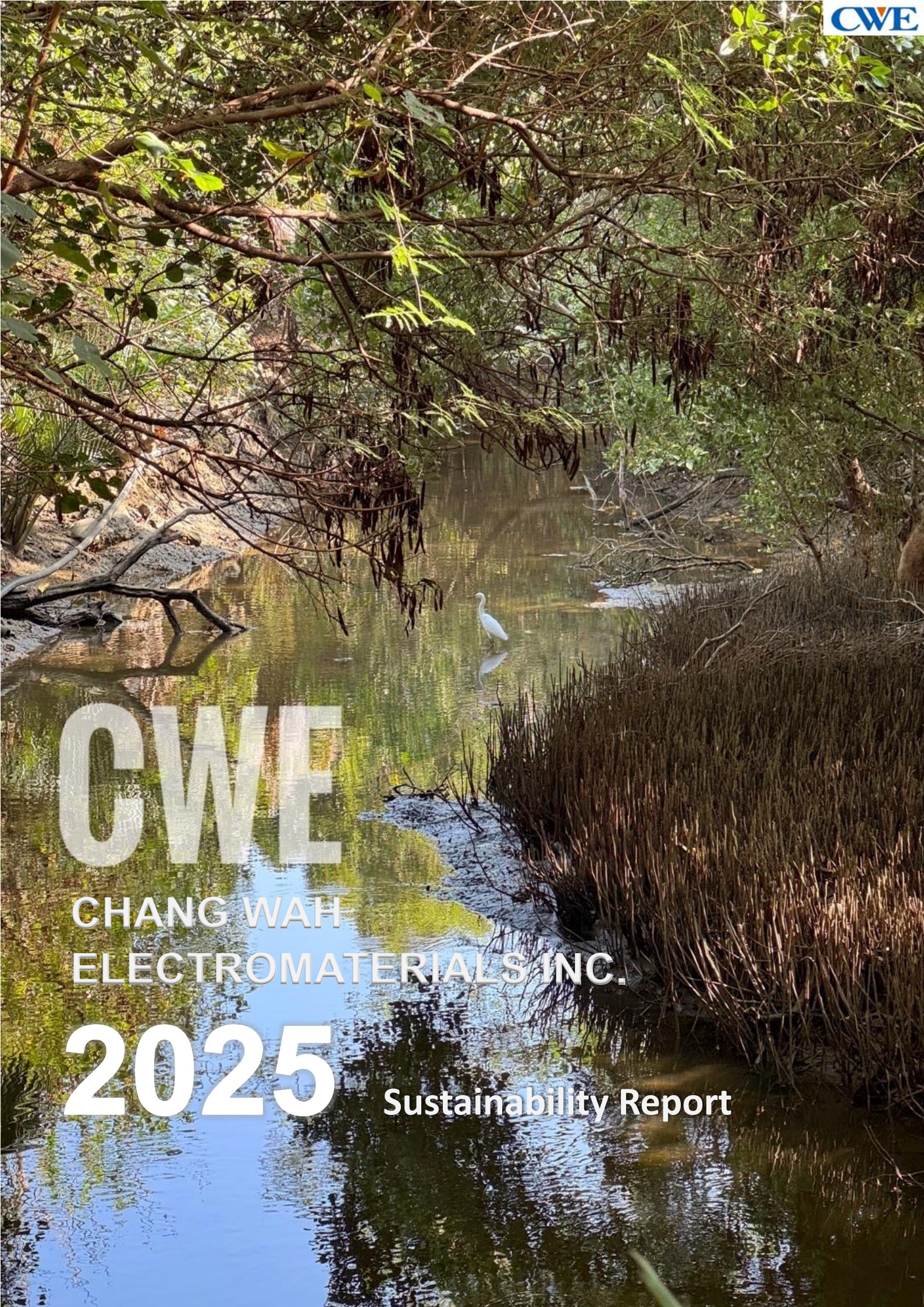


The background of the entire page is a photograph of a mangrove wetland. In the center, a white egret stands in shallow water, its reflection visible. The water is surrounded by dense mangrove vegetation, including trees with hanging roots and thick stands of reeds on the right. The scene is captured in a natural, slightly overcast light, with various shades of green, brown, and blue.

CWE

CHANG WAH
ELECTROMATERIALS INC.

2025

Sustainability Report

CONTENTS

About This Report	2
Letter from The Chairman.....	3
Sustainability Management Goals and Performance	4
About CWE	6
Sustainability Management	
1.1 Sustainable Development Organizations and Strategies	10
1.2 Stakeholder Engagement.....	11
1.3 Identify Material Topics	12
Corporate Governance	
2.1 Organization and Operation of Corporate Governance.....	15
2.2 Integrity Management	26
2.3 Operating Performance	29
2.4 Risk Management	32
2.5 Internal Control.....	34
2.6 Information Security Management	35
2.7 Sustainable Supply Chain	39
Sustainable Environment	
3.1 Environmentally Sustainable Development.....	40
3.2 Task Force on Climate-Related Financial Disclosures (TCFD).....	42
3.3 Energy Management	47
3.4 Water Resources Management.....	55
3.5 Waste Management	62
3.6 Biodiversity Commitment.....	66
Growth and Common Prosperity	
4.1 Human Rights Policy.....	67
4.2 Talent Attraction and Retention.....	72
4.3 Talent Development and Diversity Cultivation	81
4.4 Occupational Health and Safety.....	84
4.5 Social Engagement	94
Appendix	
5.1 GRI Standards Content Index.....	98
5.2 SASB Index – Semiconductor Industry.....	103
5.3 Sustainability Disclosure Indicators- Electronic Distribution Industry.....	104
5.4 TCFD Disclosure Index	105
5.5 Third-Party Assurance Statement	108

About This Report

Chang Wah Electromaterials Inc. (CWE or the Company) has prepared this report with reference to the 2021 GRI Standards issued by the Global Reporting Initiative (GRI) and in accordance with the “Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies” of the Taiwan Stock Exchange Corporation (TWSE). This report has been publicly released in the “Corporate Sustainability” section of the Company’s official website, demonstrating the Company’s concrete achievements and performance in Environmental (E), Social (S), and Governance (G) aspects to realize the vision of sustainability management and development.

In this report, “Chang Wah Electromaterials (CWE)” refers to the Company; “Chang Wah Electromaterials Group (CWE Group)” includes all consolidated entities; “Chang Wah Technology” refers to the subsidiary Chang Wah Technology Co., Ltd. (CWTC); and “manufacturing plants of subsidiaries” refer to the manufacturing plants operated by the subsidiary CWTC and its subsidiaries.

Reporting Period and Cycle (GRI 2-3)

CWE regularly releases sustainability reports on an annual basis, and this is the fourth report. The 2025 sustainability report was issued in August 2026, covering information from January 1 to December 31, 2025. To ensure the completeness of information disclosure, some of the data covers periods before and after the reporting period.

Reporting Boundary

This report covers CWE and its subsidiaries. Financial information, greenhouse gas inventory, environmental, occupational health and safety, and social data are presented across all entities included in the consolidated financial statements. If the scope of disclosure differs from the aforementioned, the difference will be noted in that paragraph.

Audit and External Verification (GRI 2-5)

The content and information presented in this report have been reviewed by the heads of the respective departments to ensure their accuracy and completeness. The Sustainability Project Team is responsible for compiling the relevant information and preparing the report. The report was subsequently submitted to the Sustainable Development Committee for review and was approved by the Board of Directors on August 5, 2026, prior to its finalization and publication.

The financial performance data disclosed in this report have been prepared in accordance with the International Financial Reporting Standards (IFRSs) as endorsed by the Financial Supervisory Commission (FSC) and audited by Deloitte & Touche. Unless otherwise specified, all monetary amounts are presented in New Taiwan dollars.

The 2025 organizational greenhouse gas (GHG) emissions were inventoried in accordance with the Greenhouse Gas Protocol (GHG Protocol). Live Sustinkability CPAs Firm was engaged to provide limited assurance in accordance with Assurance Standard No. 3410, “Assurance Engagements on Greenhouse Gas Statements.” The limited assurance report is included in the appendix to this report.

Live Sustinkability CPAs Firm, an independent third party, was also engaged to provide limited assurance on the key performance information disclosed in this report in accordance with Assurance Standard No. 3000. The limited assurance report is included in the appendix to this report.

Contact Information (GRI 2-3)

For continuous communication with stakeholders, you are most welcome to contact us with your valuable suggestions. The contact information is as follows:

Address: 6F, NO.16, East 7th Street, Nanzi Dist, Kaohsiung City, Taiwan

TEL: +886-7-362-2663

E-mail: cwe-ir@cwei.com.tw

Official Website: <https://www.cwei.com.tw>



Letter from The Chairman

Building on Stability, Driving Continuous Progress

2025 marked the 37th year since the establishment of Chang Wah Electromaterials Inc. Looking back on the year, the global environment remained highly uncertain, with economic volatility, geopolitical tensions, and the intensifying impacts of climate change becoming part of the everyday challenges faced by businesses. Against this backdrop, we continued to advance our operations steadily through the professionalism and dedication of our employees, demonstrating the resilience of our organization.

We firmly believe that sound corporate governance is the foundation of sustainable business development. Chang Wah Electromaterials has remained focused on its core businesses while upholding regulatory compliance and ethical business practices, and has continued to enhance its governance framework and risk management mechanisms. In the 2025 Corporate Governance Evaluation, the Company was ranked in the second tier among listed companies, placing within the top 6% to 20%. This recognition reflects the progress we have made in corporate governance practices and further strengthens the foundation for our long-term development. At the same time, we place great importance on communication and mutual trust with our stakeholders and remain committed to enhancing information transparency. Through regular investor conferences and strengthened disclosure mechanisms, we enable investors and the general public to gain more timely and comprehensive insights into the Company's operations, thereby fostering long-term relationships built on trust.

While pursuing operational growth, Chang Wah Electromaterials also continues to address social and environmental issues and actively engages in a wide range of public welfare initiatives. We have long supported the development of sports and promoted the spirit of athleticism, while also fulfilling our corporate citizenship responsibilities through ecological conservation and environmental education activities.

In June 2025, Chang Wah Electromaterials integrated resources across the Group and joined forces with Chang Wah Technology, under the initiative of founder Canon Huang, to sponsor a social service team composed of students from the National Taiwan University College of Medicine. The team traveled to Daren Township in Taitung County to provide a week-long medical service program, bringing professional resources and healthcare support to rural communities. Toward the end of the year, we also launched the "Yuan Zhong Harbor Wetland Conservation Campaign," bringing together more than one hundred employees to participate in ecological conservation efforts and take concrete action to protect the natural environment, demonstrating our commitment to environmental sustainability.

Looking ahead, as the industry continues to evolve rapidly, Chang Wah Electromaterials will continue to strengthen its organizational resilience and adaptability. By combining innovative thinking with pragmatic strategies, we will steadily advance our business development. We will also continue to deepen our partnerships with customers, suppliers, and other stakeholders, working together to create long-term value and move toward the shared goals of corporate sustainability and social prosperity.

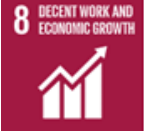
Chuen-Sing Hung,
Chairman of the CWE
Chairperson of the Sustainable Development Committee

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Sustainability Management Goals and Performance

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

SDGs Core Objectives	Achievements	Corresponding Issues	SDGs Core Objectives	Achievements	Corresponding Issues
	- Conduct annual employee health examinations and implement a health risk classification management system to facilitate timely health monitoring, encourage appropriate medical treatment, and prevent occupational diseases. - Sponsor sporting events to encourage public participation in physical activity, promote physical and mental well-being, and reduce the risk of chronic diseases.	4.4 Occupational Health and Safety 4.5 Social Engagement		Sponsor the National Taiwan University medical service team to provide basic medical assistance, health examinations, and preventive healthcare education to residents in rural areas of Taitung County, helping to reduce urban-rural disparities and strengthen community resilience and inclusive development.	4.5 Social Engagement
	- Conduct annual vocational training courses to provide employees with diverse learning opportunities across various fields. - Organize wetland conservation activities to enhance understanding of the importance of wetlands and raise awareness of environmental education and sustainability.	4.2 Talent Attraction and Retention 4.5 Social Engagement		- Adopt roadside trees and undertake greening initiatives to maintain urban greenery, enhance livability, and strengthen community cohesion. - Organize wetland conservation activities to protect local natural environments and ecological spaces, thereby improving environmental quality in cities and communities.	4.5 Social Engagement
	- Establish the “Maternal Health Protection Measures for Female Employees” to safeguard the physical and mental health of female employees during pregnancy, postpartum, and breastfeeding periods. - Promote a gender-friendly workplace by allowing both male and female employees to apply for parental leave without pay and family care leave.	4.2 Talent Attraction and Retention		- Comply with the Responsible Business Alliance Code of Conduct (RBA) and the Responsible Minerals Initiative (RMI) based on which suppliers are required to comply with relevant rules and standards. - We adopt the latest version of ISO 14001:2015 environmental management system and obtain relevant certifications. - Environmental management structure has been established, including the Environmental Management Committee of the subsidiary CWTC and the environmental management/environmental protection departments at each plant, specifically responsible for environmental management issues and performance.	2.7 Sustainable Supply Chain 3.1 Environmentally Sustainable Development
	- The discharge of wastewater is controlled by each plant to comply with local regulations. - Each plant promotes conservation measures such as water recycling systems and water-saving design of machinery and equipment.	3.4 Water Resources Management		- In accordance with Task Force on Climate-related Financial Disclosures (TCFD), we identify the climate-related risks and opportunities, strengthen renewable energy and extend to the operation of carbon neutrality. - We continue to conduct greenhouse gas inventories. - Adopting street trees greening projects to enhance environmental awareness and climate resilience.	3.2 Task Force on Climate-related Financial Disclosures (TCFD) 3.3 Energy Management 4.5 Social Engagement
	- Install rooftop solar power generation systems. - Promote the replacement of energy-consuming equipment with energy-efficient alternatives, including air compressors, chillers, pumps, and lighting systems.	3.3 Energy Management		- Adopt roadside trees and undertake greening initiatives to protect and expand urban green spaces and provide habitats for plants and wildlife. - Organize wetland conservation activities to protect native plant species and ecological balance, while preserving habitats and biodiversity.	4.5 Social Engagement
	- Employment equality, respect for human rights, employee diversity, and prohibition of child labor and forced labor are incorporated into our recruitment principles and processes. - Employees are entitled to appropriate compensation package and fair promotion opportunities. - The Taiwan plant introduced the ISO 45001:2018 Occupational Health and Safety Management System and obtained certification.	4.1 Human Rights Policy 4.2 Talent Attraction and Retention 4.4 Occupational Health and Safety		- We offer multiple communication channels for stakeholders to solicit opinions and report of improper interests. - Strictly prohibit any actions about corruption, bribery, embezzlement and improper enrichment. We have a zero-tolerance policy for any violations. - Strictly prohibit our suppliers from engaging in child or forced labor, and closely observe fair business principles.	1.1 Sustainable Development Organizations and Strategies 2.2 Integrity Management 4.1 Human Rights Policy

ESG sustainability performance in 2025

CWE places a strong emphasis on both corporate governance and operational performance while demonstrating a firm commitment to environmental sustainability and social welfare. The Company upholds the principle that operational excellence and social responsibility are equally important and form the cornerstone of sustainable development.

E Environment	- Completed the 2025 GHG inventory in accordance with the GHG Protocol, with 100% of the inventory scope covered by limited assurance provided by an independent CPA firm. - Achieved a water recycling rate of 33% in 2025. - Achieved a waste recycling rate of 96% in 2025. - Solar panels installed in Taiwan generated 7,945,247 kWh of electricity in 2025.
S Society	- The occupational health and safety management system at the Taiwan facilities is certified to ISO 45001. - Conducted wetland conservation activities in 2025 to preserve habitats and biodiversity. - Adopted and maintained 60 roadside trees in the industrial park as part of greening initiatives in 2025. - Sponsored the National Taiwan University medical service team in 2025 to provide basic medical assistance in rural areas of Taitung County. - No major occupational injuries or occupational disease cases occurred in 2025. - Local employees accounted for 84% of the workforce in 2025. - In 2025, the Taiwan operations employed the legally required number of persons with disabilities. - Female employees accounted for 38% of the workforce in 2025. - Female managers accounted for 32% of management positions in 2025.
G Governance	- Consolidated operating revenue amounted to NT\$19.352 billion in 2025, representing a year-on-year increase of 12.3%. - The Board of Directors achieved an attendance rate of 91%, while the functional committees achieved an attendance rate of 100%. - The Board included three female directors, and independent directors accounted for 43% of all directors. - No material violations of laws or regulations involving fines exceeding NT\$1 million occurred in 2025.

About CWE

Founded on May 13, 1989, CWE distributes IC packaging materials and equipment as well as manufactures and sells display backlight module materials. The Company was listed on the Taiwan Stock Exchange (8070.TW) in 2007. CWE has introduced packaging materials and equipment of Sumitomo Bakelite, Sumitomo Metal Mining Group and a number of internationally renowned manufacturers in a timely and precise manner with its professional foresight and astute market insights, satisfying diverse needs of domestic packaging companies. Through years of dedication and efforts, we have gradually expanded our product lines. Our focuses are now on semiconductor packaging materials including EME, lead frames and substrates for packaging.

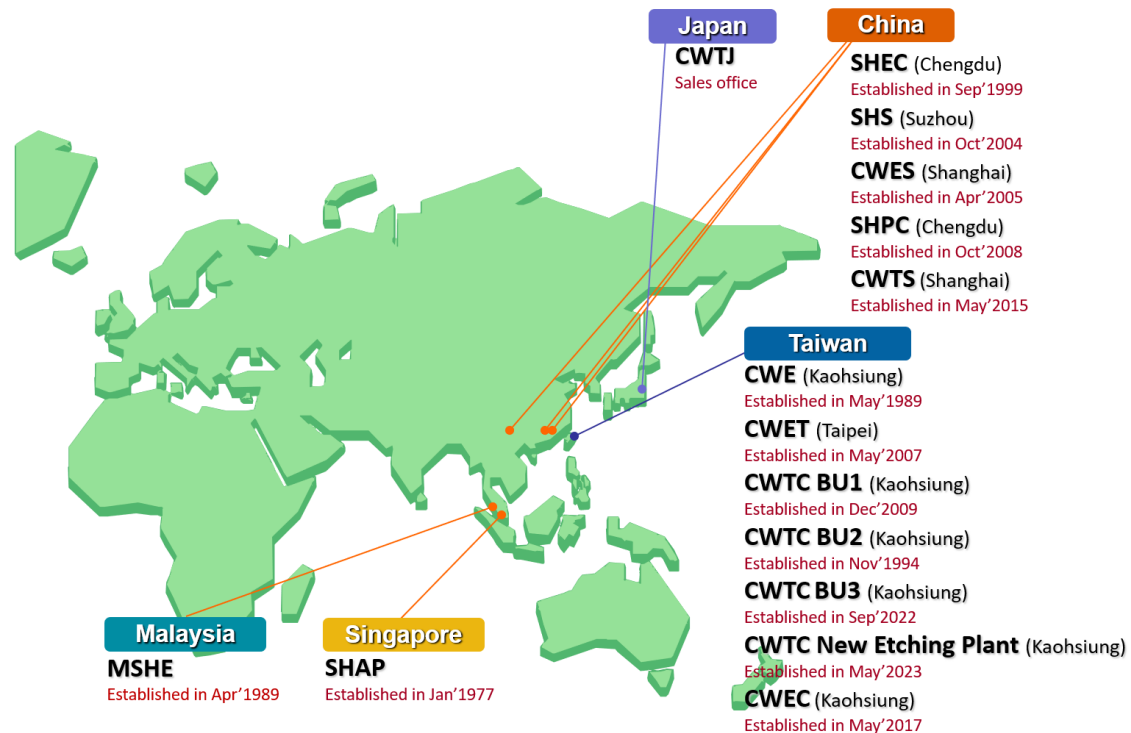
CWE takes active steps to move from being a distribution channel to a manufacturer. By investing in subsidiaries, the Company branches out into fields of LED lead frame, tape-COF, electrical contact materials, etc. to enhance its market competitiveness. At present, our key subsidiaries include Chang Wah Technology Co., Ltd. (CWTC), a metal lead frame manufacturer, and JMC Electronics Co., Ltd., a tape-COF manufacturer; and our operations are centered around Taiwan's major ICT industries, which span the semiconductor and display sectors. As a whole, CWE is much more than a professional material distributor. It has transformed into a professional material manufacturer with manufacturing expertise from subsidiaries.

The subsidiary CWTC was listed on the Taipei Exchange (6548.TW) in 2016. It purchased shares in SH Asia Pacific Pte. Ltd. (SHAP), an investee of the Japanese company Sumitomo Metal Mining Group, in 2017, marking its entry into the upstream metal lead frame industry and enabling it to become a world-leading metal lead frame manufacturer. In the IC and LED supply chain, the company provides the materials of the packaging process. After the products are packaged, they can be used in subsequent module production and be applied to various electronic consumer products. We are major suppliers of key materials in the industry chain and one of the top five lead frame suppliers in the world.

❖ Company Overview

Stock Code	8070	Company Name	Chang Wah Electromaterials Inc.
Establishment Date	1989/5/13	Business ID No.	23307811
Industry	Electronic distribution industry	Main businesses	Sales of semiconductor packaging materials Trading and installation of packaging machinery and equipment. Provision of technical support for packaging
Chairman	Chuen-Sing Hung	President	Thomas Huang
Paid-in capital	NT\$725,648,455	Par value per common share	NT\$1
Headquarters	6F, No.16, East 7th Street, Nanzi Dist., Kaohsiung City 811, Taiwan (R.O.C.)		

❖ Main Business Locations of CWE Group (GRI 2-1, 2-2)

**Chang Wah Electromaterials Inc.
(CWE)**

- Location : 6F, No.16, East 7th Street, Nanzi Dist., Kaohsiung City, Taiwan (R.O.C.)
- Main Business : Sales of semiconductor packaging materials and equipment

**Taipei Branch of CWE
(CWET)**

- Location : 7F., No. 35, Ln. 221, Gangqian Rd., Neihu Dist., Taipei City, Taiwan (R.O.C.)
- Main Business : Sales of semiconductor packaging materials and equipment

Taichung Office of CWE

- Location : No. 109, Yafeng Street, Tanzi Dist., Taichung City, Taiwan (R.O.C.)
- Main Business : Sales of semiconductor packaging materials and equipment

**Chang Wah Technology Co., Ltd.
(CWTC)**

- Location : No. 24, Kaifa Rd., Nanzi Dist., Kaohsiung City, Taiwan (R.O.C.)
No. 16, East. 7th Street, Nanzi Dist., Kaohsiung City, Taiwan (R.O.C.) (Plant 2)
No. 133, Jing 5th Rd., Nanzi Dist., Kaohsiung City, Taiwan (R.O.C.) (Plant 3)
No. 36, Jing 3rd Rd., Nanzi Dist., Kaohsiung City, Taiwan (R.O.C.) (New Etching Plant)
- Main Business : Manufacturing of lead frames

**Branch office in Japan of CWTC
(CWEJ)**

- Location : Takano Building, 2-5-3, Uchi-kanda, Chiyoda-ku, Tokyo, Japan
- Main Business : Trading of lead frames

**SH Electronics Suzhou Co.,
Ltd.(SHS)**

- Location : No. 123, Longtan Road, Suzhou Industrial Park, Jiangsu Province, China
- Main Business : Manufacturing of lead frames

**SH Electronics Chengdu Co.,
Ltd.(SHEC)**

- Location : No. 7, Xin Yuan South 2nd Road, Singapore Industrial Park, Chengdu Hi-Tech Zone, Sichuan Province, China
- Main Business : Manufacturing of lead frames

**SH Precision Chengdu Co.,
Ltd.(SHPC)**

- Location : No.6, West Zone, No.8, Kexin Road, West Park, Chengdu Hi-tech Zone, Sichuan Province, China
- Main Business : Manufacturing of lead frames

**Shanghai Chang Wah
Electromaterials Inc.(CWES)**

- Location : Room 2101, 1027 Changning Road, Changning District, Shanghai, China
- Main Business : Trading of IC packaging materials

**Chang Wah Energy Technology
Co., Ltd.
(CWEK)**

- Location : 7F, No. 35, Lane 221, Gangqian Road, Neihu District, Taipei City, Taiwan
- Main Business : Generation of solar energy

**CWTC (Shanghai) Inc.
(CWTS)**

- Location : Room E01, 2F, No. 207, Fute North Road, Pilot Free Trade Zone, Shanghai, China
- Main Business : Trading of lead frames

**SH Asia Pacific Pte. Ltd.
(SHAP)**

- Location : 10 Eunos Road 8 #05-04/05 Singapore
Post Centre Singapore 408600
- Main Business : Trading of lead frames

**Malaysian SH Electronics Sdn.
Bhd.
(MSHE)**

- Location : Lots 5,7&9, Jalan Ragum 15/17,
40200 Shah Alam, Selangor Darul
Ehsan, Malaysia
- Main Business : Manufacturing of lead frames

Note: CWE's subsidiaries, CWE Holding Co., Ltd., WSP Electromaterials Ltd. and Shing Zheng Investment Co., Ltd., which are not main operational locations, primarily engage in investment activities. Their financial information, GHG inventory, and social information are included in this report. For information on other subsidiaries that are not major operating bases, please refer to MOPS.
(Website : https://mopsov.twse.com.tw/mops/web/t57sb01_q10)

❖ Participation in Associations (GRI 2-28)

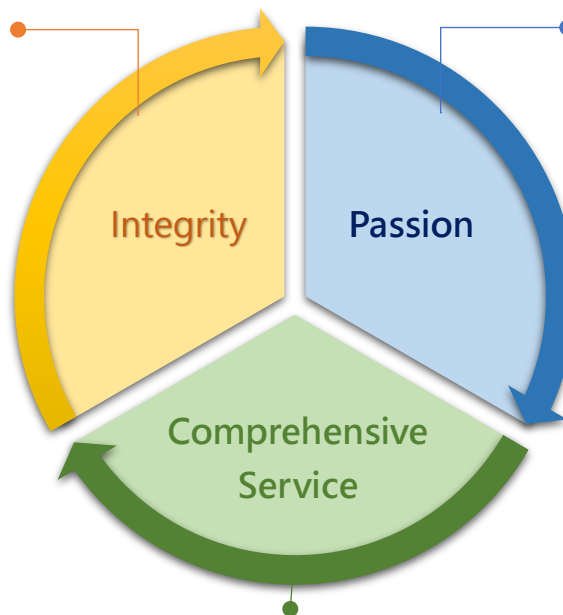
By actively participating in associations, we can establish good interactions with the industry and society, enabling us to stay closely informed about industry development trends at all times.

Organization	Position
Taiwan Technology Industrial Park Electrical and Electronic Manufacturer's Association	Member
TASS-Taiwan Alliance for Sustainable Supply	Member

❖ Business Philosophy

We are continuing to strengthen our product agency capabilities under a philosophy of “integrity, passion, and comprehensive service.” We are securing agency rights to even more international brands. We hope to satisfy customers' one-stop shopping needs with a full product line, and we seek to actively understand our customers' needs and ongoing market trends. We are eager to forge high added value partnerships, and enhance the competitive advantage and growth of our customers and vendors.

Integrity is the foundation of sustainable operations.



Having a team of elites that are impressively passionate and competent, we are able to provide customers with products and services of high quality and efficiency in the shortest possible time ahead of our peers and strive to present every small detail.

With years of professional and practical experience in the packaging industry from our executives and technical support from original manufacturers, we are able to solve various product issues and provide total solutions for customers, gaining trust and recognition from numerous customers, and setting the best corporate model in the packaging industry.

Sustainability Management

1.1 Sustainable Development Organizations and Strategies

(GRI 2-12, 2-13, 2-14)

To achieve our vision and goals of sustainable development, we previously had the President as the convener, overseeing all matters related to sustainable development. In 2024, the Sustainable Development Committee was established to continuously promote the company's sustainable development governance structure. The Chairman serves as both the chairperson and convener of the committee. The committee is responsible for formulating, promoting, and strengthening the company's sustainable development policies and related management guidelines, specific implementation plans, and internal control systems related to sustainable development information, as well as reviewing, tracking, and revising the implementation and effectiveness of sustainable development. The committee also oversees the compilation and analysis of sustainable development information by the Sustainability Project Team, reviews the Sustainability Report, and regularly reports to the Board of Directors. The committee also coordinates the compilation of the annual sustainability report and reports to the Board of Directors on the progress of various sustainability tasks and company strategies. The Board of Directors oversees and guides sustainable development goals and management guidelines to ensure the achievement of sustainable development objectives.



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

Content	Date
No violations of relevant regulations were identified in the Company's implementation of ethical corporate management in 2024.	02/20
Progress update on the greenhouse gas inventory of the Company and its subsidiaries.	03/12, 05/07, and 08/06
Overview of the preparation and assurance of the 2024 Sustainability Report, as well as the targets and management approaches for material topics.	08/06
Overview of the preparation of the 2024 Task Force on Climate-related Financial Disclosures (TCFD) Report.	12/18
Report on the implementation of sustainability-related risk management and greenhouse gas inventory planning.	12/18
Appointment of third-party assurance providers for the 2025 Sustainability Report and greenhouse gas inventory.	12/18
Progress update on the implementation plan for the IFRS Sustainability Disclosure Standards.	12/18

1.2 Stakeholder Engagement (GRI 2-12, 2-16, 2-26, 2-29)

CWE continues to engage and communicate with stakeholders to establish a responsive mechanism for addressing sustainability issues. Based on the five major principles of the AA1000 Stakeholder Engagement Standard (AA1000 SES) which includes dependency, responsibility, tension, influence and diverse perspectives, CWE has identified six major categories of stakeholders, which are government agencies, investors, employees, customers, suppliers and society (including local communities and non-profit organizations (NGOs)).

❖ Communication with Stakeholders

Stakeholder	Significance	Communication Channel	Frequency
Employees	Employees are our foundation to sustainable operating and the key toward the road of our sustainable operations.	Employee Welfare Committees	At least once every quarter
		Labor-management meetings	At least once every quarter
		Employee opinion mailbox / Reporting hotline	Timely
Customers	Focus on customer demands and provide our services using our core technology fully and comprehensively.	Telephone / E-mail	Timely
		Different types of meetings	Irregularly
		Conduct an audit	Irregularly
		Interview / telephone / E-mail	Irregularly
Suppliers	We are paying more attention to quality of raw materials from suppliers, and we gain trust in market and customers through joint efforts to achieve benefit-sharing and sustainable growth.	Interview / telephone / E-mail	Irregularly
Investors	Investors' support is our motivation for continuous growth and responsibility.	Company website	Irregularly
		Investor conferences	At least twice a year
		Shareholders' meeting	At least once a year
		Annual Report / Financial Report	At least once a year
Government agencies	Prudently comply with the requirements of local government agencies for each plant, and we will adjust by using methods in line with local circumstances.	Official Correspondence	Irregularly
		Inspection and Audit	Irregularly
		Material Information Announcement	Irregularly
Outsiders (including local communities and NGOs)	To be a good corporate citizen, implement corporate social responsibility and create prosperity and a common good for society.	Project Collaborations and Activities	Irregularly
		Telephone / E-mail	Timely
		Company website	Timely

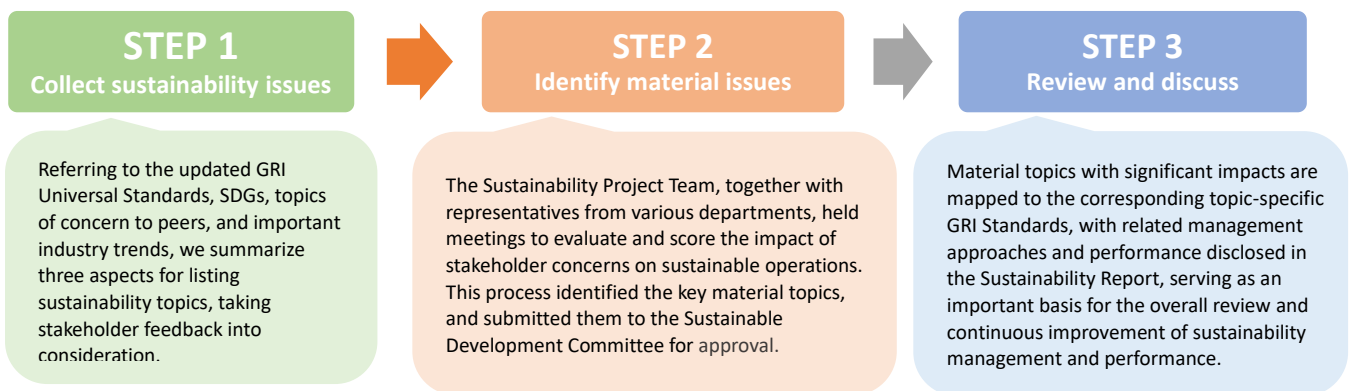
1.3 Identify Material Topics (GRI 3-1, 3-2, 3-3)

Based on the Company's vision and sustainable development policies, and with reference to the latest GRI Universal Standards, the Sustainable Development Goals (SDGs), sustainability topics of concern within the industry, major industry trends, and stakeholder feedback, the Company identified and consolidated a list of sustainability topics across three key dimensions.

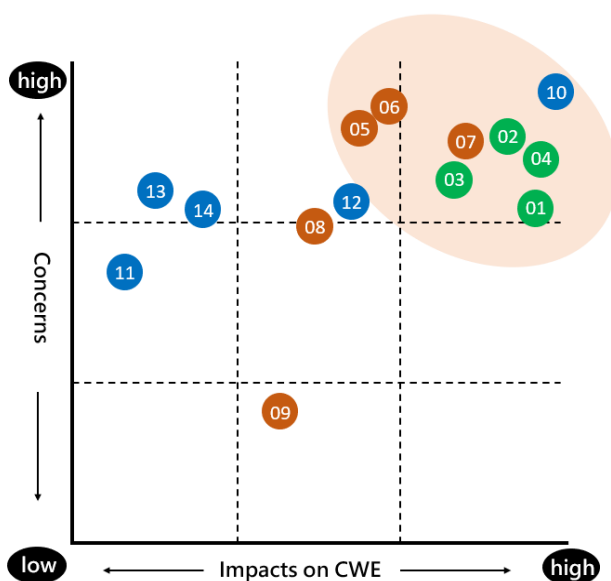
The external impacts of each topic were identified and incorporated into a questionnaire. A stakeholder survey was then conducted to assess and prioritize the significance of these impacts. The results were reviewed by the Sustainability Project Team and subsequently submitted to the Sustainable Development Committee for approval. In 2025, the Company continued to apply the results of the 2023 stakeholder survey and identified a total of eight material topics. Material topics with significant impacts were mapped to the corresponding topic-specific GRI Standards, with related management approaches and performance disclosed in the Sustainability Report. This process not only ensures that the report reflects the principles of stakeholder inclusiveness, materiality, and completeness, but also demonstrates the Company's position within the value chain and its sustainability impacts, providing an important basis for the overall review and continuous improvement of sustainability management and performance.

12

Process of Identifying Material Topics



❖ Materiality Matrix

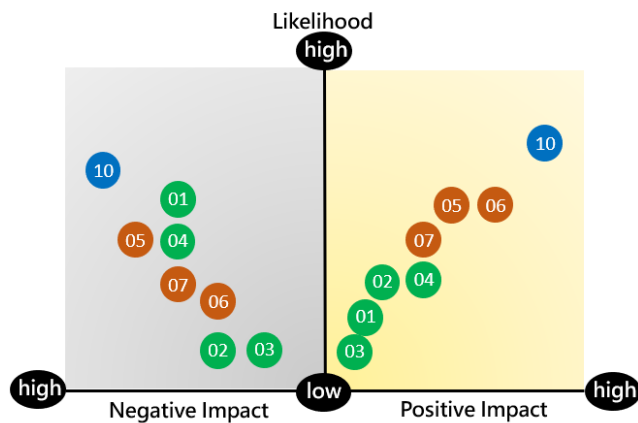


E Environment	01 Water Resources Management
	02 GHG Management
	03 Waste Management
	04 Energy Management
S Society	05 Employment
	06 Occupational Health and Safety
	07 Talent Cultivation and Development
	08 Diversity and Equal Opportunity
	09 Social Engagement
G Governance	10 Economic Performance
	11 Regulatory Compliance and Anti-corruption
	12 Supplier Management
	13 Business Integrity
	14 Risk Management

❖ Influence and Impact of Material Topics on the Economy, Environment, and Society

Based on the aforementioned list of 14 sustainability topics, eight key material topics were identified through a questionnaire survey, prioritization process, and further analysis conducted by members of the Sustainability Project Team and representatives from various departments, taking into account stakeholder concerns and the perceived significance of impacts. The eight material topics were then categorized based on their likelihood and the degree of positive and negative impacts, and plotted in a Sustainability Topic Impact Analysis Matrix, which serves as an evaluation tool for the ongoing review of the impacts of sustainability topics. Both 2025 and 2024 followed the material topic identification results of 2023, with no changes to the list or ranking of material topics.

13



E Environment	01 Water Resources Management
	02 GHG Management
	03 Waste Management
	04 Energy Management
S Society	05 Employment
	06 Occupational Health and Safety
	07 Talent Cultivation and Development
G Governance	10 Economic Performance

❖

CWE Group’s Involvement Levels in the Value Chain for Material Topics and the Management Policies

Material Topics	Corresponding to GRI Guidelines Material Topics	Corresponding Chapter	Response measures	Value Chain Impacts Boundaries (Boundaries of Topics)			Management indicators	2025 Goals	2025 Achievements	2026 Goals
				All Plants	Downstream value chains	Upstream value chains				
Water Resources Management	GRI303	3.4 Water Resources Management	Our plating and etching processes require a high level of water resources. We will establish emergency response measures for water supply interruptions and use recycled water to reduce the consumption of tap water.	•	•		Recycling rate of water withdrawal ^{Note1}	>30%	33%	>30%
							Taiwan facilities water recycling rate ^{Note2}	New management indicator for 2026		>50%
GHG Management	GRI305	3.3 GHG Management	Strengthen carbon reduction and facilitate process efficiency, as well as continue to plan on purchasing renewable energy.	•	•		GHG inventory and third-party verification	100%	100%	100%
Waste Management	GRI306	3.5 Waste Management	Sources reduction, recycling and the use of precious metal recycling techniques, along with the establishment of in-house treatment systems, are implemented to reduce waste emissions.	•	•		Reuse rate of waste	>40%	96%	>40%
Energy Management	GRI302	3.3 Energy Management	Improve energy performance using PDCA approach for ISO 50001 energy management systems, increase energy efficiency, and develop green energy to reduce environmental impact.	•	•		Energy efficiency	Energy Saving >3,000 GJ	Energy Saving 8,584 GJ	Energy Saving >3,000 GJ
Employment	GRI401	4.2 Talent Attraction and Retention	Create a happy and friendly workplace, and continue to enhance the competitiveness of remuneration and diverse benefits, as well as promote internship cooperation plans with universities and colleges.	•			Regular Employer-employee Meeting	4 meetings	4 meetings	4 meetings
							Turnover rate	<15%	10%	<15%
Occupational Health and Safety	GRI403	4.4 Occupational Health and Safety	Build comprehensive education and training programs and continuously improve safety and health management to reduce occupational accidents and create a safe, healthy, and high-quality work environment.	•	•	•	Regular promotion of Safety Week	4 times	5 times	4 times
							Regular Occupational Safety and Health Committee	20 meetings	56 meetings	20 meetings
							Regularly working environment monitoring	5 times	12 times	5 times
Talent cultivation and development	GRI404	4.3 Talent Development and Diversity Cultivation	Focus on talent cultivation and strengthen employees’ core technological skills to maintain our core competence.	•			Participants in training	24,000 attendances	31,810 attendances	24,000 attendances
Economic Performance	GRI201	2.3 Operating Performance	Ensure the Company's profitability and growth momentum, strengthen long-term competitiveness, and maintain a stable dividend policy to create a win-win situation for CWTC, shareholders and employees.	•	•	•	Investor conference	At least 2 investor conferences	4 investor conferences	At least 2 investor conferences
							Shareholders meeting	1 Shareholders meeting	1 Shareholders meeting	Management indicator removed
							Dividend Payout Ratio	New management indicator for 2026		>50%

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

Note 2: The water recycling rate at the Taiwan facilities is calculated in accordance with the requirements for water consumption fee collection by the Ministry of Economic Affairs.

Corporate Governance

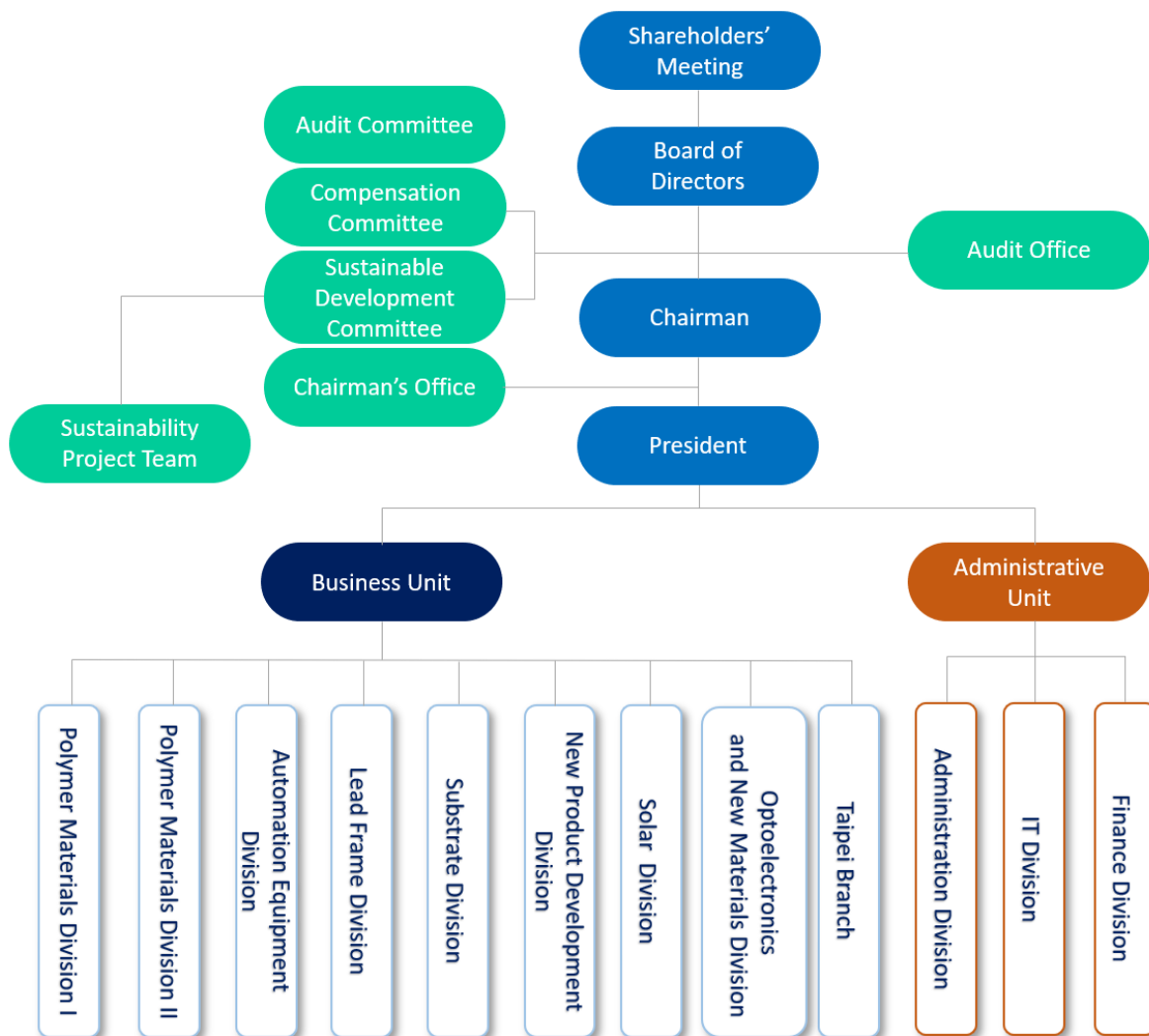
2.1 Organization and Operation of Corporate Governance

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

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

15

❖ Organizational Structure



Department		Major Functions
Audit Office		1. To assist with the planning and formulation of internal control system. 2. To carry out internal audits. 3. To plan and promote self-assessment of internal control system. 4. To execute the supervision of Group's subsidiaries.
Chairman's Office		1. To develop, plan and execute the mid and long-term operation strategies of the Company. 2. To guide every division in the execution of operational strategies in order to achieve targets set in the annual budget. 3. To plan the policies for major investments and explore new business. 4. To execute the management of Group's subsidiaries.
President		1. To organize and execute the short and mid-term operational plans of business divisions. 2. To achieve the annual budget of business divisions. 3. To manage and supervise the performance of business and operation supporting divisions. 4. To draw up key rules and procedures.
Sustainability Project Team		1. To collect, analyze and compile sustainability information and sustainability reports. Then, report to the Sustainable Development Committee regularly. 2. To ensure the accuracy and consistency of the data.
Business Unit		1. To plan and execute annual operational policies and business strategies. 2. To develop new markets, sell products and provide various services and consultation to customers. 3. To organize, manage and utilize business resources.
Administrative Unit	Administration Division	1. Human resource planning and execution. 2. Various educational training sessions. 3. Legal consultation and management of legal affairs. 4. Environmental management and general affairs.
	IT Division	1. To establish, introduce and maintain the software and hardware of IT system and to develop the application for intelligence technology. 2. Server room management and information security protection.
	Finance Division	1. Short, mid and long-term financial planning and execution. 2. To plan and execute the procedures for the preparation of the Group's consolidated financial statements. 3. To plan and execute tax-related procedures. 4. To coordinate meetings, agendas, and related matters for the Audit Committee, Compensation Committee, and Sustainable Development Committee. 5. To handle matters related to the meetings of the board of directors and shareholders' meetings in accordance with the law, and to assist the Company in complying with the relevant laws and regulations of the board of directors and shareholders' meetings. 6. To register and change the registration of the company. 7. To prepare minutes of the board of directors' and shareholders' meetings. 8. To provide directors with information necessary to carry out their business and to assist directors in complying with the latest regulatory developments related to the operation of the company. 9. Matters related to investor relations. 10. Other matters as provided for in the Articles of Incorporation or contract.
		1. To plan and execute the procedures for the preparation of the Group's consolidated financial statements. 2. To plan and execute tax-related procedures.

❖ Structure and operation of the Board of Directors (GRI 2-9, 2-10, 2-11, 2-12)

As the Company's highest governance body, the Board of Directors of Chang Wah Electromaterials Inc. exercises its duties with a high degree of self-discipline and prudence. The Board is responsible for overseeing, appointing, and guiding the Company's management and supervising overall operations. Except for matters that are required by law or the Articles of Incorporation to be resolved by the shareholders' meeting, the Company conducts its affairs in accordance with resolutions of the Board of Directors. The Board also formulates the Company's corporate social responsibility and sustainable development strategies. Chang Wah Electromaterials conducted a full re-election of its Board of Directors in May 2025. The 13th Board consists of seven members, including four directors and three independent directors, of whom three are female. All Board members possess extensive industry experience. Chang Wah Electromaterials follows fair, impartial, and transparent procedures for the election of directors. A candidate nomination system is adopted for the election of directors, under which the list of director candidates is approved by the Board of Directors and subsequently submitted to the shareholders' meeting for election.

To establish a sound corporate governance framework for the Board, strengthen its supervisory functions, and enhance management effectiveness, the Company has established its Rules of Procedure for Board of Directors Meetings in accordance with Article 2 of the Regulations Governing Procedure for Board of Directors Meetings of Public Companies. The Board of Directors of Chang Wah Electromaterials convenes at least once every quarter. For further details regarding the operation of the Board, please refer to the Company's 2025 Annual Report. A total of eight Board meetings were held in 2025, including three meetings of the 12th Board, with an actual director attendance rate of 86%. The current directors serve a three-year term from May 29, 2025 to May 28, 2028. Information on the current members of the Board of Directors is provided below:

❖ Information on the Board members

Title	Name	Gender / Age	Experience (Education)	Other Public Company Directorships	Attendance in Person (Note)	Attendance by Proxy (Note)	Attendance Rate (%)
Chairman	Juan Yao Investment Co., Ltd. Rep.: Chuen-Sing Hung	Male 61	- Graduated from Hong Kong Polytechnic University. - He currently serves as the representative of a juristic-person director and President of the subsidiary Chang Wah Technology Co., Ltd. (CWTC), and concurrently serves as the representative of juristic-person directors of JMC Electronics Co., Ltd. and eChem Solutions Corp., as well as a director of several companies within the CWE Group. He also serves as a director of other companies in the electronics and technology industry value chain. - Once served as president of Possehl Electronics Hong Kong Ltd. and Sumiko Electronics Taiwan Co., Ltd. He has been involved in the operation and strategic management of the semiconductor industry for more than 30 years.	3	5	0	100%
Director	Wah Lee Industrial Corp. Rep.: Lulu Huang	Female 59	- Graduated from the University of California, Los Angeles, with a Master of Business Administration. - She currently serves as a director of Wah Lee Industrial Corp. and concurrently serves as a director of several subsidiaries within the Wah Lee Group. - She once served as the special assistant to chairman of Wah Lee Industrial Corp.	2	3	2	60%

Title	Name	Gender / Age	Experience (Education)	Other Public Company Directorships	Attendance in Person (Note)	Attendance by Proxy (Note)	Attendance Rate (%)
Director	Basijie Investment Co., Ltd. Rep.: Gary Huang	Male 36	- Graduated from Yunlin University of Science and Technology with a Master of Business Administration - He is now the Vice President of the Business Unit at CWE and also serves as chairman and supervisor at professional investment companies. He has been involved in the operation and strategic management of the semiconductor industry for more than 10 years.	0	5	0	100%
Director	Basijie Investment Co., Ltd. Rep.: Li, Hsing-Chuan	Female 57	- Holds a master's degree from the Graduate Institute of Management Science at National Chiao Tung University. - Currently serves as Vice President of the Corporate Management Division, Head of Finance and Accounting, and Corporate Governance Officer of Vizionfocus Inc. - Previously served as Section Manager of the Audit Department at Accton Technology Corporation and Manager of the Central Business Management Division at Innolux Corporation.	0	5	0	100%
Independent Director	Kong, Chi-Chuan	Male 66	- Graduated from the Department of Senior Petrochemical Division, Ko Ying Senior Vocational School of Commerce and Industry. - Currently serves as the representative of a juristic-person director of Tsing Ho Real Estate Co., Ltd. - Previously served as Chairman of Jiao Chang Customs Brokerage Limited.	0	5	0	100%
Independent Director	Huang, Li-Yuan	Male 54	- Holds a Master's degree in Business Administration from National Sun Yat-sen University. - Currently serves as a consultant to Lijing Microelectronics (Jiangsu) Co., Ltd. and Special Assistant to the Chairman of Zenitron Corporation. - Previously served as Vice President of Yuan Feng New Technology Co., Ltd., President of Chi Lin Technology Co., Ltd., and President of Lijing Microelectronics (Jiangsu) Co., Ltd.	0	5	0	100%
Independent Director	Hsu, Xiao-Ling	Female 52	- Graduated from the Department of Fashion Design at Shih Chien College of Home Economics. - Currently serves as Investor Relations Manager at Jialin Management Consulting Co., Ltd.	0	5	0	100%

Note: Only attendance at meetings of the 13th Board of Directors is disclosed.

❖ Board Diversity (GRI 2-10)

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

The Company nominates and selects Board members in accordance with its Articles of Incorporation and adopts a candidate nomination system. The Secretariat of BOD reviews the qualifications of candidates before submitting them to the Board of Directors for final resolution, ensuring the diversity and independence of the Board members.

19

Implementation of Board Diversity

Policy	Goals	Performance in 2025	Accomplishment
Professional Competence	Diversity of professional background, skills and industry experience.	The Board members include professionals from industry, technology, and management fields. The directors possess the knowledge, skills and competencies required to carry out their duties, and their industry experience and professional expertise are diverse and complementary.	V
Gender Equality	At least one female Director.	There are 3 female directors among the seven directors, accounting for 43%.	V
Independence	● The number of directors who are also managers of the Company should be less than one-third of the Board seats. ● The number of independent directors should be at least one-third of the Board seats. ● Independent directors should not serve consecutively for more than three terms.	● Only one director also serves as a manager of the Company, accounting for 14%. ● Three of the seven directors are independent, accounting for 43%. ● None of the independent directors have served for more than three consecutive terms.	V

Diverse Backgrounds of the Board Members

Diversified Core Competence Name	Nationality	Gender	CWE Employee	Seniority of Independent Director	Age			Professional Knowledge and Skills						
					< 60 Years old	61-70 Years old	> 71 Years old	Corporate Governance	Marketing	Industry Knowledge	Leadership	Decision-Making	Operation Management	Accounting & Financial Analysis
Juan Yao Investment Co., Ltd. Rep.: Chuen-Sing Hung	ROC	Male			V			V	V	V	V	V	V	V
Wah Lee Industrial Corp. Rep.: Lulu Huang	ROC	Female			V			V	V	V	V	V	V	
Basijie Investment Co., Ltd. Rep.: Gary Huang	ROC	Male	V		V			V	V	V	V	V	V	
Basijie Investment Co., Ltd. Rep.: Li, Hsing-Chuan	ROC	Female			V			V	V	V	V	V	V	V
Kong, Chi-Chuan	ROC	Male		7		V		V	V	V	V	V	V	
Huang, Li-Yuan	ROC	Male		1	V			V	V	V	V	V	V	V
Hsu, Xiao-Ling	ROC	Female		1	V			V		V	V	V	V	V

❖ Continuing Education of Directors (GRI 2-17)

To enhance the functions of the members of the CWE Board of Directors, the Board members actively participate in relevant training courses organized by institutions designated by the Taiwan authorities, in accordance with Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies and the regulations of the Taiwan authorities. The Board members remain attentive to developments in domestic and international economic, environmental, and social regulations by taking courses in various areas including finance, risk management, operations, business, accounting, law, corporate governance, integrity and ethics, and corporate social responsibility. This approach aims to strengthen the Board's leadership and decision-making capabilities and ensure the diligent execution of business and management responsibilities.

In 2025, the total training hours of the CWE Board members met the legal requirement of six hours, with an average of 7.71 training hours per director and a total of 54 training hours.

Continuing Education of Directors Recently

Year	Number of Directors	Training Hours	Average Hours
2023	7	63	9.00
2024	7	74	10.57
2025	7	54	7.71

❖ Performance Evaluation of the Board of Directors (GRI 2-18)

To strengthen the effectiveness and efficiency of the Board of Directors, CWE has established the Rules for Performance Evaluation of the Board of Directors and conducts an internal Board performance evaluation at least once a year. The evaluation covers the degree of participation in the Company's operations, improvement in the quality of decision-making, the composition and structure of the Board, the election and continuing education of directors, and internal control. The purpose is to ensure that the Board fully performs its responsibilities in corporate governance, business management, and corporate sustainability. In 2025, the internal performance evaluation score of the CWE Board of Directors was 99.31 out of 100, while the self-evaluation score of individual directors was 95.99 out of 100. The overall performance rating was "Excellent."

In addition to internal evaluations, starting from 2025, CWE will engage an external independent professional institution or a team of external experts and scholars to conduct a Board performance evaluation at least once every three years. The evaluation criteria include non-financial indicators and sustainability-related factors, helping assess the performance of the Board and individual directors in leading and overseeing the Company's operations. The Board will use the professional and objective evaluation results to further enhance its overall effectiveness. In 2025, CWE commissioned LSA Grace Consulting Co., Ltd. to conduct the evaluation, and the overall assessment result was rated "Excellent."

Results of the Board Performance Evaluation for Years

Year	Internal Evaluation	External Evaluation
2023	99.31/100 A sound operation of the Board.	-
2024	99.76/100 A sound operation of the Board.	-
2025	99.31/100 A sound operation of the Board.	The Board comprises directors with relevant expertise and experience, enabling the effective operation of the Board and its functional committees. The overall evaluation result was "Excellent."

❖ Compensation Policy for the Directors and Executives (GRI 2-19, 2-20, 2-21)

Remuneration of Directors

Remuneration is paid based on the Company's "Standards, Policy and Structure of Director Remuneration". It is reviewed regularly by the Compensation Committee and distributed upon approvals from the Board. Remuneration for directors comprises base compensation, compensation to directors and allowances. Base compensation is a fixed amount distributed from a budget of NT\$8 million every year. Whether the director is a member of a functional committee and his/her involvement and contribution to the operation are taken into account when the Board determines the compensation amount. Compensation to directors is paid pursuant to the Articles of Incorporation. When the Company's net income for the year exceeds NT\$800 million, up to 2% of the portion exceeding NT\$800 million but not exceeding NT\$1 billion shall be distributed as compensation to directors. When the Company's net income for the year exceeds NT\$1 billion, up to 4% of the portion exceeding NT\$1 billion shall be distributed as compensation to directors. Allowances include attendance allowance and others. Remuneration policy is established with consideration to the level of participation and contribution of individual director to the Company (please refer to page 29 for results of performance evaluation on the Board and individual director), industry average (companies in the electronics distribution industry or one with similar levels of paid-in capital, revenue, or profits) as well as business performance indicators.

Remuneration of Executives

Compensation is paid in accordance with the Company's "Standards, Policies, and Structure for Managerial Remuneration," which are periodically reviewed by the Compensation Committee and implemented upon approval by the Board of Directors. The remuneration structure for managers consists of salaries, allowances, bonuses, benefits, employee compensation, and severance or retirement benefits, all of which are provided in accordance with applicable laws and regulations. Salaries and allowances are determined based on managers' education, experience, professional capabilities, positions, and the Company's personnel management policies, while bonuses are linked to performance evaluations and the Company's operating results. Performance evaluations for senior executives, such as the President and Vice Presidents, include financial targets, including profit before tax, earnings per share, achievement of operating profit budgets, and peer comparisons, as well as non-financial targets primarily related to corporate governance, including operational management capabilities, risk management capabilities, and ESG performance indicators. Bonus ratios are determined based on evaluation results to provide reasonable remuneration. Employee benefit policies are designed to address employee needs and support the Company's talent retention strategy, and the remuneration system is reviewed as appropriate in light of actual operating conditions and relevant laws and regulations. In 2025, the ratio of the President's annual total compensation to the median annual total compensation of other employees was 6.5 times, while the ratio of the percentage change in the President's annual total compensation to the median percentage change in annual total compensation of other employees was 0 times.

Evaluation Criteria	President	Vice President
Profit Before Tax	20%	20%
Earnings Per Share	20%	15%
Achievement of Operating Profit Budget	30%	35%
Peer Operating Profit Margin	15%	15%
Peer Debt Ratio	15%	15%
Corporate Governance Evaluation (including ESG indicators ^{Note})	10%	-

Note: ESG indicators are primarily based on the relevant items covered by the Corporate Governance Evaluation, including but not limited to Board operations and decision-making quality, risk management and internal control systems, regulatory compliance and ethical business practices, and sustainability disclosure and transparency.

❖ Succession Planning for Directors and Executives

Succession Planning and Operation for Board Members

1. The selection of directors is conducted in accordance with the company's Articles of Incorporation through a candidate nomination system. The "Corporate Governance Best Practice Principles" and the "Director Nomination Procedures" stipulate that board composition should consider diversity. A diversity policy is formulated based on the company's operations, business model, and development needs, covering (but not limited to) two major areas: basic qualifications and values, as well as professional knowledge and skills.
2. The nomination process for director candidates must comply with qualification reviews and relevant regulations to ensure that, in the event of a vacancy or planned increase in board seats, suitable new directors can be effectively identified and selected.
3. The company maintains an ongoing succession plan for directors and builds a candidate database based on the following criteria:
 - (1) Possession of professional knowledge, skills, and industry experience beneficial to the company's management and operations.
 - (2) Integrity, honesty, responsibility, decisiveness, and alignment with the company's core values.
 - (3) Industry experience relevant to the company's business operations.
 - (4) The collective expertise of the Board should include areas such as corporate strategy and management, accounting and taxation, finance, and law.
4. The company has established a "Board Performance Evaluation Policy." Through performance evaluation metrics—including understanding of the company's goals and missions, awareness of duties, participation in operations, internal relationship management and communication, professional competence and training, internal controls, and expression of concrete opinions—the effectiveness of the Board's operations and individual director performance can be assessed. This serves as a reference for future director selection.

Succession Planning and Operation for Key Management Personnel

1. Employees at the Assistant Vice President level or above are considered key management personnel and are responsible for relevant business and management functions within the organization. Designated deputies are assigned at each management level.
2. In addition to possessing the necessary professional skills and experience, key management personnel are expected to share values and management philosophies consistent with the Company's corporate philosophy.
3. The Human Resources Division is responsible for establishing and coordinating the Company's talent development mechanism. Training is provided in stages based on candidates' expertise and development potential, together with the Company's core competencies and management competencies required at different organizational levels, to support the implementation of the succession plan.
4. Succession training covers business management, strategic planning, market operations, human resources, financial risk management, and other areas. In addition to strengthening knowledge of corporate governance and industry development, courses are provided on leadership and management, trend insights, international perspectives, global political and economic developments, digital transformation, and sustainable development, with the aim of broadening senior executives' perspectives and leadership thinking and enhancing their operational and decision-making capabilities.



❖ Functional Committees (GRI 2-15, 2-20)

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

Audit Committee

The Audit Committee is composed of three independent directors, one of whom possesses expertise in accounting and finance. The Committee assists in overseeing the fair presentation of the Company's financial statements; the appointment, dismissal, independence, and performance evaluation of the Company's CPAs; the effective implementation of internal controls; compliance with relevant laws and regulations; and the management of existing or potential risks. Resolutions adopted at Committee meetings are recorded in the meeting minutes and submitted to the Board of Directors. In 2025, the Audit Committee held six meetings, including three meetings of the previous term, with an overall in-person attendance rate of 100%.

To strengthen the effectiveness and efficiency of the Audit Committee, a performance evaluation is conducted at least once a year. The evaluation covers five dimensions and 22 indicators, including the degree of participation in the Company's operations, understanding of the Committee's responsibilities, improvement in the quality of decision-making, Committee composition and member selection, and internal control. In 2025, the Audit Committee received an overall self-evaluation score of 100 out of 100, with an overall performance rating of "Excellent."

Attendance of the Audit Committee in 2025

Title	Name	Attendance in Person ^{Note}	Attendance by Proxy ^{Note}	Attendance Rate (%)
Independent Director	Huang, Li-Yuan (Convener)	3	0	100%
Independent Director	Kong, Chi-Chuan	3	0	100%
Independent Director	Hsu, Xiao-Ling	3	0	100%

Note: Only attendance at meetings of the current term is disclosed.

Compensation Committee

The Compensation Committee is composed of three independent directors. From a professional and objective perspective, the Committee assists the Board of Directors in implementing and evaluating the Company's overall compensation and benefits policies, as well as the remuneration of directors and executives, and regularly provides recommendations to the Board for reference in its decision-making. In 2025, the Compensation Committee held four meetings, including one meeting of the previous term, with an overall in-person attendance rate of 100%.

To strengthen the effectiveness and efficiency of the Compensation Committee, a performance evaluation is conducted at least once a year. The evaluation covers four dimensions and 19 indicators, including the degree of participation in the Company's operations, understanding of the Committee's responsibilities, improvement in the quality of decision-making, and Committee composition and member selection. In 2025, the Compensation Committee received an overall self-evaluation score of 100 out of 100, with an overall performance rating of "Excellent."

Attendance of the Compensation Committee in 2025

Title	Name	Attendance in Person ^{Note}	Attendance by Proxy ^{Note}	Attendance Rate (%)
Independent Director	Kong, Chi-Chuan (Convener)	3	0	100%
Independent Director	Huang, Li-Yuan	3	0	100%
Independent Director	Hsu, Xiao-Ling	3	0	100%

Note: Only attendance at meetings of the current term is disclosed.

Sustainable Development Committee

The Sustainable Development Committee is composed of the Chairman and two independent directors. Under the authorization of the Board of Directors, the Committee is responsible for formulating, promoting, and strengthening the Company's sustainable development policies, annual plans, and strategies; reviewing, tracking, and revising the implementation and effectiveness of sustainable development initiatives; overseeing sustainability-related disclosures; and reviewing the Sustainability Report. Resolutions adopted at Committee meetings are recorded in the meeting minutes and submitted to the Board of Directors. In 2025, the Sustainable Development Committee held two meetings, with an overall in-person attendance rate of 100%.

To strengthen the effectiveness and efficiency of the Sustainable Development Committee, a performance evaluation is conducted at least once a year. The evaluation covers four dimensions and 17 indicators, including the degree of participation in the Company's operations, understanding of the Committee's responsibilities, improvement in the quality of decision-making, and Committee composition and member selection. In 2025, the Sustainable Development Committee received an overall self-evaluation score of 100 out of 100, with an overall performance rating of "Excellent."

Attendance of the Sustainable Development Committee in 2025

Title	Name	Attendance in Person ^{Note}	Attendance by Proxy ^{Note}	Attendance Rate (%)
Chairman	Hung, Chuen-Sing	2	0	100%
Director	Huang, Gary	2	0	100%
Independent Director	Chen, Chih-Cheng	2	0	100%

Note: Only attendance at meetings of the current term is disclosed.

2.2 Integrity Management

❖ Integrity Management

The Board of Directors has successively adopted policies and regulations related to business conduct and ethics, establishing clear policies, guidelines, operating procedures, codes of conduct, and grievance mechanisms to prevent unethical behavior. The Company is committed to conducting all business activities with integrity, and these requirements apply to all employees of the Company and its subsidiaries. Each year, the Chairman's Office evaluates the Company's implementation of ethical corporate management and reports the results to the Board of Directors.

Relevant rules

26

Internal Rules	Date of Establishment (Amendment)
Code of Ethical Conduct for Directors and Managers	March 25, 2015
Code of Conduct for Honest Management	December 19, 2019
Procedures and Guidelines for Honest Management Practices	March 18, 2020
Code of Sustainable Development Best Practice Principles	December 18, 2025
Procedures for Handling Internal Material Information	December 21, 2023
Risk Management Policy	March 16, 2023
Code of Corporate Governance Practices	December 19, 2024
Regulations for Sustainability Information Management	December 19, 2024

❖ Regulatory Compliance (GRI 2-27)

In addition to continuously monitoring domestic and international policies, laws, and regulations that may have potential impacts on the Company's business and financial performance, CWE has established various corporate governance policies and procedures. The Audit Office is responsible for reviewing regulatory compliance and updating relevant internal regulations as necessary. In 2025, neither the Company nor its subsidiaries had any violations of laws or regulations.

Regulatory Compliance for Each Department

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

❖ Prevention and Grievance (GRI 2-26)

To guide employees and stakeholders in understanding the CWE Group's Sustainable Development Best Practice Principles and Corporate Social Responsibility (CSR) Policy, the Company publishes relevant policies, guidelines, and practices on its official website and communicates the concepts and specific actions of sustainable development and corporate social responsibility internally through various means, including education and awareness programs.

In terms of human rights, labor-management representatives were invited to participate in meetings at all operating sites in 2025. The Company and its Taiwan facilities held labor-management meetings once every quarter; the Chengdu facility in China held employee representative exchange meetings once every six months; the Suzhou facility in China held union meetings once every quarter; and the Malaysia facility held welfare committee meetings once a month. These meetings covered 100% of the total workforce. Proposals related to the Company's operations and personnel matters were discussed at the meetings, with relevant departments requested to provide explanations and follow-up reports presented at subsequent meetings.

In terms of environmental management, the Group requires its manufacturing subsidiaries to convene Environmental Management Committee meetings. In 2025, the Taiwan facilities held such meetings quarterly, while other facilities held them monthly. In addition to communicating regulatory requirements and providing education and training, matters relating to environmental monitoring and measurement, as well as internal and external communications and recommendations, were fully discussed and resolved by the committees.

The Company has established a dedicated stakeholder mailbox (audit1@cwei.com.tw) as a communication channel for stakeholders to provide feedback and report improper conduct, with the identity of whistleblowers kept strictly confidential. To ensure the effectiveness of the reporting mechanism, the head of the Audit Office is designated as the responsible person for handling reports. If an investigation identifies any material violation or a risk of significant loss to the Company, a report will be prepared immediately and submitted in writing to the independent directors. As of the end of 2025, no whistleblowing reports had been received.

**Incident
registration**

Investigation

**Conclusion
reviews**

**Mechanism
improvements**

❖ Customer Relationship Management

Customer relationship maintenance and enhancement play a vital role in the Company's sustainable business management strategy. Strong customer relationships are not only a cornerstone of business success, but also an essential element of sustainable development.

CWE Group is committed to meeting customer needs through professional services delivered with integrity. Through regular and ad hoc feedback mechanisms, the Group collects customer opinions and suggestions regarding product quality and service efficiency. Such feedback is regarded as an important driver for improvement and is incorporated into internal review and enhancement processes to ensure timely responses to market changes and customer expectations.

At the same time, CWE Group places great importance on building long-term partnerships with customers and is committed to creating shared value while upholding the principle of integrity. By ensuring that customers have access to sufficient information, the Group enables them to make appropriate decisions and works together with them toward stable, long-term development and sustainable business operations.

The Company has also established a customer complaint handling mechanism to maintain stable and positive customer relationships. No material customer complaints occurred in 2025.

In 2025, CWE Group conducted a customer satisfaction survey covering efficiency, professionalism, value, and collaboration experience. The survey results showed that performance in all areas met or exceeded customer expectations. Upholding the spirit of sustainability management and continuous improvement, the Group incorporates constructive customer feedback into its review process and will initiate follow-up improvement projects where appropriate. Through ongoing adjustments to service processes, CWE Group aims to continuously enhance customer satisfaction and trust.

❖ Product Safety Management

CWE Group upholds the core values of integrity, professionalism, and innovation in serving customers worldwide. Guided by the philosophy of "growing together with customers and creating win-win outcomes," the Group regards customer satisfaction as a key indicator of sustainable business development. To this end, we provide high-quality, safe, and compliant products, together with responsive technical services, to strengthen long-term partnerships with customers around the world.

In accordance with the ISO 9001 Quality Management System, the Group's manufacturing facilities provide annual product quality education and training for employees. In 2025, a total of 4,215 participant attendances were recorded, with 11,574 training hours completed. The Group comprehensively reviews product design, production, and delivery processes to meet customer expectations and to ensure that products do not pose health or safety risks to customers or end users throughout their life cycle.

The Company has also established a customer complaint handling mechanism to maintain stable and positive customer relationships. No material customer complaints occurred in 2025.



2.3 Operating Performance

Key Material Issue

❖ Financial Performance (GRI 201)

Impact Description

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

Management Policy and Commitment

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

Management Mechanism and Implementation Strategy

Responsible Units: Board of Directors / Office of the General Manager / Finance Department
Strategic Directions: Strengthen working capital management and cash flow control; Develop high value-added products and diversify markets
Relevant Internal Policies: *Risk Management Policy*, *Annual Budget Operation Guidelines*
Risk Control: Establish a financial risk early warning system to address impacts from exchange rate and interest rate fluctuations.

29

Specific Action Plan

1. Establish an operational risk assessment process (financial and operational risks)
2. Diversified market development: Strengthen market share in existing markets and evaluate opportunities for overseas expansion.
3. Financial transparency: Regularly disclose financial statements and operational information to ensure timely and accurate communication.
4. Stakeholder engagement: Address key concerns through mechanisms such as shareholders' meetings, investor conferences, and Q&A sessions with investors.

Tracking and Verification Mechanism

Execution Cycle: Apply the PDCA (Plan-Do-Check-Act) management model to various operational and financial indicators.

Performance Review Frequency: Conduct quarterly operational review meetings to evaluate strategy implementation.

Major Exception Handling: Report any issues exceeding the risk tolerance level to the Board of Directors or Audit Committee for necessary adjustments.

Information Disclosure: Disclose financial and operational information to regulators, shareholders, and the public in accordance with applicable regulations.

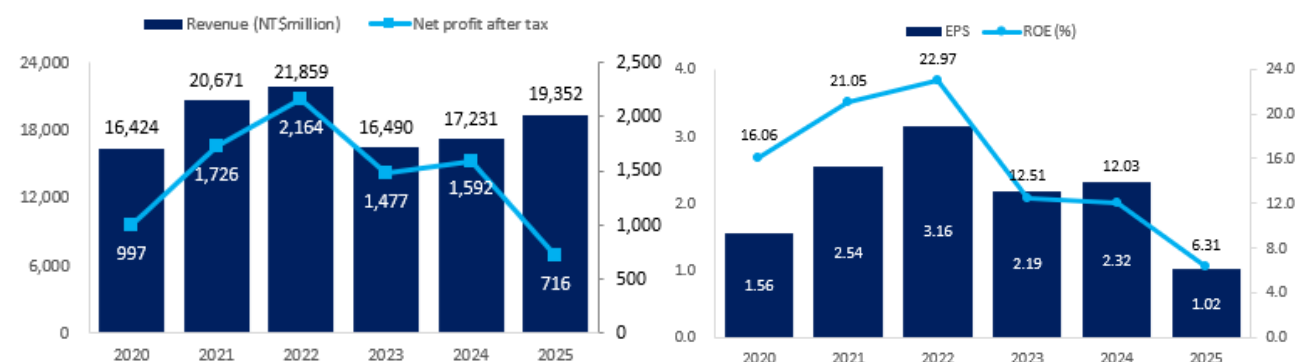


Note: The base year is 2024; the short term is defined as within 3 years, the medium term as within 5 years, and the long term as more than 5 years.

CWE focuses on the production and sale of back-end semiconductor packaging materials, with extensive involvement in products such as EME, CRM, lead frames, and IC substrates. It has successfully built a semiconductor materials ecosystem through reinvestments and is now a major supplier in Taiwan, facilitating the localization of the semiconductor materials supply chain. Starting with the distribution of IC packaging materials, the Company has leveraged the manufacturing expertise of its subsidiaries to develop into a world-class professional packaging materials company.

Our operating revenue was NT\$19,351,780 thousand in 2025, and earnings per share (EPS) after tax were NT\$1.02.

Financial Information of CWE Group



Type	Item	2025 (NT\$ thousand)
Direct economic value generated	Revenues	19,351,780
Economic value distributed	Operating costs	15,282,859
	Employee wages and benefits	2,182,919
	Profit-seeking enterprise income Tax	463,852
	Dividends to shareholders	1,008,090
	Community investments	2,600
Economic value retained		411,460



❖ Government Subsidies (GRI 201-4)

Government financial assistance received by CWE Group mainly consists of loan interest subsidies under the Action Plan for Welcoming Overseas Taiwanese Businesses to Return to Invest in Taiwan, as well as tax withholding and collection service fee subsidies and employment stabilization subsidies in China.

Item (NT\$ thousand)	2022	2023	2024	2025
Government subsidies	32,184	37,304	32,909	26,559

In addition, subsidiary Chang Wah Technology Co., Ltd. (CWTC) qualified for government incentives related to smart machinery and R&D investment in 2024 and was therefore eligible for certain tax credits. Subsidiaries SHEC and SHPC qualified under China's Western Development Policy and enjoy a preferential corporate income tax rate of 15%. They are also eligible for customs duty exemptions on imported equipment for their own use, as well as tax benefits related to R&D investment. Subsidiary SHS obtained High and New Technology Enterprise certification and is entitled to a preferential corporate income tax rate of 15%.

❖ Tax Policies

CWE Group aligns its tax with its overall business strategies and operating environment. By implementing a comprehensive tax governance framework and transfer pricing policy, the Group has established a robust tax management system and fostered a culture of tax governance. This approach ensures the efficient operation of tax management mechanisms, supporting sustainable development and creating corporate value. Each year, the Group thoroughly evaluates its policies to align with international tax trends and comply with the regulations of the regions where it operates. It also makes prudent use of local tax incentive policies. In response to the implementation of the Controlled Foreign Corporation (CFC) rules, CWE Group has incorporated CFC policies into its overall tax planning and organizational restructuring strategy to align with international anti-tax avoidance trends and maintain tax fairness. The Group will also closely monitor legislative developments and adjust its tax policies as appropriate to mitigate tax risks. CWE Group will consider the social and economic impact of tax compliance when undertaking cross-border investments and operating arrangements to ensure long-term corporate sustainability.



2.4 Risk Management

To provide a framework for the Company's risk management operations and effectively manage risks, we established a "Risk Management Policy" in 2023. The policy is reviewed regularly and submitted for approval by the Board of Directors before the annual group risk assessment, serving as the Company's highest guiding principle. We instruct each functional unit to conduct risk identification according to their division of labor and to formulate management strategies and action plans to mitigate, transfer, or avoid risks in order to effectively lower the Company's operational risks.

To ensure the Company's normal operations and achieve business continuity, we proactively and cost-effectively integrate and manage all potential strategic, operational, financial, and hazard-related risks that could impact operations and profitability. Through regular group risk assessments, we utilize a risk matrix to understand the frequency of risk events and their potential impact on the Company's operations, define risk priorities and levels, and adopt corresponding risk management strategies based on the risk levels.

32

❖ Risk Management Structure and Relevant Responsibilities



❖ Risk Identification and Countermeasures

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

Material Issue	Risk Evaluation Item	Risk Management Policy and Measure
Operation	Peers competition	- Map out cross-regional strategies with developments in the Asia-Pacific market as our advantages. - Maintain excellent customer relations to enhance customer loyalty and trust.
	Shrinking of profit margin	- Expand product applications. - Enhance product reliability and improve customer satisfaction to secure more sales opportunities.
	High barrier of entry for high-end products	- CWE maintains close relationships with its customers, enabling the Company to introduce appropriate high-end packaging materials in a timely manner and gain a competitive advantage. - Constantly keep track of developments in high-end products and technologies and introduce appropriate materials to packaging firms in a timely manner.
Finance	Interest rate fluctuations	- CWE regularly reviews interest rates and financial market information. - CWE utilizes its capital in the most favorable way by taking into account the cost of capital and potential returns.
	Exchange rate fluctuations	- Achieve a certain degree of natural hedging through trading and adjust the positions of assets and liabilities denominated in foreign currencies in a timely manner. - CWE uses a professional financial information system to monitor exchange rate fluctuations on a timely basis to actively take action to mitigate the negative impacts of exchange rate volatility. - CWE periodically assesses its foreign-currency net asset (liability) positions and volatility of exchange rates to mitigate currency risk.
	Changes in the inflation rate	- Closely monitor price fluctuations in the upstream raw materials markets. - Maintain good relationships with suppliers and customers in order to properly adjust the inventory level of raw materials.
Information security	External threats	- Strengthen external threat protection and track monitoring, and enhance information security transparency to lower operational risk. - Establish management mechanisms in compliance with applicable rules and carry out regular reviews and amendments to satisfy the ever-changing information security standards.
	Hosting equipment risks	Establish a high-availability information service platform to ensure uninterrupted business operations.
Environment	Environmental protection	Require the manufacturing plants of subsidiaries to promote the reduction of process water consumption, establish wastewater recycling facilities, and improve wastewater treatment efficiency, with the short-term goal of maintaining the water withdrawal recycling rate steadily at 30%.
	Climate change	Implement energy conservation and carbon reduction initiatives, conducting GHG inventories annually to gradually reduce carbon dioxide emissions.
Society	Talent recruitment	Launch a talent nurturing policy, supported by planned and systematic training initiatives, to sustain long-term growth and mitigate the impact of workforce gaps on the Company.

2.5 Internal Control

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

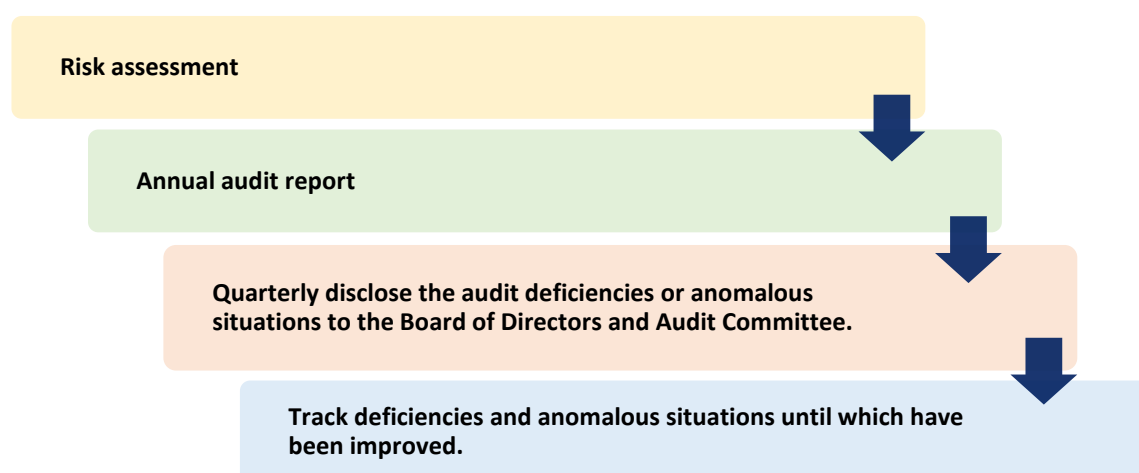
Furthermore, the Audit Office reviews the self-inspection reports for the internal control system prepared by all departments and subsidiaries as required, and regularly submits these reports on the results, along with their corrections, to the Board of Directors. This process ensures that management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

34

❖ Audit Work

- Every year, based on identified risks, an annual audit plan is developed for the following year, which includes items mandated by Article 13 of the “Regulations Governing Establishment of Internal Control Systems by Public Companies” to be included in the annual audit plan, and is executed upon approval by the Board of Directors.
- Monthly, the execution of audit items in the plan is checked, and audit reports are prepared and submitted to the Board of Directors and the Audit Committee for review. Quarterly, a report on the internal audit activities is presented at the Board of Directors meeting.
- The parent and subsidiary companies are required to conduct at least one self-inspection annually. The results of these self-inspections, along with the Audit Office’s findings of internal control deficiencies and irregularities, are reviewed and used as the basis for the President and Board of Directors to issue the Internal Control System Statement.
- Deficiencies and irregularities identified during audits that require follow-up must be tracked with reports issued at least quarterly until fully resolved, ensuring that the relevant units have taken appropriate and timely corrective actions.
- Conduct related project audits as needed.
- Complete the required internet information system reporting within the deadlines set by the regulatory authorities.

❖ Audit Process



2.6 Information Security Management

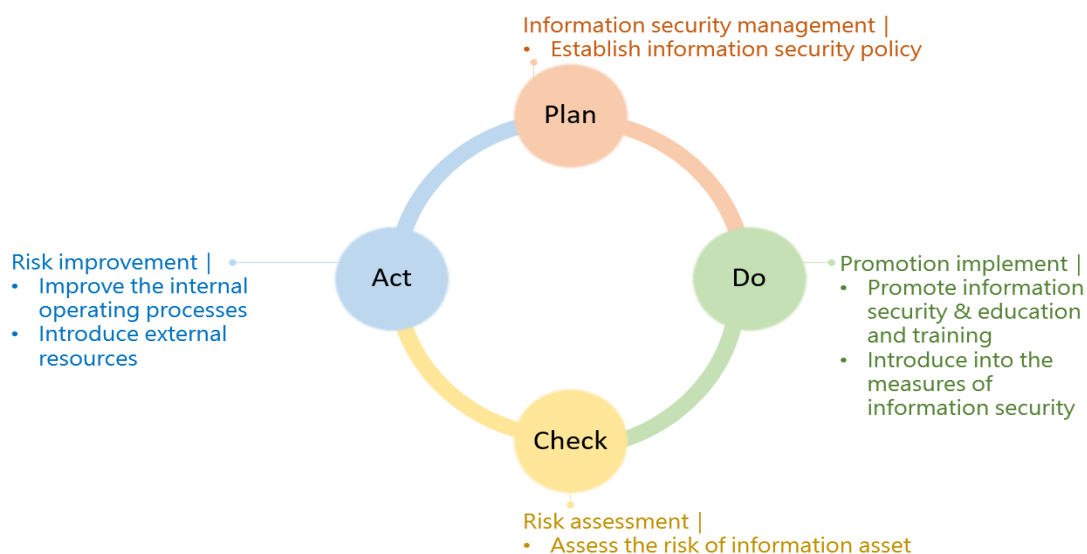
To strengthen information security resilience and management mechanisms in response to operational risks arising from various cybersecurity threats, the Company's internal information management system adopts the PDCA (Plan-Do-Check-Act) cycle. Through the establishment of management systems, implementation, risk assessment, and continuous improvement measures, CWE continues to strengthen its information security framework, ensuring the confidentiality, integrity, and availability of critical information assets and compliance with applicable laws and regulations, thereby supporting the sustainable operation of the Company and its key business activities.

In 2023, the Company established a dedicated cybersecurity unit, with Mr. Eric Lin, Head of the IT Division, serving as the Chief Information Security Officer. Dedicated cybersecurity personnel were also appointed to oversee information security management and operations. The unit is responsible for formulating and implementing policies related to CWE's information and communication security and trade secret protection, as well as managing related risks. Security assessments of information assets are conducted annually, and information security policies are updated as necessary in response to changes in cybersecurity tools and technologies to ensure the effective operation of the information security management system. In addition, the IT Division is responsible for employee cybersecurity awareness programs and information security incident response, thereby strengthening cybersecurity awareness across the organization and jointly safeguarding the Company's information security environment. In 2025, the Company provided cybersecurity training to 37 participant attendances, totaling 74 training hours.

The Company implemented the ISO 27001 Information Security Management System and obtained ISO 27001 certification in 2025. The certificate is valid from November 6, 2025 to November 5, 2028. Through the implementation of the ISO 27001 Information Security Management System, the Company has strengthened its ability to respond to cybersecurity incidents, protect the assets of the Company and its customers, and enhance risk management capabilities and operational resilience, thereby further increasing stakeholder confidence in CWE's information security management.



❖ PDCA for Information Security Management



❖ Information Security Control Measures

CWE regularly reviews its information security processes to enhance and strengthen all information risk management. In 2025, there were no significant cyberattacks or events, nor were there any issues that have caused or could potentially cause a significant adverse impact on the company's operations. Furthermore, no major complaints were received regarding the infringement of customer privacy or the loss of customer data.

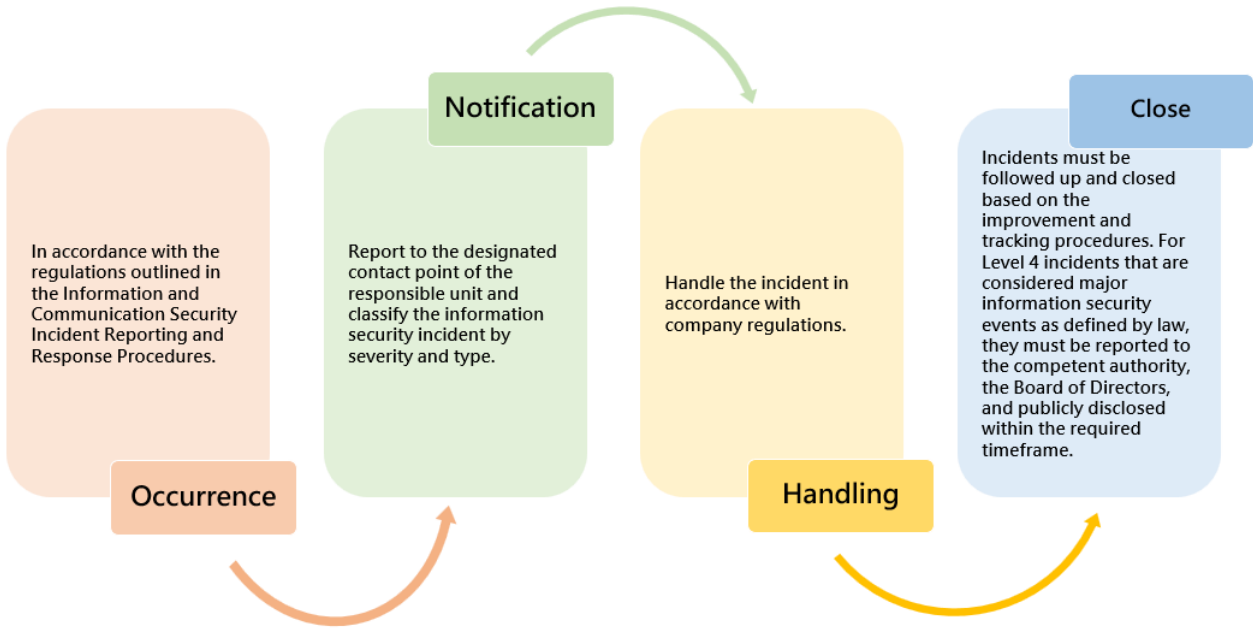
Protection against information security threat	• Install information security protection software (anti-virus/endpoint detection and response, etc.) on servers and personal computers and have the central management platform updating the threat definition files regularly. • Initial automatic updating service to apply patches to vulnerabilities in user end and server systems. Major threats or areas where automatic updating mechanism does not apply, manual updating shall be adopted. • Introduce Security Operation Center (SoC) platform to gather and analyze information security tracks and establish early warning mechanism.
Core system of high availability (HA)	• Initiate HA mechanism at virtual systems to avoid having the malfunction of a single node (server, network device, storage device, etc.) affecting the operation of core system. • Set schedule for core systems to run backups automatically and have an off-site backup. • Carry out disaster recovery drills regularly to verify the continual operation of high availability service.
Account and personnel management	• All employees shall sign non-disclosure agreements (employment contracts) to ensure their understanding on responsibilities and obligations associated with the use of corporate information or execution of tasks and thereby protect the confidentiality and integrity of corporation information assets and prevent unauthorized access, modification, sabotage or improper disclosure. • Password expiration and strengthened password principle (password length and complexity) shall be applied to system accounts. Where necessary, multi-factor authentication mechanism shall be adopted to enhance identity authentication. • Promote information security and carry out social engineering drills regularly to increase employees' awareness of information security.
System access control	• Initiate access controls on the Company's information assets and relevant resources and adopt the principle of least privilege for management. • The application for and amendments to system access will leave modification records for auditing purpose.

❖ Resources allocated to information security management

Category	Implementation Results
Continuous Operation and Enhancement of Information Security Systems	Information security expenditures totaled NT\$3.702 million in 2025, including expenditures on core system equipment, backup centers, and IT operational report upgrades.
Information Security Enhancement Projects	Implemented multi-factor authentication (2FA), strengthened password policies, and introduced login history tracking, including alerts for logins from high-risk regions.
Key Customer Audits	Cooperated with information security audits conducted by key customers and proposed relevant improvement plans.
Employee Education and Training	Regularly conducted cybersecurity awareness programs and social engineering drills.
Regular Review of Core Systems	Conducted risk event alerts and threat analysis for core systems.
Implementation and Certification of Information Security Management System	Implemented the ISO/IEC 27001 Information Security Management System (ISMS) in 2025 and obtained certification from an independent third-party certification body.

❖ Information Security Incident Reporting Process

A comprehensive information security incident reporting process has been established, allowing employees to report incidents through multiple channels. Once the Information Security Task Force receives a notification, a dedicated team is formed to handle the incident based on its category and severity.



❖ Personal Data Protection Policy

The Company places great importance on the privacy and protection of personal data. In accordance with the Personal Data Protection Act and other applicable laws and regulations, CWE has established the “Privacy Protection Policy” and “Personal Data Protection Management Measures” to continuously strengthen its internal personal data management system. To safeguard the personal data of customers, employees, suppliers, and other stakeholders, the Company adopts appropriate technical and organizational measures to prevent data breaches, unauthorized access, and other related risks.

The Company has established a dedicated Personal Data Protection Project Team responsible for personal data management and related education and training. The Team regularly reviews and revises personal data protection procedures to enhance overall information security resilience. In 2025, 76 employees completed personal data protection training, with a total of 38 training hours, representing 95% of all employees. All collection, processing, and use of personal data are conducted lawfully, fairly, and for specified purposes, with the consent of the data subjects obtained as required. In accordance with the Company’s information security policy, employee awareness training is continuously promoted to ensure that personal data processing activities are transparent and traceable. Looking ahead, the Company will continue to follow international privacy protection trends and standards, strengthen its personal data governance mechanisms, and demonstrate its commitment to information protection and the rights and interests of stakeholders.



2.7 Sustainable Supply Chain (GRI 2-6, SASB TC-SC-440a.1)

Suppliers are important partners of CWE Group, and the Group therefore places great importance on the sustainable development of its supply chain. CWE Group encourages suppliers to fulfill their corporate social responsibilities by implementing environmental protection, energy conservation and carbon reduction measures, improving occupational safety and health, respecting human rights, strengthening risk management, and adhering to ethical standards. Through these efforts, the Group aims to work together with suppliers to build a stable and sustainable supply chain.

As an agent, CWE serves as a communication bridge between customers and suppliers and strives to deliver the level of service quality expected by customers. Through close collaboration with suppliers, the Company reviews whether prospective suppliers comply with international quality certifications or relevant government regulations during the supplier onboarding process, or requires them to provide valid ISO 9001 certificates, followed by a written evaluation. Since 2024, to ensure that suppliers comply with the Company's sustainability policies covering labor and human rights, occupational safety, environmental protection, and business ethics, the Company has required suppliers to complete the "Social Responsibility Assessment Form" and sign the "Integrity Commitment Letter" as important criteria for supplier qualification and evaluation.

All new and existing suppliers of subsidiary CWTC are required to sign the "RBA Code of Conduct Compliance Declaration," the "Corporate Social Responsibility Statement," and the "Conflict Minerals Declaration," and to complete relevant background information questionnaires. In 2025, none of the existing suppliers had any actual or foreseeable material negative impacts related to the environment, labor conditions, human rights, or social issues.

❖ Quality Management for Suppliers

Through its supplier procurement process, CWE Group reviews the qualifications of each supplier, including basic company information, financial status, and relevant system certifications for quality management and environmental management. Depending on the assessment results, factory visits and evaluations may also be conducted, covering quality management, delivery performance, system management, and sustainability risk assessment, to ensure that suppliers comply with relevant requirements. In addition, regular on-site supplier evaluations are conducted annually to ensure continued compliance.

In 2025, the Company did not add any new major product suppliers, while the manufacturing facilities of its subsidiaries did not add any new major raw material suppliers. All existing major suppliers had obtained internationally recognized quality management system certifications.

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

Industry	Upstream	Midstream	Downstream	Product Applications
Semiconductor	IC design IC manufacturing	IC packaging material distributor	IC packaging companies LED packaging companies	LCD panels, automobiles, computers and peripherals, lighting fixtures, handheld consumer electronics devices, precision instruments, aerospace industry
		Lead frame manufacturing plant		

❖ Supplier Risk Assessment

The manufacturing facilities conduct sustainability risk assessments of suppliers. Self-assessment questionnaires are distributed to key material suppliers to evaluate potential environmental, social, and human rights risks. Based on the assessment results, suppliers are classified into five risk levels. High-risk suppliers are required to implement corrective actions within a specified timeframe; suppliers that fail to complete the required improvements on time may be disqualified.

In 2025, 17 out of 25 key material suppliers were selected for assessment, representing a coverage rate of 68%. The assessment results indicated that none of the assessed suppliers had any significant or potential negative social impacts.

Sustainable Environment

3.1 Environmentally Sustainable Development

Our operation model is built on the business philosophy of humanity, rationalization, standardization, and internationalization, with a fair and transparent management approach. We are well aware of the potential environmental impacts of our products, activities, and services. We advocate “full participation, conservation of social resources, and compliance with environmental regulations.”

CWE's subsidiaries are professional manufacturers of metal lead frames, dedicated to production, manufacturing and product development. The Environmental Management Committee of each plant is responsible for executing comprehensive tasks related to internal and external issues and environmental considerations raised by various units, and for reviewing and confirming the environmental consideration data from each unit. A committee is established at each plant, chaired by the plant manager, which regularly convenes meetings to review performance. The meetings involve coordination, research, and examination of environmental management issues with supervisors and employee representatives from all units, demonstrating a high level of commitment to environmental management.

Our plants, both domestic and overseas, have adopted ISO 14001 Environmental Management Systems, with certifications acquired. The latest version of ISO 14001:2015 was introduced with certifications received in 2016 for our Taiwan plants and in 2020 for our overseas plants. This extends environmental management to the entire product lifecycle and addresses environmental risks and mechanisms at each stage, establishing a macro-level strategic policy and action plan aligned with the latest international management trends.

❖ ISO 14001:2015 Certifications

Taiwan Plant	Overseas Plant
 Environmentally Certified Certificate of Registration Chang Wah Technology Co., Ltd. No.24, Kaifu Rd., Nanzhi Dist, Kaohsiung City, 811, Taiwan (R.O.C.)/ No.16, E. 7th St., Nanzhi Dist, Kaohsiung City, 811, Taiwan (R.O.C.)/ No.133, Jing 5th Rd., Nanzhi Dist, Kaohsiung City, 811, Taiwan (R.O.C.)/ No. 36, Jing 3th Rd., Nanzhi Dist, Kaohsiung City, 811, Taiwan (R.O.C.) operates a Environmental Management System which complies with the requirements of: ISO 14001:2015 The registration covers the manufacturing and sales of lead frames. Registration No: TA2235-EC Current Certification Approval: 28 October 2025 Certificate Issued: 29 October 2025 Original Certification: 18 April 2016 Expiry Date: 22 November 2028 Sean Bates CEO TQCSI International (Group) Pty Ltd For the TQCSI Certification Approval Panel The certificate verifies the original certificate issued and is valid as long as it is displayed as an electronic copy at www.tqcsi.com and surveillance audits are satisfactorily completed. TQCSI International Pty Ltd (ABN 59 065 593 524) of Quality House, 117A Tapleys Hill Road, Horden, SA, 5014, Australia issues certification subject to the TQCSI Rules of Certification.    	 MALAYSIAN SH ELECTRONICS SDN BHD Lot 5, 7 & 9, Jalan Ragun 15/17, 40200 Shah Alam, Selangor Darul Ehsan, Malaysia. Bureau Veritas Certification Holding SAS - UK Branch certifies that the Management System of the above organisation has been audited and found to be in accordance with the requirements of the management system standards detailed below ISO 14001:2015 Scope of certification MANUFACTURE OF LEAD FRAME FOR SEMICONDUCTOR DEVICES Original cycle start date: 03-06-1998 Expiry date of previous cycle: NA Certification / Recertification Audit date: 12-04-2024 Certification / Recertification cycle start date: 11-04-2027 Subject to the continued satisfactory operation of the organisation's Management System, this certificate expires on: 11-04-2027 Certificate No.: MYD10043 Version: 1 Issue date: 26-03-2024 Wakil Husein Abdul Malik, Chief Executive (Malaysia) Signed on behalf of BVCH SAS UK Branch Certification Body Address: 5th Floor, 44 Prescot Street, London, E1 8NG, United Kingdom Local Office: Lot 15.01 & 15.02, 11th Floor, Menara M1, Jalan Sultan Abdul Aziz, 50250 Kuala Lumpur, Malaysia Further qualifications regarding the scope and validity of this certificate, and the applicability of the management system, Movement, please call: +603 2715 7700 UKAS Certificate Template Single Site Rev. 4.1 3/1 08 Aug 2023 

China Plant



❖ Local Procurement for Efficiency and Sustainability

As a professional distributor of semiconductor materials and equipment, the Company continues to promote a local procurement strategy by prioritizing long-term and stable partnerships with domestic suppliers and business partners. This approach helps improve supply chain efficiency, shorten lead times, reduce carbon emissions generated during transportation, and strengthen both supply chain resilience and connections with local industries. In 2025, local procurement accounted for 79% of the Company's total purchases, demonstrating its commitment to supporting local industry development and sustainable supply chain management.

By deepening cooperation with local suppliers, the Company is able to respond more promptly to market demand and customer service needs, while also reducing the impact of international logistics disruptions and geopolitical risks and enhancing overall operational stability. In addition, the Company continues to monitor suppliers' performance in areas such as quality management, environmental protection, and business integrity, and works together with supply chain partners to advance sustainable development and build a semiconductor supply chain that is efficient, resilient, and responsible.

❖ Local Procurement and Green-Labeled Products

The Company continues to promote green office practices and sustainable procurement policies. All general administrative procurement expenditures are sourced locally, with priority given to office supplies carrying environmental or green certifications, such as recycled paper and eco-friendly cleaning products, in order to reduce environmental impacts throughout the product life cycle and support the development of local green supply chains.

In addition, the Company actively promotes the digitalization of documents through digital approval processes, electronic document management, and online communication mechanisms, gradually reducing the use of paper documents. Measures such as paper recycling and reuse, double-sided printing, and the reuse of copy paper are also implemented to improve resource efficiency and reduce paper consumption. Through daily operational management, the Company aims to further embed the principles of energy conservation, carbon reduction, and resource circulation, while creating an office environment that is both efficient and environmentally friendly.

3.2 Task Force on Climate-Related Financial Disclosures (TCFD)

(GRI 201-2)

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

❖ TCFD Operational Management Framework

42

Governance

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

Strategy

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

TCFD 4 Aspects

Risk Management

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

Metrics and Targets

- Using 2025 as the base year, the Company has established carbon reduction targets of 20% by 2030 and 40% by 2035, with the goal of achieving carbon neutrality by 2050.

Governance

The company has established the Sustainable Development Committee, which is responsible for formulating the company's climate policy, coordinating sustainable development and climate change-related affairs, and ensuring the alignment and integration of the company's environmental and social activities. The Sustainability Project Team, established under the Sustainable Development Committee, is responsible for interdepartmental coordination, communication, and the integration regarding the management activities of sustainability and climate-change issues, as well as overseeing their implementation. The team is in charge of setting the company's long-term goals and development strategies for climate change and renewable energy and reports to the Board of Directors regularly, at least once a year.

Board of Directors

As the highest decision-making body, responsible for approving overall climate change risk management policies and supervising the effectiveness of climate-related risk management implementation.

Sustainable Development Committee

Responsible for overseeing climate change-related issues, formulating the annual climate change management policy, identifying and reviewing climate-related risks and opportunities, and reviewing climate risk management reports.

Sustainability Project Team and Relevant Unit

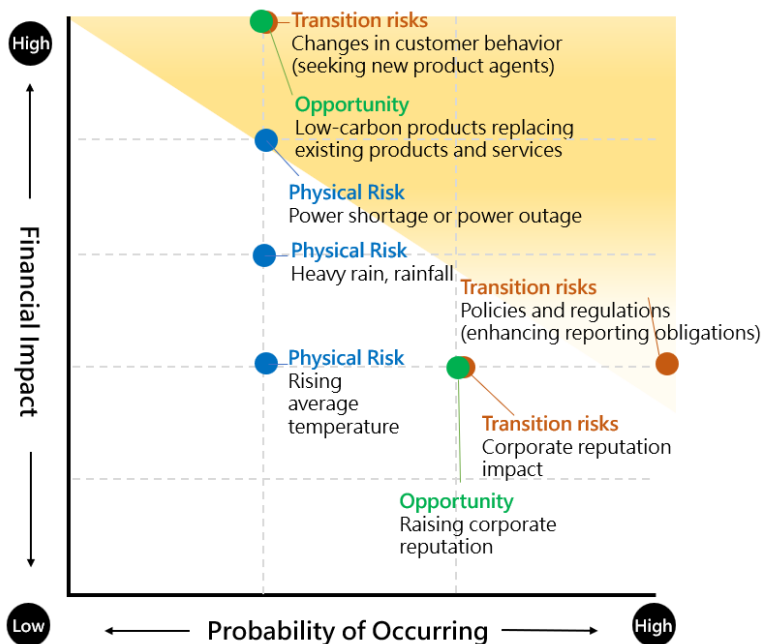
The Sustainability Project Team, under the Sustainable Development Committee, is responsible for collecting climate-related risks and opportunities, convening department heads for analysis and evaluation, and assigning departments to implement climate-related strategies and actions.

43

Strategy

The Sustainability Project Team convenes department heads from the Risk Management Working Group and conducts multiple cross-departmental meetings using scenario analysis to identify major climate risks and opportunities the company may face. These meetings also assess potential financial impacts and discuss corresponding response strategies. According to the company's internal management requirements, short-term is defined as within 3 years, medium-term as 3 to 5 years, and long-term as over 5 years.

Following the TCFD guidelines, a total of six climate risks and two opportunities were identified. Through risk matrix analysis, three major climate change risks (two transition risks and one physical risk) and one climate change opportunity were ultimately consolidated.



❖ Financial Impacts and Response Measures of Climate Change Risk and Opportunity

Type	Risk / Opportunity	Time Horizon	Potential Financial Impacts	Response Measures
Transition Risk	Changes in Customer Behavior (seeking new product suppliers)	Long-term	- Rising climate awareness may lead customers to favor low-carbon products or products/services with greater environmental information transparency, resulting in lower demand for certain products and services. - Customer shifts may reduce revenue from non-low-carbon products.	- Enhance market sensitivity and diversify business operations. - Update product specifications and standards in response to customer needs.
	Policies and regulations	Short-term	In line with Taiwan's 2050 Net-Zero Transition pathway, the Financial Supervisory Commission released the "Roadmap for Sustainable Development of Listed Companies" in 2022, promoting phased disclosure of greenhouse gas inventories and assurance information by listed companies to strengthen corporate GHG inventory capabilities.	- Strengthen corporate governance and improve sustainability evaluation performance. - Increase the proportion of low-carbon products and develop the green economy.
Physical Risk	Power Shortages / Outages	Long-term	- Power outages may cause operational disruptions. - Increased electricity demand may lead to grid instability and insufficient reserve margins. Local governments may implement power restrictions or large-scale outages, which could affect product deliveries and financial performance.	Establish emergency power supply equipment and alternative work capabilities and facilities.
Opportunity	Low-carbon products replacing existing products and services	Long-term	As customer climate awareness increases, demand for low-carbon products is expected to rise. The Company will leverage this opportunity to promote products with lower carbon footprints, expand market share, and help customers achieve their carbon reduction targets.	Understand customer needs and assess customization opportunities to provide low-carbon / green products.

❖ Climate Scenario Analysis

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

Type	Reference	Details
Transition Risk	The assessments and reports on climate emission pathways by the Intergovernmental Panel on Climate Change (IPCC) and the International Energy Agency (IEA).	Evaluate the potential operational impact of carbon-related expenses based on carbon pricing trends corresponding to temperature increases kept below 1.5°C, 1.8°C, and 3°C, respectively.
Physical Risk	The Taiwan Climate Change Projection Information and Adaptation Knowledge Platform (TCCIP) conducts projections based on the RCP8.5 ^{Note} scenario.	If temperature control is not effectively achieved, evaluate the operational impact of extreme weather conditions in a worst-case warming scenario.

45

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

Scenario Analysis	Financial Planning Impact ^{Note2}
High Emission Scenario with Temperature Rise of More than 3°C - No additional carbon reduction actions beyond current national policies - International Carbon Price^{Note1}: US\$2.63 per metric ton	Increase in operating costs accounts for 0.00011% of annual consolidated revenue.
Medium Emission Scenario with Temperature Rise of More than 1.8°C - No active low-carbon transition actions by countries before 2030, but still aiming for a temperature rise of less than 2°C - International Carbon Price^{Note1}: US\$231.86 per metric ton	Increase in operating costs accounts for 0.00956% of annual consolidated revenue.
Low Emission Scenario with Temperature Rise of More than 1.5°C - Achieving net-zero emissions globally by 2050 - International Carbon Price^{Note1}: US\$268.13 per metric ton	Increase in operating costs accounts for 0.01105% of annual consolidated revenue.

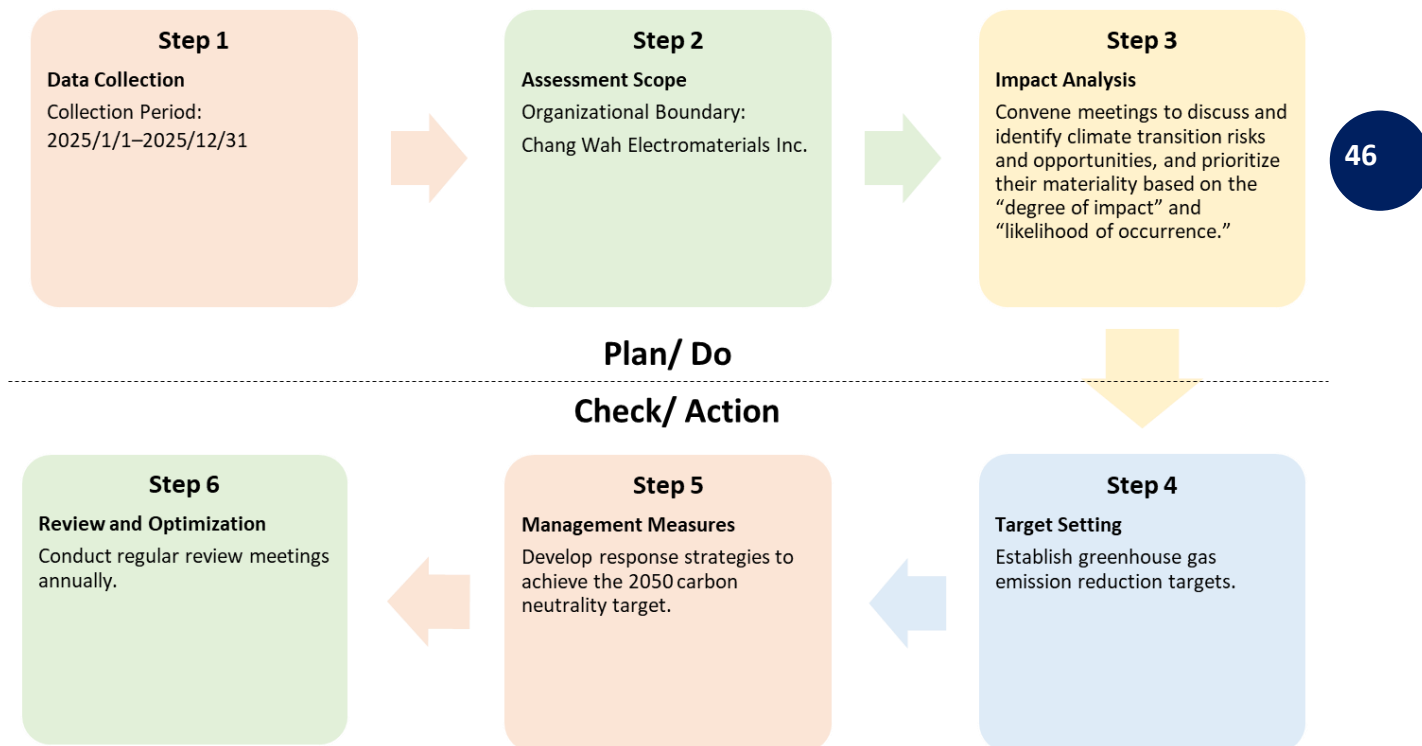
Note1: The carbon price is based on the scenario parameters published by the NGFS and adopts the carbon price for 2035 globally as assumed in the REMIND-MAGPIE 2.1-4.2 model.

Note2: The financial planning impact is calculated using the Company's 2025 GHG data for Scope 1 and Scope 2 emissions (256 tCO₂e), verified by a third party.

The Company conducts a physical risk scenario analysis of its operations to understand the impact of climate-related risks on its business, strategy, and financial planning under the RCP8.5 scenario. Heavy rainfall or floods caused by extreme weather may disrupt product transport or even result in work suspension. Since all of our operations are located in the metropolitan areas with sound flood control facilities and well-developed information networks, losses are not expected to have a significant impact.

❖ Risk Management

In 2023, the Company established a “Risk Management Policy” to integrate climate-related risk management processes into its enterprise risk management processes. The results and experiences of this ongoing work are regularly reported to the Board of Directors by the responsible units.



❖ Metrics and Targets

The Company has conducted annual greenhouse gas (GHG) inventories and engaged an independent third party to verify its GHG emissions since 2023, in order to ensure the accuracy of the emissions data. The Climate Change Response Act, amended in 2023, stipulates the achievement of net-zero greenhouse gas emissions by 2050 and emphasizes a science-based approach to assessing climate risks, strengthening governance capabilities, and enhancing climate resilience. In alignment with government policies, the Company will adopt a progressive approach to carbon reduction, supplemented by the Science Based Targets initiative (SBTi).

Using the Group’s total GHG emissions in 2025 as the base year, the Company has established GHG emission reduction targets, including a 20% reduction in GHG emissions by 2030, with the goal of achieving carbon neutrality by 2050.

3.3 Energy Management

Key Material Issue

(GRI 302-1, 302-3, SASB TC-SC-130a.1)

Impact Description

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

Management Policy and Commitment

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

Management Mechanism and Implementation Strategy

Responsible Units: Facility Departments, Environmental Management Centers, and R&D Departments of subsidiary manufacturing plants.

Relevant Internal Policies: *Energy Resource Operation Management Procedure, Facility Equipment Maintenance Procedure, Environmental Management Work Instruction.*

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

47

Specific Action Plan

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

Tracking and Verification Mechanism

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

Metric



Short-term



Mid-term



Long-term



Production Energy Intensity
(kWh/unit)

Decrease 3%

2024	2025	2025
Baseline	Target	Achievement
5.12	4.97	4.71



Cumulative Decrease 10%



Cumulative Decrease ≥ 20%



Energy Management Training Hours
(hr)

>12 hr / 3 years

2025	Achievement
Target	Expected to complete training in 2027
≥ 12 hr / 3 years	



Maintain ≥ 3 hr/year



Expand to ≥ 5 hr
and broaden target groups

Note: The base year is 2024; the short term is defined as within 3 years, the medium term as within 5 years, and the long term as more than 5 years.

To address the challenges posed by global energy shortages and climate change, subsidiary CWTC sets annual energy-saving targets and implementation plans, integrates energy-saving proposals from various departments, and regularly tracks and monitors implementation results. CWTC also actively evaluates production equipment and studies plant utility systems to improve energy efficiency.

According to the annual energy-saving plans submitted to the Bureau of Energy, Ministry of Economic Affairs, the approved average annual electricity-saving rate for CWTC's Taiwan Plant 2 ranged from 1.37% to 2.84% in 2025. In support of the government's promotion of renewable energy, CWTC has installed additional solar panels at its Taiwan facilities since 2020. As of 2025, the cumulative installed capacity reached 233 kWp, with electricity generation totaling 364,301 kWh in 2025.

❖ Energy Consumption

Unit:GJ

Item		2022	2023	2024	2025
Direct Energy	Diesel fuel	1,174	365	416	500
	Gasoline	500	656	901	824
	Natural gas	22,673	17,110	20,994	35,247
Indirect Energy	Purchased electricity	279,597	275,936	317,495	327,824
	Renewable energy	-	347	347	4,787
Total		303,944	294,414	340,153	369,182

Note 1: Conversions are based on the "Heat Content of Energy Products" of the Ministry of Economic Affairs. Starting from 2024, the unit conversion for diesel and gasoline will be calculated based on the calorific values announced by the Ministry of Environment.

Note 2: Renewable energy refers to solar energy, which is estimated annually based on the daily generation in GJ of the installed capacity.

Note 3: Data from 2023 onward include all consolidated entities, while data for prior years cover only the manufacturing facilities of subsidiaries.

Note 4: In March 2025, SHS began implementing a self-consumption solar photovoltaic (PV) system.

❖ Electricity Usage

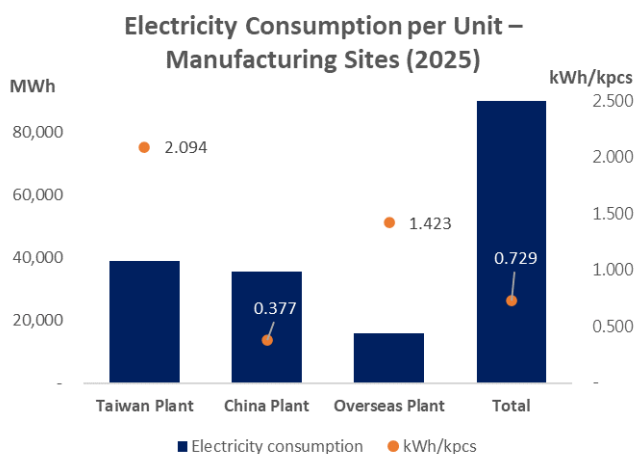
In 2025, total electricity consumption reached 91,062,300 kWh (91,062 MWh), with an electricity intensity of 4.71. The largest sources of electricity consumption were production equipment and air-conditioning systems. Although total electricity consumption increased compared with 2024, electricity intensity decreased, mainly due to increased production capacity and higher revenue at the manufacturing facilities of subsidiaries. Going forward, we will continue to focus on improving energy efficiency and promoting the use of renewable and alternative energy sources.

Year	2021	2022	2023	2024	2025
Electricity consumption (Unit: MWh)	74,460	77,666	76,649	88,193	91,062
Intensity (MWh/Revenue-in millions of NT\$)	3.60	3.55	4.65	5.12	4.71

Note: Data from 2023 onward include all consolidated entities, while data for 2021 and 2022 cover only the manufacturing facilities of subsidiaries.

❖ Sustainable Economic Activities

To respond to global sustainability trends and the government's "Green and Transition Finance Action Plan," the Company reviews its business activities and products/services in accordance with the Reference Guidelines for the Recognition of Sustainable Economic Activities issued by the Financial Supervisory Commission (FSC). Internal assessments are conducted to determine whether such activities meet relevant criteria in areas including the low-carbon economy, circular economy, efficient use of resources, and pollution prevention. In 2025, the manufacturing facilities of CWE Group met the eligibility criteria for sustainable economic activities applicable to the semiconductor industry under the Guidelines. Electricity consumption per unit of product was 0.729 kWh/kPCS, outperforming the technical screening criterion of ≤ 55 kWh/kPCS and therefore meeting the technical screening criteria for climate change mitigation. In addition, the relevant economic activities were assessed as causing no significant harm to any of the six environmental objectives and as meeting the minimum social safeguards. Accordingly, revenue generated from IC leadframes and LED leadframes was recognized as green revenue.



Note 1: Unit electricity consumption = Total electricity consumption / Production output.
 Note 2: Only the electricity consumption and production output of manufacturing facilities are included.

In 2025, green revenue from sustainable economic activities amounted to NT\$10,445.091 million, accounting for 54% of annual operating revenue, demonstrating that the Company's core operations are closely aligned with low-carbon and sustainable development. Going forward, the Company will continue to follow regulatory policies and international sustainability trends, strengthen environmental sustainability management, expand the range of products that qualify as sustainable economic activities, and increase the proportion of green revenue to advance sustainable business development and create long-term value.

Type	Economic Activity	Operating Revenue (NT\$ thousand)	Percentage of 2025 Operating Revenue
General Economic Activities – Semiconductor Industry	IC Leadframes	9,493,293	49%
	LED Leadframes	951,798	5%
Total Green Revenue		10,445,091	54%
Non-Green Revenue		8,906,689	46%
Total Operating Revenue		19,351,780	100%

❖ Energy-saving Measures (GRI 302-4, SASB TC-SC-110a.2)

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

Key Points of Energy-saving Programs

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



50

Progressive Energy-saving Plans

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

Energy-saving Measures and Performance of Each Plant in 2025

Plant	Measures and Performance
Taiwan Plant	Replaced chillers, installed variable-frequency drives for water pumps, optimized demand control for process air-conditioning equipment, and replaced air-conditioning units in the stamping area, achieving annual energy savings of 1,102,559 kWh (equivalent to approximately 3,969 GJ).
Chengdu Plant	Shut down standby air-conditioning units; used raw water pond cooling water to replace chiller-supplied cooling for air compressors and electrostatic precipitator cabinets; adjusted air-conditioning temperature settings; optimized air compressor operating frequency; and installed automatic shutdown settings for fans to reduce idle operating time, achieving annual energy savings of 164,035 kWh (equivalent to approximately 590 GJ).
Suzhou Plant	Implemented plant patrol inspections, air-conditioning and lighting management, off-peak scheduling, and retrofits of cooling water pumps, chilled water pumps, exhaust fans, and electrical panels, achieving annual energy savings of 1,118,000 kWh (equivalent to approximately 4,025 GJ).
Total	8,584 GJ

❖ **GHG Emissions Management**

Key Material Issue

(GRI 305-1, 305-2, 305-3, 305-4,

SASB TC-SC-110a.1, TC-SC-110a.2)

Impact Description

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

Management Policy and Commitment

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

Management Mechanism and Implementation Strategy

Responsible Units: Sustainable Development Committee and Environmental Management Centers / Facility Departments of subsidiary manufacturing plants.

Relevant Internal Policy: *Greenhouse Gas Inventory Management Procedure*

Key Strategies: Implement ISO 14064-1 and, beginning in 2025, classify and calculate emissions in accordance with the GHG Protocol to align with the IFRS Sustainability Disclosure Standards. Evaluate the adoption of the ISO 50001 Energy Management System, establish a cross-departmental Carbon Management Task Force, manage emission sources, improve energy performance, and promote renewable energy.

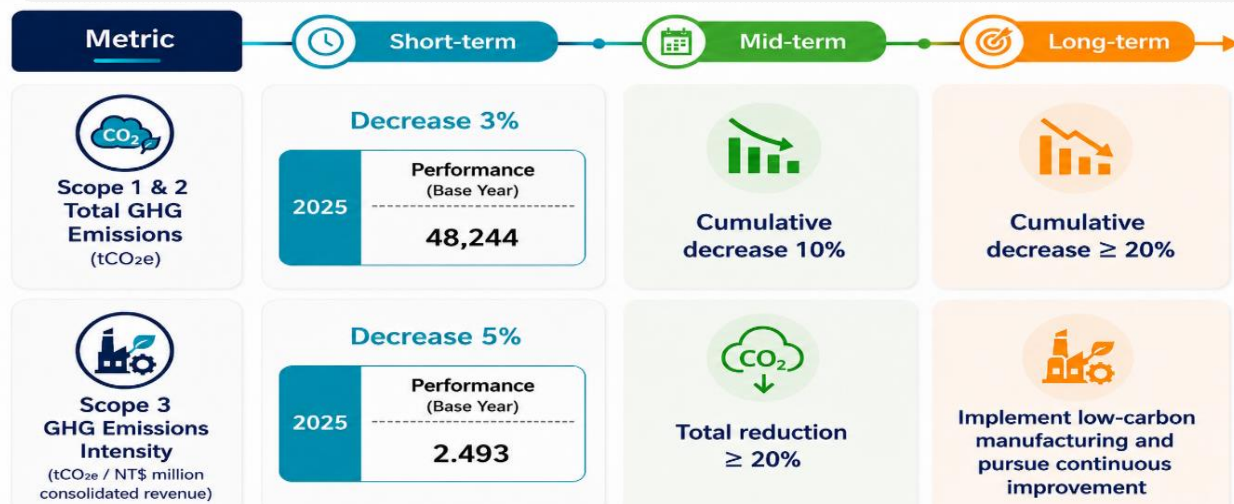
51

Specific Action Plan

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

Tracking and Verification Mechanism

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



Note: The base year is 2025; the short term is defined as within 3 years, the medium term as within 5 years, and the long term as more than 5 years.

To fulfill its corporate social responsibility, CWE Group voluntarily conducts an annual greenhouse gas (GHG) inventory and discloses its GHG emissions. Since 2024, CWE Group has obtained external assurance for the Group-wide GHG inventory.

Purchased electricity is the primary source of the Group's GHG emissions. Accordingly, CWE Group analyzes the sources of electricity consumption at its facilities and continues to reduce energy losses and improve energy efficiency.

The Taiwan facilities of subsidiary CWTC first adopted external verification under ISO 14064-1:2018 in 2022, while the Group's other facilities first adopted external verification under ISO 14064-1:2018 in 2023. Beginning in 2025, in alignment with regulatory policies, the principles for calculating and classifying GHG emissions were changed to follow the GHG Protocol, and the financial control approach is applied to the Group-wide GHG inventory in order to align with the IFRS Sustainability Disclosure Standards.

Emission factors are selected based on their relevance to the respective local regions. For Taiwan, GHG emissions are calculated using the "Greenhouse Gas Emission Factors" announced by the Ministry of Environment on February 5, 2024, the electricity emission factors published by the Energy Administration of the Ministry of Economic Affairs, and the Ministry of Environment's "Product Carbon Footprint Calculation Platform." For China, calculations refer to the General Principles for Calculation of Comprehensive Energy Consumption (2020) under the national standards of the People's Republic of China and the 2022 National Electricity Carbon Emission Factors published by the Ministry of Ecology and Environment. For Malaysia, calculations refer to the Malaysia Energy Statistics Handbook 2023 published by the Energy Commission of Malaysia (Suruhanjaya Tenaga) and the grid emission factors published by the IEA (2025). For Singapore, the grid emission factors published by the IEA (2025) are used. Global warming potential (GWP) values are based on IPCC AR6 WGI (2021), updated by Errata dated October 7, 2025. The GHG inventory covers seven greenhouse gases: CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, and NF₃. No greenhouse gas emissions from perfluorocarbons (PFCs) were identified across the Group.

GHG Emission Inventory (GHG Protocol)

Unit: tCO₂e

GHG Emission Sources	Description	2025
Scope 1 Direct GHG emissions and Removals	Includes fuel consumption by company vehicles; refrigerant leakage from company vehicle air-conditioning systems and office equipment; fire protection facilities; septic tanks; emergency generators; and laboratory analytical instruments	2,693
Scope 2 Indirect GHG emissions from Imported Energy	Including purchased electricity	45,551
Scope 3^{Note2} Other indirect GHG emissions	Includes upstream and downstream transportation and distribution; business travel and employee commuting; purchased goods; fuel- and energy-related activities not included in Scope 1 or Scope 2; waste generated in operations; and investments	103,360
Total GHG emissions (Scope 1 + Scope 2)		48,244
GHG Emission Intensity (tCO ₂ e/ Revenue-in millions of NT\$)		2.493

Note 1: The inventory data were consolidated using the financial control approach. The greenhouse gases covered by the inventory include CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, and NF₃.

Note 2: Based on the results of the materiality assessment for Scope 3 categories.

GHG Emission Inventory (ISO 14064-1)

GHG Emission Sources		Annual GHG Emissions Unit: tCO ₂ e				
Item	Item Description	2020	2021	2022	2023	2024
Scope 1 Direct GHG emissions (Category 1)	Including fuel for company vehicles, refrigerant leakage from company vehicles, refrigerant leakage from office equipment, fire safety equipment, septic tank, emergency generators, and laboratory analytical instruments	2,680	1,940	2,427	3,606	3,613
Scope 2 Indirect GHG emissions (Category 2)	Including purchased electricity	44,861	55,618	54,279	44,219	48,765
Scope 3^{Note2} Other indirect GHG emissions (Category 3~4)	Including upstream transportation and distribution, business travel, employee commuting, purchase of goods, fuel and energy-related activities (excluding categories 1 and 2), and disposal of waste from operation	-	495	9,564	50,200	59,259
Total GHG emissions (Scope 1 + Scope 2)		47,541	57,558	56,706	47,825	52,378
GHG Emission Intensity (tCO ₂ e/ Revenue-in millions of NT\$)		2.895	2.785	2.594	2.900	3.040

Note 1: For inventory data, GHG emissions are summarized using the operational control approach. The GHGs included in the inventory are CO₂, CH₄, N₂O, HFCs, PFCs, and SF₆ for the Malaysia plant; for all others, the gases are CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, and NF₃.

Note 2: The calculation is based on the results of material identification conducted by each subsidiary.

Note 3: For other indirect emissions (categories 3 and 4), some overseas plants started tracking in 2021, the Taiwan plant of subsidiary CWTC started in 2022, and all others began in 2023.

Note 4: Data from 2023 onward include all consolidated entities, while data for 2020 to 2022 cover only the manufacturing facilities of subsidiaries.

GHG Emissions for 2025

							Unit: tCO ₂ e
Item	CO ₂	CH ₄	N ₂ O	HFCs	PFCs	SF ₆	Total
Scope 1	1,427	56	19	1,191	-	-	2,693
Scope 2	45,551	-	-	-	-	-	45,551

Scope 3 Emissions for 2025

		Unit: tCO ₂ e
Emission Categories ^{Note}		2025
Purchased Goods and Services		40,495
Fuel- and Energy-Related Activities		33,164
Upstream Transportation and Distribution		2,404
Waste Generated in Operations		592
Business Travel		145
Employee Commuting		2,827
Downstream Transportation and Distribution		202
Investments		23,531
Total		103,360

Note: Calculated based on the results of CWE Group's materiality assessment.

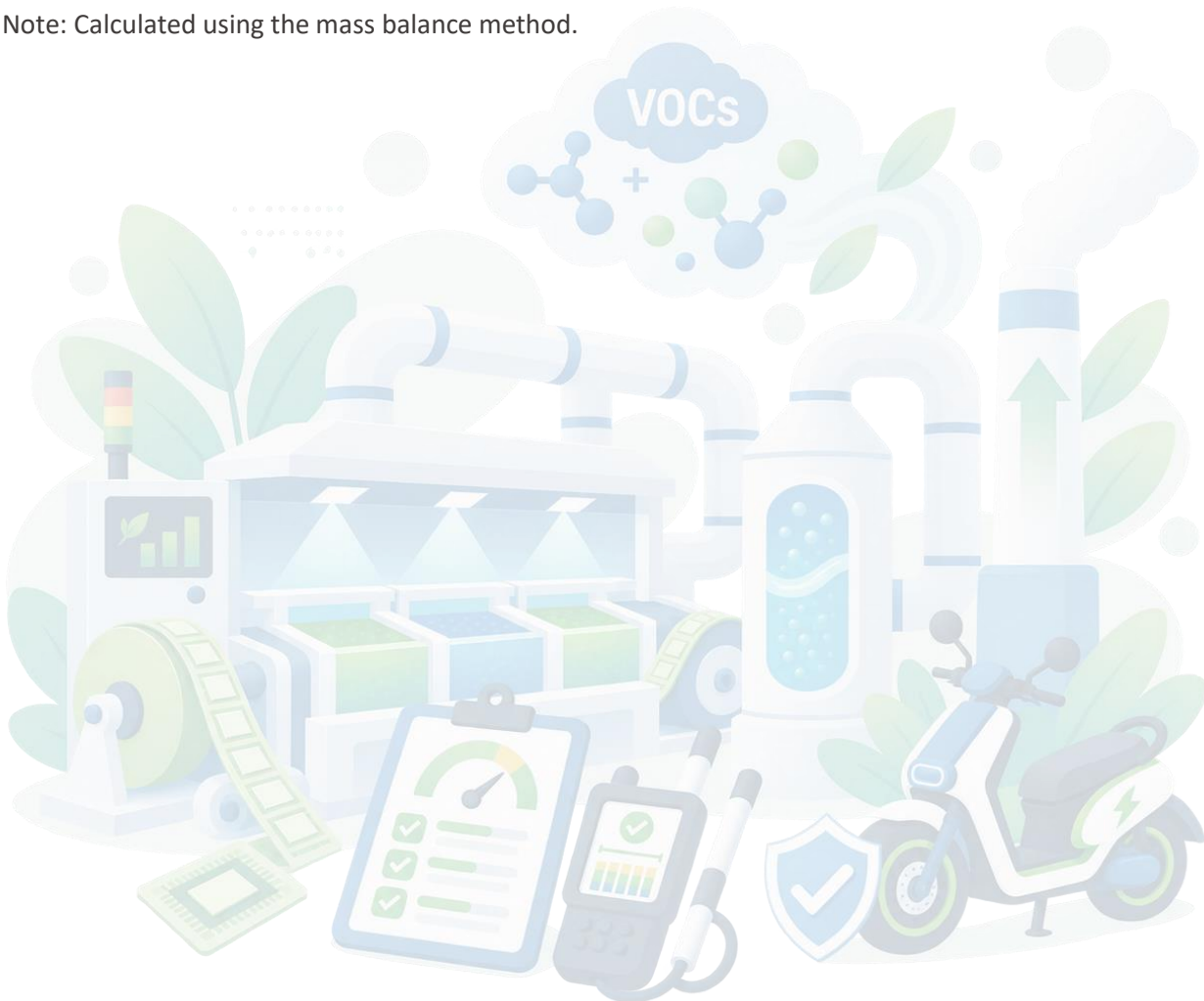
❖ Air Pollution Control

The manufacturing facilities of CWE Group's subsidiaries include electroplating processes that generate air pollutants such as acidic and alkaline gases and volatile organic compounds (VOCs). To manage these emissions, the Group strictly complies with applicable environmental regulations at each operating location and regularly engages third-party organizations to conduct sampling and monitoring to ensure that emission concentrations meet regulatory standards.

Taking the Taiwan facilities as an example, the Company appoints dedicated air pollution control personnel and deputies and provides relevant training in accordance with the Ministry of Environment's Air Pollution Control Act. Wet scrubbers are also installed to collect acidic and alkaline gases and VOCs through exhaust ducts for neutralization treatment prior to discharge. Relevant operating and monitoring data are recorded on a daily basis to ensure effective emission control and regulatory compliance.

In 2025, total VOC emissions from subsidiary CWTC amounted to 6.80 metric tons ^{Note}. Air emissions from all manufacturing facilities within the Group complied with applicable emission standards, and no material air pollution violations occurred during the year. In addition to controlling emissions from manufacturing processes, the Taiwan facilities also promote behavioral changes among employees by providing incentives and subsidies for the purchase of electric scooters and encouraging the use of low-carbon transportation, thereby reducing carbon emissions and air pollutants generated from transportation and demonstrating the Group's commitment to environmental responsibility.

Note: Calculated using the mass balance method.



3.4 Water Resources Management

(GRI 303-1, 303-2, 303-3, 303-4, 303-5, SASB TC-SC-140a.1)

Key Material Issue

Impact Description

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

Management Policy and Commitment

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

Management Mechanism and Implementation Strategy

Responsible Units: Sustainable Development Committee / Environmental Management Centers of subsidiary manufacturing plants

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

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

Specific Action Plan

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

Tracking and Verification Mechanism

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

Metrics	Short-term	Mid-term	Long-term									
 Total Water Withdrawal (ML)	Increase ≤ 2% <table><tr><th>2024</th><th>2025</th><th>2025</th></tr><tr><td>Baseline</td><td>Target</td><td>Achievement</td></tr><tr><td>1,377</td><td>1,405</td><td>1,519</td></tr></table>	2024	2025	2025	Baseline	Target	Achievement	1,377	1,405	1,519	 Maintain stable or decrease annually	 Maintain stable or decrease annually
2024	2025	2025										
Baseline	Target	Achievement										
1,377	1,405	1,519										
 Water Recycling Rate (%)	≥ 30% <table><tr><th>2025</th><th>2025</th></tr><tr><td>Target</td><td>Achievement</td></tr><tr><td>≥ 30%</td><td>33.44</td></tr></table>	2025	2025	Target	Achievement	≥ 30%	33.44	 Maintain ≥ 35%	 Maintain ≥ 40%			
2025	2025											
Target	Achievement											
≥ 30%	33.44											
 Wastewater Pollution Incidents (cases)	Compliant with standards, zero violations <table><tr><th>2025</th><th>2025</th></tr><tr><td>Target</td><td>Achievement</td></tr><tr><td>Zero violations</td><td>0</td></tr></table>	2025	2025	Target	Achievement	Zero violations	0	 Compliant with standards, zero violations	 Compliant with standards, zero violations			
2025	2025											
Target	Achievement											
Zero violations	0											

Note 1: The base year is 2024; the short term is defined as within 3 years, the medium term as within 5 years, and the long term as more than 5 years.

Note 2: The water recycling rate includes only Group facilities equipped with water recycling systems.

Note 3: The total water withdrawal target was not achieved. For further details, please refer to the section "Water Use and Management."

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

Use of Regional Water Resources

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

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

❖ The Use of Water Resources and Performance Management

Water consumption across the various operating regions of CWE Group is presented in the table below. In response to the impacts of global climate change in recent years, the Company continues to monitor water consumption and actively implement water-saving measures at its manufacturing facilities to reduce the risk of immediate water shortages caused by water scarcity. Since 2021, the Taiwan facilities have installed additional process water recycling systems to treat and filter rinsing water with high acidity for reuse, instead of discharging it after treatment at the wastewater treatment plant. This has increased the reuse rate of process wastewater. Various other water-saving measures have also been implemented to reduce water consumption.

In addition, the Company continues to monitor government water supply information. During periods of water shortages or restrictions, non-essential water use will be reduced as a priority, and the proportion of recycled process water will be increased according to water supply conditions. These measures help mitigate the impact of water restrictions on production and operations and maintain stable water supply and production activities at the manufacturing facilities.

Use of Water Resources and Management

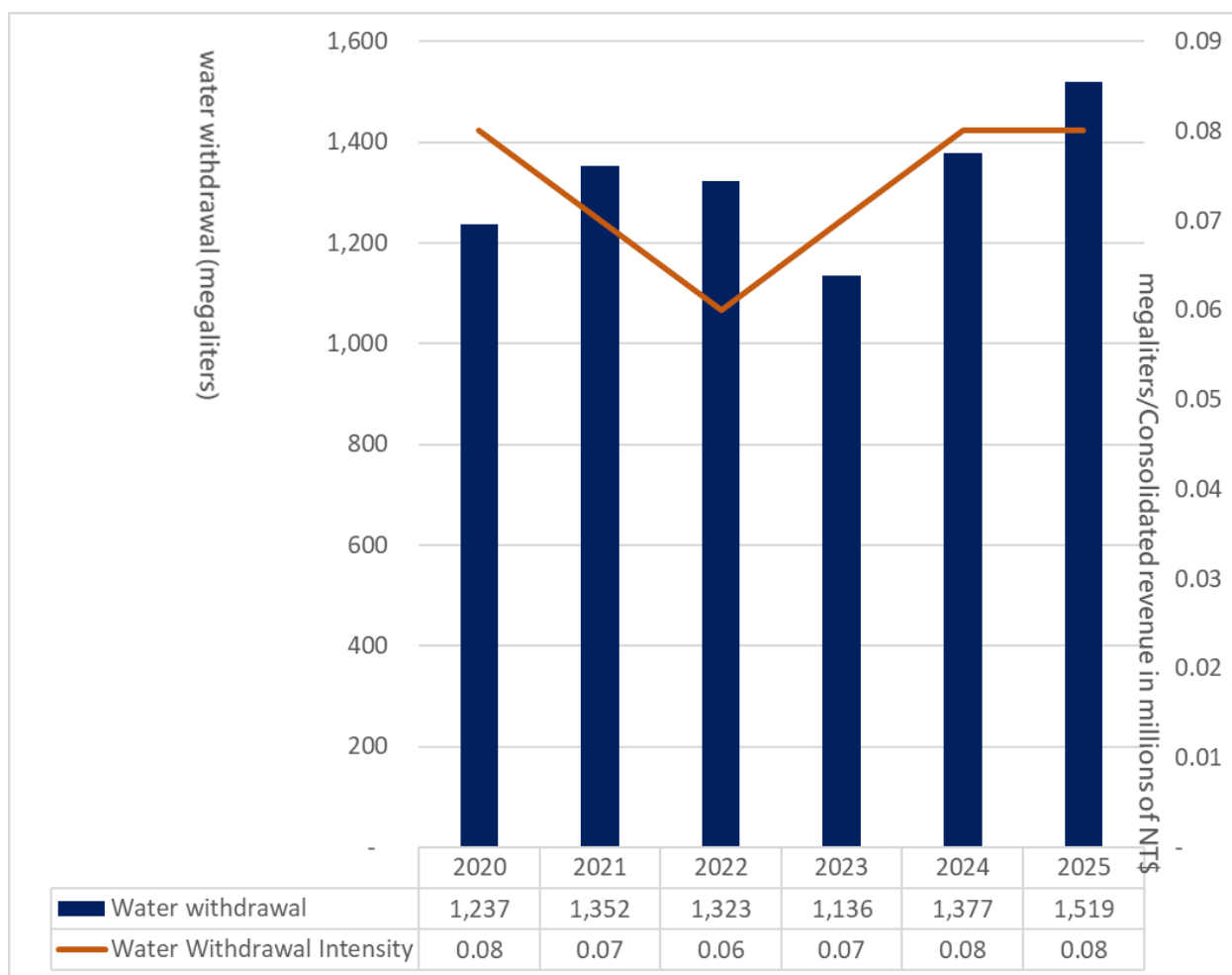
In 2025, increased production capacity and revenue growth drove higher overall water demand. Annual water withdrawal increased to 1,519 million liters, representing a 10.31% increase compared with 2024. However, water withdrawal intensity remained comparable to 2024 and was maintained at the same level.

Unit: megaliters

Region	Item	2021	2022	2023	2024	2025
Taiwan region	Water withdrawal (A)	388	417	396	499	549
	Water recycled (B)	70	96	131	161	204
	Total consumption (C=A+B)	458	513	527	660	753
	Water recycled / Total consumption (%) = (B/C)	15.28	18.71	24.86	24.39	27.09
	Recycling rate of water withdrawal (%) = (B/A)	18.04	23.02	33.08	32.26	37.16
	Water discharge (D)	370	379	364	488	556
	Water consumption	88	134	163	172	197
China region	Water withdrawal (A)	640	585	475	623	720
	Water recycled (B)	98	141	133	220	212
	Total consumption (C=A+B)	738	726	608	843	932
	Water recycled / Total consumption (%) = (B/C)	13.28	19.42	21.88	26.10	22.75
	Recycling rate of water withdrawal (%) = (B/A)	15.31	24.10	28.00	35.31	29.44
	Water discharge (D)	527	475	400	507	571
	Water consumption	211	251	208	336	361
Overseas regions	Water withdrawal (A)	324	321	265	255	250
	Water recycled (B)	0	0	0	0	0
	Total consumption (C=A+B)	324	321	265	255	250
	Water recycled / Total consumption (%) = (B/C)	0.00	0.00	0.00	0.00	0.00
	Recycling rate of water withdrawal (%) = (B/A)	0.00	0.00	0.00	0.00	0.00
	Water discharge (D)	267	266	203	189	184
	Water consumption	57	55	62	66	66
Total	Water withdrawal (A)	1,352	1,323	1,136	1,377	1,519
	Water recycled (B)	168	237	264	381	416
	Total consumption (C=A+B)	1,520	1,560	1,400	1,758	1,935
	Water recycled / Total consumption (%) = (B/C)	11.05	15.19	18.86	21.67	21.50
	Recycling rate of water withdrawal (%) = (B/A)	12.43	17.91	23.24	27.67	27.39
	Water discharge (D)	1,164	1,120	967	1,184	1,311
	Water consumption	356	440	433	574	624

Note: Data from 2023 onward include all consolidated entities, while data for 2021 and 2022 cover only the manufacturing facilities of subsidiaries.

Changes in Water Withdrawal Intensity



58

Water Withdrawal and Consumption

Unit: megaliters

Year				2024		2025	
Item				All plants	Areas with Water Stress	All plants	Areas with Water Stress
Water withdrawal by sources	Third-party water	Freshwater	Surface water	1,377	420	1,519	720
			Groundwater	0	0	0	0
			Seawater	0	0	0	0
			Produced water	0	0	0	0
	Total water withdrawal			1,377	420	1,519	720
Water discharge by destination	Total water consumption			574	326	624	361

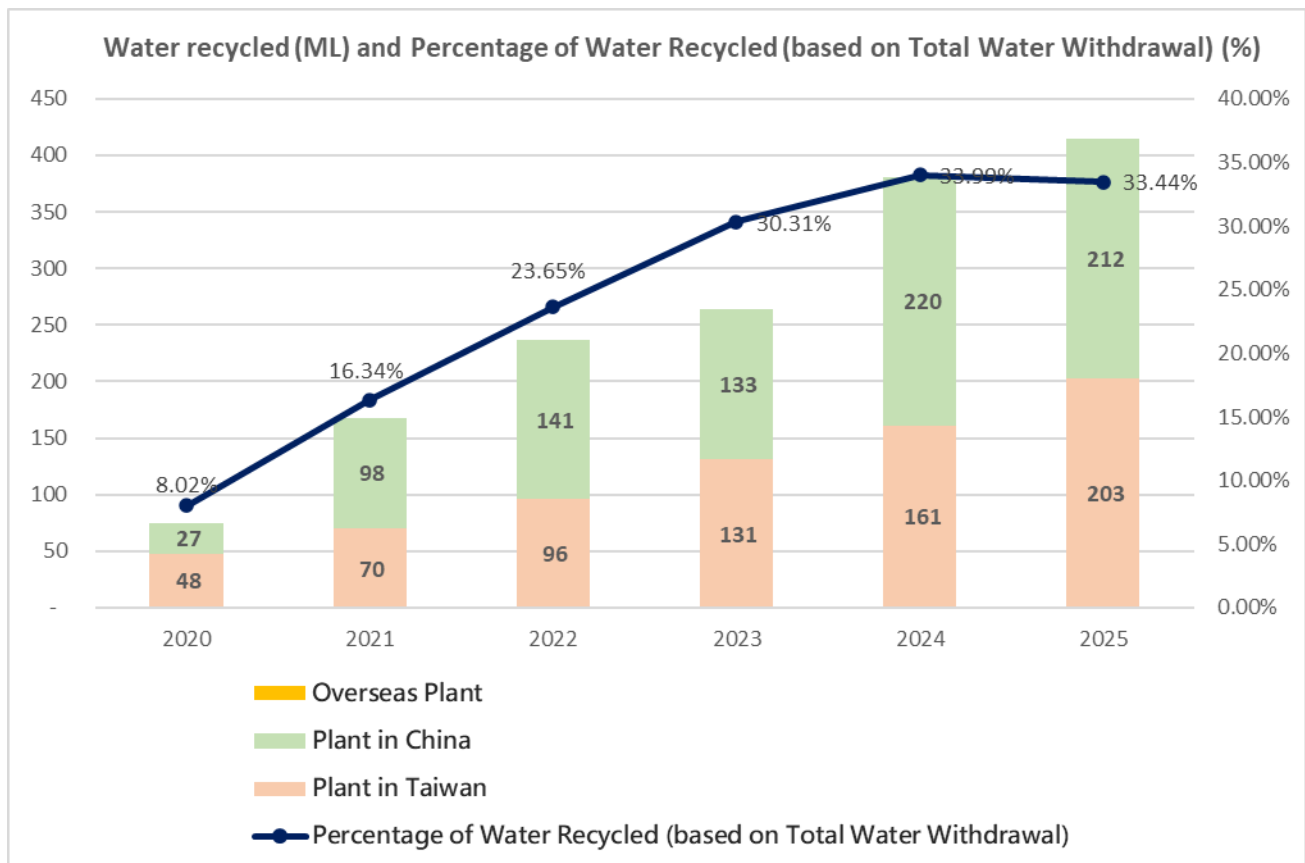
Note 1: The Company's water withdrawal sources do not include surface water, groundwater, seawater, or produced water.

Note 2: Water-stressed areas are identified with reference to the Aqueduct Water Risk Atlas. In 2025, the scope was revised to include the Chengdu facility.

❖ Water Conservation Measures within the Plants

Water Reclamation System - Recycling and Reuse of Process Water

In 2021, the Taiwan facilities installed a process water membrane filtration and recycling system using ultrafiltration (UF) combined with reverse osmosis (RO) to treat and reuse process wastewater. In 2022, additional membrane filtration equipment, including membrane bioreactor (MBR) and membrane chemical reactor (MCR) systems, was introduced to replace the UF system. By increasing the effective membrane pore size and membrane flux, these systems helped alleviate fouling issues and improve the efficiency of the water recycling system. At the same time, they reduced the frequency of backwashing and chemical cleaning, thereby lowering recycled water consumption. The reduced need for filter bag replacement also contributed to waste reduction. Additional MBR systems have been installed progressively since 2022, and the third MBR system was completed in 2025. The average daily volume of recycled water returned to the industrial water tank increased from 170 metric tons per day in 2023 to 181 metric tons per day in 2024, and further to 224 metric tons per day in 2025, demonstrating significant improvement in water recycling performance. The Company plans to install a fourth MBR system in 2026.



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

Note 2: Recycling rate of water withdrawal = Water recycled / Water withdrawal.

Pure Water Recycling System - Recycling and Reuse of Pure Water

The Taiwan facilities installed an additional process pure water recycling system in 2021. Concentrated water generated from the RO pure water system is further treated through a secondary reverse osmosis (RRO) system for reuse in the production process. Due to the 2B3T pretreatment design of the RO pure water system, the quality of the concentrated water generated by the secondary RRO system is even better than that of tap water. It is therefore directed to the industrial water tank for recycling and reuse. In 2025, the total volume of recycled water from the pure water process at the Taiwan facilities reached 82,867 metric tons, accounting for 11.4% of total water consumption.

Water-saving Design of Machinery and Equipment

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

Related Facilities

Control panel of recycling system



Raw water tank for recycling



MBR / MCR filtration



RO filtration



❖ Waste Water Discharge and Water Quality Monitoring and Control

CWE Group conducts regular annual sampling and testing of effluent quality to ensure that wastewater generated from manufacturing processes fully complies with applicable environmental laws and regulations, as well as the discharge standards required by the relevant industrial park authorities, thereby minimizing environmental impacts. The Company also actively reviews and improves wastewater pollution prevention and control systems at its facilities. In 2025, the effluent quality test results at all facilities remained in compliance with applicable local regulations or discharge standards approved by third-party wastewater management authorities.

Discharge

Unit: megaliters

61

Year		2024		2025	
Item		All plants	Areas with Water Stress	All plants	Areas with Water Stress
By destinations	A Surface water	189	0	184	0
	B Groundwater	0	0	0	0
	C Seawater	0	0	0	0
	D Third-party water (total)	995	507	1,311	571
	E Third-party water sent for use to other organizations	0	0	0	0
Total water discharge	F=A+B+C+D+E	1,184	507	1,495	571
Freshwater		0	0	0	0
Others		1,184	507	1,495	571

3.5 Waste Management

Key Material Issue

(GRI 306-1, 306-2, 306-3, SASB TC-SC-150a.1.)

Impact Description

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

Management Policy and Commitment

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

Management Mechanism and Implementation Strategy

Responsible Units: Environmental Management Centers / Equipment and Process Units of subsidiary manufacturing plants
 Relevant Internal Policies: *Waste Management Guidelines, Chemical Warehouse Management Guidelines, Toxic Substances Handling Procedures*
 Key Strategies: Comply with environmental regulations by reporting waste accurately and ensuring proper handling through verified waste manifests. Implement the ISO 14001 Environmental Management System and track environmental performance indicators annually.

62

Specific Action Plan

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

Tracking and Verification Mechanism

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



Note: The base year is 2024; the short term is defined as within 3 years, the medium term as within 5 years, and the long term as more than 5 years.

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

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

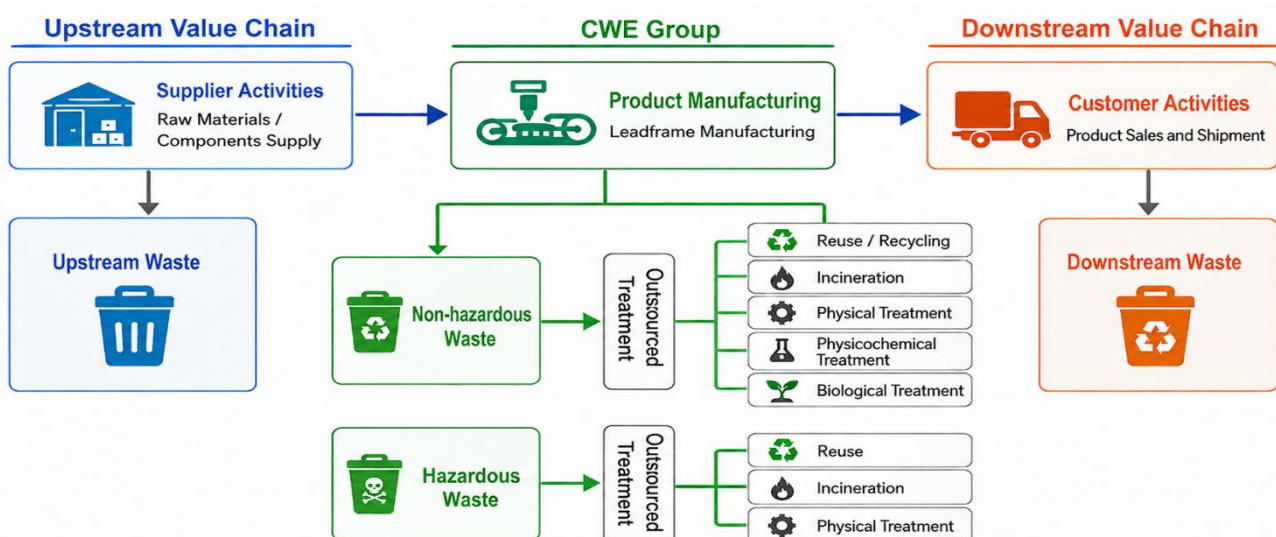
❖ Waste Management

Waste generated by the Company is classified into two major categories: non-hazardous waste and hazardous waste, and is further categorized as recyclable or non-recyclable according to the disposal method. In addition to implementing waste segregation, CWE Group reports, classifies, and stores various types of waste in accordance with applicable local regulations, and engages qualified contractors for waste collection, disposal, and recycling. Regular contractor reviews and audit mechanisms are also implemented to ensure that waste is properly handled.

Taking CWTC's Taiwan Plant 2 as an example, the plant manages industrial waste through an online tracking system using the Industrial Waste Joint Clearance and Disposal Control Manifest. It has also established an audit plan for waste clearance and disposal contractors, under which designated personnel conduct on-site inspections of their waste management practices and record the audit results in inspection records. If any irregularities are identified, the contractor is required to implement corrective actions, followed by a subsequent review to ensure that waste is managed properly and in compliance with applicable regulations.

The Group will continue to focus on source reduction, recycling, and reuse as its waste management objectives, with the aim of reducing waste generation, lowering operating costs, and minimizing environmental impacts.

❖ Waste Treatment Methods and Types for Taiwan Manufacturing Plant in 2025



❖ Waste Treatment Methods and Types at Manufacturing Facilities Over the Past Two Years

Unit: metric tons

Category	Treatment Method	Disposal	Type	2024	2025
Non-hazardous industrial waste	Reuse and recycling	Off-site	Scraps, waste steel belt, resin, waste lubricant, waste wood	4,437	5,044
	Incineration	Off-site	Household waste, waste dry film, waste plastic mixtures	325	264
	Physico-chemical / Physical treatments	Off-site	Waste electronics components, scraps and defectives	10	13
	Biological processing	Off-site	Waste such as night soil or excrements	42	107
Hazardous industrial waste	Reuse	Off-site	Sludge, Waste filter cores, filter bags, chemical waste containers, waste glass containers, iron drums, waste solutions and waste oil	12,615	14,388
	Incineration	Off-site	Waste solutions, acetone, empty drums (plastic bags)	422	252
	Physical treatment	Off-site	Waste solutions, waste electronics components	87	62

64

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

Unit: metric tons

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

❖ Statistics of Waste Volume

Unit: metric ton

Category	Treatment Method	2022		2023		2024		2025	
		Weight	%	Weight	%	Weight	%	Weight	%
Non-hazardous waste	Recyclable	1,589	8%	2,341	14%	4,437	25%	5,044	25%
	Non-recyclable	5,841	29%	4,410	27%	377	2%	384	2%
Hazardous waste	Recyclable	11,342	56%	8,617	53%	12,615	70%	14,388	71%
	Non-recyclable	1,332	7%	1,047	6%	509	3%	314	2%
Total		20,104	100%	16,415	100%	17,938	100%	20,130	100%
Waste intensity		0.9197		0.9955		1.0410		1.0402	

Note 1: Waste intensity = Waste generated / Consolidated revenue in millions of NT\$.

Note 2: Waste output data is limited to the manufacturing plants of subsidiaries.

❖ Circular Economy

The Taiwan manufacturing facilities of CWE's subsidiaries currently operate 22 silver recovery units, together with 5 gold recovery resin towers and 6 palladium recovery resin towers, forming a comprehensive precious metal recovery system. In 2025, these initiatives delivered carbon reduction benefits of 782 tCO₂e.

In addition, we have strengthened supplier collaboration by engaging qualified third-party recycling companies to ensure that the overall recycling and treatment process complies with environmental standards. Training is also provided to frontline operators to promote a green manufacturing culture with broad employee participation.

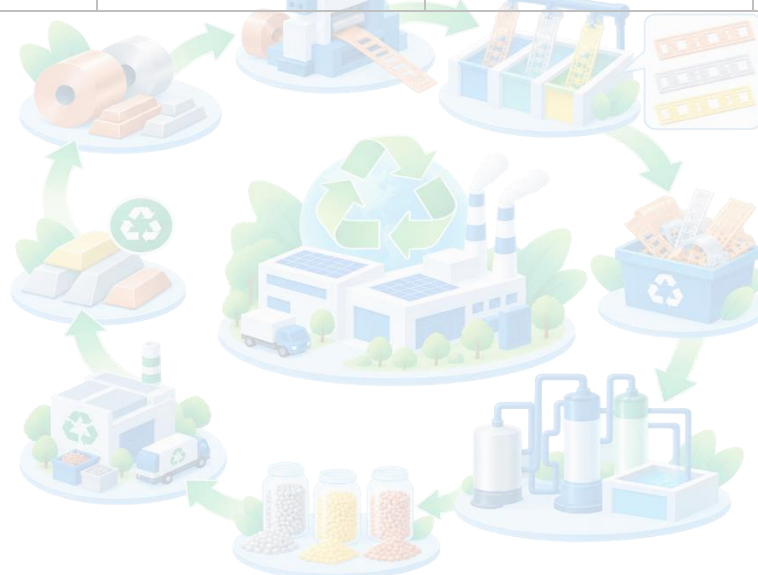
We will continue to improve resource efficiency in leadframe production lines and enhance the reuse value of metal resources required in manufacturing through data-driven management, progressing toward a more efficient, resource-conserving, and sustainable manufacturing model.

65

Three-Year Metal Recycling at Taiwan Facilities

Unit: kg

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



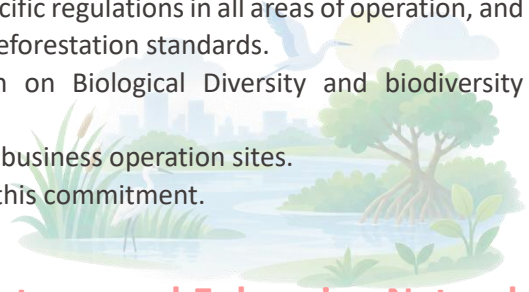
3.6 Biodiversity Commitment



In response to international concerns regarding biodiversity and forest conservation, CWE has declared the “CWE Biodiversity and Zero Deforestation Commitment.” Through the oversight and promotion of corporate sustainability governance, the Company demonstrates its commitment to protecting the ecological environment and proactively addressing the challenges that climate change poses to ecosystems. All manufacturing facilities of CWE Group are located within industrial parks and are not situated in areas designated globally or nationally as important biodiversity areas.

CWE Biodiversity and Zero Deforestation Commitment

- Avoid establishing factories or conducting operations near areas of global or national biodiversity significance.
- Commit to biodiversity conservation with the goal of achieving Net Positive Impact on the environment and ecosystems.
- Comply with international and local forest-related laws and specific regulations in all areas of operation, and commit to ensuring that all products and services meet zero-deforestation standards.
- Take action in support of the United Nations Convention on Biological Diversity and biodiversity conservation initiatives.
- Conduct regular ecological surveys and impact assessments at business operation sites.
- Collaborate with external partners to jointly uphold and fulfill this commitment.



Concrete Action – Protecting Wetland Ecosystems and Enhancing Natural Carbon Sink Functions

In December 2025, CWE Group jointly organized the “Yuan Zhong Harbor Wetland Conservation Campaign.” Led by Group executives, 101 employees participated in environmental cleanup activities at Yuan Zhong Harbor Wetland Park in Kaohsiung. The activities included removing litter and weeds from roadside drainage areas, as well as clearing invasive *Leucaena leucocephala* and other aggressive plant species that could adversely affect the local ecosystem and landscape. In total, more than 60 bags, or approximately 520 kilograms, of waste and weeds were removed. By improving the wetland environment and preserving space for native vegetation to grow, the initiative not only reduced the impact of waste on wetlands and waterways and enhanced habitat quality, but also helped restore wetland ecological functions. This further strengthened the wetland’s natural carbon sink capacity and its important role in climate regulation and carbon sequestration. The event also included a guided wetland ecology tour to enhance employees’ understanding of wetland ecosystems, biodiversity, habitat conservation, and the functions of natural carbon sinks. Through concrete actions, CWE Group aims to continue advancing environmental sustainability and ecological conservation, deepen employees’ environmental awareness, and contribute to protecting local ecosystems, strengthening ecological resilience, and addressing climate change.



Growth and Common Prosperity

4.1 Human Rights Policy

❖ Human Rights Commitments (GRI 2-24)

CWE upholds the core principle of respecting employees and implementing a people-oriented approach. The company complies with and supports relevant laws and regulations to protect the legal rights and interests of all individuals, including full-time employees, contract and temporary staff, and job applicants. CWE is also committed to promoting the same standards across its partners and supply chain, ensuring their operations reflect these values.

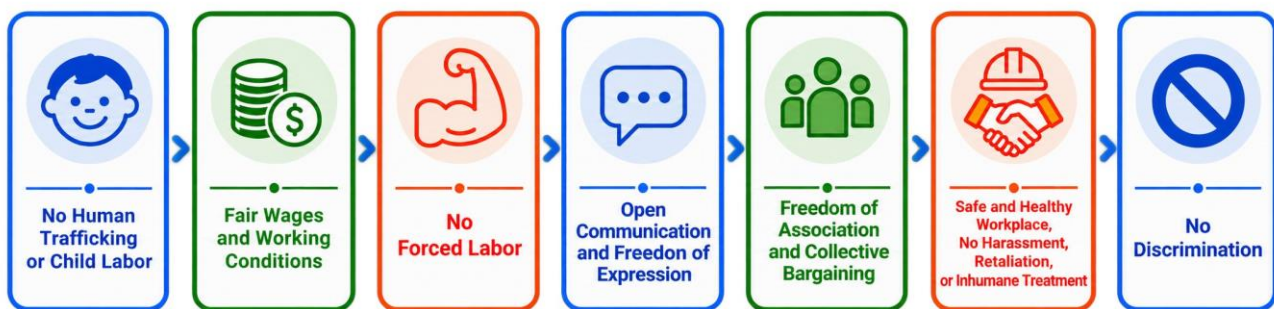
We recognize and support international human rights conventions and standards, including the United Nations Global Compact, the Universal Declaration of Human Rights, and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work and its Follow-up. We are committed to upholding the spirit and core principles of human rights protection outlined in these frameworks. In compliance with relevant labor laws, we strive to create a workplace that is equal, safe, and respectful of human dignity.



CWE Human Rights Policy

67

Human Rights Policy

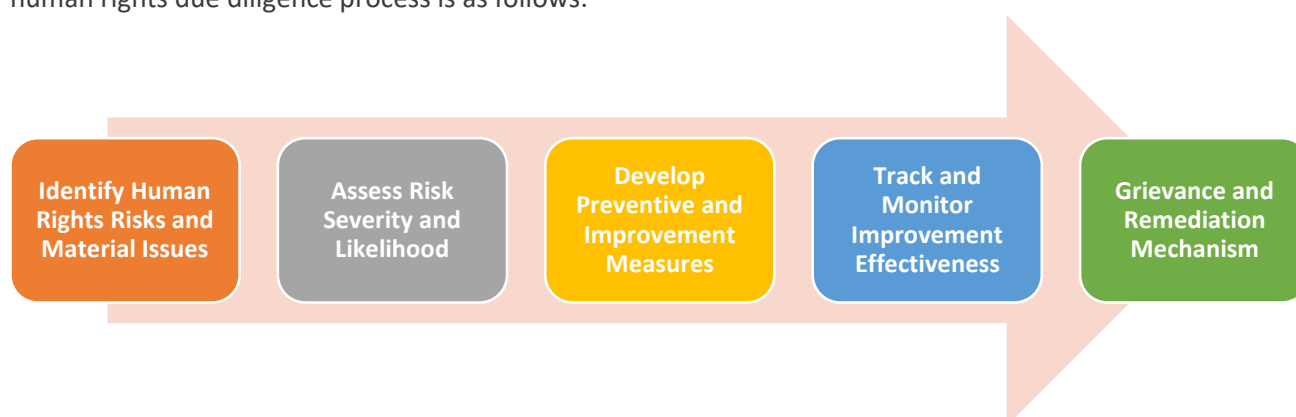


Human Rights Management Policy	Specific Initiatives
Prohibition of Human Trafficking and child labor	In line with our responsibility to protect the physical and mental development of children and minors, the company does not employ individuals under the age of 16. For minors aged 16 to under 18, employment is permitted only upon submission of written consent from their legal guardian and valid proof of age.
Provide fair and reasonable compensation and working conditions	The company fully complies with legal regulations regarding employees' regular working hours—daily, weekly, and monthly—as well as the limits on overtime, rest days, special leave, and other types of leave. Compensation and benefits are in accordance with wage-related laws, including the provision of minimum wage and appropriate overtime pay rates. Electronic pay slips are provided to ensure employees have clear visibility into the details of their compensation. Unless with the employee's consent, the company strictly prohibits wage deductions as a form of disciplinary action.
Prohibition of all forms of forced labor	In strict compliance with government labor laws, international standards, and the company's human rights policy, no individual shall be forced or coerced into performing labor against their will.

Human Rights Management Policy	Specific Initiatives
Provide diverse communication channels and environment that encourage free expression of opinions	To ensure effective communication, the company holds labor-management meetings every quarter to listen to employees' opinions and needs. If any issues affecting labor rights arise, we promptly inform employees and seek consensus. We respect employees' rights and will not take adverse actions based on their expressions. The company values employees' right to file complaints and provides multiple channels for doing so, including direct reporting to supervisors or management departments, as well as dedicated hotlines and email for reporting sexual harassment. We guarantee confidentiality and fairness throughout the complaint process, ensuring that the identities and information of complainants are not disclosed. Investigation results will be communicated in writing to both the complainant and the respondent.
Respect employees' rights to freedom of association and collective bargaining	Freedom of association is a fundamental right of employees and a core value of the company. By upholding this freedom, we are committed to fostering a diverse, open, and harmonious work environment where employees can fully express their potential and individuality, while building strong friendships and collaborative relationships with colleagues. To ensure effective communication, the company holds quarterly labor-management meetings to listen to employees' opinions and needs.
Establish a safe and healthy working environment, prohibit all forms of harassment, retaliation, and inhumane treatment	The company is committed to complying with regulations, promoting safety awareness, reducing workplace risks, preventing injuries, and continuously improving performance. We have established the " <i>Measures for the Prevention, Complaint Handling, and Disciplinary Actions for Sexual Harassment</i> " and have set up dedicated channels for reporting sexual harassment.
Prohibit all forms of discrimination	The company strictly complies with local labor laws, including the <i>Labor Standards Act</i> and <i>Act of Gender Equality in Employment</i> , and has established appropriate management methods and procedures to ensure internal communication and promotion of these standards. We are committed to providing a fair working environment and do not tolerate any form of unfair or discriminatory treatment based on gender, race, socioeconomic status, nationality, age, marital or family status, language, religion, political affiliation, appearance, height, or physical or mental disabilities. The company is dedicated to protecting the fundamental human rights of employees by complying with relevant labor laws and safeguarding their legal rights and interests.

Human Rights Due Diligence Management

To fulfill its corporate social responsibility and uphold its commitment to respecting and protecting human rights, the Company formally established a human rights due diligence process in 2025. Relevant management units regularly identify potentially affected groups and potential human rights issues, develop control plans for identified human rights risks, and continuously monitor the implementation and effectiveness of improvement measures to ensure the effective implementation of the Company's human rights policy. The human rights due diligence process is as follows:



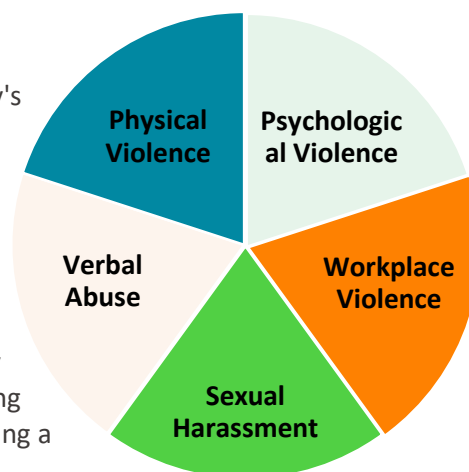
In 2025, the Company conducted a human rights due diligence assessment covering employees and suppliers. For employees, the Company identified and assessed risks related to material human rights issues, including occupational health and safety, working hours, workplace equality, prevention of sexual harassment, and personal data protection. Human rights risk management was continuously strengthened through internal management mechanisms, education and training, grievance channels, and reviews of regulatory compliance. For suppliers, the Company assessed their management practices in areas such as working hours, working conditions, and compliance with workplace equality regulations through questionnaires and ongoing supplier management. Suppliers are encouraged to uphold human rights protections and fulfill corporate social responsibility requirements. The Company also requires major suppliers to sign an Integrity Commitment Letter and relevant social responsibility documents to jointly reduce potential human rights risks in the supply chain. All human rights-related risk incidents identified in 2025 were investigated, corrective actions were implemented, and follow-up reviews were completed. The Company continues to monitor the effectiveness of improvement measures to mitigate potential human rights risks. No material human rights incidents resulting in medium- or high-risk impacts occurred during the year.

Human Rights Stakeholder	Risk Issue	Potential Human Rights Risk	Risk Mitigation or Remedial Measures
Employees	Health and Safety	Employees may face risks of occupational injuries, physical discomfort, or adverse impacts on physical and mental health due to the working environment, workload, or prolonged office work.	Based on health examination results, 18 employees were placed under health monitoring. The Company continues to monitor employee health and conducts health promotion activities, such as encouraging participation in company clubs and providing health education seminars. Employee grievance channels and investigation procedures have also been established. In 2025, one complaint concerning the working environment was received. The Company promptly conducted an internal review, communication, and improvement process, and the case was properly resolved and closed.
Employees	Working Hours Management	Increased overtime or insufficient rest may adversely affect employees.	Through the attendance system, working-hour monitoring, and abnormal working-hour tracking mechanisms, employees are notified when daily overtime exceeds one hour. Working hours are reviewed monthly to prevent excessive overtime.
Employees	Workplace Equality	Inadequate equality and diversity management mechanisms may result in discrimination, unfair treatment, or adverse impacts on employees' career development opportunities.	The Company continues to promote equal employment and diversity and inclusion policies, prohibits all forms of discrimination and unfair treatment, and provides equal opportunities in recruitment, training, and promotion. In 2025, an employee questionnaire was conducted to identify any discrimination or unequal treatment, and employee grievance channels and investigation procedures were maintained.
Employees	Prevention of Sexual Harassment	Inappropriate language, conduct, or workplace interactions may result in sexual harassment or unlawful workplace misconduct.	The Company has established sexual harassment prevention measures and grievance procedures, conducts regular education and training, and provides confidential grievance channels and investigation mechanisms. In 2025, 76 employees completed internal gender equality training, totaling 76 training hours.

Human Rights Stakeholder	Risk Issue	Potential Human Rights Risk	Risk Mitigation or Remedial Measures
Employees	Personal Data Protection	Improper management, system vulnerabilities, or human error may result in personal data breaches or information security incidents.	The Company has established information security and personal data protection management mechanisms and reduces the risk of information leakage through access controls, information security training, and system protection measures. In 2025, 76 employees completed internal personal data protection training, totaling 76 training hours.
Suppliers	Working Hours Management	Suppliers may lack effective working-hour management, potentially affecting employee health and labor rights	Through supplier questionnaires and ongoing supplier management, the Company reviews suppliers' working-hour management practices and requires suppliers to comply with local labor laws and reasonable working-hour principles to reduce the risk of excessive working hours.
Suppliers	Working Environment	Inadequate workplace management by suppliers may give rise to occupational health and safety risks, affecting employee health and workplace safety.	Through supplier assessments and ongoing supplier management, the Company reviews suppliers' working environments and occupational health and safety practices and encourages suppliers to continuously improve workplace conditions and safety management measures.
Suppliers	Workplace Equality	Suppliers lacking appropriate equality and diversity management mechanisms may face risks of discrimination, unfair treatment, or other human rights violations.	Suppliers are required to comply with applicable labor regulations and corporate social responsibility requirements. Supplier questionnaires are also used to understand the implementation of equal employment and human rights management practices and to reduce human rights risks in the supply chain.

❖ Workers' Rights (GRI 2-26)

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



CWE Group has established a labor-management meeting mechanism in accordance with applicable laws to facilitate effective communication between the Company and its employees, aiming to build positive labor-management relations. Meetings are held at least quarterly, and in addition to handling labor-management matters submitted by various departments, employee proposals are solicited through representatives from both sides to ensure that employees' opinions and needs are thoroughly considered. In 2025, there were no labor disputes.

Reporting Process for Unlawful Infringement at Workplace

In-charge Department / Personnel	Description	Management Process
Employees Departments	- Informed by employees on their own initiative. - Reported, complained or raised by others.	<pre> graph TD A[Report of suspected unlawful workplace infringement] --> B[1. Receive report or complaint 2. Coordinate handling] B --> C{Is this a workplace infringement incident?} C -- No --> F[Case closed] C -- YES --> D[Classify as internal or external infringement] D --> E[1. Coordinate handling 2. Follow-up tracking] E --> G[Review improvement and preventive measures] G --> F </pre> Internal Infringement: Handled by the HR unit or department supervisor. External Infringement: Contact the police or relevant competent authority.
Administration Dept.	- Interview, hazard identification and risk assessment by occupational safety personnel, nurses, human resources unit, and the employees involved (and other relevant and appropriate personnel). - For internal incident, labor representatives shall be involved in the investigation. - For external incident, the local police or relevant authorities shall be contacted.	
Employees Administration Dept. Human Resources Unit Department Supervisors	- Employer may make timely referrals or arrangements for consultation, counseling, leave of absence, or flexible adjustments of work duties, working hours, etc. - Medical resources may be employed, such as follow-up by healthcare professionals or appropriate personnel, or referrals to local occupational disease and injury prevention centers. - Implement internal disciplinary procedures when needed. - Assist with subsequent legal actions when needed. - Timely work adjustment for the two parties involved when needed.	
Administration Dept. Department Supervisors Human Resources Unit	The in-charge departments shall properly retain relevant records of their respective departments.	

4.2 Talent Attraction and Retention

Key Material Issue

Impact Description

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

Management Policy and Commitment

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

Management Mechanism and Implementation Strategy

Responsible Unit: Administration Division
Responsible Functions: Talent Recruitment, Compensation Planning, Career Development, Training and Development, Employee Relations

Relevant Internal Policies: *Payroll Cycle, Performance Evaluation Procedures, Training and Development Management Procedures*

Stakeholder Response Mechanism: Establishment of employee suggestion boxes, regular employee surveys, and labor-management meetings.

72

Specific Action Plan

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

Tracking and Verification Mechanism

Plan: Set talent goals and action strategies, and implement Key Performance Indicators (KPIs) at the beginning of the year.

Do: Each department executes recruitment, retention, and training activities based on the annual HR plan.

Check: Regularly review key metrics such as turnover rate, employee satisfaction, and recruitment efficiency.

Act: Management strategies are reviewed and adjusted continuously based on data, incorporating internal audits and improvement mechanisms.

Metrics



Short-term



Mid-term



Long-term

Overall Employee Turnover Rate (%)



Keep Below 10%

	Target	Achievement
2025	Below 10%	10.25



Reduce to 8%



Maintain Stable at Below 7%



Note 1: The base year is 2024; the short term is defined as within 3 years, the medium term as within 5 years, and the long term as more than 5 years.

Note 2: The overall employee turnover rate did not meet the target. For further details, please refer to the section "Employee Turnover Statistics."

❖ Employees Structure (GRI 2-7, 2-8, SASB TC-SC-330a.1)

CWE Group regards employees as one of its most important assets. Its policies and systems for recruitment and hiring, compensation, performance management, and training and development are designed to strengthen the Company's growth momentum and enhance employee productivity and effectiveness. The Group gives priority to recruiting and hiring local talent as its workforce partners. We believe that mutual growth with employees is essential to sustaining the Company's long-term development, enabling employees to enjoy their work and contribute through collective strength.

CWE Group complies with the requirements of the International Labour Organization (ILO) and applicable local labor laws and regulations. The Group does not employ child labor and does not force or coerce any person to perform work against their will.

In line with the fundamental human right to equal employment opportunities, hiring decisions are based solely on professional competence and job suitability, without discrimination based on race, ideology, religion, political affiliation, nationality, gender, marital status, disability, or other protected characteristics. CWE Group also complies with relevant laws and regulations and, in Taiwan, employs the legally required number of persons with disabilities and assigns suitable job duties based on their capabilities. No material changes in operations occurred within CWE Group in 2025. In the event of significant operational changes, advance notice will be provided in accordance with applicable local labor laws and regulations (10–30 days in Taiwan, within 30 days in China, 1–4 weeks in Singapore, and 4–8 weeks in Malaysia).

As of the end of December 2025, CWE Group had 2,390 employees (97%) and 74 non-employee workers (3%). The non-employee workers are employed by external contractors and are primarily engaged in site cleaning, security, and gardening services. Of the total employees, 62% were male and 38% were female, with approximately 65% aged between 30 and 50. A total of 245 employees left the Group during the year, representing a 6% increase compared with 2024. The Group employed 11 persons with disabilities and 15 minority group members, accounting for approximately 0.33% and 0.21%, respectively.

Workforce Structure by Region

Region	2022		2023		2024		2025	
	Male	Female	Male	Female	Male	Female	Male	Female
Taiwan	567	399	555	393	633	423	643	428
China	467	301	446	303	468	305	474	316
Overseas	360	188	342	168	336	174	353	176
Total by genders	1,394	888	1,343	864	1,437	902	1,470	920
Total	2,282		2,207		2,339		2,390	
Percentage	61%	39%	61%	39%	61%	39%	62%	38%

Composition of Employees Classified by Employment Contract (GRI 2-7)

Type	Year		2022		2023		2024		2025	
	Category	Gender / Workplace location	No. of Employees	%	No. of Employees	%	No. of Employees	%	No. of Employees	%
Recruited	Regular employees	Male	1,304	57.14	1,254	56.82	1,350	57.72	1,464	61.26
		Female	809	35.45	789	35.75	825	35.27	914	38.24
	Temporary employees	Male	90	3.94	89	4.03	87	3.72	6 ^{Note}	0.25
		Female	79	3.46	75	3.40	77	3.29	6 ^{Note}	0.25
	Regular employees	Taiwan	966	42.33	948	42.95	1,056	45.15	1,071	44.82
		China	761	33.35	722	32.71	747	31.94	778	32.55
		Overseas	386	16.91	373	16.90	372	15.90	529	22.13
	Temporary employees	Taiwan	-	-	-	-	-	-	-	-
		China	7	0.31	27	1.22	26	1.11	12	0.50
		Overseas	162	7.10	137	6.21	138	5.90	-	-
Contracted	Full-time employees	Male	1,394	61.09	1,343	60.85	1,437	61.44	1,470	61.51
		Female	888	38.91	864	39.15	902	38.56	920	38.49
	Part-time employees	Male	-	-	-	-	-	-	-	-
		Female	-	-	-	-	-	-	-	-
	Full-time employees	Taiwan	966	42.33	948	42.95	1,056	45.15	1,071	44.82
		China	768	33.65	749	33.94	773	33.05	790	33.05
		Overseas	548	24.01	510	23.11	510	21.80	529	22.13
	Part-time employees	Taiwan	-	-	-	-	-	-	-	-
		China	-	-	-	-	-	-	-	-
		Overseas	-	-	-	-	-	-	-	-

Note: In 2025, MSHE, an overseas subsidiary, changed its employment management approach by reclassifying foreign workers previously treated as temporary employees as permanent employees.

Diversity Performance

Type	Year		2022		2023		2024		2025	
	Category	Gender	No. of Employees	%	No. of Employees	%	No. of Employees	%	No. of Employees	%
Nationality	Local workers	Male	1,237	54.21	1,197	54.24	1,269	54.26	1,217	50.91
		Female	812	35.58	802	36.34	837	35.78	796	33.31
	Migrant workers ^{Note}	Male	157	6.88	146	6.62	168	7.18	253	10.59
		Female	76	3.33	62	2.80	65	2.78	124	5.19
Age	<30	Male	351	15.38	300	13.59	345	14.75	359	15.02
		Female	193	8.46	174	7.88	193	8.25	185	7.74
	30-50	Male	903	39.57	887	40.19	901	38.52	906	37.91
		Female	636	27.87	625	28.32	624	26.68	653	27.32
	>50	Male	140	6.13	156	7.07	191	8.17	205	8.58
		Female	59	2.59	65	2.95	85	3.63	82	3.43
Ranking	Management level	Male	412	18.05	422	19.12	409	17.49	422	17.65
		Female	173	7.59	185	8.38	191	8.17	201	8.41
	Non-management level	Male	982	43.03	921	41.73	1,028	43.95	1,048	43.86
		Female	715	31.33	679	30.77	711	30.39	719	30.08
Function	Sales	Male	45	1.97	43	1.95	51	2.18	60	2.51
		Female	44	1.93	43	1.95	38	1.62	42	1.76
	Manufacturing	Male	1,090	47.77	1,097	49.71	1,106	47.29	1,196	50.05
		Female	623	27.30	622	28.18	655	28.00	673	28.16
	R&D	Male	172	7.54	117	5.30	167	7.14	142	5.94
		Female	94	4.12	73	3.31	75	3.21	73	3.05
	Administration and others	Male	87	3.81	86	3.90	113	4.83	72	3.01
		Female	127	5.56	126	5.70	134	5.73	132	5.52
Education	Masters	Male	41	1.80	45	2.04	53	2.27	46	1.92
		Female	28	1.23	23	1.04	23	0.98	27	1.13
	Junior College / Bachelor	Male	509	22.30	505	22.88	563	24.07	569	23.81
		Female	337	14.77	342	15.50	360	15.39	382	15.98
	Senior high school and below	Male	844	36.99	793	35.93	821	35.10	855	35.78
		Female	523	22.91	499	22.61	519	22.19	511	21.38

Note: From 2022 to 2023, foreign employees were classified based on nationality relative to their respective work locations. Beginning in 2024, foreign employees are classified based on the nationality of employees who are required to obtain work visas.

Statistics of New Employee Hires (GRI 401-1)

Type	Year	2022			2023			2024			2025		
	Category	New Recruits	Total Employees	%	New Recruits	Total Employees	%	New Recruits	Total Employees	%	New Recruits	Total Employees	%
Gender	Male	318	1,394	22.81	147	1,343	10.95	229	1,437	15.94	163	1,470	11.09
	Female	191	888	21.51	86	864	9.95	131	902	14.52	98	920	10.65
Age	< 30	255	544	46.88	110	474	23.21	195	538	36.25	146	544	26.84
	30-50	244	1,539	15.85	121	1,512	8.00	161	1,525	10.56	114	1,559	7.31
	> 50	10	199	5.03	2	221	0.90	4	276	1.45	1	287	0.35
Workplace location	Taiwan	338	966	34.99	144	948	15.19	249	1,056	23.58	161	1,071	15.03
	China	67	768	8.72	39	749	5.21	74	773	9.57	64	790	8.10
	Overseas	104	548	18.98	50	510	9.80	37	510	7.25	36	529	6.81
Total of Each Type		509	2,282	22.30	233	2,207	10.56	360	2,339	15.39	261	2,339	10.92

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

Statistics of Employee Turnover (GRI 401-1)

In 2025, the overall employee turnover rate was 10.25%, representing a slight increase of 0.37 percentage points compared with 2024. A total of 245 employees left the Group, of whom 203 resigned voluntarily, accounting for 82.86% of total departures. This indicates that employee turnover was primarily driven by individual career planning and personal development considerations. The Company continues to enhance employee retention and organizational commitment through compensation and benefits, education and training, and talent development mechanisms. Further analysis by age group showed that the turnover rate among employees under the age of 30 was 17.46%, higher than the overall average. This reflects the relatively higher mobility of younger employees during the career exploration stage. Going forward, the Company will continue to strengthen onboarding support, career development planning, and talent development initiatives to help employees establish long-term career paths and improve the retention of young talent.

Type	Year	2022			2023			2024			2025		
	Category	Resig-nations	Total Employees	%	Resig-nations	Total Employees	%	Resig-nations	Total Employees	%	Resig-nations	Total Employees	%
Gender	Male	230	1,394	16.50	213	1,343	15.86	142	1,437	9.88	157	1,470	10.68
	Female	143	888	16.10	124	864	14.35	89	902	9.87	88	920	9.57
Age	< 30	160	544	29.41	142	474	29.96	80	538	14.87	95	544	17.46
	30-50	194	1,539	12.61	178	1,512	11.77	135	1,525	8.85	121	1,559	7.76
	> 50	19	199	9.55	17	221	7.69	16	276	5.80	29	287	10.10
Workplace location	Taiwan	195	966	20.19	152	948	16.03	134	1,056	12.69	142	1,071	13.26
	China	86	768	11.20	96	749	12.82	51	773	6.60	43	790	5.44
	Overseas	92	548	16.79	89	510	17.45	46	510	9.02	60	529	11.34
Total of Each Type		373	2,282	16.35	337	2,207	15.27	231	2,339	9.88	245	2,339	10.25

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

❖ Equal Opportunity

With regard to the development of women in the workplace, we uphold the principle of "equal treatment" and firmly oppose any form of gender discrimination. We are committed to ensuring that recruitment, compensation, promotion opportunities, and other factors are not influenced by gender, race, nationality, religious beliefs, age, physical condition, political stance, marital status, or union affiliation. Through concrete actions, we aim to create a supportive work environment that helps female employees achieve a balance between work and life. As of 2025, female employees represent 38% of the total workforce, and women hold 32% of management positions.

Proportion of Female Employees (%)

76

Type	Year	2023			2024			2025		
	Workplace location	Taiwan Plant	China Plant	Overseas Plant	Taiwan Plant	China Plant	Overseas Plant	Taiwan Plant	China Plant	Overseas Plant
Female Employees (%)		41	40	33	40	39	34	40	40	33
Overall Female Employees (%)		39			39			38		
Female Non-Managerial Employees (%)		47	39	38	42	38	39	43	39	38
Overall Female Non-Managerial Employees (%)		42			41			41		
Female Managerial Employees (%)		21	42	13	24	42	15	27	42	12
Overall Female Managerial Employees (%)		30			32			32		

❖ Compensation

To attract and retain top talent, CWE designs its compensation packages based on market standards, external competitiveness, and labor market supply and demand. We offer competitive salaries that comply with local minimum wage regulations and ensure no gender-based discrepancies.

The compensation structure includes fixed and variable components. Fixed salaries are adjusted according to market salary levels, educational background, work experience, and market surveys. Variable compensation consists of year-end bonuses and employee profit-sharing, which are distributed based on the Company's operational performance and individual achievements. Salary and promotion adjustments depend on the Company's overall business conditions, individual performance, the consumer price index, and government policies.

Comparison of the Non-managerial Positions at CWE

(In Thousands of New Taiwan Dollars)

Item	2022	2023	2024	2025
Number of employees	69	68	69	69
Average salary	2,097	1,545	1,569	838
Median salary	1,325	1,260	1,443	785

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

CWE 2025 Female-to-Male Variable Bonus Ratio

Job Level	Female	Male
Non-managerial	0.95	1
Managerial	0.52	1

Note: The calculation is based on the average for employees at the same position level.

2025 Female-to-Male Basic Salary and Remuneration Ratio

Job Level	Base Salary		Remuneration	
	Female	Male	Female	Male
Non-managerial	1.02	1	0.96	1
Managerial	0.77	1	0.79	1

Note: The calculation is based on the average for employees at the same position level.

2025 Employee Remuneration Ratio by Gender

Job Level	Female	Male
Non-managerial	0.96	1
Managerial	0.95	1
Mid-Level Management	0.82	1
Senior Management	1.02	1

Note: The calculation is based on the average for employees at the same position level.

❖ Performance Evaluation System (GRI 404-3)

To attract and retain outstanding talent, as well as to recognize, reward, and motivate high-performing employees, CWE Group has established a clear performance management system. This system integrates annual goal setting, regular communication, and performance evaluations to comprehensively support employees' professional growth and the company's sustainable development goals. The Group conducts performance evaluations annually, using individual employee performance and overall company results as the basis for promotion, salary adjustments, and year-end bonuses. This approach allows employees to share in the company's success and reinforces their sense of self-worth. For example, the company conducts its annual performance evaluations every February. The evaluation system covers employees at all levels and employs both quantitative indicators and qualitative assessments to ensure fairness and objectivity. In 2025, the performance evaluation coverage rate reached 100%.

❖ Employee Care and Benefits (GRI 401-2)

To enhance employee engagement and safeguard employees' rights and interests, CWE Group has established a comprehensive welfare system and, in accordance with applicable local laws and regulations, established Employee Welfare Committees responsible for managing and allocating employee welfare funds. Each facility plans and implements appropriate welfare programs to address employees' needs. The Group has also established labor-management meetings in accordance with applicable laws and regularly convenes meetings to facilitate communication and consultation between employees and management. In addition to discussing labor-related matters submitted by relevant units, employee and management representatives also collect employee proposals and feedback. No labor disputes occurred in 2025.

Employee Benefits

Item	Description
Basic Benefits	Labor and health insurance, labor pension, group insurance, and educational training.
Retirement Security	In accordance with local laws and regulations, monthly pension contributions are made to a government-designated account at a specific percentage of the salary to ensure employees' retirement rights.
Compensation Plan	Employees are entitled to shares reserved from cash capital increase for employee stock purchase plans, the transfer of treasury shares to employees, employee stock options and restricted shares.
Financial Planning	The Company initiates an employee share ownership trust and matches 100% of employee contributions. Employees are entitled to receive annual dividends and can fully redeem their shares after five years.
Health Care	Free employee health check-ups, on-site doctor consultations, maternity health protection policies, and health promotion activities.
Special Leave	Maternity leave/prenatal leave, leave for pregnancy checkups and paternity leave, family care leave.

❖ Family-Friendly and Maternity Protection Program (GRI 401-3)

To create a supportive workplace that encourages marriage and family formation while addressing employees' family care needs, the Company continues to promote family-friendly and maternity protection measures. These initiatives are designed to help employees work with peace of mind and maintain stable employment throughout different stages of life, while promoting workplace equality and work-life balance.

With respect to maternity protection, female employees may notify the Administration Department upon confirmation of pregnancy. The Administration Department then initiates comprehensive support throughout the prenatal, postpartum, and breastfeeding periods, including assessments of the working environment and individual health needs, to safeguard the physical and mental well-being of pregnant, postpartum, and breastfeeding employees while ensuring maternity protection and equal employment rights. To support employees in balancing childcare and family responsibilities, the Company's Taiwan operations comply with the applicable provisions of the Act of Gender Equality in Employment, without distinction based on gender or position. Both male and female employees may apply for parental leave without pay and family care leave in accordance with applicable regulations. During parental leave without pay, employees may also discuss with the Company the possibility of returning to work earlier or later based on their family care and career planning needs, providing greater flexibility and support during the childcare period.

In addition, subsidiary CWTC has entered into cooperation arrangements with two nearby preschools to provide childcare resources and related benefits for employees' children, helping reduce the burden of childcare. Through institutional support, flexible arrangements, and access to childcare resources, the Company aims to create a workplace environment that supports family formation, provides childcare-friendly support, and promotes stable employment, enabling employees to achieve a better balance between career development and family responsibilities.

In 2025, a total of 10 employees in Taiwan applied for parental leave without pay, including 4 male employees and 6 female employees. The return-to-work and retention rates are shown in the table below.

2025 Parental Leave and Return-to-Work Statistics in Taiwan

Parental Leave / Return-to-Work Statistics	Male	Female	Total
Employees Eligible for Parental Leave in the Current Year (A)	18	19	37
Number of applicants for unpaid parental leave during the year (B)	4	6	10
Employees Expected to Return to Work after Parental Leave (C)	4	3	7
Employees Who Actually Returned to Work after Parental Leave (D)	4	3	7
Return-to-work rate (D/C)	100%	100%	100%
Employees Who Returned to Work in the Previous Year (E)	3	-	3
Employees Remaining Employed for 12 Months after Returning from Parental Leave in the Previous Year (F)	2	-	2
Retention Rate (F/E)	67%	-	67%

Calculation Method (using 2025 as an example; the same method applies to other years):

Note 1: Number of employees eligible for parental leave without pay = Number of employees who took maternity leave or paternity leave between 2022 and 2025.

Note 2: Return-to-work rate = Number of employees who actually returned to work after parental leave in 2025 ÷ Number of employees expected to return to work after parental leave in 2025 × 100%.

Note 3: Retention rate = Number of employees who returned to work after parental leave in 2024 and remained employed for 12 months after returning ÷ Number of employees who returned to work after parental leave in 2024 × 100%.

❖ Employee Satisfaction Survey

Since 2024, the Company's Administration Department has conducted an annual employee satisfaction survey each December to understand the organizational climate, engage in in-depth communication and interviews regarding material issues, and develop corresponding improvement plans. The survey covers areas including the work environment, career development, compensation and benefits, and employee well-being, providing a comprehensive understanding of employees' actual workplace experiences and expectations. In 2025, the survey achieved an employee coverage rate of 78%, with an overall satisfaction score of 4.17 out of 5. Employees expressed a high level of recognition for the Company's corporate environment and sustainability management. For areas identified as requiring improvement, such as compensation and work-related stress, the Company has begun developing improvement measures and will continue to monitor their implementation and effectiveness. With respect to compensation, in addition to regularly reviewing the compensation system and its market competitiveness, the Company will take into account employee performance, job responsibilities, and industry compensation levels when adjusting compensation and incentive mechanisms as appropriate. The Company will also continue to enhance employee benefits and provide more comprehensive employee care and incentive programs. Regarding work-related stress, the Company will continue to monitor employee workloads and working hours and seek to reduce pressure arising from heavy workloads through departmental communication, workflow optimization, and appropriate human resource allocation. In addition, the Company will continue to promote health enhancement and employee care initiatives, encourage adequate rest and work-life balance, and provide necessary counseling and support resources to create a friendly and healthy workplace. The Company will continue to track the implementation and effectiveness of these improvement measures as a reference for further enhancement of its management systems.

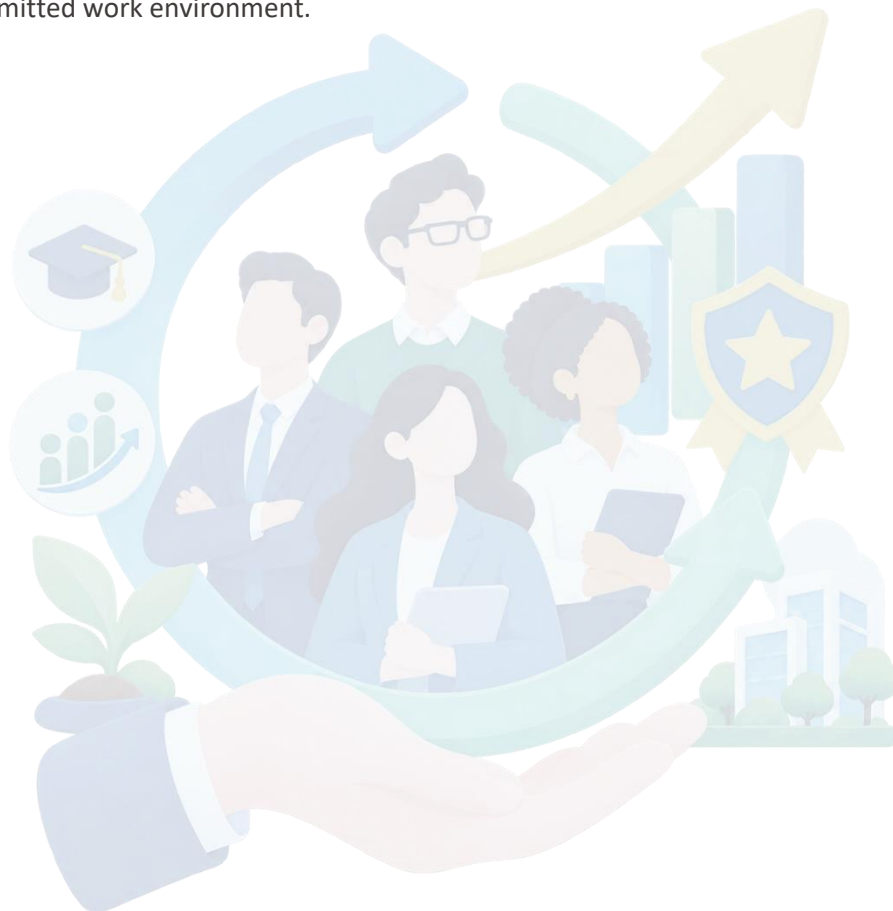
❖ Employee Complaints

CWE Group has established an “Employee Complaint Procedure” and created an “Employee Complaint Section” on the employee portal. We encourage employees to report any violations of ethical standards or laws and have designated personnel to handle these reports. The Company processes all submitted cases with strict confidentiality, making every effort to protect the reporter’s information and safety. This serves as a convenient and secure channel for submitting complaints. Employees may also directly contact the designated representative (currently the audit officer) for reporting unethical business conduct. The reward system is implemented in accordance with the payroll and personnel cycle - the personnel reward and punishment procedures and employee guidelines.

❖ Talent Retention

To strengthen talent retention and enhance organizational stability, our company continues to optimize human resources policies and promote attractive incentive programs for long-serving employees. These initiatives serve as recognition of employees’ long-term service and loyalty to the company. Employees who reach key milestones—such as 5, 10, or 15 years of service—are granted a one-time seniority reward bonus. In addition, measures such as employee stock ownership trusts or restricted stock grants are offered to encourage long-term career development and deeper engagement within the organization.

This reward mechanism not only improves employee retention rates but also supports knowledge transfer and the stability of critical competencies, contributing to the company’s long-term goal of sustainable talent capital. Looking ahead, the company will continue to monitor the effectiveness of its retention strategies, integrate insights from employee satisfaction surveys, and regularly review policy flexibility to foster a more inclusive and committed work environment.



4.3 Talent Development and Diversity Cultivation

(GRI 403-5, 404-1)

Impact Description

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

Management Policy and Commitment

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

Management Mechanism and Implementation Strategy

Responsible Unit: Administration Division
Relevant Internal Policies: *Salary and Workforce Cycle, Training Management Procedures, Promotion and Transfer Management Guidelines.*

Key Strategies: Develop annual training plans with courses classified by competency / job level, design leadership development and key talent training programs, and promote an internal instructor system along with technical knowledge transfer.

81

Specific Action Plan

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

Tracking and Verification Mechanism

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

Metrics



Short-term



Mid-term



Long-term

Average Annual Training Hours per Employee (hours)



≥ 60 hours per person

	Target	Achievement
2025	≥60	55.55



Increase to
≥ 65 hours



Maintain
≥ 68 hours



Note 1: The base year is 2024; the short term is defined as within 3 years, the medium term as within 5 years, and the long term as more than 5 years.

Note 2: For an explanation of why the annual average training hours per employee did not meet the target, please refer to the section "Training Hours Statistics."

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

❖ Diverse Training

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

82

Based on the nature of employees' work, the Company provides appropriate occupational health and safety education and training to enhance employees' understanding of the importance of occupational health and safety. Employees are also assigned to attend external training programs to comply with applicable local regulatory requirements and obtain relevant occupational health and safety certifications. Taking the Taiwan facilities as an example, training covers areas such as supervisors of specified chemical substance operations, supervisors of organic solvent operations, ionizing radiation operators, and forklift operators.



In 2025, a total of 31,810 participant attendances were recorded for education and training, with a total of 132,759 training hours.

Education and Training Statistics

In 2025, driven by growth in market demand, total production increased by approximately 9.9% compared with the previous year. To support increased production capacity and operational needs, the Company prioritized training resources for key competencies and mandatory training programs. As a result, the average training hours per employee were 55.55 hours, slightly below the annual target of 60 hours. Going forward, the Company will continue to optimize its training programs to improve training coverage and learning effectiveness.

Statistics of Training – by Gender

Year	2022		2023		2024		2025	
Type	Male	Female	Male	Female	Male	Female	Male	Female
Internal Training Hours	85,537	53,483	74,786	51,625	101,448	52,251	84,578	41,889
External Training Hours	5,806	1,340	6,463	2,081	4,987	1,873	4,614	1,678
Total (A)	91,343	54,823	81,249	53,706	106,435	54,124	89,192	43,567
Number of Employees (persons) (B)	1,394	888	1,343	864	1,437	902	1,470	920
Training Hours per Employee (A/B)	65.53	61.74	60.50	62.16	74.07	60.00	60.67	47.36

83

Statistics of Training – by Position

Year	2022		2023		2024		2025	
Type	Non-Managerial Position	Managerial Position	Non-Managerial Position	Managerial Position	Non-Managerial Position	Managerial Position	Non-Managerial Position	Managerial Position
Internal Training Hours	128,399	10,621	104,282	22,129	132,236	21,463	112,094	14,373
External Training Hours	3,741	3,405	4,288	4,256	3,070	3,790	3,555	2,737
Total (A)	132,140	14,026	108,570	26,385	135,306	25,253	115,649	17,110
Number of Employees (persons) (B)	1,697	585	1,600	607	1,739	600	1,470	623
Training Hours per Employee (A/B)	77.87	23.97	67.86	43.47	77.81	42.09	78.67	27.46

Diverse Training

Year	2022		2023		2024		2025	
Type	Participant Attendances	Training Hours	Participant Attendances	Training Hours	Participant Attendances	Training Hours	Participant Attendances	Training Hours
New Employee Training	585	5,861	392	13,772	680	26,899	499	16,386
General Training	13,851	67,330	16,386	70,636	15,897	17,368	20,897	26,063
Technical Training	2,329	66,447	1,733	35,622	8,423	113,057	8,188	86,030
Management Training	2,778	6,528	5,500	14,925	1,827	3,235	2,226	4,280
Total	19,543	146,166	24,011	134,955	26,827	160,559	31,810	132,759



4.4 Occupational Health and Safety

Key Material Issue

Impact Description

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

Management Policy and Commitment

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

Management Mechanism and Implementation Strategy

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

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

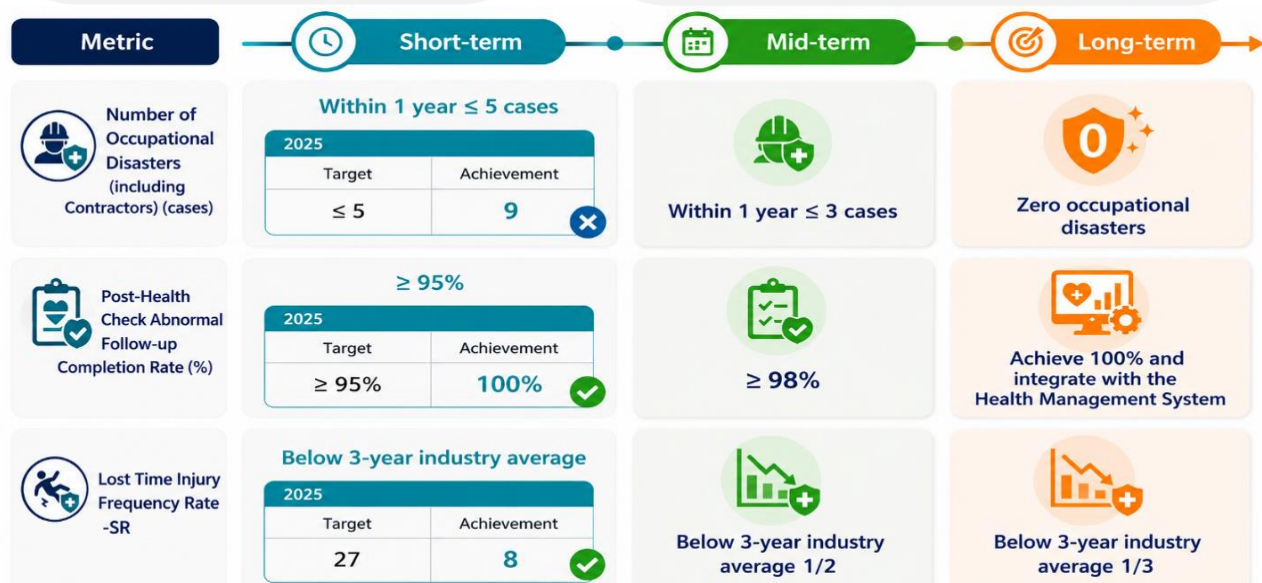
Operational Mechanism: Follow ISO 45001 requirements; regularly convene safety and health committee meetings; conduct risk assessments and hazard identification; implement preventive and corrective measures; and establish incident reporting and investigation procedures.

Specific Action Plan

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

Tracking and Verification Mechanism

- Implement the PDCA management cycle
 - Plan:** Annual training needs survey and budget allocation.
 - Do:** Implement training courses according to the plan and maintain records.
 - Check:** Post-training questionnaires, supervisor feedback, and learning effectiveness evaluation.
 - Act:** Course optimization, instructor adjustments, and performance reports provided for senior management review.
- Self-management and auditing
 - ✓ Conduct quarterly internal audits to assess the implementation of safety systems.
 - ✓ Continuously improve through annual third-party audits and ISO certification.
 - ✓ Require responsible units to correct non-conformities within a set timeframe and follow up on progress.

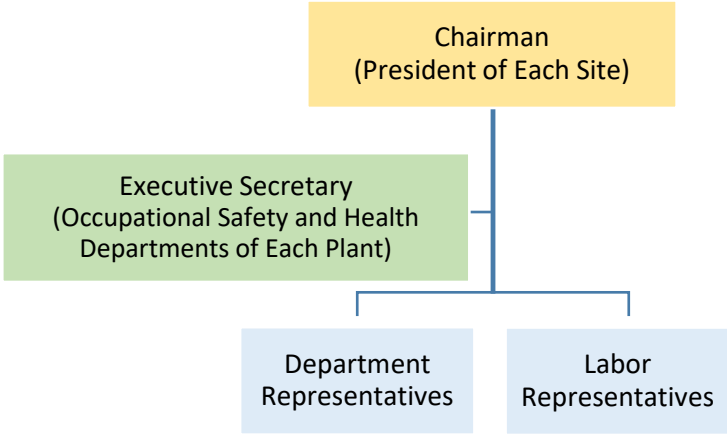


Note 1: The base year is 2024; the short term is defined as within 3 years, the medium term as within 5 years, and the long term as more than 5 years.
 Note 2: For details on why the occupational injury target was not achieved, please refer to the section "Occupational Accidents Management."

In order to ensure the work safety of employees, CWE Group has set out OSH rules in its work rules as references for OSH operations at workplace, thereby minimizing the occurrence of occupational accidents. In the event of commuting or occupational accidents, employees may apply for compensation in accordance with our work rules and regulations. They are also entitled to claims from accident insurance and hospitalization insurance covered by the free group insurance of the Company, which can cover non-occupational medical risks.

According to the Occupational Safety and Health Act, CWE belongs to the low OSH-risk industry. We execute safety and health measures for all employees, activities and works pursuant to the Regulations of Occupational Safety and Health Management of the Ministry of Labor, and maintain the OSH of our employees. The manufacturing plants of subsidiaries have established an Occupational Health and Safety Management System in accordance with ISO 45001 and completed certification in 2024. This system governs all workers, activities, and work areas within the plant in accordance with regulatory requirements. In addition, to effectively address and resolve occupational health and safety issues, a Safety and Health Management Committee has been established for the entire facility. The committee provides a suggestion box to encourage employees to share their ideas and feedback, promoting open communication.

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



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

Duties of the Committee are as follows:

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

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

❖ **Safety Promotion** (GRI 403-2, 403-5, 403-7, SASB TC-SC-320a.1)

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

Emergency Drills



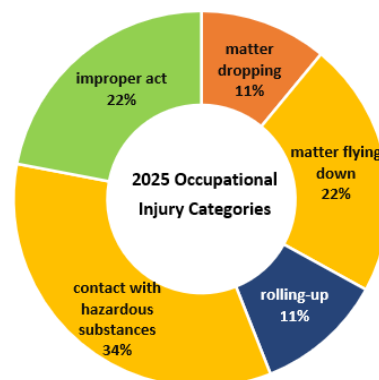


Occupational Accidents Management (GRI 403-2, 403-9, SASB TC-SC-320a.1)

Occupational injury statistics are calculated based on the definition of occupational accidents under the Occupational Safety and Health Act and the key disabling injury indicators published by the Global Reporting Initiative (GRI), with Frequency Rate (FR) and Severity Rate (SR) used as the primary indicators.

In 2025, a total of nine occupational injury cases occurred across CWE Group; however, there were no serious occupational injuries or fatalities. For each occupational accident, an incident report is prepared to investigate the direct, indirect, and root causes. In addition to providing education and training and reviewing standard operating procedures (SOPs), the Company reassesses the adequacy of risk assessments for the relevant working environment. Appropriate corrective measures are then implemented based on the identified root causes and extended to similar work environments or operations to minimize hazards and prevent recurrence of similar incidents.

In 2025, contact with hazardous substances was the most common type of occupational injury, accounting for 34%, followed by matter flying down and improper act, each accounting for 22%. The Company has investigated and analyzed the causes of these incidents and continues to strengthen high-risk operation management, improve working environments, and enhance safety education and training to improve employees' risk identification capabilities and safety awareness and prevent similar incidents from recurring.



89

Statistics of Occupational Injuries in 2025

Type	Statistical Indicators	Taiwan Plant	Overseas Plant	China Plant	Total
Employees	Number of Recordable Occupational Injuries	6	2	0	8
	Occupational Injury Fatality Rate	0	0	0	0
	Number of Serious Occupational Injuries	0	0	0	0
	Serious Occupational Injury Rate	0	0	0	0
Non-employees	Number of Recordable Occupational Injuries	1	0	0	1
	Occupational Injury Fatality Rate	0	0	0	0
	Number of Serious Occupational Injuries	0	0	0	0
	Serious Occupational Injury Rate	0	0	0	0

Note 1: A serious occupational injury refers to an injury from which the affected person cannot or is unlikely to recover to their pre-injury health status within six months.

Note 2: The statistics exclude commuting accidents.

In Recent Years, statistics on the Frequency and Severity Rates of Disabling Injuries in each plant

Year	Disabling Injury Frequency Rate (FR)				Disabling Injury Severity Rate (SR)			
	Taiwan Plant	China Plant	Overseas Plant	Total	Taiwan Plant	China Plant	Overseas Plant	Total
2022	5.06	0	0	1.80	26	0	0	9
2023	3.30	0	0	1.23	102	0	0	38
2024	5.87	0	0	2.32	62	0	0	24
2025	2.72	0	1.29	1.50	16	0	3	8

❖ Contractor Safety and Health Management (GRI 403-7)

To further enhance workplace safety and extend the coverage to contractors, the subsidiary CWTC has established Contractor Management Procedures at each plant to govern contractors working on-site. These procedures ensure that safety management mechanisms are in place when contractors perform work on-site, aiming for zero workplace injuries. Before starting any work, contractors must hold a safety meeting with project and occupational safety personnel. The occupational safety personnel will outline the safety requirements for the project, and work can only commence once these requirements are met. For special operations, such as slinging and lifting, hot work, confined spaces, or hazardous piping, a special work permit must be submitted, along with a relevant protection plan, and approved before proceeding.

Project and safety personnel conduct periodic inspections during the contractor's work (including work offsite) to ensure compliance with safety requirements and to safeguard the contractor's work safety. In 2025, no contractor-related workplace injuries were reported at any domestic or overseas plants.

90

Contractor Safety and Health Awareness Meeting in 2025



❖ Toxic Chemical Management (GRI 403-10)

Due to production process requirements, the manufacturing facilities of CWE Group's subsidiaries use various hazardous toxic chemicals in their operations, primarily including sodium cyanide, potassium cyanide, silver cyanide, and cuprous cyanide. These chemicals are highly toxic and, if improperly managed, may pose significant health risks to employees, including damage to the central nervous system, respiratory difficulties, poisoning, and even occupational diseases. To safeguard employee health and workplace safety, the manufacturing facilities of the subsidiaries have established and implemented toxic chemical management systems in accordance with applicable laws and regulations. These systems cover the entire management process, including procurement, storage, use, and disposal.



Procurement

- A government-issued permit for use must be obtained. Prior review and countersignature by the Environmental Management and Environmental Safety units are required, and procurement applications and subsequent entry into the facility may proceed only after approval.
- Suppliers are subject to necessary review and are required to provide copies of valid permits for the manufacture, import, or sale of the chemical substance, as applicable, as well as the Safety Data Sheet (SDS). Procurement may proceed only after review and approval by the Environmental Management unit.



Storage

- Designated storage areas are established for toxic chemical substances and are subject to access control, including locking mechanisms. A security system connected to an external security service provider is also in place, and the storage areas are subject to regular inspections by regulatory authorities.
- Cyanide chemicals and acidic chemicals must be stored separately to prevent the generation of hazardous hydrogen cyanide (HCN) gas.
- In accordance with the "Hazardous Materials Management Procedure," hazard labels for containers and operating areas shall be clearly displayed in conspicuous locations.



Use

- Custodians and operators are registered in the competent authority's system. At least two personnel must be present throughout the withdrawal and use process, and complete records of quantities used, purposes of use, and operator information must be maintained.
- A list of personnel authorized to withdraw cyanide chemicals is established and posted in the storage area. Withdrawal of cyanide chemicals requires approval from a deputy manager or above within the department.
- Personnel retrieving chemicals or performing cleaning operations shall wear long-sleeved uniforms and safety shoes, as well as personal protective equipment including activated-carbon masks, acid- and alkali-resistant gloves, and safety goggles, to protect their safety.
- Hydrogen cyanide monitors are installed in areas where the chemicals are used and are regularly calibrated by external service providers. In addition, an external laboratory is commissioned annually to test on-site cyanide concentrations, and the test results are disclosed to employees.



Disposal

- Waste chemicals are entrusted to government-certified disposal contractors (holding permits for toxic chemical waste management) for waste removal.

❖ Health Care Management (GRI 403-3, 403-6, 403-7, SASB TC-SC-320a.1)

The Company provides health examinations at a frequency exceeding regulatory requirements, offering all employees annual health check-ups, including general health examinations and special health examinations for hazardous work, in order to monitor and safeguard employee health. Since 2019, the Taiwan facilities have also included electrocardiogram (ECG) examinations as part of cardiovascular risk assessments to help prevent overwork-related health risks. Health examination results are managed by risk classification, with follow-up provided for employees identified as higher-risk groups. Relevant health education and consultation services are also provided to protect employee health and prevent occupational diseases. In 2025, a total of 103 employees at the Taiwan facilities were classified under Level 2 to Level 3 management based on special health examination results. Occupational health nurses and on-site occupational physicians conducted interviews and follow-up assessments, and follow-up medical results were uploaded to the official system as required by law. No occupational disease cases were diagnosed at any domestic or overseas facilities in 2025.

The Taiwan facilities arrange monthly on-site services by contracted occupational medicine specialists. In 2025, a total of 51 visits were conducted. Services included health interviews and guidance, return-to-work and job reassignment assessments, recommendations for improving workplace environmental hazards, and review of health interview records prepared by nursing personnel.

Health Management Classification

Year	Number of Participants in Health Check-ups			Number of Participants in Special Health Check-ups		Number of Employees with Abnormal Results from Special Health Check-ups	
	Taiwan Plant	China Plant	Overseas Plant	Taiwan Plant	Overseas Plant	Taiwan Plant	Overseas Plant
2022	830	457	532	346	82	71	40
2023	854	407	512	415	173	102	0
2024	896	414	358	384	76	180	0
2025	1019	422	335	395	124	103	0

Note: Health examinations conducted at the China Plant already include examinations for special hazardous work; therefore, these are not separately disclosed.

Regular Health Check-up in 2025

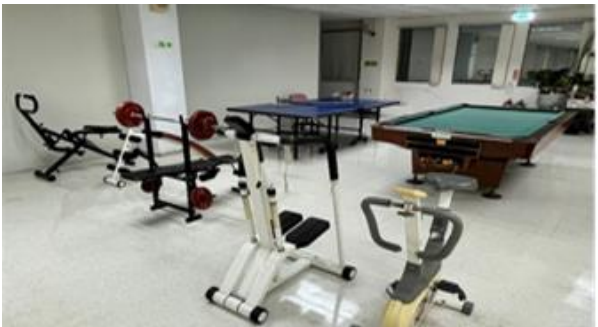


Physical and Mental Health Care

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



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



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

The Company places great importance on employees' physical and mental well-being and work-life balance and is committed to creating a healthy, safe, and cohesive workplace. To encourage employees to develop regular exercise habits, enhance physical and mental health, and strengthen team interaction, the Company continues to promote health and wellness activities and has established health-oriented employee clubs, such as running and badminton clubs, providing employees with opportunities to exercise and socialize outside of work. Through regular club activities and encouragement of voluntary participation, these initiatives help relieve work-related stress, improve physical fitness and health awareness, and further strengthen interpersonal relationships and team cohesion, contributing to a positive, healthy, and employee-friendly workplace culture.



4.5 Social Engagement

CWE Group upholds the philosophy of “giving back to society what we have gained from society” and actively fulfills its corporate social responsibility. The Group focuses on environmental sustainability, arts and culture, and health and sports as key areas of social engagement, with the aim of creating a positive impact on society.

To ensure that resources effectively benefit those in need, the Group has established a monitoring mechanism and an evaluation process for recipient organizations to assess project effectiveness and the tangible impact of resources provided. Through these measures, CWE Group seeks to enhance the effectiveness of its social engagement and contribute to shared social well-being.

Public Welfare Project	Details	Demonstration of Benefits
Sports Promotion	CWE Group continues to support the development of sports in Taiwan and the cultivation of golf talent by sponsoring the 2025 Tien Cheng Chang Wah TPGA Pro-Am Heritage Tournament. The three-day tournament served as the final event of the 2025 TPGA Tour season, bringing together professional golfers, amateur players, and young athletes for competition and interaction, while demonstrating the spirit of mentorship and the sustainable value of golf.	◆ Cultivate promising future athletes and sports talent. ◆ Encourage public participation in sports and promote physical and mental well-being. ◆ Provide sports education and career development programs for young people.
Environmental Protection	◆ Mobilize employees and their families across the Group to participate in the local Yuan Zhong Harbor Wetland conservation activity. A total of 101 participants contributed approximately 253 volunteer hours. ◆ Adopt and maintain 60 roadside trees within the industrial park.	◆ Removed 60 bags (520 kg) of waste and invasive species. ◆ Employees joined wetland conservation activities with their children to promote environmental awareness across generations. ◆ Adopted roadside trees are estimated to absorb approximately 1,200 kg CO₂/year and improve green coverage. ◆ Roadside greenery helps reduce the heat island effect and encourages wider community participation in greening initiatives.
Rural Outreach Services	◆ Sponsored the National Taiwan University medical service team to provide outreach services in Daren Township, Taitung County, addressing gaps in healthcare and educational resources in rural communities.	◆ Enhance rural residents' health management and preventive care awareness while expanding educational resources and learning opportunities for children. ◆ Develop student volunteers' empathy, teamwork, and sense of social responsibility. ◆ Demonstrate the Company's commitment to local communities and social inclusion.

❖ 2025 Social Engagement Projects

Sports Promotion – Fostering a Culture of Sports

CWE Group has been established for over 35 years and has long supported domestic sports activities. Leveraging its corporate resources and upholding the corporate value of “taking from society, giving back to society,” the Group began supporting multiple golf players since 2019. Starting in 2022, it began sponsoring golf tournaments, such as the Taiwan PGA Tour. For the fourth consecutive year, CWE Group has been the title sponsor of the opening event of the Taiwan Professional Golfers' Association (TPGA) Chau-Shi Series. The event has been highly successful every year, and the Group will continue to sponsor and support this tournament in the future. CWE Group remains committed to its philosophy of giving back and strives to be a strong supporter and backbone of golf sports in Taiwan.



Since 2019, CWE Group has united its corporate strength to support multiple golf players. Starting in 2023, the group appointed Max Lee as the company's brand ambassador to jointly promote golf nationwide. In October 2024, Max Lee won the championship at the Asian Tour Thailand International Series, becoming the first Taiwanese player to claim a title in the International Series. Additionally, in December, he secured the championship at the LIV Golf Promotions 2025 held at Riyadh Golf Club. With Lee's outstanding performances in international competitions, CWE Group, as a long-term supporting enterprise, takes great pride in these achievements. The Group will continue to uphold its philosophy of giving back and strives to be a strong supporter and backbone of golf sports in Taiwan.

Environmental Protection – Wetland Conservation

CWE Group has long been committed to local community engagement and social participation. In 2025, the Group jointly organized the “Yuan Zhong Harbor Wetland Conservation Campaign,” with 101 employees led by management participating in environmental cleanup and community service activities. In addition to working together to improve the local environment, the event included professional guided tours and educational sessions to enhance employees’ understanding of environmental protection, civic participation, and sustainable development, while fostering greater awareness of social responsibility and local environmental conservation. Through diverse community engagement initiatives, CWE Group aims to encourage employees to actively participate in social affairs, strengthen connections with local communities, and continue creating positive social impact.



96

Environmental Greening – Street Tree Adoption

Subsidiary CWTC has actively participated in community greening initiatives. Since 2024, its Taiwan facilities have adopted roadside trees around the Dafa Industrial Park in Kaohsiung, carrying out regular maintenance of trees and roadside green spaces. A total of 60 roadside trees have been adopted, helping increase green coverage, improve the industrial park environment, and demonstrate the Company’s commitment to environmental sustainability.



Rural Outreach Services

CWE Group continues to address disparities in healthcare and educational resources in rural communities. In 2025, the Group sponsored the National Taiwan University medical service team to conduct a rural outreach program in Daren Township, Taitung County. The program combined medical services, health education, and children's education, with the team visiting local communities and indigenous villages to provide practical and diverse support. Through collaboration between the Company and student volunteers, CWE Group aims to bring greater care and support to underserved rural areas. During the program, the team provided local residents with basic health examinations, chronic disease consultations, medication guidance, and health and hygiene education to strengthen health management awareness. Face-to-face interactions also helped the team better understand the actual needs of local elderly residents and families. In addition, elementary school camps and interactive learning activities were organized, including science experiments, group activities, and character education, to build children's confidence and interest in learning while expanding their exposure to diverse knowledge and external resources. The rural outreach program not only brought healthcare and educational resources to local communities, but also promoted interaction across generations and between urban and rural areas. Through hands-on service, student volunteers developed empathy, teamwork, and a stronger sense of social responsibility, further strengthening their commitment to future careers in healthcare and public service. By supporting youth-led social initiatives, CWE Group also demonstrates its commitment to community care and social inclusion, continuing to contribute to rural community development and health equity through concrete action.



Appendix

5.1 GRI Standards Content Index

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

No.	Disclosure Titles	Corresponding Chapters	Page
2021 GRI 2: General Disclosures 2021			
The organization and its reporting practices			
2-1	Organizational details	About CWE	6-9
2-2	Entities included in the organization's sustainability reporting	About CWE	6-9
2-3	Reporting period, frequency and contact point	About This Report	2
2-4	Restatements of information	Not applicable	—
2-5	External assurance	About This Report	2
Activities and workers			
2-6	Activities, value chain and other business relationships	About CWE 2.7 Sustainable Supply Chain	6-9 39
2-7	Employees	4.2 Talent Attraction and Retention	72-80
2-8	Workers who are not employees	4.2 Talent Attraction and Retention	72-80
Governance			
2-9	Governance structure and composition	2.1 Organization and Operation of Corporate Governance	15-25
2-10	Nomination and selection of the highest governance body	2.1 Organization and Operation of Corporate Governance	15-25

No.	Disclosure Titles	Corresponding Chapters	Page
2-11	Chair of the highest governance body	2.1 Organization and Operation of Corporate Governance	15-25
2-12	Role of the highest governance body in overseeing the management of impacts	1.1 Sustainable Development Organizations and Strategies 2.1 Organization and Operation of Corporate Governance	10 15-25
2-13	Delegation of responsibility for managing impacts	1.1 Sustainable Development Organizations and Strategies	10
2-14	Role of the highest governance body in sustainability reporting	1.1 Sustainable Development Organizations and Strategies	10
2-15	Conflicts of interest	2.1 Organization and Operation of Corporate Governance	15-25
2-16	Communication of critical concerns	1.2 Stakeholder Engagement	11
2-17	Collective knowledge of the highest governance body	2.1 Organization and Operation of Corporate Governance	15-25
2-18	Evaluation of the performance of the highest governance body	2.1 Organization and Operation of Corporate Governance	15-25
2-19	Remuneration policies	2.1 Organization and Operation of Corporate Governance	15-25
2-20	Process to determine remuneration	2.1 Organization and Operation of Corporate Governance	15-25
2-21	Annual total compensation ratio	2.1 Organization and Operation of Corporate Governance	15-25
Strategy, policies and practices			
2-22	Statement on sustainable development strategy	About CWE	3
2-23	Policy commitments	4.1 Human Rights Policy	67-71
2-24	Embedding policy commitments	4.1 Human Rights Policy	67-71
2-25	Processes to remediate negative impacts	4.1 Human Rights Policy	67-71

No.	Disclosure Titles	Corresponding Chapters	Page
2-26	Mechanisms for seeking advice and raising concerns	1.2 Stakeholder Engagement 2.2 Integrity Management 4.1 Human Rights Policy 4.2 Talent Attraction and Retention	11 26-28 67-71 72-80
2-27	Compliance with laws and regulations	2.2 Integrity Management 2.5 Internal Control 4.1 Human Rights Policy	26-28 34 67-71
2-28	Membership associations	About CWE	6-9
Stakeholder engagement			
2-29	Approach to stakeholder engagement	1.2 Stakeholder Engagement	11
2-30	Collective bargaining agreements	This item is not applicable as the company does not have a labor union.	—
GRI 3: Material Topics 2021			
3-1	Process to determine material topics	1.3 Identify Material Topics	12-14
3-2	List of material topics	1.3 Identify Material Topics	12-14
3-3	Management of material topics	1.3 Identify Material Topics Details are provided in corresponding chapters	12-14
Specific Topics:GRI 200: Economic Series			
GRI 201:Economic Performance 2016			
GRI 201-1	Direct economic value generated and distributed	2.3 Operating Performance	29-31
GRI 201-2	Financial implications and other risks and opportunities due to climate change	3.2 Task Force on Climate-Related Financial Disclosures (TCFD)	42-46

No.	Disclosure Titles	Corresponding Chapters	Page
GRI 201-4	Financial assistance received from government	2.3 Operating Performance	29-31
Specific Topics:GRI 300: Environmental Disclosures Series			
GRI 302: Energy 2016			
GRI 302-1	Energy consumption within the organization	3.3 Energy Management	47-50
GRI 302-3	Energy intensity	3.3 Energy Management	47-50
GRI 302-4	Reduction of energy consumption	3.3 Energy Management	47-50
GRI 303: Water and Effluents 2018			
GRI 303-1	Interactions with water as a shared resource	3.4 Water Resources Management	55-61
GRI 303-2	Management of water discharge-related impacts	3.4 Water Resources Management	55-61
GRI 303-3	Water withdrawal	3.4 Water Resources Management	55-61
GRI 303-4	Water discharge	3.4 Water Resources Management	55-61
GRI 303-5	Water consumption	3.4 Water Resources Management	55-61
GRI 305: Emissions2016			
GRI 305-1	Direct (Scope 1) GHG emissions	3.3 Energy Management	47-53
GRI 305-2	Energy indirect (Scope 2) GHG emissions	3.3 Energy Management	47-53
GRI 305-3	Other indirect (Scope 3) GHG emissions	3.3 Energy Management	47-53
GRI 305-4	GHG emissions intensity	3.3 Energy Management	47-53
GRI 305-5	Reduction of GHG emissions	3.3 Energy Management	47-53
GRI 306: Waste 2020			
GRI 306-1	Waste generation and significant waste-related impacts	3.5 Waste Management	62-65
GRI 306-2	Management of significant waste-related impacts	3.5 Waste Management	62-65
GRI 306-3	Waste generated	3.5 Waste Management	62-65

No.	Disclosure Titles	Corresponding Chapters	Page
Specific Topics: GRI 400: Social Disclosures Series			
GRI 401: Employment 2016			
GRI 401-1	New employee hires and employee turnover	4.2 Talent Attraction and Retention	72-80
GRI 401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	4.2 Talent Attraction and Retention	72-80
GRI 401-3	Parental leave	4.2 Talent Attraction and Retention	72-80
GRI 403: Occupational Health and Safety 2018			
GRI 403-1	Occupational health and safety management system	4.4 Occupational Health and Safety	84-93
GRI 403-2	Hazard identification, risk assessment, and incident investigation	4.4 Occupational Health and Safety	84-93
GRI 403-3	Occupational health services	4.4 Occupational Health and Safety	84-93
GRI 403-4	Worker participation, consultation, and communication on occupational health and safety	4.4 Occupational Health and Safety	84-93
GRI 403-5	Worker training on occupational health and safety	4.3 Talent Development and Diversity Cultivation	81-83
GRI 403-6	Promotion of worker health	4.4 Occupational Health and Safety	84-93
GRI 403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	4.4 Occupational Health and Safety	84-93
GRI 403-9	Work-related injuries	4.4 Occupational Health and Safety	84-93
GRI 404: Training and Education 2016			
GRI 404-1	Average hours of training per year per employee	4.3 Talent Development and Diversity Cultivation	81-83
GRI 404-3	Percentage of employees receiving regular performance and career development reviews	4.3 Talent Development and Diversity Cultivation	81-83

5.2 SASB Index – Semiconductor Industry

SASB Topics	Code	Metric	Category	Corresponding Chapters / Descriptions															
Greenhouse Gas Emissions	TC-SC-110a.1	(1) Gross global Scope 1 emissions (2) Amount of total emissions from perfluorinated compounds	Quantitative	(1) Scope 1 greenhouse gas (GHG) emissions: 2,693 tCO ₂ e (2) Perfluorinated compound (PFC) emissions: None															
	TC-SC-110a.2	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Qualitative	3.3 Energy Management															
Energy Management in Manufacturing	TC-SC-130a.1	(1) Total energy consumed (2) Percentage grid electricity (3) Percentage renewable	Quantitative	(1) Total Energy Consumption: 369,182 GJ (2) Percentage of Grid Electricity: 88.79% (3) Percentage of Renewable Energy: 1.30%															
Water Management	TC-SC-140a.1	(1) Total water withdrawn (2) Total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress	Quantitative	(1) Total Water Withdrawal: 1,519 ML (2) Total Water Consumption: 624 ML The percentages of total water withdrawal and total water consumption in areas with high or extremely high baseline water stress were 47% and 58%, respectively.															
Waste Management	TC-SC-150a.1	(1) Amount of hazardous waste from manufacturing (2) Percentage recycled	Quantitative	(1) Hazardous Waste Generated: 14,702 metric tons (2) Recycling Rate: 98%															
Workforce Health & Safety	TC-SC-320a.1	Description of efforts to assess, monitor, and reduce exposure of workforce to human health hazards	Qualitative	4.4 Occupational Health and Safety															
	TC-SC-320a.2	Total amount of monetary losses as a result of legal proceedings associated with employee health and safety violations	Quantitative	In 2025, the Company incurred no monetary losses resulting from legal proceedings related to employee health and safety. The total monetary losses amounted to NT\$0.															
Recruiting & Managing a Global & Skilled Workforce	TC-SC-330a.1	Percentage of employees that are (1) Foreign nationals (2) Located offshore	Quantitative	Percentage of Foreign Employees: 15.78%															
Product Lifecycle Management	TC-SC-410a.1	Percentage of products by revenue that contain IEC 62474 declarable substances	Quantitative	Currently, the company does not perform statistical management of IEC 62474 materials.															
	TC-SC-410a.2	Processor energy efficiency at a system-level for: (1) Servers (2) Desktops (3) Laptops	Quantitative	The company's products and services are not end-user applications; therefore, the overall energy efficiency of processors has not been calculated.															
Materials Sourcing	TC-SC-440a.1	Description of the management of risks associated with the use of critical materials	Qualitative	CWE is an electronic components distributor with no raw material inventory. Its subsidiary, CWTC, is a professional lead frame manufacturer whose key raw material risk management methods are available on page 37 of its sustainability report.															
Intellectual Property Protection & Competitive Behaviour	TC-SC-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	Quantitative	In 2025, no financial losses occurred due to legal proceedings related to anti-competitive behavior.															
Total production	TC-SC-000.A	Varies by product type	Quantitative	The company is an electronic components distributor rather than a manufacturer and therefore has no production output. The total production output of the subsidiary manufacturing plants is as follows: <table><tr><td colspan="3">Unit: KKPCS</td></tr><tr><td></td><td>2024</td><td>2025</td></tr><tr><td>IC Lead Frame</td><td>107,595</td><td>117,093</td></tr><tr><td>LED Lead Frame</td><td>5,373</td><td>7,041</td></tr><tr><td>Total</td><td>112,968</td><td>124,134</td></tr></table>	Unit: KKPCS				2024	2025	IC Lead Frame	107,595	117,093	LED Lead Frame	5,373	7,041	Total	112,968	124,134
Unit: KKPCS																			
	2024	2025																	
IC Lead Frame	107,595	117,093																	
LED Lead Frame	5,373	7,041																	
Total	112,968	124,134																	
Percentage of production from owned facilities	TC-SC-000.B	Percentage (%)	Quantitative	CWE is an electronic components distributor that does not own any manufacturing facilities. The subsidiary manufacturing plants are professional lead frame manufacturers, with 100% of their production coming from their own facilities.															

5.3 Sustainability Disclosure Indicators- Electronic Distribution Industry

No.	Indicator	Type	Unit	Annual Disclosure												
1	Total energy consumption, percentage of purchased electricity and renewable energy usage	Quantitative	Gigajoules (GJ), Percentage (%)	Total energy consumption: 369,182 GJ Percentage of purchased power: 88.79% Percentage of renewable energy usage: 1.30%												
2	Total water withdrawal and total water consumption	Quantitative	Thousand cubic meters (m³)	Total water withdrawal: 1,519 thousand m³ Total water consumption: 624 thousand m³												
3	Total hazardous waste generated and percentage recycled	Quantitative	Metric tons (t), Percentage (%)	The Company and its sales locations do not generate hazardous waste. The following statistics are based on the manufacturing plants of its subsidiaries : Total hazardous waste output: 14,702 t The hazardous waste recycling rate: 98%												
4	Types of, number of employees in and rate of occupational accidents	Quantitative	Percentage (%), Quantity	Rate of recordable occupational injury: Matter dropping: 1 injury, 11%; Matter flying down: 2 injuries, 22% Rolling-up: 1 injury, 11%; Contact with hazardous substances: 3 injuries, 34%; Improper act: 2 injuries, 22%.												
5	Product Lifecycle Management Disclosure: including weights of scraps and electronic waste and percentage recycled ^(Note)	Quantitative	Metric tons (t), Percentage (%)	The Company and its sales locations do not generate discarded products or electronic waste. The following statistics are based on the manufacturing plants of its subsidiaries: Weight of scrap products and electronic waste: 19,053 t Percentage of recycling: 78%												
6	Description of the management of risks associated with the use of critical materials	Qualitative	Not applicable	CWE Group prohibits the use of conflict minerals in its manufacturing processes and conducts supply chain due diligence to guarantee that 100% of its products are conflict-free.												
7	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	Quantitative	Reporting currency	In 2025, CWE Group did not incur any monetary losses as a result of legal proceedings associated with anti-competitive regulations.												
8	Production by product category	Quantitative	KKPCS Metric tons (t)	The company is an electronic components distributor, not a manufacturing facility, and therefore does not have production output. The total production output of the subsidiary manufacturing plants is as follows: <table><tr><th></th><th>2024</th><th>2025</th></tr><tr><td>IC Lead Frame</td><td>107,595</td><td>117,093</td></tr><tr><td>LED Lead Frame</td><td>5,373</td><td>7,041</td></tr><tr><td>Total</td><td>112,968</td><td>124,134</td></tr></table>		2024	2025	IC Lead Frame	107,595	117,093	LED Lead Frame	5,373	7,041	Total	112,968	124,134
	2024	2025														
IC Lead Frame	107,595	117,093														
LED Lead Frame	5,373	7,041														
Total	112,968	124,134														

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

5.4 TCFD Disclosure Index

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

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

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

1-1 GHG Inventory Information

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

The scope of greenhouse gas (GHG) inventory disclosure required under the Sustainable Development Roadmap for Listed Companies is as follows:

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

Prior to 2025, CWE Group established its greenhouse gas inventory mechanism in accordance with ISO 14064-1, issued by the International Organization for Standardization (ISO). Beginning in 2025, the Group adopted the Greenhouse Gas Protocol (GHG Protocol) for its GHG inventories. The Company conducts annual inventories of greenhouse gas emissions for the parent company and subsidiaries included in the consolidated financial statements in order to comprehensively understand GHG use and emissions and evaluate the effectiveness of emission reduction initiatives. In addition, the GHG inventory data for 2024 and 2025 were consolidated using the operational control approach and the financial control approach, respectively. The inventory scope for both years included the GHG emissions of the Company and all subsidiaries included in the consolidated financial statements, as described below:

Year		2024		2025	
Item		Emission Volume (tCO ₂ e)	Intensity (tCO ₂ e/ NT\$ million)	Emission Volume (tCO ₂ e)	Intensity (tCO ₂ e/ NT\$ million)
The Company	Scope 1 Direct GHG emissions	14		1	
	Scope 2 Indirect GHG emissions	26		255	
	Subtotal	40		256	
All subsidiaries in the consolidated financial report	Scope 1 Direct GHG emissions	3,599		2,692	
	Scope 2 Indirect GHG emissions	48,739		45,296	
	Subtotal	52,338		47,988	
Total		52,378	3.040	48,244	2.493

1-1-1 GHG Assurance Information

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

The minimum scope of assurance required under the Sustainable Development Roadmap for Listed Companies is as follows:

1. The parent company shall begin obtaining assurance in 2027.
2. Subsidiaries included in the consolidated financial statements shall begin obtaining assurance in 2028.

For the total GHG emissions disclosed in Table 1-1 of CWE Group:

Parent company: The assurance scope for both 2024 and 2025 covered 100% of the parent company's total GHG emissions for the respective years. In 2024, the assurance was performed by DNV Business Assurance Co., Ltd. in accordance with ISO 14064-3:2019, issued by the International Organization for Standardization (ISO), and a reasonable assurance opinion was issued. In 2025, Live Susthinkability CPAs Firm issued a limited assurance report in accordance with Assurance Standard No. 3410, "Assurance Engagements on GHG Statements."

Subsidiaries included in the consolidated financial statements: The assurance scope for both 2024 and 2025 covered 100% of the total GHG emissions of subsidiaries included in the consolidated financial statements. In 2024, the parent company and subsidiaries Chang Wah Technology Co., Ltd. and Chang Wah Energy Co., Ltd. were subject to reasonable assurance by DNV Business Assurance Co., Ltd. The remaining subsidiaries were separately assured by Bureau Veritas Certification (M) Sdn. Bhd. in Malaysia, TÜV SÜD PSB Pte Ltd in Singapore, and CTI Certification Co., Ltd. in China in accordance with ISO 14064-3:2019, with reasonable assurance opinions issued in all cases. In 2025, the parent company and CWE Group obtained a limited assurance report from Live Susthinkability CPAs Firm in accordance with Assurance Standard No. 3410, "Assurance Engagements on Greenhouse Gas Statements."

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.

Reduction base year and goals for GHG

To formulate its GHG reduction strategy, CWE Group has set 2025 as the base year, with targets to reduce carbon emissions by 20% by 2030 and 40% by 2035, and the ultimate goal of achieving carbon neutrality by 2050.

GHG reduction strategy and concrete action plan

CWE Group integrates carbon management into its operational strategies and plans to use a carbon management platform to systematically consolidate Group-wide emissions data, enabling timely access to information required for carbon management. The platform will also support comprehensive monitoring of various GHG reduction initiatives, including improving energy efficiency, purchasing energy-efficient equipment, installing solar power generation systems, and reducing GHG-related raw materials at the source. These measures are intended to ensure that reduction efforts remain on track, proactively reduce carbon emissions, and enhance operational competitiveness.

To engage management, implementation teams, and all employees in achieving GHG reduction targets and improving energy efficiency, key project targets have been incorporated into operational performance indicators and are used as a basis for employee performance evaluations and profit-sharing incentives, thereby reinforcing accountability throughout the organization.

Achievement of GHG reduction goals

Plant	Measures and Performance in 2025
Taiwan Plant	Replaced chillers, installed variable-frequency drives for water pumps, optimized demand control for process air-conditioning equipment, and replaced air-conditioning units in the stamping area, achieving annual energy savings of 1,102,559 kWh (equivalent to approximately 3,969 GJ).
Chengdu Plant	Shut down standby air-conditioning units; used cooling water from the raw water pond to replace chiller-supplied cooling for air compressors and electrostatic precipitator cabinets; adjusted air-conditioning temperature settings; optimized air compressor operating frequency; and installed automatic shutdown controls for fans to reduce idle operating time, achieving annual energy savings of 164,035 kWh (equivalent to approximately 590 GJ)
Suzhou Plant	Conducted plant inspections, strengthened air-conditioning and lighting management, adjusted street-light operating hours, and implemented variable-frequency retrofits for cooling water pumps, chilled water pumps, exhaust fans, and electrical panels, achieving annual energy savings of 1,118,000 kWh (equivalent to approximately 4,025 GJ).
Total	8,584 GJ

5.5 Third-Party Assurance Statement

❖ Assurance Statement of Sustainability Report

Ref. No. 26050007

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

Independent Limited Assurance Report

Chang Wah Electromaterials Inc.

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

Assured Information and Applicable Criteria

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

Management’s Responsibility

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

- The “Regulations Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies,” issued by the Taiwan Stock Exchange;
- The Global Reporting Initiative (GRI) Standards (Universal, Sector, and Topic Standards);
- The Sustainability Accounting Standards Board (SASB) Standards; and
- The company’s internally designed criteria.

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

Accountant’s Responsibility

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

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

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

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

Inherent Limitations

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

Independence and Quality Management

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

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

Conclusion

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

Other Matters

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

Live Susthinkability CPAs Firm

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

APPENDIX 1

SUMMARY OF SELECTED SUBJECT MATTER INFORMATION

No.	Assured Information	Corresponding Section	Applicable Criteria	Key Performance Indicators
1	(1) Gross global Scope 1 emissions and (2) amount of total emissions from perfluorinated compounds	3.3 Energy Management	SASB TC-SC- 110a.1	1. Scope 1 greenhouse gas (GHG) emissions: 2,693 tCO ₂ e 2. Perfluorinated compound (PFC) emissions: None
2	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	3.3 Energy Management	SASB TC-SC- 110a.2	Indicators Using 2025 as the base year, the Company has established the following greenhouse gas reduction targets: ● Short-term (within 3 years): Reduce total Scope 1 and Scope 2 greenhouse gas (GHG) emissions by 3% and reduce carbon emission intensity per unit of product by 5%. ● Medium-term (within 5 years): Achieve a cumulative reduction of at least 10% in total Scope 1 and Scope 2 GHG emissions and an overall reduction of at least 20% in carbon emission intensity per unit of product. ● Long-term (beyond 5 years): Progressively achieve carbon neutrality through the adoption of low-carbon manufacturing processes and continuous process optimization. Monitoring and Review Mechanisms 1. Annual Monitoring: Conduct annual GHG emissions inventories, third-party verification, consolidation of improvement plans, and report implementation progress to the Board of Directors and/or the Sustainability Committee. 2. Internal and External Audits: Engage an independent third-party organization to verify GHG emissions annually. Internal supervision and accountability reviews are conducted for business units that fail to achieve their improvement targets. 3. Climate Risk Assessment: Identify climate-related financial risks in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), and implement carbon fee simulations and sensitivity analyses to support climate risk management and decision-making.
3	(1) Total energy consumed, (2) percentage grid electricity and (3) percentage renewable	3.3 Energy Management	SASB TC-SC- 130a.1	1. Total Energy Consumption: 369,182 GJ 2. Percentage of Grid Electricity: 88.79% Percentage of Renewable Energy: 1.30%

No.	Assured Information	Corresponding Section	Applicable Criteria	Key Performance Indicators
4	(1) Total water withdrawn, (2) total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress	3.4 Water Resource Management	SASB TC-SC-140a.1	1. Total Water Withdrawal: 1,519 ML 2. Total Water Consumption: 624 ML The percentages of total water withdrawal and total water consumption in areas with high or extremely high baseline water stress were 47% and 58%, respectively.
5	(1) Amount of hazardous waste from manufacturing, (2) percentage recycled	3.5 Waste Management	SASB TC-SC-150a.1	1. Hazardous Waste Generated: 14,702 metric tons 2. Recycling Rate: 98%
6	Description of efforts to assess, monitor, and reduce exposure of workforce to human health hazards	4.4 Occupational Health and Safety	SASB TC-SC-320a.1	Management Framework and Implementation Strategy Responsible Departments: Occupational Safety and Health (OSH) Centers of the Company's manufacturing subsidiaries and the Occupational Safety and Health departments at each manufacturing site. Relevant Internal Policies: Occupational Safety and Health Policy, Work Safety Regulations, Emergency Response Plan, and other related internal policies. Management Mechanisms: In accordance with the principles and requirements of the ISO 45001 Occupational Health and Safety Management System, the Company regularly convenes Occupational Safety and Health Committee meetings, with employee representative participation meeting applicable regulatory requirements. Risk assessments and hazard identification are conducted to establish preventive and corrective measures, while occupational safety and health incident reporting, investigation, and notification procedures are implemented. Key Action Plans: 1. Operational Risk Management: Update hazard identification records annually and strengthen the management of high-risk operations. 2. Occupational Safety Training: Provide tiered safety training programs for new employees, contractors, supervisors, and personnel engaged in designated high-risk operations. 3. Health Promotion and Employee Well-being: Conduct regular health examinations and promote mental health awareness through health promotion initiatives. 4. Safety Culture Promotion: Organize annual Safety Week activities and conduct emergency response drills to strengthen employees' safety awareness and emergency preparedness. 5. Incident Investigation and Prevention: Implement mechanisms for reporting and correcting unsafe behaviors, and regularly

No.	Assured Information	Corresponding Section	Applicable Criteria	Key Performance Indicators								
				review and revise operational procedures to prevent the recurrence of similar incidents.								
7	Total amount of monetary losses as a result of legal proceedings associated with employee health and safety violations	4.4 Occupational Health and Safety	SASB TC-SC-320a.2	In 2025, the Company incurred no monetary losses resulting from legal proceedings related to employee health and safety. The total monetary losses amounted to NT\$0.								
8	Percentage of employees that require a work visa	4.2 Talent Attraction and Retention	SASB TC-SC-330a.1	Percentage of Foreign Employees: 15.78%								
9	Description of the management of risks associated with the use of critical materials	5.2 SASB Standards for the Semiconductor Industry	SASB TC-SC-440a.1	The Company is an electronic components distributor and does not maintain inventories of raw materials. Chang Wah Technology, a subsidiary of the Company, is a professional manufacturer of lead frames. For information on the risk management approach for its critical raw materials, please refer to Page 37 of the Chang Wah Technology Sustainability Report.								
10	Total monetary losses resulting from legal proceedings related to anti-competitive behavior regulations	5.2 SASB Standards for the Semiconductor Industry	SASB TC-SC-520a.1	In 2025, the Company incurred no monetary losses resulting from legal proceedings related to anti-competitive behavior.								
11	Total Production Volume	5.2 SASB Standards for the Semiconductor Industry	SASB TC-SC-000.A	Chang Wah is an electronic components distributor rather than a manufacturing company and therefore has no production output. The total production volume of its manufacturing subsidiaries is presented below. <table><tr><td>Product</td><td>2025</td></tr><tr><td>IC Lead Frames</td><td>117,093</td></tr><tr><td>LED Lead Frames</td><td>7,041</td></tr><tr><td>Total Production Volume</td><td>124,134</td></tr></table>	Product	2025	IC Lead Frames	117,093	LED Lead Frames	7,041	Total Production Volume	124,134
Product	2025											
IC Lead Frames	117,093											
LED Lead Frames	7,041											
Total Production Volume	124,134											
12	Percentage of production from owned facilities	5.2 SASB Standards for the Semiconductor Industry	SASB TC-SC-000.B	Chang Wah Electromaterials is an electronic components distributor and does not own manufacturing facilities. The Company's manufacturing subsidiaries are professional lead frame manufacturers, and 100% of their production is generated from their owned manufacturing facilities.								

❖ GHG Verification Statement

Ref. No. 26050011

思享永續聯合會計師事務所
Live Sustinkability CPAs Firm12F., No. 221, Sec. 4, Zhongxiao E. Rd., Da'an
Dist., Taipei City 106448, Taiwan (R.O.C.)

**INDEPENDENT ACCOUNTANT'S LIMITED ASSURANCE REPORT
ON CHANG WAH ELECTROMATERIALS INC. AND ITS SUBSIDIARIES'
GREENHOUSE GAS STATEMENT FOR 2025**

To the Management of Chang Wah Electromaterials Inc.:

We have performed a limited assurance engagement for the Management of Chang Wah Electromaterials Inc. on the greenhouse gas statement of Chang Wah Electromaterials Inc. and its subsidiaries for the period from 1 January 2025 to 31 December 2025 (the "Selected Information"), as set out in Appendix 1.

Our limited assurance conclusion

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the Selected Information for the period from 1 January 2025 to 31 December 2025 has not been prepared, in all material respects, in accordance with the Applicable Criteria described below.

Scope of our work

Chang Wah Electromaterials Inc. engaged us to provide limited assurance in accordance with Assurance Standard No. 3410, Assurance Engagements on Greenhouse Gas Statements, and the agreed terms of engagement.

The Selected Information in scope of our engagement is as follows:

Selected Information	Applicable Criteria
The greenhouse gas statement of Chang Wah Electromaterials Inc. and its subsidiaries for the reporting period from 1 January 2025 to 31 December 2025, including the greenhouse gas emissions and related disclosures presented in Appendix 1.	Greenhouse Gas Protocol (GHG Protocol) and the basis of preparation adopted by Chang Wah Electromaterials Inc. and its subsidiaries for the greenhouse gas statement.

The Selected Information should be read together with the Applicable Criteria. Our engagement does not extend to information outside the Selected Information identified above.

Inherent limitations of the Selected Information

The quantification of greenhouse gas emissions is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emission factors and the need to aggregate emissions of different greenhouse gases. The data and methodologies used to estimate greenhouse gas emissions may also give rise to measurement uncertainty, as different measurement techniques may result in materially different measurements.

In addition, any internal control system, no matter how effectively designed and operated, cannot eliminate the possibility that fraud, errors or irregularities may occur and remain undetected. Because a limited assurance engagement is based on selective testing, we cannot guarantee that all errors or irregularities, if present, will be detected.

Management's responsibilities

Management of Chang Wah Electromaterials Inc. and its subsidiaries is responsible for:

- selecting and establishing the Applicable Criteria;
- preparing, measuring, presenting and reporting the Selected Information in accordance with the Applicable Criteria; and
- designing, implementing and maintaining internal processes and controls relevant to the preparation of the Selected Information so that it is free from material misstatement, whether due to fraud or error.

Our responsibilities

Our responsibility is to plan and perform the engagement to obtain limited assurance about whether the Selected Information is free from material misstatement and to issue a limited assurance conclusion based on the procedures performed and the evidence obtained.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than, those performed in a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we do not express a reasonable assurance opinion on whether the Selected Information has been prepared, in all material respects, in accordance with the Applicable Criteria.

Our independence and quality management

We have complied with the independence and other ethical requirements set out in the Code of Professional Ethics for Certified Public Accountants, which is founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies Quality Management Standard No. 1, Quality Management for Certified Public Accountant Firms, and accordingly maintains a system of quality management, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Key procedures

The procedures we performed were based on our professional judgment and included, among others, inquiries, process observations, inspection of documentation, analytical procedures, assessment of the appropriateness of the quantification methods and reporting policies, and reconciliation or agreement with relevant records.

In carrying out our limited assurance engagement, we performed the following procedures:

- Through inquiries, obtained an understanding of Chang Wah Electromaterials Inc. and its subsidiaries' control environment and information systems relevant to emissions quantification and reporting. We did not evaluate the design of specific controls, obtain evidence of their implementation or test their operating effectiveness.
- Through inquiries of relevant personnel, obtained an understanding of the internal processes and data used in preparing the Selected Information, the methodology for gathering information, and the process for preparing and reporting the greenhouse gas statement.
- Evaluated the appropriateness and consistency of the estimation methods established by Chang Wah Electromaterials Inc. and its subsidiaries. The procedures performed did not include testing the data underlying the estimates or independently developing our own estimate to evaluate the estimates made by Chang Wah Electromaterials Inc. and its subsidiaries.
- Performed analytical procedures and, on a selective basis, inspected relevant supporting documents, compared selected data with underlying records, and assessed whether the quantification methods and reporting policies were applied consistently.
- Selected five sites for onsite visits and seven sites for virtual inspections to assess the completeness of emission sources, data collection methods, source data and relevant assumptions applicable to those sites. The selection of sites considered the contribution of the

sites to total emissions, the nature of emission sources and the sites selected in prior periods. The procedures performed did not include testing the information systems or controls used by those sites to collect and aggregate facility data.

- Evaluated the overall presentation of the Selected Information in accordance with the Applicable Criteria.

Other matter

After the issuance of this assurance report, we have no responsibility to perform any assurance procedures on any subsequent changes made by Chang Wah Electromaterials Inc. and its subsidiaries to the subject matter information or the Applicable Criteria.

Restriction on use and distribution

This assurance report is intended solely for Chang Wah Electromaterials Inc. and its subsidiaries' voluntary greenhouse gas inventory and assurance purposes and should not be used for any other purpose or distributed to other parties without our prior consent.

Live Susthinkability CPAs Firm

Live Susthinkability CPAs Firm

Taipei, Taiwan

Republic of China

May 30, 2026

Appendix 1: Summary of Assured Greenhouse Gas Information**Unit:** metric tons of CO₂e (tCO₂e)

Greenhouse Gas Emission Category	Emissions
Scope 1:	
Direct greenhouse gas emissions	2,693.3985
Scope 2:	
Energy indirect greenhouse gas emissions	45,550.8772
Scope 3:	
Other indirect greenhouse gas emissions	103,359.6305