. building an English website, appointing designated people to handle information collection and disclosure, creating a spokesman system, webcasting investor conferences)?	V		2. The general manager's office, finance department and other units of the Company have designated personnel to collect and disclose the Company's information, and the spokesperson will uniformly release the Company's information to the public. And participate in the Institutional Investor Conference (2024/12/13) held by Grand Fortune Securities. The briefing materials and the video link of institutional investor conference will be posted on the website for investors to watch after the conference.	It complies with Articles 55~58 of the 'Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies'.
(3) Does the Company announce and report the annual financial report as early as possible within two months after the end of the fiscal year, and announce and report the first, second	V		3. In accordance with Article 36 of the Securities and Exchange Act, the Company shall perform public announcement and registration with the Competent Authority within three months after the close of each fiscal year and within 45 days after the end of the first, second, and third quarters, and within the first ten days of each calendar month publicly	The company's financial report must consolidate individual subsidiaries, and it is not possible to announce and report financial reports in advance.

Evaluation Item	Status of Implementation (Note 1)			Any difference from the 'Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies' and the reasons
	Yes	No	Summary	
and third quarter financial reports and the operating status of each month as early as possible before the required deadlines?			announce and register with the Competent Authority the operating status for the preceding month.	
8. Is there any other important information to facilitate a better understanding of the company's corporate governance practices (e.g., including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing insurance for directors)?	V		<p>Through the Market Observation Post System (http://mops.twse.com.tw/) Corporate Governance section, stock code 1457, to understand the Company's corporate governance-related business operations, or through the company's spokesman to consult the Company's corporate governance disclosure information, other important information to help understand the operation of the Company's corporate governance is as follows :</p> <ol style="list-style-type: none"> 1. Employee rights and interests : The Company has always attached importance to the harmony of labor relations. In order to encourage employees to express their opinions, the company has set up an employee suggestion box and a special complaint hotline in the factory, and an online suggestion box on the company's website. The employee suggestion box and the special complaint hotline have designated personnel to be responsible for investigation and reply, so as to smooth the communication channel of employees' opinions. In addition, the company holds quarterly labor-management meetings, attended by relevant supervisors, to communicate with employee representatives, so as to promote harmonious labor relations and corporate sustainable development. 2. Investor Relations : The Company's spokesperson (or acting spokesperson) shall uniformly accept the inquiries from shareholders, potential investors and stakeholders, and suggestions from all sectors of society, and provide explanations for them. There is an "investor section" on the Company's website to provide investor-related information to establish a good relationship with investors. 3. Supplier relationship : The Company selects suppliers based on the quality, quantity, schedule and competitive price of the products delivered. In response to the expectation of corporate social responsibility, the Company also requires suppliers to pay attention to occupational safety, working environment, supply chain management and hardware and equipment safety, etc. through annual supplier evaluation, code of corporate integrity and contractor safety education training to communicate. 4. Rights of Stakeholders : The Company's measures to respond to the rights of stakeholders include : <ul style="list-style-type: none"> Neighboring communities : Sponsor community activities, subsidize activities funds and gifts, and provide social relief supplies. Non-governmental organizations and civil groups : Irregularly participate in civil groups activities and interactions, to appropriately demonstrate the Company's good management, image, and to participate and share sustainability issues. Industry : Participate in Industry Association, exchange industry information, etc. 	It complies with Articles 28~2, 51~54 of the 'Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies'.

Evaluation Item	Status of Implementation (Note 1)			Any difference from the 'Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies' and the reasons																																																										
	Yes	No	Summary																																																											
			<p>Government : Comply with the relevant laws and regulations of the governmental authorities, respond to government policies and topics, and fulfill the responsibilities of good corporate citizens.</p> <p>5.The status of the Company purchasing liability insurance for directors and supervisors : The Company has applied for directors' and supervisors' and important employees' liability insurance with Tokio Marine Nawa Insurance Co., Ltd., with the insured amount of US \$3 million, effective from April 1, 2024 to April 1, 2025. In order to reduce the legal risks and financial liabilities of the company's directors, and protect possible damages due to the performance of their duties. (Already reported to the board of directors on May 14, 2024)</p> <p>6. Directors' continuing education : (in accordance with articles 40 and 50 of the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies)All participated in courses organized by the Corporate Management and Sustainable Development Association of the Republic of China, the Taiwan Stock Exchange, and the Securities and Futures Market Development Foundation</p> <table><tr><th>Title</th><th>Name</th><th>Period</th><th>Course Hours</th></tr><tr><td rowspan="2">Director</td><td rowspan="2">Chan Cheng Tien</td><td>2024/08/01</td><td>3</td></tr><tr><td>2024/08/20</td><td>3</td></tr><tr><td rowspan="2">Director</td><td rowspan="2">Chan Yi Chin</td><td>2024/08/01</td><td>3</td></tr><tr><td>2024/10/30</td><td>3</td></tr><tr><td rowspan="2">Director</td><td rowspan="2">Lai Yu Min</td><td>2024/08/28</td><td>3</td></tr><tr><td>2024/11/07</td><td>3</td></tr><tr><td rowspan="2">Director</td><td rowspan="2">Weng Mao Cheng</td><td>2024/08/20</td><td>3</td></tr><tr><td>2024/09/26</td><td>3</td></tr><tr><td rowspan="2">Director</td><td rowspan="2">Chen Meng Wu</td><td>2024/09/12</td><td>3</td></tr><tr><td>2024/09/26</td><td>3</td></tr><tr><td rowspan="2">Director</td><td rowspan="2">Cheng Yu Jing</td><td>2024/10/17</td><td>3</td></tr><tr><td>2024/11/07</td><td>3</td></tr><tr><td rowspan="2">Independent Director</td><td rowspan="2">Chen Shiou Chung</td><td>2024/10/08</td><td>3</td></tr><tr><td>2024/10/25</td><td>3</td></tr><tr><td rowspan="2">Independent Director</td><td rowspan="2">Lai Sun Quae</td><td>2024/06/13</td><td>3</td></tr><tr><td>2024/07/11</td><td>3</td></tr><tr><td rowspan="2">Independent Director</td><td rowspan="2">Huang Tien Chang</td><td>2024/08/01</td><td>3</td></tr><tr><td>2024/08/28</td><td>3</td></tr></table> <p>7. The Company submits the 2024 Risk Report to the Board of Directors for discussion once a year (March 12, 2024), The Board of Directors (July 15, 2024) submitted a report for discussion on the</p>	Title	Name	Period	Course Hours	Director	Chan Cheng Tien	2024/08/01	3	2024/08/20	3	Director	Chan Yi Chin	2024/08/01	3	2024/10/30	3	Director	Lai Yu Min	2024/08/28	3	2024/11/07	3	Director	Weng Mao Cheng	2024/08/20	3	2024/09/26	3	Director	Chen Meng Wu	2024/09/12	3	2024/09/26	3	Director	Cheng Yu Jing	2024/10/17	3	2024/11/07	3	Independent Director	Chen Shiou Chung	2024/10/08	3	2024/10/25	3	Independent Director	Lai Sun Quae	2024/06/13	3	2024/07/11	3	Independent Director	Huang Tien Chang	2024/08/01	3	2024/08/28	3	<p>It complies with Articles 40 and 50 of the 'Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies'.</p> <p>It complies with Articles 39, 49 of the 'Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies'.</p>
Title	Name	Period	Course Hours																																																											
Director	Chan Cheng Tien	2024/08/01	3																																																											
		2024/08/20	3																																																											
Director	Chan Yi Chin	2024/08/01	3																																																											
		2024/10/30	3																																																											
Director	Lai Yu Min	2024/08/28	3																																																											
		2024/11/07	3																																																											
Director	Weng Mao Cheng	2024/08/20	3																																																											
		2024/09/26	3																																																											
Director	Chen Meng Wu	2024/09/12	3																																																											
		2024/09/26	3																																																											
Director	Cheng Yu Jing	2024/10/17	3																																																											
		2024/11/07	3																																																											
Independent Director	Chen Shiou Chung	2024/10/08	3																																																											
		2024/10/25	3																																																											
Independent Director	Lai Sun Quae	2024/06/13	3																																																											
		2024/07/11	3																																																											
Independent Director	Huang Tien Chang	2024/08/01	3																																																											
		2024/08/28	3																																																											

Evaluation Item	Status of Implementation (Note 1)			Any difference from the 'Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies' and the reasons
	Yes	No	Summary	
			identification of stakeholders and topics of concern in 2023	
<p>9. Please describe improvements in accordance with corporate governance assessment results issued by the Corporate Governance Center, TWSE in the most recent year, and provide priority emphasizes and action plans for items that have not yet improved. (Those who are not included in the list are not required to fill in)</p> <p>1. The Company's 10th Corporate Governance evaluation (2023) score was 77.17, with a ranking scale of 36% to 50%. (Submitted to the company's board of directors on May 14, 2024)</p> <p>2. Improvement for the items that failed to score this time:</p> <p>(1)Strengthen corporate governance disclosure to gain points: 1.14、2.19、4.1、4.2</p> <p>(2)Further improvement at the next the board of directors ' re-election : None:</p> <p>(3)No urgency of improvement : 1.2、1.9、2.4、2.5、2.14、2.21、2.23、2.27、2.30、3.4、3.6、3.14、3.18、3.20、4.5、4.7、4.13、4.19、4.22</p>				

Note : The implementation status shall be described in the summary description field, regardless of whether "Yes" or "No" is checked.

(4) Composition, Responsibilities and Operations of the Remuneration Committee or Nominating Committee :

1 . Professional Qualifications and Independence Analysis of Remuneration Committee Members

December 31, 2023				
Criteria		Professional qualifications and principal work experience (Note 2)	Status of independence (Note 3)	Number of Other Public Companies in Which the Individual is Concurrently Serving as a Remuneration on Committee Member
Title (Note 1)	Name			
Independent Director	Lai, Sun-Quae	Master's Degree CSBC Corporation, Taiwan Chairman Small and Medium Enterprise Administration Director General Topco Scientific Co., Ltd. Chairman	None (Note 3)	2
Independent Director (Convener)	Huang, Tien-Chang	Master's Degree Taiwan Business Bank Co., Ltd. Chairman Trust Association of R.O.C. Chairman Mega International Commercial Bank Co., Ltd. Managing Independent Director	None (Note 3)	3
Independent Director	Chen, Shiou-Chung	Collage Tah Tong Textile Co., Ltd. Chairman Taiwan Spinner's Association Executive Director Taiwan Textile Federation Executive Director Taiwan Textile Research Institute Director Chinese National Federation of Industries Industry Consultant	None (Note 3)	0

Note 1 : Please specify each Remuneration Committee member's relevant years of service, professional qualifications and experience, and independence in the table. If any independent director, please refer to Page OO, Appendix I, Information on Directors and Supervisors (I) for details. Please indicate whether you are an independent director or other (if he/she a convener, please remark).

Note 2 : Professional Qualifications and Experience : Specify the professional qualifications and experience of individual remuneration committee members.

Note 3 : Conformity with independence : The independent directors shall state the independence status, including but not limited to whether he/she, his/her spouse, his/her second degree of kinship or other relatives are directors, supervisors or employees of the Company or its affiliates; the number and proportion of shares held by him/her, his/her spouse, his/her second degree of kinship or other relatives (or by using the name of others); whether he/she is a director, supervisor or employee of a company with a specific relationship with the Company (refer to Article 6, Item 1, Paragraphs 5 to 8 of the Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange); or that provides commercial, legal, financial, accounting or related services to the company or any affiliate of the company for which the provider in the past 2 years has received cumulative compensation.

Note 4 : For disclosure methods, please refer to the best practice reference examples on the Taiwan Stock Exchange Corporate Governance Center website.

2 . Remuneration Committee Operation Status

(1) The Remuneration Committee is composed of three people.

(2) Current member's tenure : June 19, 2024 ~ June 18, 2027. In 2024, the Remuneration Committee held two meetings (A), and the members qualifications and attendance were as follows :

Title	Name	Actual no. of meeting attended (B)	By Proxy	Actual Attendance rate (%) (B / A) (Note)	remarks
Convener	Huang Tien Chang	2	0	100	2024/6/19 Re-elected
Committee Member	Lai Sun Quae	2	0	100	2024/6/19 Re-elected
Committee Member	Chen Shiou Chung	1	0	50	2024/6/19 Re-elected

Other matters required to be recorded :

1. If the board of directors did not adopt or amend the suggestion of the remuneration committee, please indicate the date and session number of the board meeting, the contents of the motion, the result of the resolution and the company's handling of the suggestion of the remuneration committee (if the remuneration passed by the board is better than the suggestion of the remuneration committee, please state the difference and the reasons) : None.
2. If any member had objections or reservations about the resolution of the remuneration committee and there is a record or a written statement, please indicate the date and session number of the remuneration committee meeting, the contents of the motion, all the opinions of the members and how the opinions were handled : None.

Note : * If any remuneration committee member leaves the company before the end of the year, please state in the remarks column the departure date, the actual attendance rate (%) calculated based on the number of remuneration committee meetings and the number of actual meetings attended during the tenure.

* If there is a remuneration committee member re-election before the end of the year, please list both the new and the former members, and indicate in the remark column whether the member is former, new or re-elected and the date of re-election. The actual attendance rate (%) is calculated based on the number of remuneration committee meetings held and the actual number of meetings attended during the tenure.

Remuneration Committee

Composition	The established of the Company's Remuneration Committee was approved by the board of directors. There are three remuneration committee members with professional qualifications and work experience. The term of office is the same as that of the board of directors. The Company re-elected directors at the shareholders' meeting on 2024/6/19. The new board of directors passed a resolution on 2024/6/19 to appoint Lai Sun Quae, Huang Tien Chang, Chen Shiou Chung, the three independent directors as the Remuneration Committee members (with the independent director Huang Tien Chang as the convener), all the members meet the qualification requirements of the Securities and Exchange Act and the 'Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange'.
Scope of duties	1. The functions and duties of the Remuneration Committee shall be handled in accordance with the Remuneration Committee Charter of the company. 2. Prescribe and periodically review the performance review and remuneration policy, system, standards, and structure for directors, supervisors and managerial officers.

	<p>3. Periodically evaluate and prescribe the remuneration of directors, supervisors, and managerial officers.</p> <p>4. On matters resolved by the Remuneration Committee, periodic recommendations and improvement proposals are made to the board of directors.</p>
Implementation	<p>1. In 2024, the Company's Remuneration Committee held two meetings.</p> <p>2. The 6th session of the 5th Remuneration Committee was held on March 12, 2024 (members present : Lai Sun Quae, Chen Shiou Chung, Huang Tien Chang). Discussion on the distribution of the company's employees' compensation and directors' and supervisors' remuneration in 2023. Resolution : After the chairman consulted all members present, the proposal was passed without objection, and the proposal was presented to the board of directors for reference and discussion. The company's handling of the opinions of the Salary and Remuneration Committee: submitted to the Board of Directors in accordance with the resolution of the Salary and Remuneration Committee Board resolution: Except for directors who were legally required to withdraw from the discussion and vote due to their interests, after discussing the resolution, it was agreed that it should be passed according to the resolution and submitted to the shareholders' meeting for a report.</p> <p>3. The 1st session of the 6th Remuneration Committee was held on November 12, 2024 (members present : Lai Sun Quae, Huang Tien Chang, Chen Shiou Chung) Discussion on "the remuneration of directors and managers of the Company in 2025". Any objections or reservations expressed by the Committee members and recorded in writing : None. Resolution : After the chairman consulted all the members present, the proposal was passed without objection, and the proposal was presented to the board of directors for reference and discussion Discussion on "the remuneration of individual employee manager remuneration distribution plan of the company in 2023". Any objections or reservations expressed by the Committee members and recorded in writing : None. Resolution : After the chairman consulted all the members present, the proposal was passed without objection, and the proposal was presented to the board of directors for reference and discussion The Company's response to the Remuneration Committee's opinion: The above two matters were presented to the board of directors in accordance with the Remuneration Committee's resolution. Resolution of the board of directors : Except for directors Chan Cheng Tian, Cheng Yu Jing, Weng Mao Cheng, Chen Meng Wu, Lai Yu Min, and independent directors Lai Sun Quae, Huang Tien Chang, Chen Shiou Chung were the interested parties in this case, who shall recuse from the discussion and voting. The chairman consulted all the directors present and agreed to pass the resolution.</p>

(5) Implementation of sustainable development and differences with Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies and reasons :

Push the project	Implementation situation (Note 1)			Differences with Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Summary	
1. Does the company establish corporate social responsibility frameworks and establish an exclusively (or concurrently) dedicated unit to be in charge, and the board of directors shall appoint executive-level positions and to report the status of the handling to the board of directors?	V		<p>1. The Company's implementation of corporate social responsibility frameworks is mainly under the responsibility of the " Sustainable Development Promotion Group" under the Chairman of the board of directors, and the Company has established the Corporate Governance Officer, Mr. Y. M. Lai, the deputy general manager of finance of the Company.</p> <p>2. Enforcement of the " Sustainable Development Promotion Group " of the Company :</p> <p>(1) The " Sustainable Development Promotion Group " is the concurrently unit of the Company responsible for implementing corporate social responsibility, and the Board of Directors approved on 2021/3/25 the appointment of Mr. Y.M. Lai as the Corporate Governance Officer of the Company.</p> <p>(2) The Company's " Sustainable Development Promotion Group " is composed of high-level executives of the Company, who are mainly responsible for the implementation of corporate governance, charitable donations, the selection of the recipients of donations, and the collection and compilation of CSR reports.</p> <p>(3) The " Sustainable Development Promotion Group " annually compiles the CSR report for the previous year as a result of the performance of the Company's efforts to implement CSR and present the report to the Board of Directors. On July 15, 2024, the company submitted its 2023 "Corporate Sustainability ESG Report" to the Board of Directors.</p> <p>3. The Board of Directors will discuss with the Corporate Governance Director the adjustment of sustainable development management policies, strategies, and goals in response to the "Corporate Sustainability ESG Report" submitted by the "Sustainability Promotion Group".</p> <p>4. On November 12, 2024, the Board of Directors discussed and approved the "Update the Company's internal control system, 'Chapter 12, Corporate Sustainability (ESG) Cycle, Sections 1 to 7 and relevant internal audit system,' officially included the promotion of corporate sustainability to the Company's internal control system.</p>	Consistent with Corporate Social Responsibility Best Practice Principles

2. Does the company in accordance with the materiality principle, conduct risk assessments of environmental, social and corporate governance issues pertaining to company operations and establish the relevant risk management policy or strategy? (Note 2)	V		<p>1. The Company has established a "Risk Management Policy", and regularly reviews the environmental, social and corporate governance issues related to the Company (including natural disasters, economic environment, personnel behavior, business and legal, management activities and control, infrastructure, etc.) once a year according to the significance of the impact. Risk assessment is conducted jointly by the Company's factory supervisors and subsidiary managers to evaluate the probability and materiality of risk impacts and to determine whether to adopt policies or strategies for risk management. The Company's risk report is regularly reported to the board of directors once a year. 2024 annual risk report was presented to the board of directors on March 12, 2024.</p> <p>2. During the joint risk assessment process between the factory supervisors and subsidiary managers, the Company identifies significant ESG issues to identify environmental, social, and corporate governance-related issues and reports them to the Board of Directors on an annual basis in conjunction with the Risk Report. (Please refer to the Corporate Governance section of the Company's website for details).</p> <p>3. At the 5th Board Meeting of the Company in 2022 (2022/11/9), the "Risk Management Best Practice Principles" and "Operating Procedures for Business Continuity Management" were approved.</p>	Consistent with Corporate Social Responsibility Best Practice Principles
3. Environmental issues				
(1) Does the company establish proper environmental management systems based on the characteristics of their industries?	V		<p>1.1 The Company reviews the efficiency of energy use on a monthly basis in accordance with the Greenhouse Gas Reduction Act, Energy Administration Act, and the Renewable Energy Development Act. We also reuse resources such as separating garbage and reusing envelopes, and produce recycled yarn from recycled PET bottles to reduce energy consumption.</p> <p>1.2 As of December 31, 2023, the Company obtained the GRS (Global Recycling Standard for Polyester Yarn Products) certificate (see the Company's CSR report for details).</p>	Consistent with Corporate Social Responsibility Best Practice Principles.
(2) Does the company endeavor to utilize all resources more efficiently and use renewable materials which have low impact on the environment?	V		<p>2. Since the Tainan factory discontinued its operations in December 2020, except for industrial ribbons, which are produced by outsourcing, the Company has no other production factory. Our subsidiary, Hung Chou Fiber, uses recycled polyester pellets from PET bottles to produce raw polyester yarn, and both production and sales volumes are gradually expanding. In 2022, Hung Chou Fiber has completed the installation of natural gas pipeline to its factory and started to use natural gas as fuel (instead of heavy oil) to improve the efficiency of fuel utilization and reduce the impact on the environment.</p>	
(3) Does the Company assess the potential risks and opportunities climate change brings to the Company, now and in the future, and take measures to respond to climate-related issues?	V		<p>3. In accordance with the "Corporate Governance 3.0 - Sustainable Development Roadmap" issued by the FSC, and with reference to the "Climate Related Financial Disclosure Framework" (TCFD) issued by the International Financial Stability Board (FSB) to take stock of the risks, opportunities and responses to climate change for the Company, to quantitatively assess the impact of major climate risks on the Company, and to take relevant responses. For more information, please refer to "Climate related information of Public Companies" on page 50 of this annual report.</p>	
(4) Has the Company compiled statistics on greenhouse gas emissions, water consumption, and total weight of waste in the past two years, and does it formulate policies on energy conservation and carbon reduction, greenhouse gas reduction, water consumption reduction, or other waste management?	V		<p>4.1 The main production business of the Company includes polyester yarn produced by the subsidiary "Hung Chou Fiber Industry Co., Ltd." and polyester textured yarn produced by Kwang Ming Silk Mill Co., Ltd., and high gross margin industry webbing and the stable rental income are the main operation income of the parent company. The management of greenhouse gas emissions, water consumption and waste by the Company and its subsidiaries are categorized according to the address where they are located: YI JINN INDUSTRIAL CO., LTD. (7F, No. 607, Ruiguang Road, Neihu District, Taipei City), Hung Chou</p>	

			<p>Fiber Industry Co., Ltd. (No. 29, Hong Chou Street, Gueishan District, Taoyuan City), and Kwang Ming Silk Mill Co., Ltd. (No. 29, Hong Chou Street, Gueishan District, Taoyuan City)</p> <p>(1) Greenhouse gases: The Company and its subsidiaries Kwang Ming conduct greenhouse gas inventories in accordance with ISO-14064 standards.(Hung Chou follows Guidelines for Greenhouse Gas Inspection published by the Environmental Protection Administration of Executive Yuan, GHG Emission Reporting and Registration Management Principles, Greenhouse Gas Emission Registration-related Regulations, Organization Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals)</p> <p>The gases inventoried include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride, nitrogen trifluoride, etc., and are converted into carbon dioxide equivalent (CO₂e) to express. Emission sources are classified as direct emissions ("Scope 1, emissions are direct greenhouse (GHG) emissions that occur from sources that are controlled or owned by the Company, indirect energy emissions (Scope 2, emissions are indirect GHG emissions associated with the purchase of electricity, steam, heat, or cooling, and other indirect emissions (Scope 3 emissions are the result of activities from assets not owned or controlled by the Company, but that the Company indirectly affects in its value chain. For more information, please refer to the "Climate Information for Public Companies" on page 50 of this annual report.</p> <p>(2) water consumption</p> <table> <tr> <th></th><th></th><th>2022</th><th>2023</th><th>2024</th></tr> <tr> <td rowspan="3">Tap water (1000M³)</td><td>Yi Jinn</td><td>1.115</td><td>4.191</td><td>2.570</td></tr> <tr> <td>Hung Chou</td><td>159.975</td><td>77.075</td><td>68.384</td></tr> <tr> <td>Kwang Ming</td><td>35.7</td><td>24.81</td><td>20.983</td></tr> <tr> <td rowspan="3">Surface Water - Rainwater Harvesting (1000M³)</td><td>Yi Jinn</td><td>0</td><td>0</td><td>0</td></tr> <tr> <td>Hung Chou</td><td>190.943</td><td>219.462</td><td>144.186</td></tr> <tr> <td>Kwang Ming</td><td>0</td><td>0</td><td>0</td></tr> <tr> <td rowspan="3">TOTAL</td><td>Yi Jinn</td><td>1.115</td><td>4.191</td><td>2.570</td></tr> <tr> <td>Hung Chou</td><td>350.918</td><td>296.537</td><td>212.570</td></tr> <tr> <td>Kwang Ming</td><td>35.7</td><td>24.81</td><td>20.983</td></tr> </table> <p>(3) waste</p> <table> <tr> <th></th><th></th><th>2022</th><th>2023</th><th>2024</th></tr> <tr> <td rowspan="3">Hazardous Waste</td><td>Yi Jinn</td><td>0</td><td>0</td><td>0</td></tr> <tr> <td>Hung Chou</td><td>155.08</td><td>143.18</td><td>125.55</td></tr> <tr> <td>Kwang Ming</td><td>0</td><td>0</td><td>0</td></tr> <tr> <td rowspan="3">Non-Hazardous Waste (general garbage)</td><td>Yi Jinn</td><td>2.784</td><td>2.627</td><td>2.841</td></tr> <tr> <td>Hung Chou</td><td>48.61</td><td>26.83</td><td>22.6</td></tr> <tr> <td>Kwang Ming</td><td>24.84</td><td>17.25</td><td>11.32</td></tr> <tr> <td rowspan="3">TOTAL</td><td>Yi Jinn</td><td>2.784</td><td>2.627</td><td>2.841</td></tr> <tr> <td>Hung Chou</td><td>203.69</td><td>170.01</td><td>148.15</td></tr> <tr> <td>Kwang Ming</td><td>24.84</td><td>17.25</td><td>11.32</td></tr> </table> <p>The non-hazardous waste is general household waste. The hazardous waste of Hung Chou includes toxic waste, textile sludge, waste motor oil, waste hot coal and waste wood pallet. The hazardous waste of Kwang Ming includes waste motor oil and waste wood pallets.</p>			2022	2023	2024	Tap water (1000M ³)	Yi Jinn	1.115	4.191	2.570	Hung Chou	159.975	77.075	68.384	Kwang Ming	35.7	24.81	20.983	Surface Water - Rainwater Harvesting (1000M ³)	Yi Jinn	0	0	0	Hung Chou	190.943	219.462	144.186	Kwang Ming	0	0	0	TOTAL	Yi Jinn	1.115	4.191	2.570	Hung Chou	350.918	296.537	212.570	Kwang Ming	35.7	24.81	20.983			2022	2023	2024	Hazardous Waste	Yi Jinn	0	0	0	Hung Chou	155.08	143.18	125.55	Kwang Ming	0	0	0	Non-Hazardous Waste (general garbage)	Yi Jinn	2.784	2.627	2.841	Hung Chou	48.61	26.83	22.6	Kwang Ming	24.84	17.25	11.32	TOTAL	Yi Jinn	2.784	2.627	2.841	Hung Chou	203.69	170.01	148.15	Kwang Ming	24.84	17.25	11.32	
		2022	2023	2024																																																																																								
Tap water (1000M ³)	Yi Jinn	1.115	4.191	2.570																																																																																								
	Hung Chou	159.975	77.075	68.384																																																																																								
	Kwang Ming	35.7	24.81	20.983																																																																																								
Surface Water - Rainwater Harvesting (1000M ³)	Yi Jinn	0	0	0																																																																																								
	Hung Chou	190.943	219.462	144.186																																																																																								
	Kwang Ming	0	0	0																																																																																								
TOTAL	Yi Jinn	1.115	4.191	2.570																																																																																								
	Hung Chou	350.918	296.537	212.570																																																																																								
	Kwang Ming	35.7	24.81	20.983																																																																																								
		2022	2023	2024																																																																																								
Hazardous Waste	Yi Jinn	0	0	0																																																																																								
	Hung Chou	155.08	143.18	125.55																																																																																								
	Kwang Ming	0	0	0																																																																																								
Non-Hazardous Waste (general garbage)	Yi Jinn	2.784	2.627	2.841																																																																																								
	Hung Chou	48.61	26.83	22.6																																																																																								
	Kwang Ming	24.84	17.25	11.32																																																																																								
TOTAL	Yi Jinn	2.784	2.627	2.841																																																																																								
	Hung Chou	203.69	170.01	148.15																																																																																								
	Kwang Ming	24.84	17.25	11.32																																																																																								

			<p>(4)Hung Chou/Kwang Chou Taoyuan Plant Wastewater Treatment:</p> <table border="1"> <thead> <tr> <th>YEAR</th><th>Discharged water (tons)</th><th>Recycled water(tons)</th><th>Average concentration of COD in effluent COD emission standard 100mg/l</th><th>Average concentration of suspended solid SS SS emission standard 30mg/l</th></tr> </thead> <tbody> <tr> <td>2022</td><td>325,167</td><td>0</td><td>51.5</td><td>3.85</td></tr> <tr> <td>2023</td><td>294,279</td><td>0</td><td>46.4</td><td>10.3</td></tr> <tr> <td>2024</td><td>190,809</td><td>0</td><td>69.4</td><td>7.95</td></tr> </tbody> </table> <p>The domestic wastewater of Yijinn Taipei Company is discharged into the sewage pipeline of Taipei City, and finally treated by the Taipei City Sewage Treatment Plant.</p> <p>4.2 The Company and its subsidiaries' greenhouse gas reduction policy is to reduce greenhouse gas emissions by 30% by 2030 and to net zero by 2050, with 2023 as the base year.</p> <ol style="list-style-type: none"> 1. The Company will continue to promote greenhouse gas inventory so that all departments know the results of energy saving and carbon reduction promotion. 2. Continue to discuss the way of introducing energy-saving equipment in the head office and conduct benefit evaluation. 3. We will continue to advocate and promote energy saving and carbon reduction activities. 4. Actively cooperate with green energy (solar energy) equipment manufacturers to obtain the carbon rights of green energy. 5. Comply with environmental regulations, customer requirements and relevant regulations. <p>4.3 The Company operates from its Taipei office (7F, No. 607, Ruiguang Road, Neihu District, Taipei City). Use of water and waste are mainly consumed and generated by the office employees, so there is not much possibility for water conservation and waste reduction. Waste management is based on " sorting and recycling - paper, plastic bottles, metal cans" and "waste reduction - single-sided blank paper for secondary photocopying".</p> <p>4.4 The water and waste reduction targets for the Hung Chou and Kwang Ming factories (No.29, Hongzhou Street, Gueishan District, Taoyuan City) are 5 %. Water conservation is mainly based on increasing rainwater saving facilities, recycling wastewater for cleaning after treatment, adjusting the amount of water in the water valve, and installing faucet water conservators. Waste management is based on "sorting and recycling - paper, plastic bottles, metal cans", "waste reduction - single-sided blank paper for secondary photocopying", and "reuse - recycling and reuse of client packaging materials".</p> <p>4.5 The company and its subsidiaries (Kwang Ming, Hung Chou) have chosen to undergo external organization verification, taking into account the company's impact on the environment. As of the date of the annual report printing, the following certifications are still valid: ISO 14001:2015 Environmental Management System Certification (Hung Chou Company Taoyuan Factory); Also, organizational greenhouse gas verification of Yi Jinn, Hung Chou, and Kwang Ming have completed the verification of their 2023 GHG emissions by external assurance institution and have issued GHG verification statements. Yi Jinn and Kwang Ming , Hung Chou have engaged Taiwan Testing and</p>	YEAR	Discharged water (tons)	Recycled water(tons)	Average concentration of COD in effluent COD emission standard 100mg/l	Average concentration of suspended solid SS SS emission standard 30mg/l	2022	325,167	0	51.5	3.85	2023	294,279	0	46.4	10.3	2024	190,809	0	69.4	7.95	
YEAR	Discharged water (tons)	Recycled water(tons)	Average concentration of COD in effluent COD emission standard 100mg/l	Average concentration of suspended solid SS SS emission standard 30mg/l																				
2022	325,167	0	51.5	3.85																				
2023	294,279	0	46.4	10.3																				
2024	190,809	0	69.4	7.95																				

			Certification Center to conduct the 2024 verification.																													
4. Social issues (1) Does the company formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?	V		<div>1.1 The Company complies with the government labor regulations and policies, formulates or amended personnel system, provides employees with stable salaries, accommodation, education and training, and improves safety and health, and ensures employees’ rights and interests and develops a working environment with multiple professional capabilities.</div> <div>1.2 In accordance with the principles of the United Nations Sustainable Development Indicators and the international labor human rights convention, foreign workers are employed legally and appropriately, and foreign labor agents are regularly assigned to act as interpreters to communicate with foreign workers in order to take care of their lives, cultural and recreational activities, and two-way communication, etc.</div> <div>1.3 We recognize and abide by the spirit and basic principles of human rights protection as outlined in the UN Universal Declaration of human rights, the UN Global Compact, the UN Guiding Principles on Business and Human Rights, and the Declaration on Fundamental Principles and Rights at Work of the International Labor Organization and other international human rights conventions, put an end to any abuses and violations of human rights, and make a clear oath to treat and protect human rights in a fair and equitable manner and respect all colleagues.</div> <div>1.4 The number of days of leave and attendance of the Company's employees is based on the Labor Standards Act and the work calendar of government agency of the Directorate-General of Personnel Administration, Executive Yuan. The Company has formulated the "Employee Welfare Program" to regulate various allowances, gifts and subsidies and to promote employee welfare measures, and has also formulated the "Measures of Prevention, Correction, Complaint and Punishment of Sexual Harassment at Workplace" and "A written policy for the prohibition of sexual harassment in the workplace." to protect the diversity and equality of employees in the workplace.</div> <table><tr><td></td><td>2022</td><td>2023</td><td>22024</td></tr><tr><td>Number of female employees</td><td>11</td><td>11</td><td>10</td></tr><tr><td>Percentage of female employees</td><td>55%</td><td>58%</td><td>59%</td></tr><tr><td>Number of employees</td><td>20</td><td>19</td><td>17</td></tr><tr><td>Number of female managers</td><td>8</td><td>6</td><td>7</td></tr><tr><td>Percentage of female managers</td><td>53%</td><td>55%</td><td>58%</td></tr><tr><td>Number of managers</td><td>15</td><td>11</td><td>12</td></tr></table>		2022	2023	22024	Number of female employees	11	11	10	Percentage of female employees	55%	58%	59%	Number of employees	20	19	17	Number of female managers	8	6	7	Percentage of female managers	53%	55%	58%	Number of managers	15	11	12	Consistent with Corporate Social Responsibility Best Practice Principles.
	2022	2023	22024																													
Number of female employees	11	11	10																													
Percentage of female employees	55%	58%	59%																													
Number of employees	20	19	17																													
Number of female managers	8	6	7																													
Percentage of female managers	53%	55%	58%																													
Number of managers	15	11	12																													
(2) Does the Company formulate and implement reasonable employee benefits measures (including compensation, leaves and other benefits), and appropriately reflect operational performance or achievement in employee compensation?	V		<div>2. Company's Articles of Incorporation, if there is profit in the annual settlement, the company shall distribute employee dividends, so that employees can share the Company's operating performance or achievements. The Company also adjusts the salaries of employees in a timely manner with reference to the industry's salary</div>																													

(3) Does the company provide a healthy and safe working environment and organize training on health and safety for its employees on a regular basis?	V		<p>level and salary adjustment range to retain outstanding talents.</p> <p>3.1. The Company's employees mainly use the office as their workplace, and the Company provides safe, quality and comfortable facilities for employees to have a safe and good working environment. Work environment maintenance : strict safety and health standards are required since the end of equipment procurement, office environment cleaning every weekend, office equipment immediately repaired or improved if there is a failure, and operating sites immediately eliminate or set up appropriate protective equipment if dangerous factors are found. Employee health maintenance : regularly arrange employees' health checkups and conduct 2 hours of environmental introduction and safety and health education for new employees.</p> <p>3.2 The company has not obtained relevant verification.</p> <p>3.3 In 2024, the company had no employee accidents.</p> <p>3.4 Zero fire and non-fatal injuries occurred in 2024 for the Company and its subsidiaries. In order to prevent fires and minimize personnel and property losses caused by fires. Our Taipei office cooperates with the building management committee to conduct regular fire inspections and ban smoking in the entire building. Subsidiary factories have formulated fire prevention guidelines and fire protection plans, and fire control officers carry out monthly independent inspections according to the hazardous materials security checklist, conduct annual fire inspections, and fill out a fire safety equipment inspection report to the Fire Department with fire safety equipment inspection deficiencies, improvement plans, and improvement situations, and conduct self-defense firefighting team drills and verification twice a year, and report the drill results to the Fire Department.</p>	
(4) Does the company provide its employees with career development and training sessions?	V		<p>4. The Company has set up education and training rules, according to employees' skills and professional knowledge required for their work, conduct internal training and employees' expatriate education and training to help employees develop career planning and training. The supervisors of each level will also deliberately rotate the training according to the employees' expertise in order to give full play to their talents and assist them in their career planning. In 2024, our employees participated in external training for a total of 81 hours and 14 people.</p>	
(5) Does the Company comply with relevant laws, regulations and international standards with respect to customer health and safety, customer privacy, marketing and labeling of products and services, and develop relevant consumer interests protection policies and complaint procedures?	V		<p>5.1 After the Tainan factory ceased production in January 2020, our main production business is the production of polyester yarn (chip) by its subsidiaries Hung Chou fiber industry Co., Ltd. and textured yarn produced by Kwang Ming Silk Mille Co., Ltd. The Company's operating income is mainly from high margin industrial ribbon and rental income from investment real estate. The product quality of the Company and its subsidiaries are in compliance with the CNS national standards and the labeling of the products is also in compliance with the Trademark Act. When exporting, the products should be marked according to the customer's demand and the customs requirements of the importing country, or the certificate of origin should be provided truthfully. In order to meet the non-toxic certificate of EU customs products, the products of our subsidiary company have also obtained the Oeko-Tex certificate</p> <p>5.2 The Company has set up a consumer or customer contact e-mail address and telephone number on the Company's website, a consumer or customer rights protection policy and procedures for receiving complaints.</p>	
(6) Does the Company formulate a supplier management policy that requires suppliers to follow relevant regulations on issues such as environmental protection, occupational safety and health, or labor	V		<p>6.1 The Company has formulated the "Supplier Sustainability Management Policy", "Supplier's Commitment to Social Responsibility", and "Supplier's Ethical Compliance and Anti-Bribery Pledgquires suppliers to comply with relevant</p>	

rights, and its implementation situation?			<p>regulations on environmental protection, occupational safety and health, or labor human rights issues, and has set additional points for passing relevant verification in the supplier evaluation. Supplier evaluations are conducted on a regular basis every year, and the history of negative environmental and social reports by suppliers is also included in the evaluation items.</p> <p>6.2 Those who have better environmental protection and labor conditions will be given priority in the evaluation procurement list, suppliers with a negative track record to prevent the impact of negative social commentary are suspending trading until there are still doubts.</p> <p>6.3 The Company conducts an evaluation of suppliers' fulfillment of social responsibility once a year. If a supplier violates the CSR policy and has a significant impact on the environment and society, it will be judged as an unqualified supplier and will lose the opportunity to trade.</p> <table border="1"> <thead> <tr> <th></th><th>Year</th><th>No. of survey sent out</th><th>No. of survey collected</th><th>Rate of collection</th></tr> </thead> <tbody> <tr> <td rowspan="3">Supplier's Commitment to Social Responsibility</td><td>2022</td><td>11</td><td>11</td><td>100%</td></tr> <tr> <td>2023</td><td>5</td><td>5</td><td>100%</td></tr> <tr> <td>2024</td><td>8</td><td>8</td><td>100^</td></tr> <tr> <td rowspan="3">Supplier's Ethical Compliance and Anti-Bribery Pledge</td><td>2022</td><td>11</td><td>11</td><td>100%</td></tr> <tr> <td>2023</td><td>5</td><td>5</td><td>100%</td></tr> <tr> <td>2024</td><td>8</td><td>8</td><td>100^</td></tr> <tr> <td rowspan="3">Evaluation of suppliers' fulfillment of social responsibility</td><td>2022</td><td>11</td><td>11</td><td>100%</td></tr> <tr> <td>2023</td><td>5</td><td>5</td><td>100%</td></tr> <tr> <td>2024</td><td>8</td><td>8</td><td>100^</td></tr> </tbody> </table>		Year	No. of survey sent out	No. of survey collected	Rate of collection	Supplier's Commitment to Social Responsibility	2022	11	11	100%	2023	5	5	100%	2024	8	8	100^	Supplier's Ethical Compliance and Anti-Bribery Pledge	2022	11	11	100%	2023	5	5	100%	2024	8	8	100^	Evaluation of suppliers' fulfillment of social responsibility	2022	11	11	100%	2023	5	5	100%	2024	8	8	100^	
	Year	No. of survey sent out	No. of survey collected	Rate of collection																																												
Supplier's Commitment to Social Responsibility	2022	11	11	100%																																												
	2023	5	5	100%																																												
	2024	8	8	100^																																												
Supplier's Ethical Compliance and Anti-Bribery Pledge	2022	11	11	100%																																												
	2023	5	5	100%																																												
	2024	8	8	100^																																												
Evaluation of suppliers' fulfillment of social responsibility	2022	11	11	100%																																												
	2023	5	5	100%																																												
	2024	8	8	100^																																												
5. Does the Company refer to internationally accepted reporting standards or guidelines when compiling the corporate social responsibility reports and other reports that disclose Company's non-financial information? Have the aforementioned reports been verified or certified by a third-party verification unit?	V		<p>2023 Corporate Sustainability Report (Submitted to the Board of Directors for approval on July 15, 2024) Yi Jin Company completed the preparation of the "2023 Corporate Sustainability Report" on May 16, 2024. This is the company's ninth corporate sustainability report. The company follows 3.0 - Roadmap for Sustainable Development" objectives and specific promotional measures, and Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies as amended and completed by Taiwan Stock Exchange Corporation, and its content framework has been prepared in accordance with the GRI Universal Standards 2021. At the same time, we have also made a special chapter to disclose the Company's Task Force on Climate-related Financial Disclosures (TCFD).and by referring to the Sustainability Accounting Standards Board (SASB) standards (2022-05 version), taking into account the characteristics of the industry, setting industry materiality and sustainability indicators of concern to the investor. cial Disclosures (TCFD).</p> <p>It is hereby declared that the Company's "2023 Corporate Social Responsibility Report" was compiled by the Company itself and has not been certified by a third party or expressed an opinion by an accountant.</p>	Consistent with Corporate Social Responsibility Best Practice Principles.																																												
<p>6. If the Company has established the corporate social responsibility principles based on the "Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies", please describe any differences between the Principles and their implementation :</p> <p>Description : The Company established the corporate social responsibility principles on December 6, 2014, and on March 25, 2021, the board of directors approved the amendment of corporate social responsibility principles in accordance with the competent authority's letter order. The corporate governance (Corporate social responsibility) promotion team is convened by the deputy general manager of the general manager's office to convene environmental safety specialists in each factory every year, to collect, compile and review the effectiveness of the implementation of various data on the issues of "environment and occupational health", "quality and environmental safety and health management", "environmental and occupational health and safety performance", "sustainable development" and "social responsibility" and prepare the Company's Corporate Responsibility Report The(2023 fiscal year was completed on 2024/5/16) and send it to the board of directors (July 15, 2024) The company's ESG implementation results and processing status each year. For information on the company's corporate sustainability operations, please refer to the annual corporate sustainability (social responsibility) report on the company's website.</p>																																																

7. Other important information to facilitate better understanding of the company's corporate social responsibility practices (For example, the company's systems and measures for environmental protection, community participation, social contribution, social services, social welfare, consumer rights and interests, human rights, safety and health and other social responsibility activities and the status of their implementation :

Description :

The company gives back to local community, and makes annual planned donations to social welfare institutions. Provide relief to low-income households through social welfare institutions so that needy families can receive timely care. Please refer to the company's "2023 Corporate Sustainability Report of the Company". "2023 Corporate Sustainability Report" (Compiled on 16/5/2024 for 2023) on the company's website for investors to understand the Company's corporate social responsibility operations.

Note 1 : If "Yes" is checked, please describe the important policies, strategies, measures and implementation status; If "No" is checked, please explain the reasons and state the plan of adopting relevant policies, strategies and measures in the future.

Note 2 : If the company has prepared the corporate social responsibility (CRS) report, the implementation status may be indicated the method of consulting the corporate social responsibility report and the index page to replace it.

Note 3 : The principle of materiality refers to the environmental, social and corporate governance issues that have a significant impact on the company's investors and other stakeholders.\

Climate-Related Information of TWSE/TPEX Listed Company

1. Implementation of Climate-Related Information

Item	Implementation status														
1. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.	<p>The Company (including its subsidiaries) follows the "Corporate Governance 3.0 - Sustainable Development Roadmap" issued by the competent authority, the FSC, to disclose the assessment and management of the Company's climate-related risks based on the international guidelines and framework of Task Force on Climate-related Financial Disclosures (TCFD) since 2022.</p> <p>1. Climate-related Risk Assessment Framework (TCFD)</p> <table><tr><th colspan="2">Management policy</th><th>Implementation status</th></tr><tr><td>Governance</td><td><ul style="list-style-type: none">Regularly report to the Board of Directors on the Company's assessment and management of climate-related risks and opportunities.To be promoted by the Corporate Governance Promotion Team.</td><td>The Corporate Governance Promotion Team will assess and manage the implementation of climate-related risks and opportunities and report to the Board of Directors on an annual basis. (The last time was on 2023/8/11)</td></tr><tr><td>Strategy</td><td><ul style="list-style-type: none">To identify the short-, medium- and long-term climate-related risks and opportunities for the Company through communication and discussion among heads of each department.Assess the impact of climate-related issues on the Company's businesses, strategies and financial planning.Scenario analysis and scientifically based reduction targets are used as the Company's strategy to respond to climate change.</td><td>Identifying risks and opportunities based on the TCFD, a total of 12 risk and 3 opportunity was identified. (Added global plastic restriction or ban policy). The identified risks and opportunities were used to assess the probability and materiality of the risk impact. Using a 2°C global warming scenario proposed by the UN Intergovernmental Panel on Climate Change (IPCC), we simulate the risks and opportunities of company operations and formulate response actions to climate change.</td></tr><tr><td>Risk Management</td><td><ul style="list-style-type: none">Regularly review and assess the processes of climate-related risks with the framework of TCFD.Based on the results of climate change risk identification and ranking, to formulate an action plan.</td><td>To quantify and rank the probability and materiality of the identified risks and opportunities in order to assess the impact on the Company's operations and finances. To formulate the Company's response actions and priorities.</td></tr></table>			Management policy		Implementation status	Governance	<ul style="list-style-type: none">Regularly report to the Board of Directors on the Company's assessment and management of climate-related risks and opportunities.To be promoted by the Corporate Governance Promotion Team.	The Corporate Governance Promotion Team will assess and manage the implementation of climate-related risks and opportunities and report to the Board of Directors on an annual basis. (The last time was on 2023/8/11)	Strategy	<ul style="list-style-type: none">To identify the short-, medium- and long-term climate-related risks and opportunities for the Company through communication and discussion among heads of each department.Assess the impact of climate-related issues on the Company's businesses, strategies and financial planning.Scenario analysis and scientifically based reduction targets are used as the Company's strategy to respond to climate change.	Identifying risks and opportunities based on the TCFD, a total of 12 risk and 3 opportunity was identified. (Added global plastic restriction or ban policy). The identified risks and opportunities were used to assess the probability and materiality of the risk impact. Using a 2°C global warming scenario proposed by the UN Intergovernmental Panel on Climate Change (IPCC), we simulate the risks and opportunities of company operations and formulate response actions to climate change.	Risk Management	<ul style="list-style-type: none">Regularly review and assess the processes of climate-related risks with the framework of TCFD.Based on the results of climate change risk identification and ranking, to formulate an action plan.	To quantify and rank the probability and materiality of the identified risks and opportunities in order to assess the impact on the Company's operations and finances. To formulate the Company's response actions and priorities.
Management policy				Implementation status											
Governance				<ul style="list-style-type: none">Regularly report to the Board of Directors on the Company's assessment and management of climate-related risks and opportunities.To be promoted by the Corporate Governance Promotion Team.	The Corporate Governance Promotion Team will assess and manage the implementation of climate-related risks and opportunities and report to the Board of Directors on an annual basis. (The last time was on 2023/8/11)										
Strategy				<ul style="list-style-type: none">To identify the short-, medium- and long-term climate-related risks and opportunities for the Company through communication and discussion among heads of each department.Assess the impact of climate-related issues on the Company's businesses, strategies and financial planning.Scenario analysis and scientifically based reduction targets are used as the Company's strategy to respond to climate change.	Identifying risks and opportunities based on the TCFD, a total of 12 risk and 3 opportunity was identified. (Added global plastic restriction or ban policy). The identified risks and opportunities were used to assess the probability and materiality of the risk impact. Using a 2°C global warming scenario proposed by the UN Intergovernmental Panel on Climate Change (IPCC), we simulate the risks and opportunities of company operations and formulate response actions to climate change.										
Risk Management	<ul style="list-style-type: none">Regularly review and assess the processes of climate-related risks with the framework of TCFD.Based on the results of climate change risk identification and ranking, to formulate an action plan.	To quantify and rank the probability and materiality of the identified risks and opportunities in order to assess the impact on the Company's operations and finances. To formulate the Company's response actions and priorities.													
2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).															
3. Describe the financial impact of extreme weather events and transformative actions.															
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.															

	<ul style="list-style-type: none">Integrate with the Company's risk management system and conduct regular assessments on an annual basis.	For details, please refer to the "Risk Management Policy" of the Company.
Metrics and Targets	<ul style="list-style-type: none">Establishing climate-related risk and opportunity management indicators.Conduct annual GHG inventories in accordance with the ISO 14064-1 standard.Set climate change management targets and regularly review the achievement of the targets.	Conduct annual GHG inventories. Reduce GHG emissions per unit of product and use solar power green electricity. Use natural gas instead of heavy fuel oil. Continuously implement carbon reduction measures.

2. Identification of Climate-related Risks and Opportunities

Opportunity	Description
Resource efficiency	Increase the use of variable frequency drive for energy-consuming equipment such as air compressor, cooling tower, freezing machine, dryer, etc. and use LED energy saving tubes, so as to save electric energy consumption.
Energy Source	Increase the use of low-carbon green energy or renewable energy. Switch to natural gas instead of heavy fuel oil to reduce air pollution.
Products and Services	Tailings recycling and reuse. recycle PET bottles and reuse products.
Markets	Not applicable.
Resilience	Not applicable.

3. Climate-related Risks Matrix

high Risk Low probability	<ul style="list-style-type: none">Increased requirement and regulation of sustainability	<ul style="list-style-type: none">Increased cost of GHG emissionEnvironmental policies have become increasingly stringent	<ul style="list-style-type: none">Changes in Customer Behavior
------------------------------------	--	--	--

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.

			<ul style="list-style-type: none"> ● Customer Preference Transfer 	<ul style="list-style-type: none"> ● Increased costs of transition to low carbon technologies
	<ul style="list-style-type: none"> ● Average temperature rise 	<ul style="list-style-type: none"> ● Increasing frequency and severity of typhoons/floods ● Increasing frequency and severity of rainstorms 	<ul style="list-style-type: none"> ● New Technology Investment Fails ● Changing Rainfall Patterns and Dramatic Weather Changes ● Global plastic restriction or ban policy 	
	Short term (<3 years)	Medium term (3-5 years) Period		Long term (>5 years)

4~6. The scenarios, parameters, assumptions, analysis factors of climate=change risks and major financial impacts

Climate-related Risk	Climate Change	Financial Impact	Responses and Actions
Increased requirement and regulation of sustainability	2°C Scenario	Production factories may need to amend the direction in response to the Renewable Energy Development Act to increase the cost of renewable energy installed capacity construction and purchase of Renewable Energy Certificates.	The company's subsidiary Hong Chou Company plans to invest about 40 million yuan before the end of 2011 to build 1,300KW of solar energy equipment, in order to meet the needs of large electricity consumers to set up renewable energy equipment with a contracted capacity of 10%.
Increased cost of GHG emission	2°C Scenario	In response to the regulation of Taiwan's GHG Reduction and Management Act, the Company has to improve the energy efficiency of its production equipment and office premises, and may be affected by the potential carbon tax and carbon	Conducted GHG inventory in accordance with ISO 14064-1 standard. Net-zero emissions as the goal, apply for the carbon offset program, and continue to

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.

			trading system, resulting in increased operating costs.	implement energy saving programs.
Environmental policies have become increasingly stringent	NDC Scenario		Due to the increasing stringency of air pollution emission standards, the original oil-fired boilers need to be replaced with other equipment.	Switching from oil-fired boilers to natural gas burning.
Changes in Customer Behavior	Well-below 2°C Scenario		As end-users and brands become more aware of sustainability and environmental protection, they are more willing to increase the price and quantity of low-carbon products and eco-friendly products they purchase, which affects the revenue of other products.	Increase the production of recycled yarn for PET bottles and biodegradable yarn to respond to the change of customers' consumption behavior and enhance the added value of our products.

Risk Category	Risk Profile	Climate-Related Risk	Potential Financial Impact
Transition Risks	Policy and Legal	Increased requirements and regulations related to sustainability	Production factories may need to amend the direction in response to the Renewable Energy Development Act to increase the cost of renewable energy installed capacity construction and purchase of Renewable Energy Certificates (RECs).
		Increased cost of GHG emissions	In response to the regulation of Taiwan's GHG Reduction and Management Act, the Company has to improve the energy efficiency of its production equipment and office premises, and may be affected by the potential carbon tax and carbon trading system, resulting in increased operating costs.

				Environmental policies have become increasingly stringent	Due to the increasing stringency of air pollution emission standards, the original oil-fired boilers need to be replaced with other equipment.
			Technology	Increased costs of transition to low carbon technologies	The progress of the technology of global low-carbon transition will cause the Company to accelerate the replacement of plant/equipment/vehicles to improve energy efficiency, resulting in higher operating costs.
				New Technology Investment Fails	The Company invests in new technologies in a phased manner and in small quantities to ensure the effectiveness of the investment. There is no possibility of failure of investment resulting in non-recovery of large investment costs, and the financial impact is relatively insignificant.
			Market	Changes in Customer Behavior	As end-users and brands become more aware of sustainability and environmental protection, they are more willing to increase the price and quantity of low-carbon products and eco-friendly products they purchase, which affects the revenue of other products.
			Reputation	Customer Preference Transfer	High carbon emissions and low climate resilience may affect customers' trust in the Company, which may damage the Company's goodwill and further affect the Company's revenue.

		Physical Risks	Acute Risk	Increasing frequency and severity of typhoons/floods	Extreme physical risks may cause damage to factories and warehouses, resulting in damage to production equipment or products, causing customer complaints and affecting brand image.
				Increasing frequency and severity of rainstorms	
			Chronic Risk	Changing Rainfall Patterns and Dramatic Weather Changes	Prolonged droughts caused by changes in rainfall patterns will affect the stability of production water and cause production disruptions. Dramatic changes in temperature, such as an increase in the number of days with extreme high temperatures, will also change customers' consumption patterns, making it more difficult to forecast sales and production, and creating an imbalance between production and sales.
				Average temperature rise	The rise in average temperature will cause a large increase in electricity consumption and shortage of electricity supply, causes the factory resulting in a higher chance of power outage.
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	7. The company is currently in the stage of understanding the content and evaluating the use of the internal carbon pricing system, and will not rule out using internal carbon pricing as a planning tool in the future.				
8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and	8. The Company and its subsidiaries' GHG reduction policy takes 2022 as the base year and aims to reduce GHG emissions by 30% by 2030 and to reach net zero emissions by 2050. The activities covered include: (1). The Company will continue to promote the ISO-14064 standard to conduct GHG inventories, and let all departments know the achievements of energy saving and carbon reduction promotion. (2). Continuing to negotiate the introduction of energy-saving equipment in the head office and conduct efficiency assessment.				

<p>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.</p> <p>9. Greenhouse gas inventory and assurance status (separately fill out in point 1-1 below).</p>	<p>(3). Continuing to promote the participation of all employees in energy saving and carbon reduction activities and promote energy saving measures.</p> <p>(4). Actively cooperate with green energy (solar energy) equipment manufacturers to obtain the carbon rights of renewable energy.</p> <p>(5). Comply with environmental protection laws and regulations, customer requirements and related regulations.</p> <p>9. The company's greenhouse gas inventory and confirmation information are separately filled in 1-1 and 1-2</p>
---	---

1-1 Greenhouse Gas Inventory and Assurance Status for the Most Recent 2 Fiscal Years

1-1-1 Greenhouse Gas Inventory Information Describe the emission volume (metric tons CO ₂ e), intensity (metric tons CO ₂ e/NT\$ million), and data coverage of greenhouse gases in the most recent 2 fiscal years					
		YEAR	Total emissions (Metric tons CO ₂ e)	Turnover - individual (million dollar)	Intensity (Metric tons CO ₂ e / NT\$ 1 million) (Note 2)
Scope 1	Yi Jinn .	2023	14.507	943	0.015
		2024	14.791	880	0.017
	Hung Chou Fiber .	2023	9,046.852	1,995	4.535
		2024	12,219.787	2,306	5.299
	Kwang Ming Silk Mill	2023	22.304	689	0.032
		2024	23.427	836	0.028
	TOTAL	2023	9,083.663	3,627	2.504
		2024	12,258.004	4,022	3.048
Scope 2	Yi Jinn	2023	53.144	943	0.056
		2024	52.931	880	0.060
	Hung Chou Fiber	2023	17,539.899	1,995	8.792
		2024	22,966.169	2,306	9.959
	Kwang Ming Silk Mill	2023	9,043.624	689	13.126
		2024	10,246.44	836	12.256
	TOTAL	2023	26,636.637	3,627	7.344
		2024	33,265.144	4,022	8.271
Scope 3	Yi Jinn	2023	1,594.519	943	1.691
		2024	2,308.140	880	2.623
	Hung Chou Fiber	2023	Not checked	1,995	Not applicable
		2024	Not checked	2,306	Not applicable
	Kwang Ming Silk Mill	2023	66,475.186	689	96.481
		2024	84,349.963	836	100.897
	TOTAL	2023	68,069.704	1,632	41.709
		2024	86,658.103	1,716	50.500

- Note 1: Direct emissions (scope 1, i.e., emissions directly from sources owned or controlled by the Company), indirect energy emissions (scope 2, i.e., indirect greenhouse gas emissions from electricity, heat, or steam) and other indirect emissions (scope 3, i.e., emissions from company activities that are not indirect energy emissions, but originate from sources owned or controlled by other companies).
- Note 2: The data coverage scope for direct emissions and indirect energy emissions shall comply with the schedule prescribed in the order issued under Article 10, paragraph 2 of the Regulations. Other indirect emissions information may be voluntarily disclosed.
- Note 3: Greenhouse gas inventory standards: Greenhouse Gas Protocol (GHG Protocol) or ISO 14064-1 issued by the International Organization for Standardization (ISO).
- Note 4: The intensity of greenhouse gas emissions may be calculated per unit of product/service or revenue, but at least the data calculated in terms of revenue (NT\$ 1 million) shall be disclosed.

1-1-2 Greenhouse Gas Assurance Information : Describe the status of assurance for the most recent 2 fiscal years as of the printing date of the report, including the scope of assurance, assurance institutions, assurance standards, and assurance opinion.
<p>2023 (January 1, 2023~December 31, 2023)</p> <p>Yi Jinn</p> <p>Scope of assurance: Yi Jinn Industrial Co., Ltd. and its six subsidiaries - Kwang Ming Silk Mill, Hung Chou Fiber, Yi Tong Fiber, Xin Mao investment, Da Tien International Development, Da Yi International Development (7F., No.607, Ruiguang Rd., Neihu Dist., Taipei City 11492)</p> <p>Assurance institutions: Taiwan Testing and Certification Center</p> <p>Assurance standards: ISO14064-1:2018</p> <p>Assurance opinion: The Center conducted a verification of GHG emissions from January 1, 2022 to December 31, 2022 for its textile trading and leasing business. and office activities in accordance with the ISO 14064-3:2019, with no unresolved findings, in compliance with the ISO 14064-1:2018, and accordingly gives the verification opinion as follows, with a reasonable assurance level: Category 1: direct GHG emissions 18.2391 metric tons CO2 equivalent. Category 2: indirect GHG emissions from imported energy 54.8869 tons CO2 equivalent. Category 3: indirect GHG emissions from transportation 2,624.3780 tons CO2 equivalent. Category 4: indirect GHG emissions caused by organizations' use of products 315.4501 tons CO2 equivalent.</p> <p>Hung Chou Fiber</p> <p>Scope of assurance: Hung Chou Fiber Industry Co., Ltd. Taoyuan Factory Address: No. 29, Hongzhou St., Guishan Dist., Taoyuan City. Inventory Period: January 1, 2023 to December 31, 2023</p> <p>Assurance institutions: Industrial Technology Research Institute (ITRI)</p> <p>Assurance standards: In accordance with the Guidelines for Greenhouse Gas Inspection published by the Environmental Protection Administration of Executive Yuan, GHG Emission Reporting and Registration Management Principles, Greenhouse Gas Emission Registration-related Regulations, and CNS 14064 Greenhouse Gases - Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals.</p>

Assurance opinion: ITRI conducted an independent verification of the greenhouse gas claims reported by Hung Chou Fiber Industry Co., Ltd. Taoyuan Factory. This case complies with the current regulations of the Environmental Protection Administration, Executive Yuan. The verification results found no violations of material limits and met the reasonable assurance level recognized by the Environmental Protection Administration, Executive Yuan. Scope 1: Direct greenhouse gas emissions: 9,046.8522 metric tons of CO₂ equivalent. Scope 2: Energy indirect greenhouse gas emissions: 17,539.8988 metric tons of CO₂ equivalent. Total greenhouse gas emissions: 26,586.751 metric tons of CO₂ equivalent.

Kwang Ming Silk Mill

Scope of assurance: Kwang Ming Silk Mill Co., Ltd. Gueishan Factory (No. 29, Hongzhou Street, Gueishan District, Taoyuan City)

Assurance institutions: Taiwan Testing and Certification Center

Assurance standards: ISO14064-1:2018

Assurance opinion: The Center conducted a verification of its DTY polyester filament production process and sales activities from January 1, 2023 to December 31, 2023 in accordance with the ISO 14064-3:2019 for GHG emissions, with no unresolved findings, in compliance with ISO 14064-1:2018, and accordingly gives the verification opinion as follows, with a reasonable assurance level: Category 1: direct GHG emissions 22.3036 metric tons CO₂ equivalent. Category 2: indirect GHG emissions from imported energy 9,043.6244 metric tons CO₂ equivalent. Category 4: indirect GHG emissions caused by organizations' use of products 66,475.1856 tons CO₂ equivalent.

2024 (January 1, 2024~December 31, 2024) The Company and its subsidiaries have completed organizational GHG inventories and have contacted third-party assurance institution for verification or assurance. As of the date of publication of the annual report, we have not yet obtained the statement from assurance institution.

Yi Jinn

Scope of assurance: Yi Jinn Industrial Co., Ltd. and its six subsidiaries - Kwang Ming Silk Mill, Hung Chou Fiber, Yi Tong Fiber, Xin Mao investment, Da Tien International Development, Da Yi International Development (7F., No.607, Ruiguang Rd., Neihu Dist., Taipei City 11492)

Assurance institutions: Taiwan Testing and Certification Center

Assurance standards: ISO14064-1:2018

Assurance opinion: Not applicable.

Hung Chou Fiber

Scope of assurance: Hung Chou Fiber Industry Co., Ltd. Taoyuan Factory (33372 No. 29, Hong Chou St., Guishan Dist., Taoyuan City.)

Assurance institutions: Taiwan Product Testing and Certification Center

Assurance standards: According to Guidelines for Greenhouse Gas Inspection published by the Environmental Protection Administration of Executive Yuan Emission Reporting and Registration Management Principles, Greenhouse Gas Emission Registration-related Regulations, Organ Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals.

Assurance opinion: Not applicable.

Kwang Ming Silk Mill

Scope of assurance: Kwang Ming Silk Mill Co., Ltd. Gueishan Factory (No. 29, Hongzhou Street, Gueishan District, Taoyuan City)

Assurance institutions: Taiwan Testing and Certification Center

Assurance standards: ISO14064-1:2018

Assurance opinion: Not applicable.

Note 1: This information shall be disclosed in compliance with the schedule prescribed in the order issued under Article 10, paragraph 2 of the Regulations. If the Company has not obtained a complete greenhouse gas assurance opinion by the date of printing of the annual report, it shall note that “Complete assurance information will be disclosed in the sustainability report.” If the Company does not prepare a sustainability report, it shall note that “Complete assurance information will be disclosed on the Market Observation Post System (MOPS),” and shall disclose the complete assurance information in the annual report of the following fiscal year.

Note 2: The assurance institutions shall meet the directions regarding assurance of sustainability reports prescribed by the TWSE and the TPEX.

Note 3: When preparing the disclosure content, the Company may refer to the best practice reference examples on the TWSE Corporate Governance Center website

1-2 Greenhouse Gas 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.

Base year: The company and its subsidiaries use the emissions from the greenhouse gas inventory verified by a third party in 2022 as the base year.

Reduction target: use 2022 as the base year, reduce greenhouse gas emissions by 30% in 2030, and achieve net-zero emissions in 2050.

Strategies and specific action plans:

In order to achieve greenhouse gas reduction policies, the company and its subsidiary production plants should replace energy-consuming equipment year by year, build and use green electricity such as solar power generation, and use frequency converters to improve energy efficiency and other measures to achieve carbon reduction. Target. If the reduction of greenhouse gas emissions in the target year still fails to meet the target, the difference will be achieved through carbon neutrality to achieve the target. The greenhouse gas carbon neutrality adopted by our company is carried out in accordance with PAS 2060/Carbon Neutrality Implementation Standard.

		Category 1 (metric tons)	Category 2 (metric tons)	Category 3 (metric tons)
Yi Jinn	Benchmark (2022)	18.2391	54.8869	2,939.8281
	2024 year	14.7906	52.9313	2,308.1397

		Compare to base year	-3.4485	-1.9556	-631.6884
		Ratio	-18.915	-3.56%	-21.49%
	Hung Chou Fiber	Benchmark (2022)	14,591.3131	25.073.7759	Not applicable
		2024 year	12,219.7870	22.966.1692	Not applicable
		Compare to base year	2,371.5261	-2.737.6067	Not applicable
		Ratio	-16.25	-10.65%	Not applicable
	Kwang Ming Silk Mill	Benchmark (2022)	24.4349	12.386.8102	90,540.6231
		2024 year	23.4265	10.246.0436	84,349.9631
		Compare to base year	-1.0084	-2.1470.7666	-6,190.66
		Ratio	-4.13%	17.28%	-6.84%

Note 1: This information shall be disclosed in compliance with the schedule prescribed in the order issued under Article 10, paragraph 2 of the Regulations.

Note 2: The base year shall be the fiscal year in which the greenhouse gas inventory is completed based on the consolidated financial reporting boundary. For example, under the order issued under Article 10, paragraph 2 of the Regulations, a company with capital of NT\$10 billion shall complete the inventory for its fiscal 2024 annual consolidated financial report in 2025, so the base year will be 2024. If a company has disclosed its inventory in its consolidated financial report in an earlier year, it may take the earlier fiscal year as its base year. Also, the data for the base year may be calculated based on a single fiscal year or the average of multiple fiscal years.

Note 3: When preparing the disclosure content, the Company may refer to the best practice reference examples on the TWSE Corporate Governance Center website.

(6) Implementation of Ethical Corporate Management and Differences from Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and Reasons:

Item	Status of implementation (Note 1)			Any discrepancies and reasons for Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies
	Yes	No	Summary	
<p>1. Adoption of an ethical management policy and action plan</p> <p>(1) Has the company implemented a board-approved ethical corporate management policy and stated in its regulations and external correspondence the ethical corporate management policy and practices as well as the commitment of the board of directors and the executive management to enforcement of the ethical corporate management policy?</p>	V		<p>1.1 The Company's Ethical corporate management Principles was formulated in accordance with the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and approved by the board of directors at its 2nd meeting of (April 17, 2013).</p> <p>1.2 On March 25, 2021, the board of directors of the company approved the amendment of Ethical corporate management Principles in accordance with the letter from the competent authority.</p> <p>1.3 In Chapter I of the corporate responsibility report of the company, the management statement and the company profile and other external documents, " Since its establishment in the 1981, the company Yi Jinn, adheres to the business philosophy of" innovation, integrity, growth and collaboration "and the work attitude of" sincerity and pragmatism", all of which indicate the company's integrity management policy.</p> <p>1.4 The company abides by the contracts signed and promises made by the company, including the terms and conditions of the transactions, methods of payment and interest payment, The products sold by the company are truthfully labeled in terms of name, specification and quantity, and the cheque issued are cashed on schedule.</p>	<p>Comply with Article 4 and 5 of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies".</p>
<p>(2) Does the company have mechanisms in place to assess the risk of unethical conduct, and perform regular analysis and assessment of the risk of unethical conduct within the scope of business? Does the company implement programs to prevent unethical conduct based on the above and ensure the programs cover at least those described in Article 7, Paragraph 2 of the Ethical Corporate Management Best Practice Principles for TWSE/ GTSM Listed Companies?</p>	V		<p>2.1 The Company has established ethical corporate management guidelines, the Company contains the following matters in preventing unethical conduct :</p> <p>① Standards for determining whether improper benefits have been offered or accepted.</p> <p>② Procedures for offering legitimate political donations.</p> <p>③ Procedures and the standard rates for offering charitable donations or sponsorship.</p> <p>④ Rules for avoiding work-related conflicts of interests and how they should be reported and handled.</p> <p>⑤ Rules for keeping confidential trade secrets and sensitive business information obtained in the ordinary course of business.</p> <p>⑥ Regulations and procedures for dealing with suppliers, clients and business transaction counterparties suspected of unethical conduct.</p> <p>⑦ Handling procedures for violations of these Principles.</p> <p>⑧ Disciplinary measures on offenders.</p> <p>2.2 The Company has established a "Codes of Ethical Conduct" for the Company's directors, auditors and managers, which was approved by the board of directors (on March 25, 2021), the board of directors of the Company approved a proposal to amend the " Codes of Ethical Conduct". The board of directors and management are also committed to actively implement and monitor the implementation of the ethical</p>	<p>Comply with Article 2 and 6 and 10~14 of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies".</p>

Item	Status of implementation (Note 1)			Any discrepancies and reasons for Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies
	Yes	No	Summary	
(3) Does the company provide clearly the operating procedures, code of conduct, disciplinary actions, and appeal procedures in the programs against dishonest conducts, and enforce the programs effectively and perform regular reviews?	V		<p>management policy. Please refer to the Company's website at http://www.yijinn.com.tw</p> <p>2.3 The Company has stipulated in the Personnel Management Regulations, that the managers, employees or persons with the ability to control within their authority are prohibited from accepting any improper benefits directly or indirectly, or committing other acts that violate integrity, lawlessness and breach of fiduciary duties, in order to prevent dishonest acts such as fraud, misappropriation of public funds, bribery, leaking secrets, profiting others, and false reporting, etc., which are included in the employees reward and punishment performance appraisal items.</p> <p>3.1 For those who are engaged in sales, procurement, contracting, supervision and budgeting duties, as well as other duties that have interests with manufacturers, they are prohibited from taking or promising to take bribes from manufacturers, providing illegal political contributions, improper charitable donations or sponsorships, or offering or accepting unreasonable presents, hospitality or other improper benefits, which are expressly prohibited by the Company, and offenders are subject to heavier penalties to prevent the occurrence of various kinds of misconduct.</p> <p>3.2 The Company's board of directors approved the amendment of the "Procedures for Ethical Management and Guidelines for Conduct" on March 25, 2021.</p> <p>3.3 In order to establish an ethical corporate culture and prevent unethical behavior, the Company regularly conducts education and awareness-raising for employees and insiders once a year, and reminds its stakeholders to comply with and respect the Company's moral and ethical standards. Relevant procedures, conduct guidelines, disciplinary actions and complaint system are disclosed on the Company's website (www.yijinn.com.tw).</p>	Comply with Article 7 of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies".
2. Implementation of Ethical Management (1) Does the Company evaluate the records of ethical conduct of its business counterparties and include integrity clauses in its contracts with business counterparties?	V		1. The Company's business philosophy is innovation, integrity, growth and collaboration. Suppliers or customers who are known to have a history of unethical behavior, will try to avoid trading, so as to avoid unethical behavior damaging the Company's rights and interests.	Comply with Article 9 of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies".
(2) Does the company have a unit that supports ethical corporate management practices on a full-time basis under the board of directors, and reports the ethical management policy and programs against unethical conduct regularly (at least once a year) to the board of directors and oversees the operations?	V		2. The Company has established the "Code of Ethical Conduct", the "Ethical Corporate Management Best Practice Principles", and the "Human Resources Management Personnel Regulations". The general manager's office is the unit that implements ethical management and regularly reports to the board of directors once a year (2024/7/15) along with the "Corporate Sustainability Report" on the implementation of the Company's ethical management.	Comply with Article 17 of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies".
(3) Does the Company adopt a policy for avoiding conflicts of interest, provide appropriate means for reporting on any such conflict, and implement them without fail?	V		3.1 The general manager's office is the unit that accepts and reports the violation of integrity management to prevent the conflict of interest, and establishes a statement channel on the Company's website.	Comply with Article 19 of the "Ethical Corporate Management Best Practice

Item	Status of implementation (Note 1)			Any discrepancies and reasons for Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies
	Yes	No	Summary	
<p>(4) Does the company have effective accounting and internal control systems in place to enforce ethical management? Does the internal audit unit follow the results of unethical conduct risk assessments and devise audit plans to audit the systems accordingly to prevent unethical conduct or hire outside accountants to perform the audits?</p>	V		<p>3.2 The directors of the company follow the "Rules of Procedure for Board of Directors Meetings" (please refer to the Company's website http://www.yijinn.com.tw) The board of directors shall adhere to a high degree of self-discipline, and shall state their interests and important contents of the motions listed in the Board Meeting if they have an interest in themselves or the legal persons on their behalf. In addition, the related party shall recuse himself/herself from the discussion and voting, and shall not appoint another director to exercise his/her vote on his/her behalf.</p> <p>3.3 The Company has stipulated in the "Personnel Management Measures", "Procedures for Handling Material Inside Information and Procedures for Prevention of Insider Trading Management" that employees should strictly observe the act of avoidance of interests and take the initiative to report matters of conflict of interest, and has stipulated the relevant clauses of prohibition of competition to prevent conflicts of interests.</p> <p>3.4 In accordance with the "Stakeholder Reporting and Complaint Handling Mechanism", the Company provides employees or internal and external stakeholders with the opportunity to report or complain about any illegal or improper conduct.</p> <p>4.1 Through the accounting system and internal control and audit system, the company has been able to effectively supervise the implementation of the Integrity Management.</p> <p>4.2 The Company has established a sound accounting system and internal control internal audit system. based on the sales cycle, procurement, production, financing, real estate, plant and equipment, investment, R&D and computer information. At the first level, the supervisors at each level conduct their own checks during the review and approval process in their daily operations; at the second level, the accounting unit conducts certificate reviews; at the third level, the auditing unit conducts routine audits and project audits according to the annual audit plan, and at the fourth level, each department conduct annual internal control self-assessment to implement internal control system to all departments and handling personnel of the company. In addition, the external accountants will also conduct annual internal control inspection, randomly check and audit the original forms, and issue an internal control system inspection report to the company in view of the audit situation of the accountants.</p>	<p>Principles for TWSE/GTSM Listed Companies".</p> <p>Comply with Article 23 of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies". Comply with Article 20 of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies".</p>
<p>(5) Does the Company offer internal and external training with regard to ethical management on a regular basis?</p>	V		<p>5.1 The Company regularly conducts education and awareness-raising for employees and insiders once a year, and irregularly conducts awareness-raising for employees on cases of ethical management by sending internal e-mails.</p> <p>5.2 The chairman of the board of directors has repeatedly publicizes the Company's business philosophy of "innovation, integrity, growth and collaboration" and the work attitude of "sincerity and pragmatism" at various meetings and public occasions of the Company. The Company will also encourage and provide directors to participate in continuing education courses for directors and supervisors organized by external organizations.</p>	<p>Comply with Article 22, paragraph 2 of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies".</p>
<p>3. Status of the Company's implementation of its mechanism for whistle-blowing:</p> <p>(1) Whistleblowing system: Does the Company establish a mechanism that incentivizes informants to report any wrongdoing, put in place channels</p>	V		<p>1.1 The general manager's office will handle the report box and receive disciplinary actions and complaints for violation of integrity management. There was no violation or report in 2024.</p> <p>1.2 The Company has established a "Stakeholder Complaint Handling Mechanism" and designated deputy general manager Chang of the general manager's office as the</p>	<p>Comply with Article 23 of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies".</p>

Item	Status of implementation (Note 1)			Any discrepancies and reasons for Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies
	Yes	No	Summary	
<p>convenient for taking such action and assign appropriate personnel to handle such cases?</p> <p>(2) Does the Company have standard operating procedures for investigation of whistleblower matters, follow-up measures to be taken after the completion of the investigation and the related confidentiality mechanism?</p> <p>(3) Does the Company adopt measures to make sure that informants do not receive improper treatment because of their report?</p>	<p>V</p> <p>V</p>		<p>dedicated person for handling complaints (Tel: 26575859, ext. 530, email: albert@yijinn.com.tw)</p> <p>2.1. The Company has established a "Stakeholder Reporting and Complaint Handling Mechanism", which specifies the standard operating procedures for the investigation of reported matters and the relevant confidentiality mechanism and transfer the matter to the auditing unit for special investigation, and the report/ complaint will be investigated and appropriate measures will be taken.</p> <p>2.2. The Company has established procedures for investigation and grievance handling in the Personnel Management Regulations, and the receiving unit shall maintain confidentiality without the approval of the authority in charge.</p> <p>3. The acceptance person of the report is the general manager's office deputy general manager Chang, and the investigation unit is the audit unit of the company. The company shall keep confidential the information about the contents of the report and complaint, the identity of the parties and personal information. Except to necessity of investigation, handling and contact and the requirements of laws and regulations, it shall not be disclosed to any third party. The Company will protect the whistleblower, the persons who cooperate and participate in the investigation process to avoid unfair retaliation or treatment.</p>	
<p>4. Improvement of information disclosure</p> <p>(I) Does the Company disclose the content and implementation status of its Principles for Ethical Management on its own website and the TWSE's Market Observation Post System website?</p>	V		<p>The Company has set up a website, disclosed the Code of Conduct on Ethical management on the company's website and the Market Observation Post System in accordance with the regulations, and disclosed the company's relevant information on the conduct of Ethical management in the annual report.</p> <p>The Company's website designates personnel from relevant business departments to collect and update information. Financial information and material information are disclosed by the financial unit staff on the Market Observation Post System, and the disclosed information is presented to the Company's spokesperson.</p> <p>The company provides a Chinese version of the shareholders' meeting handbook for the convenience of domestic investors, investment trusts and other institutions or individuals.</p>	<p>Comply with Article 25 of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies".</p>
<p>5. If the Company has established its own ethical corporate management principles based on the Ethical Corporate Management Best Practice Principles for TWSE/ GTSM Listed Companies, please describe the Company's implementation of the principles and any discrepancy therein and explain why:</p> <p>The Company's ethical corporate management principles were approved at the second board of directors' meeting in 2013 (April 17, 2013) and the "Ethical Management Procedures and Conduct Guidelines" was approved at the first board of directors' meeting in 2021 (March 25, 2021). As mentioned above, the actual implementation is no different from that of the Company's code of conduct. Ethical management and sincerity and pragmatism are the Company's business philosophy and work attitude. In order to maintain this corporate culture, the company will continue to promote and refine the Ethical corporate management Principles.</p>				

Item	Status of implementation (Note 1)			Any discrepancies and reasons for Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies
	Yes	No	Summary	
6. Other information to understand more about the Company's Ethical Corporate Management practice（For example, the company reviews and amends the Ethical Management principles）：				
<p>The Company arranges and encourages directors and managers to take continuing education courses on corporate governance every year to enhance their corporate governance and supervisory capabilities, and hopes to enhance the effectiveness of corporate governance and the implementation of ethical management through the operation of the board of directors. We will irregularly inform the suppliers by letter to publicize the Company's ethical management policy.</p> <p>The "Ethical Management Procedures and Conduct Guidelines" was approved at the first board of directors' meeting in 2021 (March 25, 2021).</p> <p>The implementation of the Company's ethical management in 2024：</p> <p>1.Compliance with laws and regulations is the basic premise of ethical management: Conducted the director's and senior executive "2024 annual promotion of insider trading and prevention" and "2024 annual promotion of ethical management and codes of ethical conduct and compliance with laws and regulations" for a total of 1 hour and 9 participants. (8 directors + 1 supervisor)</p> <p>2. Circulate the 2023 annual "Corporate Governance Related Codes and Operating Procedures" promotional materials to all employees of the company (including legal compliance education and promotion, integrity management and ethical code of conduct, human rights education, gender equality at work, and prevention of sexual harassment in the workplace, etc.). Directors and managers read 7 times in 1 hour, department and section supervisors read 4 times in 1 hour, and employees below section supervisors (including guards) read 6 times in 0.5 hours.</p> <p>3.Case of violation of ethical management: 0 case</p> <p>4.Stakeholder assurance and recusal of interest： Employee communication (4 labor-management meetings), shareholder/investor communication (1 conference), and recusal of interests</p> <p>There were 8 cases of directors’ recusation of interests on the board of directors)</p>				

Note 1: Whether "Yes" or "No" is checked, the implementation status shall be described in the summary description field.

(7) Any other material information that would afford a better understanding of the status of the company's implementation of corporate governance may also be disclosed.

1. The Company has established the Corporate Governance Best Practice Principles and related rules and regulations for inquiries

The Company's website: www.yijinn.com.tw

2.. Succession Planning for Board Members and Management

In the succession planning for the board members and management of Yi Jinn, the successor's personality qualities shall be in line with the Company's core business philosophy of "innovation, integrity, growth and collaboration" and "Honest and Pragmatic" attitude.

Succession planning and operation of board members

The Company is aware that its directors are elected by the shareholders and that the directors are elected solely based on the number of votes received in the election.

However, the Company will comply with the provisions of the Company's "Corporate Governance Best Practice Principles" as far as possible when reviewing the qualifications and recommending the list of directors to be elected. :

The composition of the board of directors shall be determined by taking diversity into consideration. It is advisable that directors concurrently serving as company officers not exceed one-third of the total number of the board members, and that an appropriate policy on diversity based on the company's business operations, operating dynamics, and development needs be formulated and include, without being limited to, the following two general standards :

- a. Basic requirements and values : Gender, age, nationality, and culture.
- b. Professional knowledge and skills : A professional background (e.g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experience. All members of the board shall have the knowledge, skills, and experience necessary to perform their duties. To achieve the ideal goal of corporate governance, the board of directors shall possess the following abilities :
 - (1) Ability to make operational judgments.
 - (2) Ability to perform accounting and financial analysis.
 - (3) Ability to conduct management administration.
 - (4) Ability to conduct crisis management.
 - (5) Knowledge of the industry.
 - (6) An international market perspective.
 - (7) Ability to lead.
 - (8) Ability to make policy decisions.

In order to enhance the above-mentioned diversified professional knowledge and skills of the directors, when conducting the annual three-hour continuing education program for directors, the Company gives priority to recommend the above-mentioned courses to the directors or enroll them for the directors, and the fees are fully paid by the Company.

Yi Jinn has established the "Performance Evaluation of the Board of Directors and Functional Committees" to evaluate the performance of the Board of Directors and Functional Committees at the end of each fiscal year, and the results of the performance evaluation will be used as a reference for the selection or nomination of directors in the future.

Succession Planning and Operation of Management

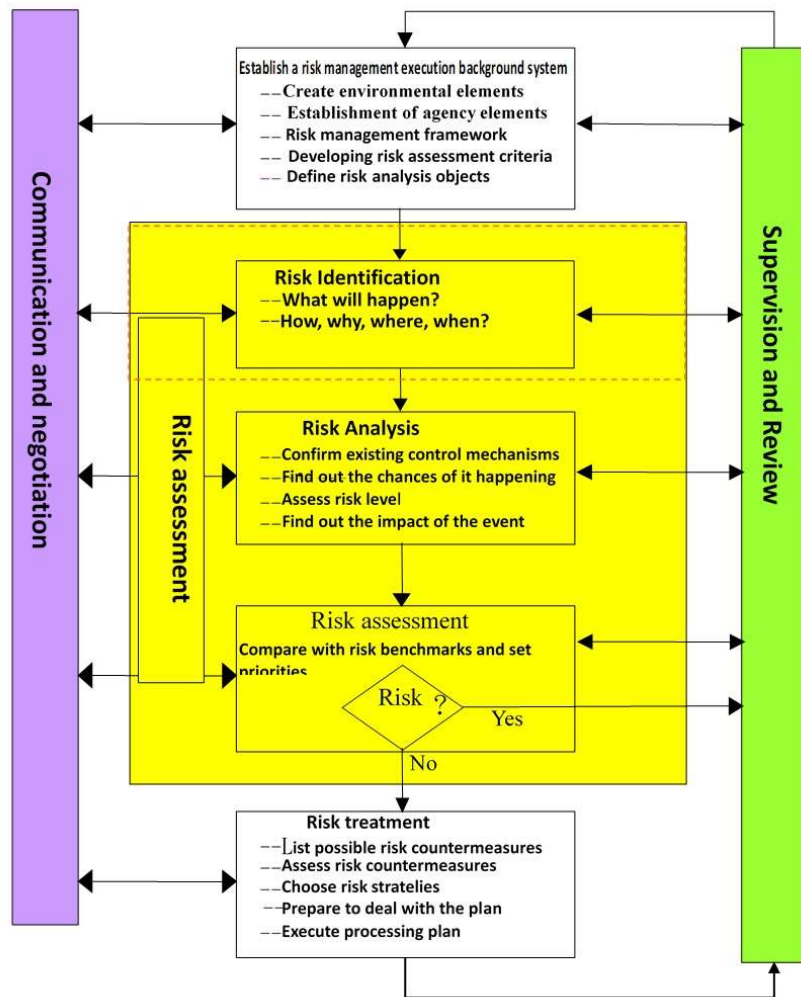
The Company holds quarterly management meetings, which are chaired by the Chairman of the Board of Directors. The directors who participate in the management meetings are important members of the Company's staff, and the meetings are also designed to train and prepare the future successors of the Company's key management personnel. :

- The chairman of the board shared and passed on the business philosophy, life experience and experience of operating the company to the attending management.
- The participating management sets annual (quarterly) operating targets and reports on the achievement of annual (quarterly) operating targets.
- The participants shared their work experience and insights with each other and learned from each other.
- Through the report on the achievement of management results in the meeting, to form the management succession team and pass on the Company's business philosophy.

In addition to the succession planning and operation of important management, the Company also requires all important management personnel to cultivate 1-2 successors, to establish a good foundation for the Company's sustainable management of human resources.

2. Organizational structure of risk management :

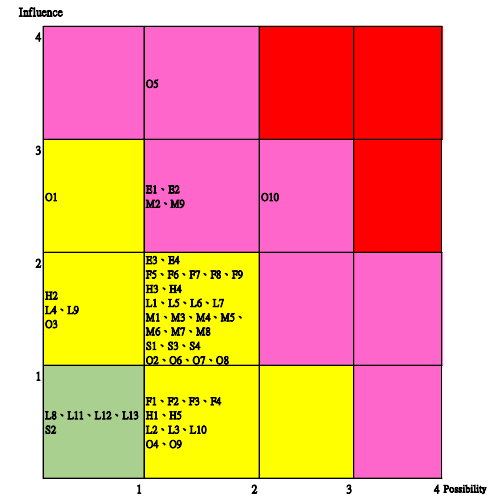
The company passed the "Risk Management Code of Practice" at the fifth meeting of the board of directors in 2022 (2022/11/9), and The Company has established a "Risk Management Policy" to conduct risk assessment on environmental, social and corporate governance issues related to the Company (including natural disasters, economic environment, personnel behavior, business and legal, management activities and control, infrastructure, etc.) on a regular basis once a year according to the significance of the impact, joint risk assessments are conducted by the Company's factory supervisors and subsidiary managers to assess the probability and materiality of risk impacts and to determine whether to adopt policies or strategies for risk management. The Company's risk report is presented to the Board of Directors on a regular basis once a year, and the 2024 annual risk report was presented to the board of directors on March 12, 2024. The 2025 year risk report was approved by the Audit Committee and the Board of Directors on March 13, 2025



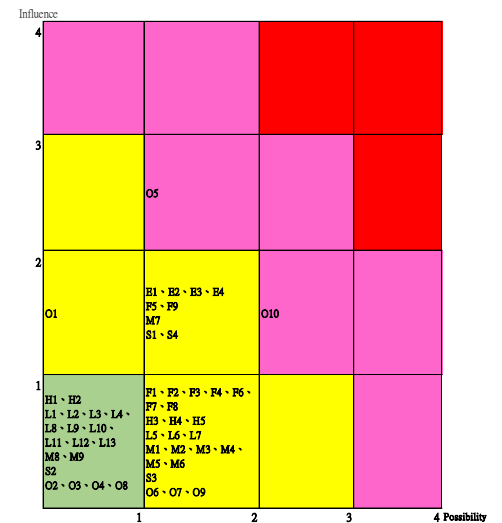
2025 YI JINN/HUNVIRA Analysis Chart

Current Risk			Overall Risk (Current Control)		Rest Risk (Added Control)	
			Possibility	Influence	Possibility	Influence
Natural disaster						
	Fire	E1	2	3	2	2
	Earthquake	E2	2	3	2	2
	Typhoon (Flood)	E3	2	2	2	2
	Infectious disease	E4	2	2	2	2
Economic environment						
	Exchange rate	F1	2	1	2	1
	Rate	F2	2	1	2	1
	Stock market	F3	2	1	2	1
	Housing market	F4	2	1	2	1
	Market boom	F5	2	2	2	1
	Raw material	F6	2	2	2	1
	Market competition	F7	2	2	2	1
	Sales volume	F8	2	2	2	1
	Product margin	F9	2	2	2	2
Personnel behavior						
	Resident	H1	2	1	1	1
	Media reports	H2	1	2	1	1
	Fraud	H3	2	2	2	1
	Leaked information	H4	2	2	2	1
	Retirement and reassignment	H5	2	1	2	1
Business and law						
	Supplier	L1	2	2	1	1
	Contractor	L2	2	1	1	1
	Tenant	L3	2	1	1	1
	The Company Act	L4	1	2	1	1
	Securities Exchange Act	L5	2	2	2	1
	Environmental regulations	L6	2	2	2	1
	Labor law	L7	2	2	2	1
	Business tax law	L8	1	1	1	1
	Factory law	L9	1	2	1	1
	Building regulations	L10	2	1	1	1
	Patent Act	L11	1	1	1	1
	Intellectual Property Law	L12	1	1	1	1
	Business Entity Accounting Act	L13	1	1	1	1
Management activity and control						
	Production quantity	M1	2	2	2	1
	Product quality	M2	2	3	2	1
	Product delivery	M3	2	2	2	1
	Staff ability	M4	2	2	2	1
	Staff recruitment	M5	2	2	2	1
	Productivity	M6	2	2	2	1
	Cost of production	M7	2	2	2	2
	Equipment availability rate	M8	2	2	1	1
	Business information	M9	2	3	1	1
Infrastructure						
	Power failure (Power outage)	S1	2	2	2	2
	Cut off water (Lack of water)	S2	1	1	1	1
	Information system failure	S3	2	2	2	1
	Energy tax/carbon tax	S4	2	2	2	2
Other (Please describe yourself)						
	Outsourced production chain	O1	1	3	1	1
	Personal data protection act	O2	2	2	1	1
	Employee health	O3	1	2	1	1
	Geopolitics	O4	2	1	1	3
	National identity	O5	2	4	2	1
	Regional trade/economy	O6	2	2	2	1
	Sea and air transportation pipeline	O7	2	2	2	1
	Trade barriers	O8	2	2	1	1
	Ignore new/high technology	O9	2	1	2	1
	Electricity tariff increase	O10	3	3	3	2

2025 overall risk (existing control) image analysis chart



2025 residual risk (new control) image analysis chart



	Risk of extreme dangerous, need to take action immediately.
	Risk of high dangerous, management team needs to supervise its research project.
	Risk of medium dangerous, must set duty scope of management team.
	Risk of low dangerous, handled by general steps.

2025 Yi Jinn / Hung Chou Corporate Risk Management System Questionnaire New Measure Added

Category		Code	Existing Hierarchy Of Risk Control	New Measure	New Hierarchy Of Risk Control	Assessed by
Natural Disasters		E				
	Fire	E1	6	Power panel measurement abnormality troubleshooting Regular replacement Finding a temporary business location, equipment or method	4	Chan Shun Da Hung Sheng Jin You Ji Nlu
	Earthquake	E2	6	Disaster drills Finding a temporary business location, equipment or method	4	Chan Shun Da Hung Sheng Jin
	Typhoon (Flood)	E3	4	Disaster prevention drills, remote connection operations	4	Chan Shun Da Hung Sheng Jin
	Infectious Diseases	E4	4	Implement employee work shifts based on the epidemic level	4	Chan Shun Da Hung Sheng Jin
Economic Environment		F				
	Exchange Rates	F1	2	Reduce USD holdings	2	Chan Shun Da
	Interest Rate	F2	2	Reducing debt	2	Chan Shun Da
	Stock Market	F3	2	Reduce the proportion of holdings Diversified investments (such as bonds) for adjustment	2	Chan Shun Da Hung Sheng Jin
	Housing Market	F4	2	Reduce the proportion of vacant houses	2	Chan Shun Da
	Market Prospects	F5	4	Reduce expenses, develop new products, and expand new markets	4	Chan Shun Da Hung Sheng Jin
	Raw Materials	F6	4	Buy stocks at a low price Strengthen communication with raw material manufacturers	2	Chen Cheng Hong Chan Shun Da
	Market Competition	F7	4	Control CJPF differential pressure Machine replacement Develop new customers, research and develop new products, reduce prices, research and develop products with new environmentally friendly materials, and increase product differentiation	2	Chan Shun Da Hung Sheng Jin Chen Cheng Hong You Ji Nlu
	Sales Volume	F8	4	Develop new customers Develop new markets, differentiation, customization, and seek long-term customers	2	Chan Shun Da Hung Sheng Jin Chen Cheng Hong
	Gross Profit	F9	4	Develop new products	4	Chan Shun Da Hung Sheng Jin Chen Cheng Hong
People Behavior		H				
	Residents	H1	2	Update your device	1	Chan Shun Da
	Media Coverage	H2	2		1	
	Fraud	H3	4	Improve employee interaction and adjust salary and benefits	2	Hung Sheng Jin
	Leakage	H4	4		2	
	Retirement and Resignation	H5	2	Training reserve cadres, using human resources dispatch or outsourcing work	2	Chan Shun Da Hung Sheng Jin
Business & Legal		L				
	Suppliers	L1	4	Add suppliers Maintaining a policy of more than 2 source suppliers	1	Chan Shun Da Hung Sheng Jin
	Contractors	L2	2		1	
	Lessees	L3	2		1	
	Company Act	L4	2	Read the Company Law Education and training	1	Lai Yu Min Chan Shun Da

	Securities and Exchange Act	L5	4	Read the Securities and Exchange Act Education and training	2	Lai Yu Min Chan Shun Da
	Environmental Laws and Regulations	L6	4	Education & training, and contracting a professional company to conduct GHG emission inventory counseling and inspection	2	Chan Shun Da Hung Sheng Jin
	Labor Standards Act	L7	4	Education and training	2	Chan Shun Da
	Business Tax Act	L8	1	Education and training	1	Chan Shun Da
	Factory Act	L9	2	Education and training	1	Chan Shun Da
	Building Act	L10	2	Education and training	1	Chan Shun Da
	Patent Act	L11	1	Education and training	1	Chan Shun Da
	Intellectual Property Law	L12	1	Education and training	1	Chan Shun Da
	Business Entity Accounting Act	L13	1	Education and Training External training	1	Chan Shun Da Hung Sheng Jin
Management Activities and Controls		M				
	Production Quantity	M1	4	Equipment modification, increase adjustment space Collaborative production management system	2	You Ji Nlu Hung Sheng Jin
	Product Quality	M2	6	Quality Improvement Measures Education and training	2	Chen Cheng Hong You Ji Nlu
	Product Delivery	M3	4	Use collaborative production management systems to keep up with the latest information	2	Hung Sheng Jin
	Employee Competence	M4	4	Education and Training Provide training opportunities and focus on growth and promotion	2	Chen Cheng Hong Hung Sheng Jin
	Employee Recruitment	M5	4	Technical/key employees reaching 60 years of age should have a succession plan	2	Hung Sheng Jin
	Production Efficiency	M6	4		2	
	Production Cost	M7	4	Upgrading equipment	4	Chan Shun Da
	Equipment Availability	M8	4	Replacing old equipment	1	Hung Sheng Jin
	Sales Information	M9	6	Data loss prevention (DLP) solutions for electronic data	1	Hung Sheng Jin
Infrastructure		S				
	Power outage	S1	4		4	
	Water shortage	S2	1		1	
	Information System Failure	S3	4	Eliminate old hosts and use virtual or cloud architecture	2	Hung Sheng Jin
	Energy/carbon tax	S4	4	Carbon Emission Reduction Plan Strengthen improvement measures Energy-saving equipment Purchase carbon credits, switch to low-carbon fuels, adopt negative carbon technologies, improve energy efficiency, use renewable energy, and improve processes	4	Chen Cheng Hong You Ji Nlu Xiao Shan Gyu Chan Yao Chong
s (please describe)		O				
	Outsourced Production Chain	O1	3	Transfer small quantity orders to new manufacturers	2	Hung Sheng Jin
	Environmental regulations - Excessive electricity consumption and high carbon emissions will result in energy tax/carbon fee	O2	4	Use carbon management information system, purchase carbon rights, external training	1	Hung Sheng Jin
	Employee Health	O3	2	Introducing Data Loss Prevention (DLP) solutions	1	Hung Sheng Jin
	Geopolitics	O4	2	Encourage employees to take vacations and engage in more health exercises	4	Hung Sheng Jin
	National Identity	O5	8	War Risk Insurance	6	Hung Sheng Jin
	Regional Trade/Economy	O6	4		2	

	Ocean & Air Freight	O7	4	Cooperate with Taiwanese companies with factories overseas to outsource production	2	Hung Sheng Jin
	Trade barriers	O8	4	Seek export cooperation with manufacturers in unaffected regions/countries	1	Hung Sheng Jin
	Ignore new/high technology	O9	2	Invest resources in learning and find application scenarios	2	Hung Sheng Jin
	Electricity rate hike	O10	9	Use independent power generation solutions or energy storage equipment	6	Hung Sheng Jin

2024 Identification of ESG topics of stakeholders' concern

Yi Jinn Industrial Co., Ltd.

Identification

Item	Range	Topic	Impact on Decision Making of Stakeholders	Impact on Corporate Operations	Degree of impact
G1	Governance	Business Performance	3	4	12
G2	Governance	Business Strategy and Development	2	3	9
G3	Governance	R&D and Innovation	3	3	9
G4	Governance	Regulatory Compliance	2	3	6
G5	Governance	Anti-corruption Policy and Preventive Measures	2	3	6
G6	Governance	Customer Relationship Management	3	3	9
G7	Governance	Supplier Sustainability Management	2	3	6
G8	Governance	Product Quality and Service	3	3	9
G9	Governance	Ethical Management	3	3	9
G10	Governance	Cyber Security Management	2	3	6
E1	Environmental	Environmental Compliance	2	3	6
E2	Environmental	Waste Management	2	3	6
E3	Environmental	Water Management and Waste Water Treatment	2	3	6
E4	Environmental	Reduce Energy and Material Consumption	2	3	6
E5	Environmental	Greenhouse Gas Emissions	2	3	6
E6	Environmental	Toxic Substance Management	2	3	6
E7	Environmental	Air Pollutant Control	2	3	6
E8	Environmental	Biodiversity	2	2	4
E9	Environmental	Circular Economy	2	3	6
E10	Environmental	Climate Change Risks	2	3	6
E11	Environmental	Noise Control	2	3	6
S1	Social	Occupational Safety and Health	2	3	6
S2	Social	Labor Rights and Welfare	2	3	6
S3	Social	Talent Cultivation and Development	2	3	6
S4	Social	Employee Diversity and Equality	2	2	4
S5	Social	Social Welfare and Giving Back to the Community	2	2	4
S6	Social	Friendly and favorable workplace environm	2	2	6
S7	Social	Labor Relations	2	3	6

2024 Identification of ESG topics of stakeholders' concern

Yi Jinn Industrial Co., Ltd.

Impact on Corporate Operations

4			G1	
3		G4、G5、G7、G10 E1、E2、E3、E4、E5、 E6、E7、E9、E10、E11 S1、S2、S3、S7	G2、G3、G6、G8、G9	
2		E8 S4、S5、S6		
1				
	1	2	3	4

Impact on Decision Making of Stakeholders

	Highly important issues	6
	Moderately serious issues	22
	Low-level issues of concern	0

Employee benefit plans for 2024 and measures for preserving employees' rights and interests.

Item	Content
<p align="center">Employee Benefits Policy</p>	<p>1. Since the Company's establishment, we have attached great importance to the harmony of labor relations and employee welfare, and regard employees as our most important assets. In designing the various management systems, we have fully considered people-oriented factors, and actively seek benefits for our employees, the benefits and personnel systems are as follows:</p> <p>(1) Personnel System: Various personnel rules and regulations, such as appointment, dismissal, promotion, salary, rewards and punishments, vacations, retirement benefits, severance pay, compensation, etc., are all under the basic spirit of the Labor Standards Act, and provide the most favorable consideration for employees, to achieve our goal of taking care of employees.</p> <p>(2) Employee Welfare: We have made great efforts to promote employee welfare, including restaurant, dormitory, library, recreation room, basketball court and other facilities, as well as provide uniforms. In addition, gifts (products) are given during festivals, and subsidies for weddings, funerals, births, year-end party, travel, gatherings, and scholarships for employees' children are provided, so employees can share our operating results.</p> <p>(3) Implementation of Employee Benefits for 2024: Birthday gift claimed NT\$19,000/19 persons, wedding and funeral claimed NT\$1,500/1 persons, New Year's gift claimed NT\$288440/20 persons, travel subsidy claimed NT\$57,000/10 persons, scholarship claimed NT\$6,000/2 persons, and other benefits claimed NT\$5,060,000/20 persons.</p> <p>2. Employee Retirement System: We gradually provided preferential retirement to employees chosen to retire under the old system since 2015, and employees chosen to retire under the new system but still retained their seniority under the old system had their seniority transferred to the employees' accounts in accordance with the relevant government regulations. As of September 30, 2015, all our employees have no seniority under the old system and are applicable to the new labor pension system. We contribute no less than 6% of the employees' monthly wages to the employees' individual accounts, and employees can also contribute 1-6% of their monthly wages as pension. In addition, we have settled all the employees' seniority for the old pension system and paid all the pension to employees. No employee applied for retirement in 2024.</p>

Measures for preserving employees' rights and interests	<p>In order to ensure harmonious labor relations and smooth communication channels, all factories hold regular factory meetings and set up suggestion boxes to fully respond to employees' opinions. At the same time, employees' opinions are handled by the relevant departments through regular and occasional mutual communication to establish consensus. Since our establishment, labor relations have been very harmonious and no labor disputes have occurred. In the future, labor and management will continue to adhere to the principles of oneness, love and solidarity, and strengthen communication so that labor disputes will not occur. A total of 0 feedbacks were received in the employee suggestion box and mailbox in 2024.</p>
Labor disputes	<p>There were no labor disputes in 2024.</p>
Implementing Social Responsibility	<p>(1) The Company has established a corporate social responsibility policy.</p> <p>(2) The general manager's office is responsible for promoting social responsibility, upholding the concept of sustainable management, and implementing the Company's management system, personnel regulations, and energy-saving and carbon reduction programs, etc., and has been awarded the 1st Employment Creation Contribution Award for 2011 by the Executive Yuan.</p> <p>(3) The Company has integrated employee performance evaluation and reward and punishment systems, and occasionally promotes work rules through internal education and training to enhance employees' work attitude and morality. The departments in charge of social responsibility all handle related matters in accordance with their duties.</p> <p>Matters related to the implementation of the Company's social responsibility in 2024 included the preparation and completion of the 2023 Corporate Sustainability Report, and the efforts in energy efficiency and carbon emission reduction.</p> <p>In 2024, we donated NT\$2 million designated for low-income social assistance distribution in the townships adjacent to the Company's factories.</p>
Employee continuing education & training	<p>The Company regard employees as our most important assets, and make great efforts to cultivate them. In addition to regular internal training and experience sharing, we also send our employees to attend professional courses and seminars, and then reports them to the colleagues of the unit, in order to improve employees' quality. In fiscal 2024, our employees participated in external education and training for a total of 48 hours.</p>

(9) Internal Control System Execution Status shall disclose the following items :

1 . Statement of Internal Control System

Date : March 13, 2025

Based on the findings of a self-assessment, the company states the following with regard to our Internal Control System during 2024 :

1. The board of directors and managers of the Company are responsible for establishing, implementing, and maintaining an adequate internal control system. The system aims to provide reasonable assurance for the achievement of the objectives of operation effect and efficiency (including profit, performance and asset security), reliability, timeliness, transparency and compliance with relevant regulations and laws.
2. An internal control system has inherent limitation. No matter how perfectly designed, an effective internal control system can only provide a reasonable assessment of its stated objectives. Moreover, the effectiveness of an internal control system may be subject to changes due to environment, condition. However, the internal control system of the company has a self-monitoring mechanism. Once the lack is identified, the company will take corrective action.
3. The Company assesses whether the design and implementation of the internal control system are effective according to the judgment items of the effectiveness of the internal control system specified in the "Regulations Governing Establishment of Internal Control Systems by Public Companies" (hereinafter referred to as the "guidelines"). According to the process of management control, the internal control system is divided into five elements : 1. Control environment, 2. Risk assessment, 3. Control activities, 4. Information and communications, and 5. Monitoring activities. Each element includes several items. Please refer to the "guidelines" for the above items.
4. The Company has adopted the above internal control system to assess the project and evaluate the effectiveness of the design and implementation of the internal control system.
5. Based on the assessment results mentioned in the preceding paragraph, the Company considers that the internal control system (including supervision and management of subsidiaries) of the Company on December 31, 2024 is effective, including the understanding of the operation effect and the extent to which the efficiency objectives have been achieved, the reliability, timeliness, transparency and compliance with relevant regulations and laws, and the design and implementation of the internal control system, It can reasonably ensure the achievement of the above goals.
6. This statement will be the main content of the Company's annual report and prospectus and will be made public. If there are false, concealed and other illegal things in the above disclosure, the legal liabilities of Articles 20, 32, 171 and 174 of the Securities and Exchange Act will be involved.
7. This statement was approved by the board of directors of the Company on March 13, 2025. None of the 9 directors present held any objection. The rest agreed with the contents of this statement and hereby declare.

Yi Jinn Industrial Co., Ltd.

Chairman : Chan, Cheng-Tien

General Manager : Weng, Mao-Cheng

2 . If CPA was engaged to conduct a Special Audit of Internal Control System,
shall disclose CPA's Audit Report : None

(10) For the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report, disclose any sanctions imposed in accordance with the law upon the company or its internal personnel, any sanctions imposed by the company upon its internal personnel for violations of internal control system provisions, principal deficiencies, and the state of any efforts to make improvements. : None

(11) Material resolutions of a shareholders meeting or a board of directors meeting during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report. :

Date	Material resolutions of a shareholders meeting	Implementation status
2023/05/31	<p>Total shares represented by shareholders present : 162,339,797 shares, 53.81%</p> <p>Directors present : Directors Chan Cheng Tian, Weng Mao Cheng, Lai Yu Min, Chen Meng Wu, Cheng, Yu-Jing and Independent director Lai Sun Quae , Huang Tien Chang and Chen, Shiou Chung</p> <p>CPA present : Huang Huiwen manager</p> <p>Matters to Discuss :</p> <ol style="list-style-type: none"> 1. Ratification of the 2023 Business Report, Financial Statements and earnings distribution. 2. Handle the case of converting surplus into capital and issuing new shares 3. Comprehensive re-election of the company's directors 4. Lifting the non-competition restriction on new directors 	<ol style="list-style-type: none"> 1. The shareholders' meeting shall be chaired by the chairman in person and more than half of the directors and the convener of the audit committee shall be present in person. 2. Ratify the 2023 Business Report and Financial Statements, in which the consolidated revenue for the year was NT\$3,120,655 thousand, net income after tax was NT\$1,080,606 thousand, and earnings per share were NT\$2.55, with a cash dividend of NT\$1 and a stock dividend of NT\$0.5 distributed to shareholders. 3. The matters under discussion shall be approved by the shareholders meeting. 4. Election of nine directors (including three independent directors)

Date of Board Meeting	Session	Material matters discussed by the Board
2024/03/12	1	<p>Directors present : Chan Cheng Tien, Chen Meng Wu, Lai Yu Min, Huang Tien Chang, Lai Sun Quae, Weng Mao Cheng, Cheng Yu Jing, Chen Shiou Chung</p> <p>Director absent : Chan Yi Chin</p> <p>Approved matter :</p> <ol style="list-style-type: none"> 1. Approved the Company's annual risk report for 2024 2. Approved the Company's Statement of Internal Control System for 2023 3. Approved the distribution of employees' and directors' remuneration of the Company in 2023. 4. Approved Company's 2023 Annual Financial Statements and Business Report 5. Approved the distribution of the Company's 2023 earnings. 6. Approved the amendment to the Company's "Articles of Incorporation". 7. Adopted the amendment to the company's board of directors' rules of procedure 8. Adopted the amendment to the "Measures for the Exercise of Functions and Powers of the Audit Committee" in Annex 1 of the Company's "Articles of Association of the Audit Committee" 9. Approve the election of directors of the company 10. Adopt nominations and decide on the list of director candidates 11. Passed the case of lifting the non-competition restrictions of directors of Xinshi 12. Approved the matters related to the 2024 Annual Shareholders' Meeting of the Company. 13. Approved the Company's 2024 Business Plan. 14. Approved the appointment of the Company's CPA.

		15. Through the company's need for working capital turnover, it plans to apply for a loan from the bank
2024/05/14	2	<p>Directors present : Chan Cheng Tien, Chen Meng Wu, Lai Yu Min, Huang Tien Chang, Lai Sun Quae, Weng Mao Cheng, Cheng Yu Jing, Chen Shiou Chung</p> <p>Director absent : Chan Yi Chin</p> <p>Approved matter :</p> <ol style="list-style-type: none"> 1. Approved the company's consolidated financial report for the first quarter of 2024 2. Approved the case of lifting the director's non-competition restriction 3. Through the company's need for working capital turnover, it plans to apply for a loan from the bank
2024/06/19	3	<p>Directors present : Chan Cheng Tien, Chen Meng Wu, Lai Yu Min, Huang Tien Chang, Lai Sun Quae, Weng Mao Cheng, Cheng Yu Jing, Chen Shiou Chung</p> <p>Director absent : Chan Yi Chin</p> <p>Approved matter :</p> <ol style="list-style-type: none"> 1. Approved the proposal to elect the chairman of the company 2. Approved the appointment of members of the sixth "Salary and Remuneration Committee"
2024/07/15	4	<p>Directors present : Chan Cheng Tien, Chen Meng Wu, Lai Yu Min, Huang Tien Chang, Lai Sun Quae, Weng Mao Cheng, Cheng Yu Jing</p> <p>Director absent : Chan Yi Chin, Chen Shiou Chung</p> <p>Approved matter :</p> <ol style="list-style-type: none"> 1. Approved the company's 2023 corporate sustainability report, identification of stakeholders and issues of concern, and corporate governance status 2. Approved the case of lifting the manager's non-competition restrictions 3. Case of increasing the quota for acquiring and disposing of shares of listed companies through our company
2024/08/12	5	<p>Directors present : Chan Cheng Tien, Chen Meng Wu, Lai Yu Min, Huang Tien Chang, Lai Sun Quae, Weng Mao Cheng, Cheng Yu Jing</p> <p>Director absent : Chan Yi Chin, Chen Shiou Chung</p> <p>Approved matter :</p> <ol style="list-style-type: none"> 1. Approved the company's consolidated financial report for the second quarter of 2024 2. Matters related to setting the base date for dividend distribution through conversion of surplus to capital increase 3. Through the company's need for working capital turnover, it plans to apply for a loan from the bank
2024/11/12	6	<p>Directors present : Chan Cheng Tien, Lai Yu Min, Huang Tien Chang, Lai Sun Quae, Weng Mao Cheng, Cheng Yu Jing, Chen Meng Wu</p> <p>Director absent : Chan Yi Chin, Chen Shiou Chung</p> <p>Approved matter :</p> <ol style="list-style-type: none"> 1. Approved the company's consolidated financial report for the third quarter of 2024 2. Approved the independence and suitability of the Company's CPA and review of audit fees 3. Approved for the Sale of Shares in Nice Plaza Limited by our Company 4. Approved the Company's donation of charitable funds. 5. Approved the matter of the remuneration of directors and managers deliberated at the 5st meeting of the 7th Remuneration Committee of the Company. 6. By updating Chapter 12 of the Company's Internal Control System, Sections 1 to 7 of the Enterprise Sustainability (ESG) Cycle and Related Internal Audit Systems 7. Passed the company's "2025 Internal Audit Operation Review Plan" 8. Through the company's need for working capital turnover, it plans to apply for a loan from the bank
		<p>Directors present : Chan Cheng Tien, Chen Meng Wu, Lai Yu Min, Huang Tien Chang, Lai Sun Quae, Weng Mao Cheng, Cheng Yu Jing, Chen Shiou Chung, Chan Yi Chin</p> <p>Director absent : None</p> <p>Approved matter :</p> <ol style="list-style-type: none"> 1. Approved the Company's annual risk report for 2025

2024/03/13		2. Approved the Company's Statement of Internal Control System for 2024 3. Approved by the company's Remuneration Committee the distribution of employees' and directors' remuneration of the Company in 2024 4. Approved Company's 2024 Annual Financial Statements and Business Report 5. Approved the distribution of the Company's 2024 earnings. 6. Approved matters related to the base date for cash dividend distribution 7. Approved the amendment to the Company's "Articles of Incorporation". 8. Passed the case of lifting the non-competition restrictions of directors 9. Approved the matters related to the 2025 Annual Shareholders' Meeting of the Company. 10. Passed the company's internal control system "Chapter 4, Section 9 Salary Calculation and Payment Operation" 11. Passed the company's internal control system Chapter 10 Information Control Operation System Section 13 and related internal audit system 12. Approved the Company's 2025 Business Plan. 13. Through the company's need for working capital turnover, it plans to apply for a loan from the bank
------------	--	---

(12) Where, during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report, a director or supervisor has expressed a dissenting opinion with respect to a material resolution passed by the board of directors, and said dissenting opinion has been recorded or prepared as a written declaration, disclose the principal content thereof. : None

(13) A summary of resignations and dismissals, during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report, of the company's chairperson, general manager, chief accounting officer, chief financial officer, chief internal auditor, chief corporate governance officer, and chief research and development officer. : None

2.4 Information on the professional fees of the attesting CPAs

(1) Accountant fee information :

Accountant fee information

Unit : NT\$ thousand

Accounting Firm	CPA Name	Audit Period	Audit fee	Non-Audit fee	Sub-total	Remarks
KPMG Taiwan	Pan, Chun-Ming Chang, Shu-Ying	2024/1-2024/12	2,460	300	2,760	

Non-audit publicly funded services: tax visa

(2) If there is a change of the accounting firm, and in the year of the change the audit fee is lower than that in the previous year : None

(3) If the audit fee is reduced by more than 10% over that in the previous year :
None

2.5 Change of Accountants : None

2.6 The Employment of the Company's Chairman, General Manager, Financial or Accounting Manager with the Auditing CPA Firm or Its Affiliated Businesses in the Past Year : None

2.7 Particulars about Changes in Shareholding and Share Pledge of Directors, Supervisors, Managers and Shareholders Holding More than 10% of the Company's Shares in the Past Year and as of the Date of Publication of the Annual Report :

(1) Changes in Shareholding of Directors, Supervisors, Managers and Major Shareholders :

Title	Name	2024		Current year as of April 12	
		Shareholding Increase/ (Decrease)	Pledged share Increase/ (Decrease)	Shareholding Increase/ (Decrease)	Pledged share Increase/ (Decrease)
Chairman	Chan, Cheng-Tien	150, 524	0	0	0
Director	Chan, Yi-Chin	145,848	0	0	0
Director	Cheng, Yu-Jing	102,653	0	0	0
Director	Chen, Meng-Wu	0	0	0	0
Director	Weng, Mao-Cheng	29,117	0	55,000	0
Director	Lai, Yu-Min	29,745	0	55,000	0
Independent Director	Chen, Shiou-Chung	0	0	0	0
Independent Director	Huang, Tien-Chang	0	0	0	0
Independent Director	Lai, Sun-Quae	0	0	0	0
Major Shareholder	Yi Tong FiberCo., Ltd.	2,897,720	0	0	0
General Manager	Weng, Mao-Cheng	29,117	0	55,0000	0
Deputy General Manager	Chang, Heng-Chia	7,470	0	0	0
Deputy General Manager	Lai, Yu-Min	29,745	0	55,0000	0

(2) Share trading Information :

Name (註 1)	Reasons for equity transfer (註 2)	transaction date	Transaction counterparty	The relationship between the transaction counterparty and the company, directors, supervisors, managers and shareholders holding more than 10% of the shares	Number of shares	Trading price
Chan, Cheng-Tien	Donate	2024.11.01	Jinxian Social Welfare and Charitable Foundation	The chairman is the same person	1,000,000	

(3) Share pledge Information : None.

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

10 largest shareholders and their relationship

Name (Note 1)	Current Shareholding		Spouse's/ minor's Shareholding		Shareholding by Nominees		Name and Relationship Between the Company's Top Ten Shareholders, or Spouses or Relatives Within Two Degrees (Note 3)		Remarks
	Shares	%	Shares	%	Shares	%	Name	Relationship	
Yi Tong Fiber Co. Ltd. Representative : Chan, Cheng-Tien	60,852,130	19.21%							
Chan, Cheng-Tien	23,161,018	7.31%	2,155,727	0.68%					
Xin Mao investment Co., Ltd. Representative : Chan, Cheng-Tien	22,359,193	7.06%							
Chan, Cheng-Tien	23,161,018	7.31%	2,155,727	0.68%					
I Jinn Industrial Co. Ltd. Representative : Chen, Jun-Kai	20,191,202	6.37%							
Chen, Jun-Kai	100,000	0.00%							
Wang, Sheng-Min	8,037,700	2.62					Wang, Sheng-Hong Wang, Zhuang-Yan	Brother Father and son	
Zig Sheng Industrial Co. Ltd. Representative : Ye, Shou-Tun	7,503,300	2.37%							
Ye, Shou-Tun	0	0.00%							
Zhang, Min-Gji	6,037,500	1.91%							
Wang, Zhuang-Yan	5,935,250	1.87%					Wang, Sheng-Min Wang, Sheng-Hong	Father and son Father and son	
Wang, Sheng-Hong	5,612,300	1.77%					Wang, Sheng-Min Wang, Zhuang-Yan	Brother Father and son	
Jinxian Social Welfare and Charitable Foundation	4,191,500	1.32%							

Note 1 : If any of those 10 largest shareholders is an institutional shareholder, the name of the corporate shareholder and the names of its representative shall be noted.

Note 2 : The calculation of the holding percentage refers to the percentage of shareholding in the name of oneself, one's spouse, one's minor children or in the nominee's name.

Note 3 : The shareholders listed in the preceding paragraph include both legal and natural persons, and the relationships between them shall be disclosed in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

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

Consolidated stake

December 31, 2024

Unit : Shares, %

Affiliated Enterprises (Note)	Ownership by the Company		Direct or Indirect Ownership by Directors, Supervisors, Managers		Total Ownership	
	Shares	%	Shares	%	Shares	%
Yi Tong Fiber Co. Ltd.	20,721,296	46.81	7,302,904	16.49	28,024,200	63.30
Xin Mao investment Co., Ltd.	5,959,886	35.33	8,978,236	53.23	14,938,122	88.56
Kwang Ming Silk Mill Co. Ltd.	15,586,193	38.53	3,296,900	8.15	18,883,093	46.68
Hung Chou Fiber Co. Ltd.	36,601,000	27.70	22,684,037	17.17	59,285,037	44.87
Da Tien International Development Co., Ltd.	22,500,000	64.29	10,000,000	28.57	32,500,000	92.86
Dayi International Development Co., Ltd	70,743,750	61.25	37,131,250	32.15	107,875,000	93.40

Note : Investments accounted for using equity method.

III. Capital Raising Activities and implementation of the company's capital allocation plans :

3.1 Disclose the company's capital, corporate bonds, preferred shares, global depository receipts, and employee stock warrants, merger activities (including mergers, acquisitions, and demergers)

1. Source of capital stock :

Year/month	Par Value	Authorized capital stock		Paid-in capital		Remarks		
		Shares	Amount	Shares	Amount	Source of capital	Capital Increased by Assets other than Cash	Others
1990.12	10	18,000,000	180,000,000	18,000,000	180,000,000	Consolidated Capital increase 60,000,000 Cash Capital increase 60,000,000	None	None
1991.12	10	50,000,000	500,000,000	50,000,000	500,000,000	Note 1	None	None
1993.05	10	90,000,000	900,000,000	60,000,000	600,000,000	Note 2	None	None
1994.06	10	90,000,000	900,000,000	72,000,000	720,000,000	Note 3	None	None
1995.06	40	90,000,000	900,000,000	90,000,000	900,000,000	Note 4	None	None
1995.08	10	180,000,000	1,800,000,000	112,500,000	1,125,000,000	Note 5	None	None
1996.05	10	180,000,000	1,800,000,000	135,000,000	1,350,000,000	Note 6	None	None
1996.10	22	180,000,000	1,800,000,000	180,000,000	1,800,000,000	Note 7	None	None
1997.06	22	320,000,000	3,200,000,000	270,000,000	2,700,000,000	Note 8	None	None
1998.05	10	386,000,000	3,860,000,000	324,000,000	3,240,000,000	Note 9	None	None
1999.06	10	560,000,000	5,600,000,000	382,320,000	3,823,200,000	Note 10	None	None
2001.01	10	560,000,000	5,600,000,000	372,320,000	3,723,200,000	Note 11	None	None
2003.06	10	560,000,000	5,600,000,000	365,320,000	3,653,200,000	Note 12	None	None
2007.12	10	560,000,000	5,600,000,000	255,724,000	2,557,240,000	Note 13	None	None
2008.08	10	560,000,000	5,600,000,000	237,000,000	2,370,000,000	Note 14	None	None
2009.07	10	560,000,000	5,600,000,000	225,151,000	2,251,510,000	Note 15	None	None
2010.08	10	560,000,000	5,600,000,000	275,151,000	2,751,510,000	Note 16	None	None
2011.04	9	560,000,000	5,600,000,000	325,151,000	3,251,510,000	Note 17	None	None
2011.06	10	560,000,000	5,600,000,000	329,069,760	3,290,697,600	Note 18	None	None
2011.06	10	560,000,000	5,600,000,000	337,874,592	3,378,745,920	Note 19	None	None
2011.09	10	560,000,000	5,600,000,000	317,874,592	3,178,745,920	Note 20	None	None
2014.08	10	560,000,000	5,600,000,000	322,449,060	3,224,490,600	Note 21	None	None
2014.10	10	560,000,000	5,600,000,000	335,164,044	3,351,640,440	Note 22	None	None
2017.01	10	560,000,000	5,600,000,000	301,647,639	3,016,476,396	Note 23	None	None
2024.07	10	560,000,000	5,600,000,000	316,730,022	3,167,300,220	Note 24	None	None

Note 1 : Approval ref. (80) Tai-Tsai-Cheng (1) Letter No. 03381 for Consolidated capital increase of NT\$196,000,000 and Cash capital increase of NT\$124,000,000 dated December 9, 1991.

Note 2 : Approval ref. (82) Tai-Tsai-Cheng (1) Letter No. 01154 for capital increase of NT\$75,000,000 from earning and Capital surplus transferred to capital increase of NT\$25,000,000 dated May 20, 1993.

Note 3 : Approval ref. (83) Tai-Tsai-Cheng (1) Letter No. 28266 for capital increase of NT\$120,000,000 from earning dated June 17, 1994.

Note 4 : Approval ref. (84) Tai-Tsai-Cheng (1) Letter No. 17327 for capital increase of NT\$180,000,000 dated March 27, 1995.

Note 5 : Approval ref. (84) Tai-Tsai-Cheng (1) Letter No. 38158 for capital increase of NT\$189,000,000 from earning and Capital surplus transferred to capital increase of NT\$36,000,000 dated June 29, 1995.

Note 6 : Approval ref. (85) Tai-Tsai-Cheng (1) Letter No. 25072 for capital increase of NT\$112,500,000 from earning and Capital surplus transferred to capital increase of NT\$112,500,000 dated April 23, 1996.

Note 7 : Approval ref. (85) Tai-Tsai-Cheng (1) Letter No. 41636 for cash capital increase of NT\$450,000,000 dated July 16, 1996.

- Note 8 : Approval ref. (86) Tai-Tsai-Cheng (1) Letter No. 47263 for cash capital increase of NT\$540,000,000 and capital increase of NT\$180,000,000 from earning and Capital surplus transferred to capital increase of NT\$180,000,000 dated June 30, 1997.
- Note 9 : Approval ref. (87) Tai-Tsai-Cheng (1) Letter No. 46910 for capital increase of NT\$178,200,000 from earning and Capital surplus transferred to capital increase of NT\$361,800,000 dated May 28, 1998.
- Note 10 : Approval ref. (88) Tai-Tsai-Cheng (1) Letter No. 52388 for capital increase of NT\$162,000,000 from earning and Capital surplus transferred to capital increase of NT\$421,000,000 dated June 4, 1999.
- Note 11 : Approval ref. (90) Tai-Tsai-Cheng (3) Letter No. 103808 for buyback total 10,000 company stocks during October 17~December 16, 2000 and capital decrease of NT\$100,000,000 dated January 5, 2001.
- Note 12 : Approval ref. (92) Tai-Tsai-Cheng (3) Letter No. 0920138936 for buyback total 7,000 company stocks during June 17 to August 16, 2003 and capital decrease of NT\$70,000,000 dated August 21, 2003.
- Note 13 : Approval by the Financial Supervisory Commission via Letter No. 0960070574 for capital decrease of NT\$1,095,960,000 dated December 24, 2007.
- Note 14 : Approval by the Financial Supervisory Commission via Letter No. 0970052000 for buyback total 18,7247 company stocks during July 22 to September 19, 2008 and capital decrease of NT\$187,240,000 dated August 21, 2008.
- Note 15 : Approval by the Financial Supervisory Commission via Letter No. 0980024207 for buyback total 11,849 company stocks during March 11 to May 6, 2009 and capital decrease of NT\$118,490,000 dated May 20, 2009.
- Note 16 : Approval by the Financial Supervisory Commission via Letter No. 0990050720 for capital increase of NT\$500,000,000 dated September 23, 2010.
- Note 17 : Approval by the Financial Supervisory Commission via Letter No. 1000025331 for capital increase of NT\$500,000,000 dated June 8, 2011.
- Note 18 : Approval by the Financial Supervisory Commission via Letter No. 1000025331 for issued transferable bond, in the second quarter of 2011 company transferred into common stocks for NT\$39,187,600 dated June 8, 2011.
- Note 19 : Approval by the Financial Supervisory Commission via Letter No. 1000039646 for capital increase of NT\$88,048,320 from earning dated August 25, 2011.
- Note 20 : Approval by the Financial Supervisory Commission via Letter No. 1000059437 for capital decrease of NT200,000,000 dated December 2, 2011.
- Note 21 : Approval by the Financial Supervisory Commission via Letter No. 1000025331 for issued transferable bond, in the second quarter of 2014 company transferred into common stocks for NT\$45,744,680 dated June 8, 2011.
- Note 22 : Approval by the Financial Supervisory Commission via Letter No. 1030033135 for capital increase of NT\$127,149,840 from earning dated August 25, 2014.
- Note 23 : Approval by the Financial Supervisory Commission via Letter No. 1050053905 for capital decrease of NT335,164,044 dated January 13, 2017.
- Note24 : In July 2024 Approval by the Financial Supervisory Commission via for capital increase of NT\$150,823,820

Type of Stock	Authorized Capital			Remark
	Issued Shares	Unissued Shares	Total	
Common Stock	316,730,022	243,269,978	560,000,000	List stock

2 .Shareholder structure :

Shareholder structure

April 12, 2025

Shareholder Structure quantity	Government agencies	Financial institutions	Other institutions	Foreign institutions and individuals	Individuals	Total
No. of shareholders	0	1	185	54	18,445	18,685
Total shares owned	0	3,150	134,563,265	5,052,338	177,111,269	316,730,022
Holding percentage (%)	0.00%	0.00%	42.49%	1.59%	55.92%	100.00%

Note : The percentage of shares held by mainland Chinese investors is 0%.

3. Major shareholders :

Major shareholders

April 12, 2025

Shares Name	Total shares owned	Shareholding ratio
Yi Tong Fiber Co. Ltd.	60,852,130	19.21%
Chan, Cheng- Tien	23,161,018	7.31%
Xinmao investment Co., Ltd.	22,359,193	7.06%
I Jinn Industrial Co. Ltd.	20,191,202	6.37%
Wang, Sheng-Min	8,307,700	2.62%
Zig Sheng Industrial Co. Ltd.	7,503,300	2.37%
Zhang, Min-Gji	6,037,500	1.91%
Wang, Zhuang-Yan	5,935,250	1.87%
Wang, Sheng-Hong	5,612,300	1.77%
Jinxian Social Welfare and Charitable Foundation	4,191,500	1.32%

4. The Company's dividend policy and implementation thereof :

(1) Dividend Policy provided in the Articles of Incorporation

A company shall, after its losses have been covered and all taxes and dues have been paid and at the time of allocating surplus profits, first set aside ten percent of the remaining profits of the company reserves. Then set aside an amount as special reserve pursuant to the Applicable Law. With respect to earnings available for distribution plus any previously undistributed cumulative retained earnings, The proposal of surplus earning distribution shall be presented to the board of directors for approval, if such surplus earning is distributed in the form of cash, it shall be approved by a meeting of the board of directors.

The Company distributes dividends and bonuses or legal reserve and capital surplus, in whole or in part, in the form of cash, and authorizes the board of directors to do so with the presence of at least two-thirds of the directors and the approval of a majority of the directors present, and to report to the shareholders' meeting.

The Company's dividend policy shall be taken into consideration the current and future development plans, the investment environment, capital needs and domestic and overseas competitions, as well as the interests of shareholders and sustainable operation. The Company may by a resolution adopted by the shareholders' meeting have the surplus profit distributable as dividends and bonuses, the cash dividend shall not be less than 10% of the total dividends, the rest shall be paid by stock dividends.

(2) The Company's net income for 2024 was NT\$211,513,928 On March 13, 2025, the board of directors approved a dividend of NT\$1 per share for 2025, shareholders were specified in the roster of shareholders in accordance with ex-dividend date, the cash dividend was NT\$ 1 per share. The Company's dividend payment is based on the principle of stability, and if there is any surplus, the Company will try to maintain a 5% yield for cash dividends every year.

(3) If a material change in dividend policy is expected, provide an explanation: None.

5. Effect upon business performance and earnings per share of any stock dividend distribution proposed or adopted at the recent shareholders' meeting : None

6. Compensation of employees, directors, and supervisors

(1) Ratio or scope of compensation for employees, directors, and supervisors, as set forth in the Company's Articles of Incorporation :

In pursuant of the stipulations of the Articles of Incorporation, if there is a profit for the year, the company shall set aside not less than 0.5% for the employee bonus and not more than 2% for the directors and supervisors bonus. However, if there is still a cumulative loss, an amount to make up for the loss shall be retained in advance.

The aforesaid employee bonus shall be paid in shares or cash. Qualification requirements of employees, including the employees of parents or subsidiaries of

the Company meeting certain specific requirements. The aforesaid directors and supervisors bonus shall be paid in cash only.

A resolution shall be made by the board of directors, and then be reported to the shareholders' meeting.

- (2) The basis for estimating the amount of employees' bonus and directors' remuneration for the current period, and the accounting treatment of the discrepancy, if any, between the actual amount of bonus shares distributed to employees and estimated figure thereof are as follows. :
 - 1 · In accordance with the provisions of Article 27 of the amended Articles of incorporation.
 - 2 · The Company's pre-tax benefit before the distribution of employee and director's remuneration amounted to NT\$262,751,239 in 2024 with a cash appropriation of no less than 0.5% as employee's remuneration of NT\$1,340,031 and no more than 2% as director's remuneration of NT\$5,228,750 which were paid in cash and no difference from the estimated amount in the accounts.
- (3) Information on any approval by the board of directors of distribution of compensation :
 - 1 · The amount of any employee compensation distributed in cash or stocks and compensation for directors and supervisors :

The proposal of employee compensation and

 - ① Employee cash compensation : NT\$1,340,031
 - ② Directors' cash remuneration : NT\$5,228,750
 - 2 · The amount of any employee compensation distributed in stocks, and the size of that amount as a percentage of the sum of the after-tax net income stated in the parent company only financial reports or individual financial reports for the current period and total employee compensation. : Not applicable.
- (4) The actual distribution of employee, director, and supervisor compensation for the previous fiscal year :

The Company distributed NT\$8,492,356 as remuneration to directors and NT\$3,331,617 as compensation to employees in 2023 in accordance with Article 27 of the Company's Articles of Incorporation. There is no difference from the recognized amount.

7. Share repurchases :

Status of repurchase of the Company's Stock

Buyback batch (Note)	First tranche	Second tranche	Third tranche
Purpose of share buyback	Maintain company's credit and shareholders' equity	Maintain company's credit and shareholders' equity	Maintain company's credit and shareholders' equity
Buyback period	October 17 to December 16, 2000	June 17 to August 16, 2003	July 22 to September 20, 2008
Buy-back Interval Price	NT\$ 4~8 /per share	NT\$ 5~7.5 /per share	NT\$4~8 /per share
Type and quantity of shares repurchased	Common shares 10,000,000	Common shares 7,000,000	Common shares 18,724,000
Amount of shares repurchased	NT\$ 37,729,555	NT\$ 43,024,226	NT\$ 104,827,374
Ratio of the number buyback to the number scheduled to be bought back (%)	100%	35%	93.62%
Number of shares retired and transferred	10,000,000	7,000,000	18,724,000
Accumulated number of outstanding shares	0	0	0
Ratio of accumulated number of outstanding shares to the total number of issued shares (%)	0%	0%	0%
Buyback batch (Note)	Fourth tranche	Fifth tranche	
Purpose of share buyback	Maintain company's credit and shareholders' equity		
Buyback period	March 11 to May 6, 2009	October 3 to November 25, 2011	
Buyback Interval Price	NT\$ 2.5~4.7 /per share	NT\$ 6.3~13 /per share	
Type and quantity of shares repurchased	Common shares 11,849,000	Common shares 20,000,000	
Amount of shares repurchased	NT\$ 50,966,488	NT\$ 156,607,780	
Ratio of the number buyback to the number scheduled to be bought back (%)	59.25%	100%	
Number of shares retired and transferred	11,849,000	20,000,000	
Accumulated number of outstanding shares	0	0	
Ratio of accumulated number of outstanding shares to the total number of issued shares (%)	0%	0%	

Note : The number of fields is adjusted based on the actual number of shares issued.

8. The status of Corporate bonds, preferred shares, global depository receipts, and employee stock warrants, merger activities (including mergers, acquisitions, and demergers)

(1) Corporate Bond

Corporate Bond status

Corporate bond type (Note 2)		First domestic unsecured convertible corporate bond (Note 5)
Issuing (processing) date		June 30, 2011
Face value		NT\$100,000
Place of issuance and trading (Note 3)		Taipei Exchange (TPEX)
Issuing price		NT\$ 100
Total Amount		NT\$ 300,000,000
Interest rate		0%
Duration		Three years; maturity date: June 30, 2014
Assurance agency		None
Trustee		Hua Nan Commercial Bank
Underwriter		Grand Fortune Securities
Attorney		ACROSS Law Office Zhan Kang Rong
Accountant		KPMG Taiwan Zhang Shu Ying
Repayment method		According to repayment method Conversion or Redemption, repayment of principal in cash upon remaining maturity
Outstanding principal amount		Not applicable
Terms of redemption or early repayment		Please refer to the issuing and conversion method.
Restrictions (Note 4)		Not applicable
Credit rating agency, date of assessment and corporate bond assessment results		Not applicable
Other rights	As of the date of publication of the annual report, the amount of conversion (exchange or subscription) common stock, overseas depository receipts or other securities	The change of registration was completed on June 30, 2014. NT\$ 0.
	Issuing and conversion (exchange or subscription) method	Please refer to the issuing and conversion method.
Possible impact of the issuance and conversion (or exchange or subscription) method or issuing conditions on the dilution of equity and existing shareholders' rights		The issuance of the convertible corporate bond , to prevent profits erosion, also can reduce the shares dilution of existing shareholders and equity increases, diluted earnings per share shall best meet the interests of shareholders.
Custodian of the subject after conversion		Not applicable

Note1 : The corporate bonds being processed include public and private corporate bonds being processed. The public corporate bonds being processed refer to those already approved by the SFC, and the private corporate bonds being processed refer to those already approved by the board of directors.

Note 2 : The number of fields is adjusted based on the actual number of processing.

Note 3 : For overseas corporate bonds.

Note 4 : For example, restrictions on the payment of cash dividends, foreign investment or the requirement to maintain a certain proportion of assets.

Note 5 : For a private issue, please mark in a noticeable manner.

Note 6 : For convertible corporate bonds, exchangeable corporate bonds, corporate bonds issued under a general declaration or corporate bonds with subscription rights attached, please disclose in the table according to their nature the information of the convertible corporate bonds, exchangeable corporate bonds or corporate bonds with subscription rights attached, or the status of the corporate bonds issued under a general declaration.

Information about the convertible corporate bond

Corporate bond type (Note 1)		First domestic unsecured convertible corporate bond		
Item	Year	2012	2013	2014
Market price of the convertible corporate bond(Note 2)	Highest	101.80	101.80	101
	Lowest	91.00	100.65	100
	Average	97.22	101.18	100.9
Conversion price		9.40	9.40	9.40
Issuing (processing) date and the conversion price at the time of issuance		June 30, 2011 NT\$ 9.85	June 30, 2011 NT\$ 9.85	June 30, 2011 NT\$ 9.85
Conversion method (Note 1)		Converted 386 corporate bonds NT\$ 38,600,000 into common shares 3,918,760.	Converted 386 corporate bonds NT\$ 38,600,000 into common shares 3,918,760.	The change of registration was completed on June 30, 2014.

Note 1 : The number of fields is adjusted based on the actual number of processing.

Note 2 : If there are multiple trading locations for overseas corporate bonds, shall be listed separately according to the trading locations.

Note 3 : Delivery of issued shares or issuance of new shares.

Note 4 : The information for the current year as of the date of publication of the annual report shall be filled in.

(2) Preferred shares, preferred shares with warrants : None.

(3) Overseas Depositary Receipts : None.

(4) Issuance of Employee Stock Warrants and New Restricted Employee Shares : None.

(5) Issuance of New Shares for Acquisition or Exchange of Other Companies' Shares : None.

3.2 Implementation of company's capital allocation plans : None

IV. Operational Highlihgts

4.1 Description of the business

(1) Business scope :

1 . Main Business

1. C301010 Yarn Spinning Mills
2. C302010 Weaving of Textiles
3. C305010 Printing, Dyeing, and Finishing
4. C306010 Wearing Apparel
5. C801120 Manufacture of Man-made Fibers
6. C801990 Other Chemical Materials Manufacturing
7. C399990 Other Textile and Products Manufacturing
8. H701010 Housing and Building Development and Rental
9. H701020 Industrial Factory Development and Rental
10. H701040 Specific Area Development
11. H701050 Investment , Development and Construction in Public Construction
12. H701060 New Towns, New Community Development
13. H703090 Real Estate Commerce
14. H703100 Real Estate Rental and Leasing
15. ZZ99999 All business items that are not prohibited or restricted by law,
except those that are subject to special approval

2 . Business weighting :

Unit : NT\$ thousand		
Item	Revenue 2024	Business weighting
Polyester yarn	1,241,465	36.62
Textured yarn	922,228	27.21
Plain woven and knitted fabric	571,470	16.86
Polyester chip	460,460	13.58
Rental income	193,845	5.72
Other	468	0.01
Total	3,389,936	100.00%

- 3 · The company's current products : polyester yarn, polyester textured yarn, knitted narrow fabric.

4 · New products planned for development :

Fiber type	Composition	Usage	Feature
Anti-electromagnetic wave yarn	Made of metallic alloy yarn and polyester filament	Used for shielding electromagnetic wave emitters such as mobile phone cover, microwave oven, anti-magnetic wave protective clothing and aerospace industry	It has anti-electromagnetic and good thermal dimensional stability
Heat accumulating yarn	Adding heat accumulation masterbatches to shaped section spinning	Used for all kinds of garment fabrics (such as men's and women's apparel and trousers)	Increase 5 degrees of warmth compared to normal materials

(2) Overview of the Industry :

1. Current status and development of the industry :

The Regional Comprehensive Economic Partnership (RCEP) is a free trade agreement initiated by the ten countries of the Association of Southeast Asian Nations (ASEAN), and currently joined by five other countries, including China, Japan, Korea, Australia, and New Zealand, making a total of fifteen countries. As ASEAN has signed FTAs with other member countries, The degree of openness has reached the zero-tariff level. Since Taiwan's textile industry is developing functional, functional, environmentally friendly and differentiated products, the impact is limited.

However, we must pay attention to the development of man-made fiber textiles in ASEAN's major competitor countries, such as China, Japan and Korea, in order to accurately grasp the market trend and to formulate a suitable competitive response strategy.

Protectionism in Trade and Tariff Barriers and armed conflicts arising from geopolitics, the changes plus inflation in the industrial supply chain may be that consumers reduce the frequency of purchase and turn to functional and durable apparel. Moreover, consumer behavior tends to be conservative and cautious. At the same time, due to the change of lifestyle for a long time at home, there is a high demand for leisure apparel. Therefore, the general direction of intelligent manufacturing in textile technology is: comfort health and sustainability, from cost orientation mass production to demand-based production, from line supply chain to network supply chain, Digitalization replaces manual interpretation abnormal post-event analysis to high-speed precision decision-making and timely command management. Sustainable marketing is still the main axis of development. We are investing in textile recycling system and develop easy-to-recycle and easy-to-decompose production materials to reduce water consumption and save energy, so as to achieve a new business model of environmental friendly of recycling and reuse.

2 . Upstream, midstream and downstream correlations of the industry :

(1) Upstream PAT, EG part :

- a. The main raw materials of polyester chip are ethylene glycol (EG) and pure terephthalic acid (PTA). In the market in 2021, demand should be the main

factor of price fluctuation. Raw material manufacturers will adjust the production capacity according to the market demand., to avoid price fluctuation due to changes in demand.

- b. Shale oil, shale gas technology breakthroughs and its low cost, although the oil-producing countries have a consensus to moderate production capacity, due to geopolitical war and political factors, oil prices still need to pay more attention.

(2) Middle and downstream parts :

In the post-epidemic era, with the development of the textile supply chain, the needs of various brands will be adjusted according to the epidemic situation.

3 . Development trend and competition of the products :

The company's products include textured yarn, automotive cladding materials, the development of automotive cladding materials 100% are for export sales, the current car market has strong pulling power and good growth momentum, in addition the gross margin of its products is affected by the appreciation of Taiwan dollar, but it is still a stable profit support for the company.

4 . Promotion of functional textiles, nanotechnology and international certification :

At present, the global textile products for apparel and home decorations are gradually moving toward functional and environmental friendly textiles, and functional textiles not only focus on the biological needs of human body (Such as moisture wicking, self-heating and heat preservation, antibacterial health care) , but also closely integrate with the mainstream consumer market. In recent years, due to the change in lifestyle, young consumers have become enthusiastic about night running, marathon, and outdoor camping, which has led to the development of breathable textile footwear, self-luminous fiber and outdoor leisure sports accessories. Due to the abnormal climate, and the large difference between heat and cold, the development of light and thin fibers that can absorb moisture and wick away sweat while keeping warm is the trend of fashion.

After a long period of OEM and ODM in Taiwan's textile industry, operators gradually began to think about the influence of private brands and channels in the consumer market. Therefore, from physical channels to online internet virtual stores, through online communities, Facebook tweets, quick warehousing and delivery combined with convenience stores, we strengthened OBM's own brand management with the characteristics of functional fibers through the successful products reputation, and move toward higher economic efficiency.

(3) Overview of Technology and R&D :

- 1 . The Company's R & D expenses for the most recent year and up to the date of publication of the annual report : zero.
- 2 . Development of successful technologies or products :
Biodegradable environmental protection fiber, graphene antibacterial fiber.

(4) Long-term and short-term business development plans :

- 1 . Short-term development plans :

We are constantly innovating, researching and developing new technologies, deep cultivation of domestic and export markets, and cooperate with the development of differentiated high value-added products. In response to brand trends and demands,

in addition to conventional recycled yarn sales, but also cooperate with international brands to develop other recycled yarn specifications, in order to achieve a win-win situation.

2 · Long-term development plans :

Focus on research and development of new products and development of new markets.

4.2 Market and Sales Overview

(1) Market analysis :

1. Sales of main product by region

Unit : NT\$ thousand

Year Sales Region	2023		2024	
	Sales Amount	Sales Proportion	Sales Amount	Sales Proportion
Taiwan	2,122,468	68.01%	2,623,947	77.40%
Asia	550,473	17.64%	363,087	10.71%
Americas	292,288	9.37%	252,535	7.45%
Europe	47,205	1.51%	63,878	1.89%
Africa	108,221	3.47%	86,489	2.55%
Total	3,120,655	100.00%	3,389,936	100.00%

2. Market share and future supply and demand situation and growth :

(1) In 2023, Polyester processed yarn production capacity, the company's domestic market share of about 4.8%. (source: Taiwan Man-Made Fiber Industries Association)

(2) Polyester textured yarn products are improving in the direction of customization and differentiation.

(3) Market supply and demand and growth in the future :

Taiwan remains a major supplier of functional fibers in the world, and the man-made fiber manufacturing industry is the upstream of the textile industry and the focus of the development of the textile industry in Taiwan. Although under the global trend of regional economic integration, the Company still has an advantageous business opportunity over other industry players with its foundation and market access.

3 . Favorable and unfavorable factors of competitive niche and development prospects and Countermeasures :

(1). Competitive advantage:

- a. Strong innovation ability, low manufacturing cost and strong international marketing ability.

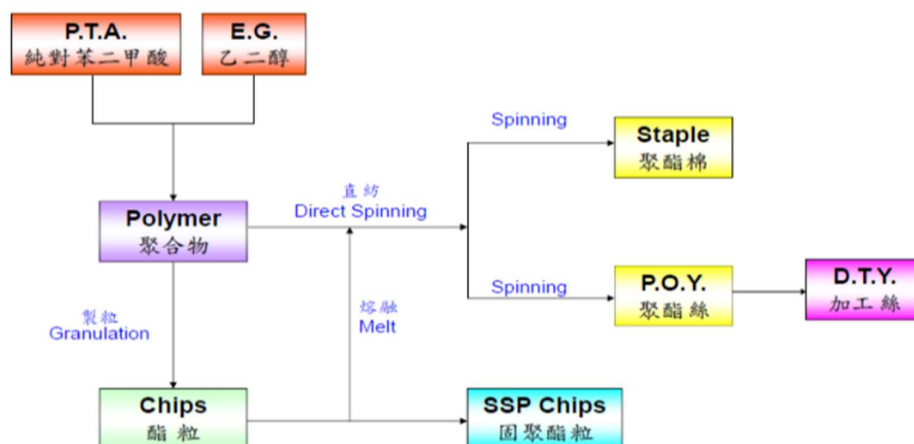
- b. Every entrepreneur has a strong ambition.
 - c. The operation of enterprises is flexible, and vertical integration of upstream, middle and downstream has been formed.
- (2). Competitive disadvantage :
- a. The products are too concentrated on large products.
 - b. The industry is mainly engaged in production, and few key technologies are invested in long-term research and development.
 - c. International organizations are not easy to join and there is many trade barriers.
- (3). Development opportunities :
- a. Domestic market demand, European, American and Japanese markets continued to increase.
 - b. Develop functional special textile fibers to increase added value.
 - c. Combine the upstream manufacturing industry and the downstream textile industry, to create innovative materials.
- (4). External threats :
- a. Facing the new situation of global regional economic integration, the competition of low-priced bulk products.
 - b. The market of high value-added technology products is restricted by advanced countries in Europe, America and Japan.
 - c. The impact of trade protectionism changes the demand of consumers.
- (5). Countermeasures :
- a. Develop differentiated products, enhance the added value of products, increase product selling price and profit.
 - b. Master product design and channel marketing, strengthen brand sales and after-sales service, and enhance brand marketing and product market differentiation through the high quality and reputation of functional textiles .
 - c. Actively participate in project guidance and cooperation with the Textile Industry Development Council, the Institute of Textile Economics and Management, and relevant institutions of colleges and universities to cultivate professional talents in related fields.

(2) Important use and manufacturing process of main products :

1. Main product uses

- a. Polyester yarn: mainly used for false-twist processing and warp knitting.
- b. Textured yarn is mainly used for weaving various plain woven and knitted fabrics and zipper ribbon weaving etc.

2. Manufacturing process



(3) Supply of main raw materials

1. Raw material : PTA/ET 、Polyester silk

2. Product : Polyester silk 、Polyester yarn

3. Major source of supply :

PTA/ET : Oriental Petrochemical, Oriental Union chemical Corp.

Polyester yarn : Textured yarn Ltd., Far Eastern Textile, Ltd Tainan spinning Co.,

(4) A list of any suppliers and clients accounting for 10 % or more of the company's total procurement (sales) amount in either of the 2 most recent fiscal years :

2 · List of major clients :

Data of major sales customers for the last two years

Unit : NT\$ thousand

Item	2023				2024			
	Company	Amount	Annual net purchase [%]	Relationship with issuer	Company	Amount	Annual net purchase [%]	Relationship with issuer
1	Lea Lea	533,416	17.09	None	Lea Lea	598,143	17.64	None
	Yi Shin	321,824	10.31	None	Yi Shin	298,589	8.81	Contact Person
	Other	2,265,415	72.60		Other	2,493,204	73.55	
	Net Purchase	3,120,655	100.00		Net Purchase	3,389,936	100.00	

Note : As of the date of first quarter financial report hasn't been audited and reviewed by CPA, so it shall not be disclosed.

2 · List of Major purchase from clients in the last two years :

Data of major supplier for the last two years

Unit : NT\$ thousand

Item	2023				2024			
	Company	Amount	Annual net purchase [%]	Relationship with issuer	Company	Amount	Annual net purchase [%]	Relationship with issuer
1	Oriental Petrochemical	1,101,179	63.46	None	Oriental Petrochemical	1,425,552	62.91	None
2	Oriental Union	272,066	15.68	None	Oriental Union	431,245	19.03	None
	Other	361,885	20.86		Other	409,384	18.06	
	Net Purchase	1,735,130	100.00		Net Purchase	2,266,181	100.00	

Note : As of the date of first quarter financial report hasn't been audited and reviewed by CPA, so it shall not be disclosed.

4.3 The number of employees employed for the 2 most recent fiscal years

Year		2023	2024	Current year as of March 31, 2025
Number of employees	Indirect staff	134 people	127 people	127 people
	Direct staff	168 people	168 people	167 people
	Part-time staff	71 people	66 people	66 people
	Total	373 people	361 people	360 people
Average age		49	46	46
Average length of service		11 years	10 years	10 years
Education level distribution ratio	Masters	2.67%	4.99%	5.00%
	University(College)	42.13%	26.59%	26.39%
	High school	37.80%	43.21%	43.33%
	Below high school	17.40%	25.21%	25.28%

4.4 Disbursements for environmental protection :

Losses (including remedial measures), total amount of penalties (including remedies) and total expenditures (including the estimated amount of compensation, fines or penalties) due to failure in taking responsive action in the recent years or as of the date of publication of the annual report. If it is not feasible to make a reasonable estimate, it shall be clearly indicated as such: Not applicable

4.5 Labor relations :

(1). Employee Benefit Measures :

- 1 · Since the company's establishment, we have attached great importance to the harmony of labor relations and employee welfare, and considered employees as the most important assets of the company, and have taken humane factors into full consideration in the design of various management systems, while actively seeking

benefits for employees. The benefits and personnel system are described as follows.
:

- (1) Personnel System : All personnel regulations, such as appointment, promotion, salary, reward and punishment, vacation, retirement benefits, severance, and pension, etc., are based on the basic spirit of the Labor Standards Act, and the most favorable considerations are made for employees to achieve the purpose of taking care of them.
- (2) General Benefits : The Company spares no effort in promoting employee welfare business. The welfare includes facilities such as cafeteria, dormitory, library, recreation room, basketball court, etc., and provides uniforms. In addition, there are gifts for annual festivals, wedding and funerals, childbirth subsidies, year-end parties, travels, dinners, and scholarships for employees' children, etc., so that employees can share the achievements of the company's management.

2 · Employee continuing education and training :

The Company regards its employees as an important asset and spares no effort in cultivating them. In addition to regular internal training and experience sharing, the company often sends its employees to attend professional courses and seminars and then reports to colleagues in the unit to improve the quality of employees.

3 · Employee retirement systems : The Company has settled the old pension system with all employees and all employees are now on the new pension system.

4 · Labor-management agreements and measures for preserving employees' rights and interests : To ensure harmonious labor relations and smooth communication channels, all factories hold regular factory meetings and set up suggestion boxes to fully respond to employees' opinions, and the opinions of employees are coordinated and handled by the relevant departments, communication with each other on a regular and irregular basis to build consensus. Since the establishment of the Company, labor relations have been very harmonious, and no labor disputes have occurred. In the future, both employers and employees will continue to uphold the principle of unity between employers and employees, and strengthen communication so that no labor disputes will occur.

- (2) List any losses suffered by the company in the most recent 2 fiscal years and up to the annual report publication date due to labor disputes (including any violations of the Labor Standards Act found in labor inspection, specifying the disposition dates, disposition reference numbers, the articles of law violated, the substance of the legal violations, and the content of the dispositions), and disclosing an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided. : N/A.

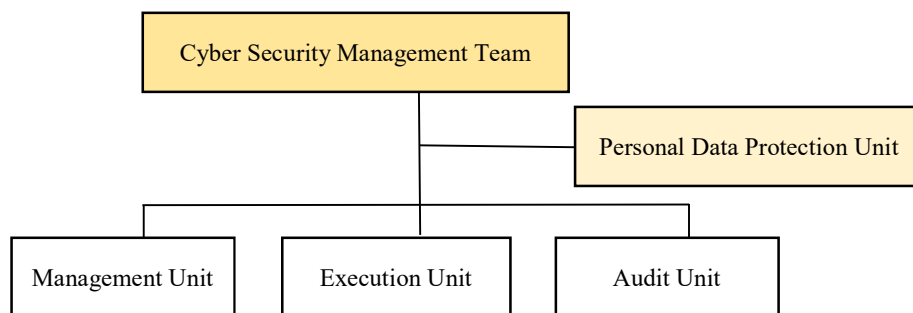
4.6 Cyber Security Management

- (1) Describe the cyber security risk management framework, cyber security policies, concrete management programs, and investments in resources for cyber security management.

1. Cyber security management framework

The Company has established the “Cyber Security Management Team”, which is governed by the Cyber Security Policy. Its responsibilities are to strengthen cyber security management, protect the Company's cyber assets, and prevent damage to the

Company's internal or external resources, as well as from man-made, intentional or accidental damage, and its framework is explained as below.



- (1) Information security management group: It is composed of three standing units: management, execution, and auditing. It may set up secondary functional units according to the needs of the task. The supervisor shall be a person with the rank of deputy general manager or above in the group. Currently, the information security management group The supervisor is a dedicated supervisor who is responsible for approving various matters; the organizational duties and responsibilities include reviewing/formulating cyber security policies and personal data protection management methods, planning/promoting the implementation of various cyber security measures, supervising/auditing the feasibility and effectiveness of the implementation measures, and evaluating the overall cyber security threats and risks, to enable the cyber security management to follow the P. Plan - D. Do - C. Check - A. Act as a continuous positive operation.
- (2) Management Unit: It is composed by the General Manager's Room at the manager (assistant manager) level or above, who is responsible for the management, coordination and approval.
- (3) Execution Unit: It is composed by IT unit personnel, who are responsible for liaison and implementation of cyber security related measures.
- (4) Audit Unit: It is composed by audit unit personnel, who are responsible for regular audit and review of the effectiveness of cyber security implementation.
- (5) Personal Data Protection Unit: There is a convener and an executive officer, who may be concurrently served by the members of the Cyber Security Management Team. The members may be concurrently served by the Company's personal data administrator or designated personnel to handle personal data protection related business.

2. Cyber Security Policy

Objective	To strengthen cyber security management and to protect the Company's cyber assets from damage, whether internal or external to the Company, as well as from man-made, intentional or accidental damage.
Goal	To ensure the Company's business-related computer information, systems, equipment and networks are safe from misuse, leakage, tampering and destruction of cyber assets due to man-made negligence, intentional damage or natural disasters, which may affect the normal operation of computer operating systems or damage the Company's interests.
Scope of implementation	1. Cyber security policy formulation and evaluation 2. Cyber security organization and duties and responsibilities

	3. Personnel security management and education training 4. Control of cyber assets 5. Management of physical and environmental safety 6. Management of communications and operations 7. System access control 8. Management of security for system development and maintenance 9. Sustainability plan 10. Internal audit and others
Review	This policy is independently and objectively evaluated once a year, and depending on the evaluation results and necessity, appropriate amendments are made to reflect the latest status of the Company's cyber security management policy, relevant laws and regulations, cyber technology environment and business; the contents to be amended are jointly reviewed by members of the Cyber Security Management Team and approved by the chief of the Cyber Security Management Team for implementation.

3. Concrete management programs, and investments in resources for cyber security management

The Company's cyber security management is rooted in internal control, carefully measuring the needs and expectations of the Company's development, and in accordance with the management's consensus on operational objectives and corporate values. For core business processes and important work items, the cyber security policy defines 10 categories with reference to the "Cyber Security Company Self-Checklist" of the ISACA Taiwan Chapter to determine various cyber security policies, establish check items, implement operations and conduct annual self-evaluation, adopt appropriate handling methods for known threats, and analyze and identify potential threats in advance as far as possible, so as to enhance the Company's protection capability and response flexibility to external attacks, mitigate the impact level and reduce the possible damage, and properly respond to risks.

No.	Classification of Cyber Security Management	Important management & control measures	Implementation frequency
1	Cyber security policy	· Establish a security organization, responsibilities, and incident notification and handling procedures.	Review 1 time /year
		· Regularly reviews and amend the cyber security policy.	
		· The effectiveness of cyber security governance implementation and risk evaluation, and report to the Board of Directors.	Compilation 1 time /year
		· In accordance with government regulations and international standards, to discuss cyber security management related rules, and to regulate the internal implementation items.	Irregular
2	Establish cyber security organization	· Establish the cyber security management team and personal data protection unit, and hold regular meetings to discuss cyber security related issues.	At least 1 time / half year
		· Establish emergency response and reporting procedures for cyber security incidents, which are coordinated and controlled by the cyber security management team.	Irregular
		· Send personnel to attend cyber security seminars and	

		related courses.	
3	Personnel security and management	·The internal control system defines the operating authority for cyber personnel and users, and the operating procedures for personnel changes and departures.	Review 1 time/year
		·Regularly perform operation permission review.	At least 1 time / half year
		·To implement the complexity principle check for the password of the cyber management system and request the change regularly.	Change 1 time / half year
		·Conduct regular inspections of personal computers to prevent the private use of public assets.	Perform 1 time/year
4	Classification of cyber assets and control management	·Regular inventory of cyber software and hardware assets for core business and register management.	Perform 1 time/year
		·Important servers and cyber systems are contracted for annual maintenance to ensure continuous operation.	1 time/year
5	Physical and environmental security management	·The dedicated server room is equipped with independent air-conditioning, automatic temperature control and fire-fighting facilities.	Check Daily
		·Use the uninterruptible power supply system to ensure the emergency supply of power, and regular maintenance and inspection.	Inspection 1 time/year
		·Install anti-virus software on servers and personal computers. Computers with important tasks shall be backed up regularly every day. The number of backups should be at least 2 copies.	Perform daily, weekly
		·Operational databases adopts 2 host computer real-time backup, and rotate operations after regular accident simulation drill every 6 months.	Switch 1 time / half year
		·Regular vulnerability scans of important servers or network equipment.	Perform 1 time/week
6	Communications and operations management	·The email server has self-defense and preservation audits functions, and use Hinet email gatekeeper to filter suspicious and malicious emails in the cloud.	Perform Daily
		·Set up gateway firewall and analyze records, and use Trend Micro Cloud One™ protection software to analyze and record online behavior to prevent internal and external abnormal behavior in real time.	Review Daily
		·Use Hinet new UTM of anti-hacking gatekeepers and advanced network defense services to expand the breadth and depth of defense and prevent internal and external attacks.	Perform Daily
		·DDOS decentralized blocking protection mechanism to filter and clean circuit traffic. [Hinet, use if necessary]	3 consecutive days/year
		·Email social engineering drills, simulating phishing emails, and training the ability to detect suspicious emails.	1 time/half a year
		·Timely promote cyber security incidents, notifications or cases to raise awareness of protection	At least 1 time/quarter
		·Collect threat information provided by various information security intelligence networks (such as:	Review Daily

		TWCERT/CC Taiwan Computer Network Crisis Management and Coordination Center, Hinet Global Information Security Early Warning Intelligence Network) or information security vendors.	
7	Access Control	·Set access permission for electronic files according to departments and individuals.	Perform Daily
		·Application for external links operations should be approved by the department head & vice president and above.	Perform when required
		·E-mail distinguishes permissions. Personnel who doesn't need external contacts can only send internal emails.	Perform when required
		·When the HR system reads personal data, it automatically records the access paths.	Perform on each access
8	System development and maintenance	·The self-developed and maintained cyber security system actively takes security requirements into account when planning and analyzing, prevents external intrusion and tampering, and restricts the use of privileged accounts.	Perform when required
		·The program of the cyber management system is kept as a backup before modification, and the modification data is noted at the beginning of the program; after modification, the program is reviewed by the responsible supervisor and uploaded online.	
		·The system development files have restricted access permissions and cannot be edited by non-developers.	
9	Sustainability Plan Management	·The operational database is drilled simulate an accident and tested regularly every six months.	Drill 1 time / half year
		·Establish emergency response plan for important equipment, for compliance and response in case of major cyber security incidents.	Perform when required
		·Adopt off-site cloud backup to protect the entire data from loss due to information equipment failure, disaster or accident, and flexibly expand the storage space to minimize the impact on the company's operation.	Daily
		·The data of each protection measure is indexed for evaluating the operational risk and discussing the measures to be taken.	Daily
10	Internal audit and others	·During annual computer census, notify the scope of the company's software license, and request the removal of software outside the license or provide proof of license; update the asset status of core business from regular changes and census results.	Census 1 time/year Information is updated constantly
		·The IT unit regularly self-evaluates the security of the cyber operating environment.	Self-evaluation 1 time/year
		·The Audit Unit regularly self-evaluates its cyber control operations.	Self-evaluation 1 time/year
		·The internal auditors and the accounting team regularly audit the implementation of cyber control operations on an annual basis.	At least once per year

(2) List any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to significant cyber security incidents, the possible impacts therefrom, and measures being or to be taken:

The Company had no significant cyber security incidents since 2023 and up to the annual report publication date, which had no impact on business and finance.

Month Statistical Items	1	2	3	4	5	6	7	8	9	10	11	12	Month Average
Revenue (Unit: Million)	320	245	315	258	263	233	284	339	301	255	275	302	283
Loss of sales for one day work stoppage	10	9	10	9	9	8	9	11	10	8	9	10	9
Number of significant incidents occurred	0	0	0	0	0	0	0	0	0	0	0	0	0
Loss of days for significant incidents	0	0	0	0	0	0	0	0	0	0	0	0	0
Loss amount for significant incidents	0	0	0	0	0	0	0	0	0	0	0	0	0
Annual loss of significant cyber security incidents	\$ 0												

- (2) List any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to significant cyber security incidents, the possible impacts therefrom, and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided. : None.

4.7 Important contracts :

March 31, 2025				
Nature of contract	Counterparty	Period	Major Contents	Restrictions
Long-term secured loans	Mega International Commercial Bank	2025/06/28-2039/06/28	Construction loan	None
Long-term secured loans	Hua Nan Commercial Bank	2020/01/10-2040/12/10	Construction loan	None
Long-term secured loans	Taiwan Business Bank	2018/01/29-2038/01/29	Construction loan	None
Long-term secured loans	Land Bank of Taiwan	2018/06/29-2038/08/31	Construction loan	None
Long-term secured loans	First Commercial Bank	2020/07/31-2043/01/13	Construction loan	None
Long-term secured loans	Changhua Bank	2021/05/03-2036/05/03	Construction loan	None

V. Review and Analysis of the Company's Financial Position and Financial Performance, and a Listing of Risks

5.1 Analysis of Financial Status :

(1) The main causes and effects of significant changes in assets, liabilities and equity
in the past two years :

Unit : NT\$ thousand

Item \ Year	2024	2023	Difference	
			Amount	%
Current assets	2, 893, 538	4, 162, 247	(1, 268, 709)	(30. 48)
Non-current assets	15, 169, 864	16, 319, 566	(1, 149, 702)	(7. 04)
Total assets	18, 063, 402	20, 481, 813	(2, 418, 411)	(11. 81)
Current liabilities	2, 051, 895	2, 664, 680	(612, 785)	(23. 00)
Non-current liabilities	7, 179, 730	8, 220, 046	(1, 040, 316)	(12. 66)
Total liabilities	9, 231, 625	10, 884, 726	(1, 653, 101)	(15. 19)
Share capital	3, 167, 300	3, 016, 476	150, 824	5. 00
Capital surplus	484, 840	448, 544	36, 296	8. 09
Retained earnings	2, 137, 961	2, 376, 078	(238, 117)	(10. 02)
Total amount of equity	8, 831, 777	9, 597, 087	(765, 310)	7. 97
Significant changes item descriptions :				
Current assets: Mainly due to the recovery of other receivables of approximately RMB 1.8 billion from the disposal of investment real estate by the Company's subsidiary Kwang Ming Silk Mill Co. Ltd., in December 2023, which resulted in a decrease in current assets.				
Current liabilities: The decrease was mainly due to the Company's recovery of other receivables and the sale of real estate to repay bank loans.				

(2) Future Plans : None

5.2 Analysis of Operation Results :

(1) Financial performance analysis

Item \ Year	2024	2023	Increased (Decreased) Amount	%of change
	Amount	Amount		
Operating net revenues	3,389,936	3,120,655	269,281	8.63
Operating cost	3,067,243	2,913,324	153,919	5.28
Gross profit	322,693	207,331	115,362	55.64
Operating expenses	168,252	212,101	(43,849)	20.67
Operating interest	525,057	1,416,853	(891,796)	(62.94)
Non-operating income and expenses	(117,172)	(130,084)	12,912	(9.93)
Income from continuing operations before tax	89,499	206,163	(116,664)	(56.59)
Income tax expense	318,386	1,080,606	(762,220)	(70.54)
Analysis of changes in increase and decrease :				
<ol style="list-style-type: none"> 1. Gross profit : Mainly due to the profit margins of the Company's subsidiaries, Hung Chou Fiber Industry Co. Ltd. and Kwang Ming Silk Mill Co. Ltd. turning from a loss to a profit. Specifically, due to the market's gradual recovery, the increase in orders, the decrease in the imported average unit price and the cost of idle capacity of Hung Chou Fiber Industry Co. Ltd., its gross profit margin rebounded from -3% in 2023 to 1% in 2024, leading to an increase in profit margins. 2. Operating expenses : Mainly due to profit gain of approximately NT\$1.6 billion in 2023 from disposal of real estate by the subsidiary Kwang Ming Silk Mill Co. Ltd., which led to recognition of profit by Kwang Ming Silk Mill Co. Ltd. and its subsidiaries, resulting in the increase of director's remuneration and employees' bonuses according to the Articles of Incorporation, thus the operating expenses increased in 2023. 3. Operating interest : Mainly due to disposal of real estate by the Company and its subsidiaries, as rental income was recognized as operating income, thus the gain on disposal of real estate was included in operating income. Although there was a gain on disposal of real estate in 2024, the gain was still lower as compared to the gain on disposal of real estate by the subsidiary, Kwang Ming Silk Mill Co. Ltd. in 2023, thus the operating income decreased. 4. Income tax expense : Mainly due to the gain of NT\$2.0 billion on disposal of real estate by the Company's subsidiary Yi Tong in 2022, which resulted in a 5% increase in income tax on undistributed earnings, thus the income tax expense increased in 2023. 5. Net income for the period : Mainly due to the fact that although there was a gain on disposal of real estate in 2024, it was still lower than the gain on disposal of real estate in 2023, thus the net income for the period decreased. 				

(2) A sales volume forecast and the basis therefor :

The expected sales volume in 2025 is about 37,800 tons of polyester yarn (including 12,690 tons for the subsidiary's own use), 21,600 tons of polyester chips and 16,200 tons of polyester textured yarn, and about 57,000 thousand meters of outsourcing industrial ribbon.

- (3) The effect upon the company's financial operations as well as measures to be taken in response :

The Company will continue to pay attention to the changes in market demand, economic climate and product quotations, and grasp the pulse of the economy and market demand closely. The production business will focus on the production of textured yarn by our subsidiary, Kwang Ming Silk Mill, and the production of raw polyester yarns by our Hung Chou factory, while the parent company will focus on industrial ribbons and rental income, hoping to achieve better operating results.

5.3 Analysis of Cash flow

- (1) Cash flow analysis for recent years

Unit : NT\$ thousand

Item Year	2024	2023	% of change
Net cash flow from operating activities	(302,978)	360,755	(663,733)
Cash provided by (used in) investing activities	2,711,381	261,028	2,450,353
Cash provided by (used in) fundraising activities	(2,491,486)	(705,323)	3,196,809

1. Net cash inflow from operating activities: Mainly due to acquisition of compulsory financial assets at fair value through profit or loss and the inventory increase due to the increase in operations, resulting in a cash outflow from operating activities for 2024.
2. Net cash inflow from investing activities: Mainly due to cash inflows from investing activities resulting from disposal of investment properties.
3. Net cash outflow from financing activities: Mainly due to distribution of cash dividends and repayment of bank loans, resulting in cash outflow from financing activities.

- (2) Improvement plan for cash flow shortage : The company has sufficient funds and good loan relationship with the bank, and has sufficient lines of credit to meet the funds needed.

- (3) Analysis of cash flow in the coming year

Unit: NT\$ thousand

Beginning cash balance	Net cash flow from operating activities throughout the year	Net cash outflow from operating activities throughout the year	Net cash flow balance	Cash shortage contingency plan	
				Investment plan	Financing Plan
234,911	513,260	(490,498)	257,673	-	-
Analysis of cash flow changes in 2024 : 1. Operating activities: Mainly for the estimation of income and expenses of operating activities and mandatory financial assets measured at fair value through profit or loss. 2. Non-operating activities: Mainly the distribution of dividends and repayment of bank loans. 3. Cash flow balance : Enriching working capital.					

5.4 The effect upon financial operations of any major capital expenditures during the most recent fiscal year. : None

5.5 The company's reinvestment policy for the most recent fiscal year, the main reasons for the profits/losses generated thereby, the plan for improving re-investment profitability, and investment plans for the coming year.

- (1) The Company's reinvestment is based on a long-term strategy, In 2024, the company recognized its share of earnings of subsidiaries, affiliates and joint ventures under the equity method amounting to NT\$(20,000).
- (2) Improvement plan : Not applicable
- (3) Investment plans for the coming year : None

5.6 The section on risks shall analyze and assess the following matters during the most recent fiscal year and as they stood on the date of publication of the annual report :

- (1) The effect upon the company's profits (losses) of interest and exchange rate fluctuations and changes in the inflation rate, and response measures to be taken in the future. :
 - 1 · Interest rate : The Company maintains good credit relationships with various banks and the interest rates on loans have been reduced from 5.25%~7% in early 2002 to 2024 from 1.9%~2.60%, resulting in a significant reduction in interest expense and making the Company more competitive in its operations.
 - 2 · Exchange rate : The Company's imports are all from the major domestic manufacturers of raw materials, and the ratio of export sales was around 31.99% in 2023, so the change in exchange rate has no significant impact on the Company.

- 3 · Inflation : The Company's quotations to customers are appropriately adjusted according to the market conditions, and therefore the fluctuation of prices can be controlled with certainty, and therefore inflation has no significant impact on the Company.
- (2) The Company's policy regarding high-risk investments, highly leveraged investments, loans to other parties, endorsements, guarantees, and derivatives transactions; the main reasons for the profits/losses generated thereby; and response measures to be taken in the future. :
 - 1 · The Company does not engage in high-risk, highly leveraged investments.
 - 2 · The Company's loan to other parties and endorsement and guarantee, please refer to the information on significant transactions disclosed in the accompanying notes. The company has established "operating procedures for capital loans to others" and "endorsement guarantee measures", and all operations are handled in accordance with the regulations. As of the end of 2024, the company had no external endorsement guarantees and the ending balance of capital loans was NT\$0.
 - 3 · Policy on derivative transactions, the main reasons for the profits/losses generated thereby; and response measures to be taken in the future. :
The Company engages in derivative contracts for hedging purposes, and the counter-parties of the Company are all banks with good credit standing, so the possibility of credit risk, market price risk, liquidity risk and cash flow risk is minimal. In addition, the Company has established "Procedures for engaging in derivatives trading" and all operations are conducted in accordance with these procedures. As of December 31, 2024, the Company had no unexpired forward exchange agreement.
- (3) Research and development work to be carried out in the future, and further expenditures expected for research and development work. : None.
- (4) Effect on the Company's financial operations of important policies adopted and changes in the legal environment at home and abroad, and measures to be taken in response. : None
- (5) Effect on the Company's financial operations of developments in science and technology as well as industrial change, and measures to be taken in response. : None
- (6) Effect on the Company's crisis management of changes in the company's corporate image, and measures to be taken in response. : The Company markets itself under the Sea Gull brand and has a good corporate image without any bad image reports.
- (7) Expected benefits and possible risks associated with any merger and acquisitions, and mitigation measures being or to be taken. : None
- (8) Expected benefits and possible risks associated with any plant expansion, and mitigation measures being or to be taken. : None
- (9) Risks associated with any consolidation of sales or purchasing operations, and mitigation measures being or to be taken. : Due to the specific industry of the Company, our main suppliers are all major raw yarn manufacturers, and most of them are listed and over-the-counter companies. The Company has maintained good relationships with its suppliers for a long time, therefore, there

is no risk of consolidation of purchasing, and there is no risk of consolidation of sales in terms of sales because customers are dispersed.

- (10) Effect upon and risk to the company in the event a major quantity of shares belonging to a director, supervisor, or shareholder holding greater than a 10 percent stake in the company has been transferred or has otherwise changed hands, and mitigation measures being or to be taken. : None
- (11) Effect upon and risk to company associated with any change in governance personnel or top management, and mitigation measures being or to be taken. : None
- (12) Litigious and non-litigious matters. List major litigious, non-litigious or administrative disputes that : (1) involve the company and/or any company director, any company supervisor, the general manager, any person with actual responsibility for the firm, any major shareholder holding a stake of greater than 10 percent, and/or any company or companies controlled by the company; and (2) have been concluded by means of a final and unappealable judgment, or are still under litigation. Where such a dispute could materially affect shareholders' equity or the prices of the company's securities, the annual report shall disclose the facts of the dispute, amount of money at stake in the dispute, the date of litigation commencement, the main parties to the dispute, and the status of the dispute as of the date of publication of the annual report. : None
- (13) Impact of Cyber Security Risks on the Company's Financial Operations and Measures to be taken

The application of AI has been growing rapidly these days. Currently, the Company mostly utilizes existing AI tools for data collection to assist in completing reports, problem solving, and reference for decision making. Before privacy and security issues are stabilized and controlled, there is no plan to expand the scope of application, therefore, there is no impact on the Company's financial and business operations yet.

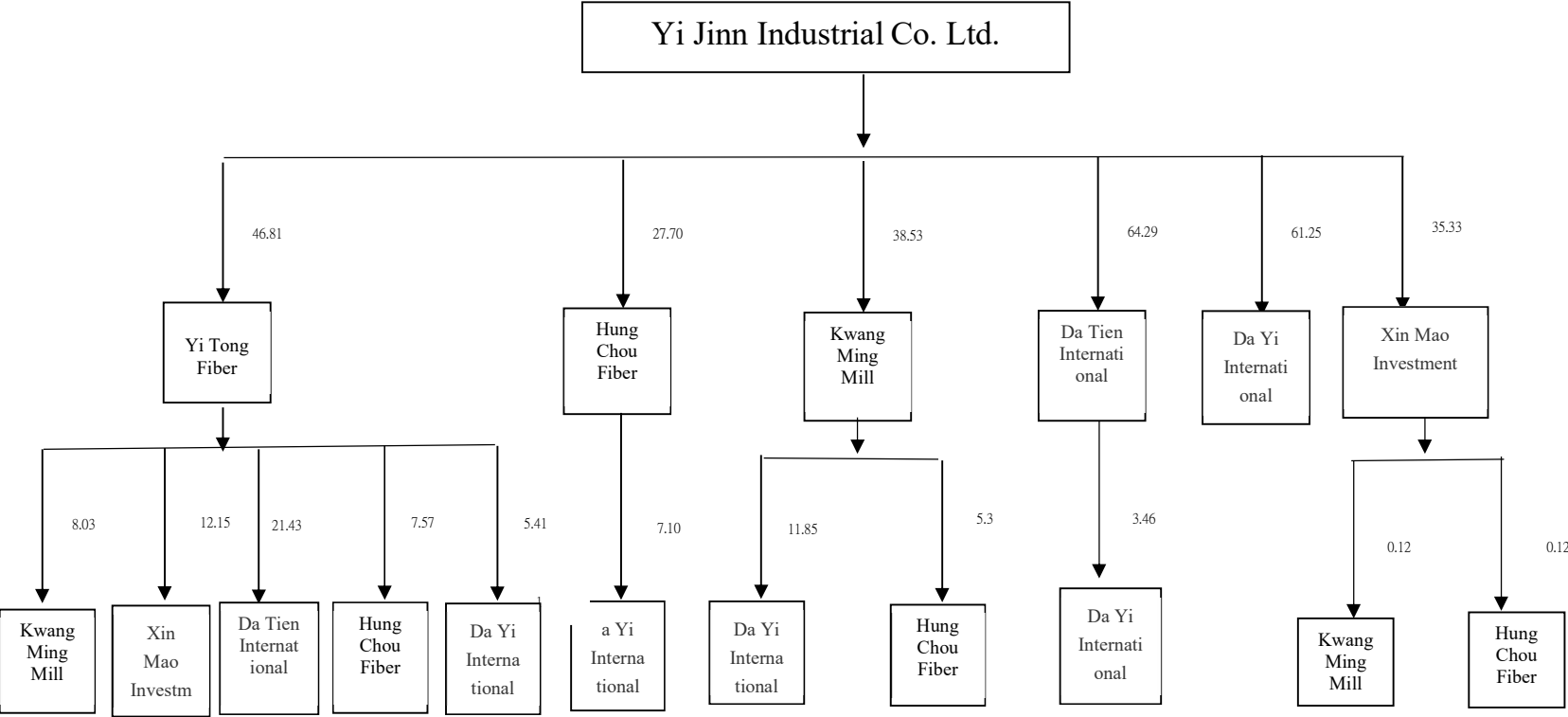
Based on the results of the Company's cyber security governance and risk evaluation for 2024 (please visit or download the report on the "Corporate Governance" webpage of the Company's website at www.yijinn.com.tw), the Company believes that its cyber security control measures are effective in reducing the occurrence of cyber threats and the degree of damage, and achieving the goal of risk control. As a result, the overall cyber security risk is in the low level, with small impact on financial and business aspects, and no significant risk to operations. In the future, we will continue to evaluate advanced cyber security solutions and intend to adopt external cyber security services to help identify potential unknown threats, track the trajectory of external attempts to invade and provide early warnings, and assist in judging, processing and retaining evidence to continuously improve the vulnerability of the cyber environment.

5.7 Other important matters : None

VI. Special items to be included

6.1 Information related to the company's affiliates :

(1) . Consolidated Business Reports Covering Affiliated Enterprises (2024.12)



2. Basic information of each affiliates

Unit : thousand

Name	Date of establishment	Address	Paid-in capital	Main business or production items
Yi Jinn Industrial Co. Ltd.	1981.03.24	Company : 7F, No. 607, Ruiguang Road, Taipei City	3,167,300	1.C301010 Yarn Spinning Mills 2.C302010 Weaving of Textiles 3.C305010 Printing, Dyeing, and Finishing 4.C306010 Wearing Apparel 5.C801120 Manufacture of Man-made Fibers 6.C801990 Other Chemical Materials Manufacturing 7.C399990 Other Textile and Products Manufacturing 8.H701010 Housing and Building Development and Rental 9.H701020 Industrial Factory Development and Rental 10.H701040 Specific Area Development 11.H701050 Investment, Development and Construction in Public Construction 12.H701060 New Towns, New Community. Development 13.H703090 Real Estate Commerce 14.H703100 Real Estate Rental and Leasing 15.ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval
Kwang Ming Silk Mill Co. Ltd.	1966.06.22	Company : 7F, No. 607, Ruiguang Road, Taipei City Factory : No.29, Hongzhou Street, Guishan District, Taoyuan City	404,550	Cotton silk, man-made fibers and other materials are used to weave various kinds of cotton, tetoron, nylon, silk, and nylon fabric silk, etc. Dyeing and weaving of the above fabrics and the purchase and sale of related raw materials, materials and finished products.
Hung Chou Fiber Co. Ltd.	1968.07.30	Company : 7F, No. 607, Ruiguang Road, Taipei City Factory : No.29, Hongzhou Street, Guishan District, Taoyuan City	1,321,125	Manufacture, processing and trading of synthetic chemical fibers Manufacture, processing and trading of plastic drawing products
Yi Tong Fiber Co. Ltd.	1992.07.21	Company : 7F, No. 607, Ruiguang Road, Taipei City	442,649	Real Estate Commerce Real Estate Rental and Leasing All business items that are not prohibited or restricted by law, except those that are subject to special approval
Xinmao investment Co., Ltd.	1996.11.09	7F, No. 607, Ruiguang Road, Taipei City	168,681	Investment
Datian International Development Co., Ltd.	2017.09.26	7F, No. 607, Ruiguang Road, Taipei City	350,000	Real Estate Commerce Real Estate Rental and Leasing All business items that are not prohibited or restricted by law, except those that are subject to special approval

Dayi International Development Co., Ltd.	2018.02.13	7F, No. 607, Ruiguang Road, Taipei City	1,155,000	Real Estate Commerce Real Estate Rental and Leasing All business items that are not prohibited or restricted by law, except those that are subject to special approval
--	------------	---	-----------	--

3. Where the shareholders in common are natural persons, the reason that affiliation is presumed : None.
4. The industries covered by the business operated by the affiliates overall : The main business and production items as listed in the basic information.
5. The names of the directors, supervisors, and general manager of each affiliate

Unit : NT\$ thousand, Shares, %

Name	Title	Name or representative	Shares held	
			Shares	%
Yi Jinn Industrial Co., Ltd.	Chairman	Chan, Cheng-Tien	23,161,018	7.31%
	Director	Chan, Yi-Chin	3,062,809	0.97%
	Director	Chen, Meng-Wu	0	0.00%
	Director	Cheng, Yu-Jing	2,155,727	0.68%
	Director	Weng, Mao-Cheng	611,460	0.19%
	Director	Lai, Yu-Min	624,661	0.20%
	Independent Director	Lai, Sun-Quae	0	0.00%
	Independent Director	Huang, Tien-Chang	0	0.00%
	Independent Director	Chen, Shiou-Chung	0	0.00%
	General Manager	Weng, Mao-Cheng	611,460	0.19%
Kwang Ming Silk Mill Co., Ltd.	Chairman	Yi Jinn Industrial (Legal representative : Chan, Cheng-Tien)	15,586,193	38.53%
	Director	Yi Jinn Industrial (Legal representative : Huang, Li-Xuan)	15,586,193	38.53%
	Director	Lee, Ye-Zhen	725,000	1.79%
	Director	Cheng, Yu-Jing	0	0.00%
	Director	Chan, Yi-Chin	0	0.00%
	Director	Fang Zhou Asset Management (Legal representative : Jing, Jian-Zhang)	600,165	1.48%
	Independent Director	Yang, Xiao-Qin	0	0.00%
	Independent Director	Xu, Jisheng	0	0.00%
	Independent Director	Liu, Yongfu	0	0.00%
	General Manager	Lee, Ye-Zhen	725,000	1.79%

Hung Chou Fiber Co., Ltd.	Chairman	Chan, Cheng-Tien	5,532,037	4.19%
	Director	Yi Jinn Industrial (Legal representative : Chan, Yi-Chin)	36,601,000	27.70%
	Director	Yi Jinn Industrial (Legal representative : Lin, Jing-Ling)	36,601,000	27.70%
	Director	Yi Jinn Industrial (Legal representative : Cheng, Yu-Jing)	36,601,000	27.70%
	Director	Yi Jinn Industrial (Legal representative : Chang, Heng-Chia)	36,601,000	27.70%
	Director	Yi Jinn Industrial (Legal representative : Lin, Ze-Hua)	36,601,000	27.70%
	Director	Chen, Linde	1,027,516	0.78%
	Director	Ou Lian International (Legal representative : Chen, Guan-Ru)	1,171,000	0.89%
	Supervisor	Zhao, Shou-Bo	0	0.00%
	Supervisor	Huang, Wei-Ji	0	0.00%
	Supervisor	Guo,Xianzhang	0	0.00%
	Supervisor	Chen, Yi -Min	0	0.00%
	General Manager	Chan, Cheng-Tien	5,532,037	4.19%
Yi Tong Fiber Co., Ltd.	Chairman	Chan, Cheng-Tien	3,679,002	8.31%
	Director	Yi Jinn Industrial (Legal representative : Chang, Heng-Chia)	20,721,296	46.81%
	Director	Cheng, Yu-Jing	11,973	0.03%
	Supervisor	Wu, Gao-Shan	0	0.00%
Xinmao investment Co., Ltd.	Chairman	Chan, Cheng-Tien	2,580,000	15.30%
	Director	Yi Jinn Industrial (Legal representative : Weng, Mao-Cheng)	5,959,886	35.33%
	Director	Yi Tong Fiber (Legal representative : Lai, Yu-Min)	2,050,000	12.15%
	Supervisor	Cheng, Yu-Jing	0	0.00%
Datian International Development Co., Ltd.	Chairman	Yi Jinn Industrial (Legal representative : Chan, Cheng-Tien)	22,500,000	64.29%
	Director	Yi Tong Fiber (Legal representative : Lai, Yu-Min)	7,500,000	21.43%
	Director	Yi Tong Fiber (Legal representative : Chang, Heng-Chia)	7,500,000	21.43%
	Supervisor	Cheng, Yu-Jing	0	0.00%
Dayi International Development Co., Ltd.	Chairman	Chan, Cheng-Tien	3,000,000	2.60%
	Director	Yi Jinn Industrial (Legal representative : Lai, Yu-Min)	70,743,500	61.25%
	Director	Yi Jinn Industrial (Legal representative : Chang, Heng-Chia)	70,743,500	61.25%
	Supervisor	Datian International (Legal representative : Cheng, Yu-Jing)	4,000,000	3.46%

6. Overview of the operations of each affiliate :

Unit : NT\$ thousand

Name	Capital	Total Assets	Total liabilities	Net worth	Operating revenue	Operating (Loss) income	(Loss) income for the period (After tax)	Earnings per share (NT\$) (After tax)
Yi Jinn Industrial Co. Ltd.	3,167,300	9,438,715	4,037,571	5,401,141	880,378	211,448	211,514	0.91
Kwang Ming Silk Mill Co. Ltd.	404,550	2,017,666	507,396	1,510,270	835,597	293,783	250,192	6.18
Hung Chou Fiber Co. Ltd.	1,321,124	2,567,673	1,495,288	1,072,385	2,305,985	(26,119)	(22,788)	(0.17)
Yi Tong Fiber Co. Ltd.	442,649	5,061,781	2,026,044	3,035,737	61,987	4,448	43,745	0.99
Xinmao investment Co., Ltd.	168,681	517,122	113,413	403,709	64,521	62,102	62,102	3.68
Datian International Development Co.,	350,000	705,388	344,506	360,882	3,474	20,991	779	0.02
Dayi International Development Co., Ltd.	1,155,000	1,866,792	884,032	982,760	11,613	4,528	(16,417)	(0.14)

7. Reports on Affiliations : None

6.2 Where the company has carried out a private placement of securities during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report : None

6.3 Other matters that require additional description :

- (1) Date of submission of the sustainability report prepared by the company to the board of directors for approval: 2023.8.11
- (2) Date of approval of the company's corporate governance code by the board of directors: 2021.3.25
- (3) Directors for Implementation of Continuing Education for Directors and supervisors : pursuant to the advice of 'Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies' to complete the Continuing Professional Education (CPE) hours.

Title	Name	Date	Organizer	Course	Hours
Chairman	Chan, Cheng-Tien	2024.08.01	COSDA	Relevant regulations and practical disputes about the board of directors	3
	Chan, Cheng-Tien	2024.08.20	COSDA	The company's operational weakness or crisis can be told from the financial report	3
Director	Chan, Yi-Chin	202.08.01	COSDA	Relevant regulations and practical disputes about the board of directors	3
	Chan, Yi-Chin	2024.10.30	COSDA	Practical analysis of equity investment planning and joint venture agreements for M&A	3
Director	Lai, Yu-Min	2024.08.28	COSDA	Financial Due Diligence and evaluation for M&A Transaction	3
	Lai, Yu-Min	2024.11.07	COSDA	Gender Equality and Sustainable Development of Corporate	3
Director	Weng, Mao-Cheng	2024.08.20	COSDA	The company's operational weakness or crisis can be told from the financial report	3
	Weng, Mao-Cheng	2024.09.26	COSDA	Promoting Sustainable Development through Risk Management	3
Director	Chen, Meng-Wu	2024.09.12	COSDA	Global Tax Reform and Corporate Governance from the perspective of ESG trends and the epidemic environment	3
	Chen, Meng-Wu	2024.09.26	COSDA	Promoting Sustainable Development through Risk Management	3
Director	Cheng, Yu-Jing	2024.10.17	COSDA	Legal 'regulations and risk responsibilities that directors, supervisors and insiders must know in corporate governance	3
	Cheng, Yu-Jing	2024.11.07	COSDA	Gender Equality and Sustainable Development of Corporate	3
Independent Director	Chen, Shiou- Chung	2024.10.08	TWSE	Digital finance and sustainable finance concerto under the AI boom	3
	Chen, Shiou- Chung	2024.10.25	COSDA	Labor Disputes in Working Premises, Resolution Regimes and Case Sharing	3
Independent Director	Lai, Sun-Quae	2024.06.13	TIDA	Introduction to IFRS sustainable disclosure standards and sharing of net-zero carbon emissions trends at home and abroad	3
	Lai, Sun-Quae	2024.07.11	GCFDA	New trends and practical applications of AI and financial technology	3
Independent Director	Huang, Tien- Chang	2024.08.01	COSDA	Relevant regulations and practical disputes about the board of directors	3
	Huang, Tien- Chang	2024.08.28	COSDA	Financial Due Diligence and evaluation for M&A Transaction	3

(3) Yi Jinn Employees' code of conduct and ethics

Since its establishment, the company has always taken "Innovation, Integrity, Growth and Collaboration" as its business philosophy, and encourage its employees to have a "sincerity and pragmatism" work attitudes. In order to implement Yi Jinn's business philosophy and work attitudes to every employee of the Company, the Company's internal control system has established "performance appraisal" and clearly stipulated employees' code of conduct and ethics, and require employees to abide by it. When an employee has special merits and demerits, supervisors always report to the Company for rewards and punishments at any time. The employee performance appraisal is performed twice a year, it is a practical method for requiring employee's code of conduct and ethics.

(4) The state of the company's performance of social responsibilities:

The Company has established 'Jinn Sian Social Welfare Foundation' in 1998, to help those with low income and disabilities families, and continue to expand the amounts and variety of types of donations. In recent years, with the concept of prevention drugs combined with environmental protection, social welfare activities have been vigorously promoted such as "Resist the temptation of drugs, and family harmony and happiness".

(5) The shareholder services agent:

The professional shareholder services agent designated by the Company: Grand fortune Securities stock affairs department to conven shareholders meetings.

(6) The status of Board evaluates the independence and suitability of the CPA regularly by reference to Audit Quality Indicators (AQIs):

1. The Company has approved the independence and suitability of the CPA by the Audit Committee and the Board of Directors on March 12, 2024, with reference to the Audit Quality Indicators (AQIs) assessment.
2. The Company's chairperson, general manager, finance and accounting manager has not held a position at the accounting firm of its CPA or at its affiliated enterprise.
3. The assessment process was based on the audit firm's 2021 audit quality indicators, which were assessed on five scopes:
 - Scope1: Profession/audit experience, training hours, turnover rate, and professional support.
 - Scope2: Quality control/work load, audit input, EQCR review, quality control support capability.
 - Scope3: Independence/non-audit service fee, customer familiarity.
 - Scope4: Monitoring/external Audit Deficiencies and Sanctions, letters from the competent authorities for improvement.
 - Scope5: Creativity to assess / create innovative plans or initiatives.

6.4 Matters in the Past Year and as of the Date of Publication of the Annual Report Which have a Substantial Impact on Owner's Equity or Share Price as Stipulated in Item 2, Paragraph 2 of Article 36 of the Securities Exchange Act: None