



# WPG Holdings Limited

Stock Code: 3702

## 2024 Annual Report

Annual Report website Market Observation Post System  
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WPG annual report is available at:  
[https://www.wpgholdings.com/investors/financial\\_highlights/zhtw/annual-reports](https://www.wpgholdings.com/investors/financial_highlights/zhtw/annual-reports)

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Branch	None	None
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■ The name of any exchanges where the company's securities are traded offshore, and the method by which to access information on said offshore securities: None

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## Table of Contents

1.	Letter to Shareholders .....	1
2.	Corporate Governance Report .....	5
2.1	Directors, Supervisors, President, Vice Presidents, Directors, and Division/Department/Affiliates Heads .....	5
2.2	Remuneration Paid in the Most Recent Year to Directors, President, and Vice Presidents .....	17
2.3	Overview of Corporate Governance .....	22
2.4	Information Regarding Certified Public Accountant Fees .....	70
2.5	Information on Replacement of CPAs .....	70
2.6	Where the Company's Chairman, President, or any Manager in Charge of Finance or Accounting Matters Has in the Most Recent Year Held a Position at the Accounting Firm of Its Certified Public Accountant or at an Affiliated Enterprise of Such Accounting Firm, the Names, Titles and Positions Held by such Person shall be Disclosed. ....	72
2.7	Stock Trade and/or Stock Pledge by the Company's Directors, Managers, or Shareholders with 10% Shareholdings or More in the Most Recent Year or as of the Date of Publication of this Annual Report.....	72
2.8	Top 10 Shareholders Who Are Related Parties, Spouses, or within Second Degree of Kinship to Each Other .....	73
2.9	Total Number of Shares and Total Equity Stake Held in Any Single Enterprise by the Company, Its Directors and Supervisors, Management, and Any Companies Controlled Either Directly or Indirectly by the Company .....	74
3.	Capital Overview .....	75
3.1	Capital and Shares.....	75
3.2	Issuance of Corporate Bonds .....	80
3.3	Issuance of Preferred Shares. ....	83
3.4	Issuance of Global Depository Receipts .....	83
3.5	Employee Share Subscription Warrants.....	83
3.6	New Restricted Employee Shares. ....	83
3.7	Issuance of New Shares in Connection with Mergers or Acquisitions or with Acquisitions of Shares of Other Companies.....	83
3.8	Financing Plans and Implementation.....	83
4.	Operational Highlights.....	84
4.1	Business Activities .....	84
4.2	Market and Sales Overview .....	101
4.3	Employees .....	109
4.4	Environmental Protection Expenses .....	109
4.5	Labor Relations .....	110
4.6	Cyber Security Management.....	119
4.7	Material Contracts.....	122
5.	Analysis and Risk Items of Financial Status and Financial Performance.....	123
5.1	Financial Status .....	123
5.2	Financial Performance .....	125
5.3	Cash Flow .....	127

5.4	Major Capital Expenditures and Impact on Financial and Business in the Most Recent Year .....	128
5.5	Reinvestment Policy for the Most Recent Fiscal Year, Main Reasons for Profits/Losses and Improvement Plans for the Most Recent Fiscal Year, and Investment Plans for the Coming Year .....	128
5.6	Risk Assessment in the Most Recent Year and up to the Date of this Annual Report .....	129
5.7	Other Material Matters .....	133
6.	Special Disclosure .....	134
6.1	Subsidiaries Information .....	134
6.2	Private Placement Securities in the Most Recent Year and as of the Date of this Annual Report .....	134
6.3	Other necessary additional explanations .....	134
6.4	In the most recent fiscal year up to the date of publication of this annual report, matters that have a significant impact on shareholders' equity or securities prices as stipulated in Paragraph 3, subparagraph 2 of Article 36 of the Securities and Exchange Act .....	134

# 1. Letter to Shareholders

Through the industrial holding model, WPG focuses on international operational scale and local flexibility, and fully implements the core values of "teamwork, integrity, professionalism and effectiveness" with the vision "To Become the First Choice of Industry. To Become the Benchmark of Distribution". Our company continues to provide value-added supply chain management services, assisting customers in developing and investing in future markets while aiming to achieve "Co-Creation and Win Together" with our suppliers, customers, and strategic investment partners. Under the industrial holding model, we continue to expand our investment scope, and establish the Industrial holding ecosystem, to achieve the goals of resource integration and diversified management, enhancing international competitiveness and leading the enterprise to a new milestone. In alignment with the Group's strategic objectives and the requirements of long-term planning, we achieve customer success through smart warehousing services and "Grow Together and Strive Together" with the industry.

## 1. 2024 Review

WPG's consolidated revenue in 2024 reached NT\$880.552 billion (US\$27.41 billion), and the net profit after tax reached NT\$7.245 billion. Basic earnings per share (EPS) was NT\$4.07. Key performance indicators Return on Working Capital (ROWC) and Return on Equity (ROE) were 7.96% and 8.68%, respectively. We increased our profit margin by continuously optimizing the operational quality of each function.

In recent years, our company has successfully developed its Logistics as a Service (LaaS) business by upgrading and optimizing warehouse facilities and space. This has enabled us to provide customers with more efficient, flexible, and competitive comprehensive logistics solutions. In 2024, the gross merchandise volume served by this business reached US\$24.5 billion, representing a 22% increase compared to 2023.

The Company continues to enhance its efforts in every aspect of Environmental, Social, and Governance (ESG) practices. In 2024, we once again demonstrated outstanding results in sustainable management, receiving two honors at the Taiwan Corporate Sustainability Awards (TCSA) for the sixth consecutive year. These honors were placing in the "Taiwan Top 100 Sustainable Companies" and the "Sustainability Report Gold Award." We also achieved the highest accolade for sustainability reports, the "Platinum Level," which reflects our long-term commitment to sustainable development and increased transparency in sustainability information. This recognition from professional reviewers is a testament to the collective efforts of all our colleagues in the Group towards ESG sustainability. We will continue to deepen our sustainability-related initiatives, aiming to "Prosper Together and Strive Together" with all employees and stakeholders to advance towards our goal of becoming a happy enterprise.

## 2. 2025 Outlook

The year 2025 is a pivotal moment for WPG as we approach our 20th anniversary. In light of global economic adjustments, advancements in AI technology, and supply chain competition, the Company will strategically position itself for the future at a steady pace. Our focus is on long-term competitiveness, exploring emerging markets and high-value business models. Regarding global services and digital transformation, the Company is strengthening its market positioning, deepening the application of AI and data, and increasing productivity and service efficiency, thereby establishing a solid foundation for stable long-term growth.

- Financial indicators: Focus on increasing Return on Working Capital (ROWC) and profit margins to optimize financial performance. In terms of operational management, continue to optimize product mix, achieve more reasonable payment terms through supplier communication, strengthen accounts receivable and collateral management to mitigate expected credit impairment, and increase the efficiency of cost control. Each group will reinforce inventory management and supplier communication, and achieve cash flow targets through the accounts receivable factoring. Regarding financial strategy, reduce reliance on financial leverage, exercise strict control over the interest-bearing debt ratio, and carefully manage financial expenditures.
- Market influence expansion: Implement a global strategy that diversifies production bases, strengthens supply chain resilience, and collaborates with European and American brands to enter emerging markets, including those of electric vehicles and cloud data centers. Enhance brand image and employ strategic optimization in marketing and customer service, along with integrating market intelligence, to bolster market influence and the capacity to capitalize on business opportunities.
- Portfolio management enhancement: Strengthen data analysis through AI and machine learning to increase supply chain efficiency and resource management, with a focus on optimizing and personalizing services for small and medium-sized customers. In 2025, a self-managed platform and data integration system will be launched to enhance inventory management and decision-making efficiency, while also establishing an interactive community that integrates e-commerce and provides technical and procurement integration solutions.
- Risk management in operation: Strengthening operational risk management across three levels: holding companies, subsidiaries, and logistics. Key focus areas include the completion of an IT cloud backup center, continuous monitoring of key risk indicators such as security, warehouse safety, and emergency response capabilities, optimization of supply chain security and emerging risk management mechanisms, and promotion of trade compliance management, including electronic signatures and adherence to export control regulations. Additionally, internal audits and training programs are continuously enhanced to improve system automation and cloud transformation, ensuring operational resilience

and compliance. Overall, the risk management strategy for 2025 emphasizes comprehensiveness, systematization, and continuous optimization to ensure the robust development of the enterprise.

- **Integration process and information platform:** In response to geopolitical risks and challenges associated with digitalization, prioritize the resilience of information systems, cloud computing, and multinational backup solutions, and advance Micro SaaS platforms and Data Insight as a Service (DIaaS). By integrating AI technology, enhance innovation capabilities while strengthening information security and upgrading ERP systems. Focus on automating and intelligentizing business processes to increase decision-making efficiency.
- **Smart logistics management:** In response to the relocation of customer factories and the increasing emphasis on ESG issues, WPG offers customized logistics solutions through the Logistics as a Service (LaaS) model. This approach aims to reduce costs, increase efficiency, and enable customers to focus on their core business. LaaS integrates vertical division with multi-warehouse management to rapidly implement service in new factory locations while leveraging data analysis to optimize the supply chain. Simultaneously, our horizontal integration strategy emphasizes operational optimization and cost control, ensuring a flexible response to market demands. We actively promote ESG principles by adopting multimodal transportation to minimize our carbon footprint and engaging in community environmental protection initiatives, with a commitment to achieving net-zero emissions by 2030. Through energy conservation, carbon reduction, and sustainable development, we not only enhance our competitiveness but also contribute to the mutual benefit of the industry and the sustainable development of society.

WPG Holdings demonstrates proactive efforts in corporate governance and sustainable development, committing to increasing information transparency and strengthening Board of Directors operations while integrating sustainable development strategies to promote long-term corporate growth. The Company maintains a top 5% ranking in the Corporate Governance Evaluation and raised its MSCI ESG rating to an industry-leading level. Additionally, we were named an ESG Top-Rated Company in regional Technology Hardware by Morningstar Sustainalytics 2025, a distinction awarded to only three companies in this category, showcasing WPG's ESG performance and international competitiveness. Furthermore, we will strengthen our board structure and succession planning through a nomination committee system, ensuring robust organizational continuity. In the realm of sustainable development, the focus is on enhancing sustainable value, implementing ESG goals and regulatory compliance, and disclosing information through sustainability reports to strive for domestic and international sustainability awards. The Company also actively promotes low-carbon transformation, progressing towards the 2050 net-zero target while enhancing employee ESG literacy to establish a sustainable culture and competitiveness, demonstrating a balance and commitment to stakeholder interests.

As the Company approaches its 20th anniversary, it will establish medium- to long-term plans guided by a mature vision and a proactive approach. Through forward-looking strategies, the strengthening of core competencies, and strategy optimization, the Company aims to increase its competitiveness and create long-term growth momentum. In the future, we will focus on Business Continuity Management (BCM), accelerating global expansion and investment, and integrating resources to enhance operational resilience and long-term competitiveness, thereby realizing the goal of agile responses to market changes. Under the principle of "To cultivate lasting partnerships for sustainable success" the Company will band together with stakeholders to pursue sustainable development with the goals of "Grow Together, Strive Together, and Win Together." We sincerely welcome all our peers and shareholders to share their concerns and advice with us.

Chief Executive Mike Chang

Chief Financial Cliff Yuan

## 2. Corporate Governance Report

### 2.1 Directors, Supervisors, President, Vice Presidents, Directors, and Division/Department/Affiliates Heads

#### 2.1.1 Information of Directors

##### 1. Information of Directors

Title	Nationality / Place of Registration	Name	Gender Age	Date Elected (Appointed)	Term	Date First Elected	Shareholding When Elected		Current Shareholding		Shareholding by Spouse & Minor Children		Shareholding by Nominee Arrangement		Education and Selected Past Positions	Selected Concurrent Positions at the Company and Other Companies	Managers, Directors, or Supervisors Who are Spouses or within Second-degree Relative of Consanguinity to Each Other			Remarks	
							Common Shares	%	Common Shares	%	Common Shares	%	Common Shares	%			Title	Name	Relation		
							Preferred Shares (Note 1)	%	Preferred Shares (Note 1)	%	Preferred Shares (Note 1)	%	Preferred Shares (Note 1)	%							
Chairman	Republic of China	Simon Huang	Male 70-79 years old	2023/5/31	3 years	2005/6/14	41,411,507	2.47	41,411,507	2.47	10,523,167	0.63	—	—	Department of Engineering Science, National Cheng Kung University Co-founder and Chairman, World Peace Industrial Co., Ltd.	Chairman & Director, WPG Holdings Affiliated Venture Chairman, Trigold Holdings Limited Director (Legal Representative), T3EX Global Holdings Corp. Director, Phoenix Innovation and Entrepreneurship Investment Inc. Director, Phoenix II Innovation and Entrepreneurship Investment Inc. Director, Phoenix VI Innovation and Entrepreneurship Investment Inc. Director, Taiwan Consulting Group Chairman, Taiwan Industrial Holding Association Executive Supervisor, Sinocon Industrial Standards Foundation Director, Taipei Electronic Components Suppliers' Association (TECSA)	—	—	—	—	
							—	—	—	—	—	—	—	—							

Title	Nationality / Place of Registration	Name	Gender Age	Date Elected (Appointed)	Term	Date First Elected	Shareholding When Elected		Current Shareholding		Shareholding by Spouse & Minor Children		Shareholding by Nominee Arrangement		Education and Selected Past Positions	Selected Concurrent Positions at the Company and Other Companies	Managers, Directors, or Supervisors Who are Spouses or within Second-degree Relative of Consanguinity to Each Other			Remarks	
							Common Shares	%	Common Shares	%	Common Shares	%	Common Shares	%			Title	Name	Relation		
							Preferred Shares (Note 1)	%	Preferred Shares (Note 1)	%	Preferred Shares (Note 1)	%	Preferred Shares (Note 1)	%							
Vice Chairman	Republic of China	Frank Yeh	Male 70-79years old	2023/5/31	3 years	2014/6/18	1,196,537	0.07	1,196,537	0.07	—	—	—	—	Department of Electronics Engineering, Feng Chia University Vice President, Acer Incorporated President, Arrow Electronics, Inc. CEO, WPG Holdings Limited	Director, WPG Holdings Affiliated Ventures Independent Director, BenQ Materials Corp. Independent Director, Senao International Co., Ltd.	—	—	—	—	
							113,000	0.06	—	—	—	—	—	—							
Director	Republic of China	K. D. Tseng	Male 70-79years old	2023/5/31	3 years	2011/6/22	9,654,480	0.57	9,654,480	0.57	19,053,200	1.13	—	—	Department of Electronics Engineering, National Taiwan Ocean University Founder and Chairman, Yosun Industrial Corp.	Chairman & Director, WPG Holdings Affiliated Venture Director, Trigold Holdings Limited Director (Legal Representative), Qleap Accelerators Limited Chairman, Management Intelligence Sharing Association (MISA)	—	—	—	—	
							—	—	—	—	—	—	—	—							

Title	Nationality / Place of Registration	Name	Gender Age	Date Elected (Appointed)	Term	Date First Elected	Shareholding When Elected		Current Shareholding		Shareholding by Spouse & Minor Children		Shareholding by Nominee Arrangement		Education and Selected Past Positions	Selected Concurrent Positions at the Company and Other Companies	Managers, Directors, or Supervisors Who are Spouses or within Second-degree Relative of Consanguinity to Each Other			Remarks	
							Common Shares	%	Common Shares	%	Common Shares	%	Common Shares	%			Title	Name	Relation		
							Preferred Shares (Note 1)	%	Preferred Shares (Note 1)	%	Preferred Shares (Note 1)	%	Preferred Shares (Note 1)	%							
Director	Republic of China	Mike Chang	Male 60-69years old	2023/5/31	3 years	2005/6/14	12,612,020	0.75	7,806,020	0.46	582,148	0.03	22,564,000	1.34	Department of Electrical Engineering, National Taipei Institute of Technology (Department of Electrical Engineering, National Taipei University of Technology President (Far East Dist.), TXC Corporation President, WPG Holdings Affiliated Ventures	CEO, WPG Holdings Limited Chairman & Director, WPG Holdings Affiliated Venture Supervisor, Taipei Electronic Components Suppliers' Association (TECSA)	—	—	—	—	
							—	—	—	—	—	—	—	—							
Director	Republic of China	T. L. Lin	Male 70-79years old	2023/5/31	3 years	2005/6/14	15,195,570	0.91	12,975,570	0.77	17,108,688	1.02	—	—	Department of Electrical Engineering, National Taipei Institute of Technology (Department of Electrical Engineering, National Taipei University of Technology Co-founder, World Peace Industrial Co., Ltd.	Director, FantasyStory Inc. Independent Director, Simple Mart Retail Co., Ltd. Director of Cloud Creation Communications, Inc. Director, H Bank Biopharma Corp. Director, HBank Technology Inc. Executive Director, Taipei Electronic Components Suppliers' Association (TECSA) Association Chairman, Taiwan Industrial Holding Association	—	—	—	—	
							—	—	—	—	—	—	—	—							

Title	Nationality / Place of Registration	Name	Gender Age	Date Elected (Appointed)	Term	Date First Elected	Shareholding When Elected		Current Shareholding		Shareholding by Spouse & Minor Children		Shareholding by Nominee Arrangement		Education and Selected Past Positions	Selected Concurrent Positions at the Company and Other Companies	Managers, Directors, or Supervisors Who are Spouses or within Second-degree Relative of Consanguinity to Each Other			Remarks
							Common Shares	%	Common Shares	%	Common Shares	%	Common Shares	%			Title	Name	Relation	
							Preferred Shares (Note 1)	%	Preferred Shares (Note 1)	%	Preferred Shares (Note 1)	%	Preferred Shares (Note 1)	%						
Independent Director	Republic of China	Jack J. T. Huang	Male 70-79 years old	2023/5/31	3 years	2008/06/25	—	—	—	—	—	—	—	—	S.J.D., Harvard University LL.M., Northwestern University LL.B., National Taiwan University	Chairman, Taiwan Renaissance Platform Chairman, Taiwan Consulting Group Chairman, Taiwan Reconstruction Foundation I Independent Director, Delta Electronics Inc. Director (Legal Representative), Taiwania Capital Buffalo Fund Co., Ltd.	—	—	—	—
Independent Director	Republic of China	Charles Chen	Male 70-79 years old	2023/5/31	3 years	2010/6/24	—	—	—	—	—	—	—	—	Master of Accounting, Soochow University CPA, PricewaterhouseCoopers Taiwan	Director, Prime Oil Chemical Service Corporation Executive Director, United Way of Taiwan	—	—	—	—

Title	Nationality / Place of Registration	Name	Gender Age	Date Elected (Appointed)	Term	Date First Elected	Shareholding When Elected		Current Shareholding		Shareholding by Spouse & Minor Children		Shareholding by Nominee Arrangement		Education and Selected Past Positions	Selected Concurrent Positions at the Company and Other Companies	Managers, Directors, or Supervisors Who are Spouses or within Second-degree Relative of Consanguinity to Each Other			Remarks	
							Common Shares	%	Common Shares	%	Common Shares	%	Common Shares	%			Title	Name	Relation		
							Preferred Shares (Note 1)	%	Preferred Shares (Note 1)	%	Preferred Shares (Note 1)	%	Preferred Shares (Note 1)	%							
Independent Director	Republic of China	Kathy Yang	Female 60-69years old	2023/5/31	3 years	2021/8/3	50,251	0.00	50,251	0.00	—	—	—	—	MBA, Kansas State University Business Association Executive Program, National Chengchi University Bachelor of Business Administration, National Chengchi University Senior Deputy General Manager, CDIB Capital Group General Manager, CDIB Venture Capital Corporation General Manager, CDIB Capital Management Corporation	Independent Director, Sinopower Semiconductor Inc. Independent Director, Innodisk International Co., Ltd. Independent Director, ASPEED Technology Inc. Director, Young Shine Electric Co., Ltd.	—	—	—	—	

Title	Nationality / Place of Registration	Name	Gender Age	Date Elected (Appointed)	Term	Date First Elected	Shareholding When Elected		Current Shareholding		Shareholding by Spouse & Minor Children		Shareholding by Nominee Arrangement		Education and Selected Past Positions	Selected Concurrent Positions at the Company and Other Companies	Managers, Directors, or Supervisors Who are Spouses or within Second-degree Relative of Consanguinity to Each Other			Remarks
							Common Shares	%	Common Shares	%	Common Shares	%	Common Shares	%			Title	Name	Relation	
							Preferred Shares (Note 1)	%	Preferred Shares (Note 1)	%	Preferred Shares (Note 1)	%	Preferred Shares (Note 1)	%						
Independent Director	Republic of China	Joseph Yu	Male 70-79 years old	2023/5/31	3 years	2023/5/31	—	—	—	—	—	—	—	—	Ph.D. in Business Administration, University of Michigan Professor, Department of Business Administration, National Chengchi University	Distinguished Professor, Chang Gung University Independent Director, Integrated Service Technology Independent Director, Axiomtek Co., Ltd. Independent Director, Song Chuan Precision Company Ltd. Director and CEO, Kung-Hwa Management Foundation	—	—	—	—

Note 1. Preferred Shares A were redeemed on December 27, 2024, and 200,000,000 shares were canceled through a capital reduction.

Table 1: Major Shareholder of WPG's Director or Supervisor that is an Institutional Shareholder: Not applicable.

Table 2: Shareholder of WPG's Major Shareholder that is an Institutional Shareholder: Not applicable.

2. Disclosure of Information regarding the Professional Qualifications of Directors and the Independence of Independent Directors

Name/ Qualification	Professional Qualifications and Experience	Independence Status	Number of Listed Companies in which Independent Directors Serving Concurrently as Independent Directors
Simon Huang Chairman	Mr. Simon Huang is currently the Chairman of WPG Holdings Limited. He also acts as Director of the Taipei Electronic Components Suppliers' Association (TECSA). Mr. Huang holds a Bachelor's degree in Engineering Science from National Cheng-Kung University and has over 30 years of experience in the electronic components industry.	Not applicable	0
Frank Yeh Vice Chairman	Mr. Frank Yeh is currently the Vice Chairman of WPG Holdings Limited. Mr. Yeh previously served as General Manager at Arrow Electronics. Mr. Yeh holds a Bachelor's degree in Electrical Engineering from Feng Chia University and has over 30 years of experience in the electronic components industry.		2
K. D. Tseng Director	Mr. K.D. Tseng currently serves as Chairman of Yosun Industrial Corp., holding a concurrent position as Chairman of Management Intelligence Sharing Association (MISA). Mr. Tseng used to serve at Arrow Strong Electronics Co. Ltd. Mr. Tseng holds a Bachelor's degree in Electrical Engineering from National Taiwan Ocean University and has over 30 years of experience in the electronic components industry.		0
Mike Chang Director	Mr. Mike Chang is currently the CEO of WPG Holdings Limited and the Chairman of WPG Holdings subsidiary WPI Group. He also acts as Supervisor of the Taipei Electronic Components Suppliers' Association (TECSA). Mr. Chang has over 30 years of experience in the electronic components industry and previously served executive positions at Texas Instruments and TXC Corporations. Mr. Chang holds a Bachelor's degree in Electrical Engineering from the National Taipei University of Technology.		0
T. L. Lin Director	Mr. T. L. Lin currently serves as Executive Director of the Taipei Electronic Components Suppliers' Association (TECSA) and Independent Director of Simple Mart Retail Co., Ltd. Mr. Lin holds a Bachelor's degree in Electrical Engineering from the National Taipei University of Technology and has over 30 years of experience in the electronic components industry.		1

Name/ Qualification	Professional Qualifications and Experience	Independence Status	Number of Listed Companies in which Independent Directors Serving Concurrently as Independent Directors
Jack J. T. Huang Independent Director	<p>Mr. Jack J.T. Huang is the founder and Chairman of Taiwan Renaissance Platform, and Chairman of Taiwan Consulting Group. Mr. Huang is a R.O.C. attorney and practiced law in New York, Hong Kong, and Taipei for many years. He is also a member of the Taipei Bar Association, American Bar Association, and New York City Bar Association. His professional expertise encompasses various international investments, mergers, and acquisitions, joint ventures, etc. Mr. Huang graduated from National Taiwan University (LL.B.), Northwestern University (LL.M.), and Harvard University (S.J.D.).</p> <p>Mr. Huang has over 5 years of work experience and attorney qualification.</p>	<p>Excerpts of key points in accordance with Article 14-2 of the Securities and Exchange Act and the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" regarding independence are as follows:</p> <ol style="list-style-type: none"> <li>1. Whether myself, spouse, or relatives within the second degree are serving as directors, supervisors, or employees of the Company or its affiliated enterprises: No.</li> <li>2. The number and proportion of company shares held by myself, spouse, or relatives within the second degree (or using nominee arrangement): Please refer to the "Director Information Table" in the annual report (P.5-11)</li> <li>3. Whether serving as directors, supervisors, or employees of companies with specific relationships to the Company: No.</li> <li>4. Amount of remuneration received in the past two years for providing business, legal, financial, accounting, or other services to the Company or its affiliated enterprises: 0</li> </ol>	1
Charles Chen Independent Director	<p>Mr. Charles Chen currently serves as a director of Prime Oil Chemical Service Corporation and an executive director of United Way of Taiwan. Previously, he held positions as the deputy managing partner of PricewaterhouseCoopers Taiwan and the chairman of Wei Chuan Foods. Director Chen is a certified public accountant in the Republic of China and holds a master's degree in accounting from Soochow University.</p> <p>Mr. Chen has over 5 years of work experience and CPA qualification.</p>		0
Kathy Yang Independent Director	<p>Ms. Kathy Yang currently serves as Independent Director at Sinopower Semiconductor Inc. &amp; Innodisk Corporation. Previously, Ms. Yang served as Executive Vice President of CDIB Capital Group and led the venture capital and industry investment department. She was also the General Manager at CDIB Capital Management Corporation and CDIB Venture Capital Corporation. Ms. Yang holds Master's degree in Business Management from Kansas State University</p> <p>Mr. Yu has over 5 years of work experience.</p>		3
Joseph Yu Independent Director	<p>Ms. Joseph Yu is currently a distinguished professor at Chang Gung University, an independent director of Integrated Service Technology, and an independent director of Axiomtek Co., Ltd. He previously held the position of professor in the Department of Business Administration at National Chengchi University. Director Yu holds a Ph.D. in Business Administration from the University of Michigan.</p> <p>Mr. Yu has over 5 years of work experience.</p>		3

Note: None of the directors have been involved in any of the circumstances specified in Article 30 of the Company Act.

3. Diversity and Independence of the Board of Directors:

I. Diversity of the Board of Directors

In accordance with the Company's Articles of Association, the Rules for Election of Directors, and Corporate Governance Best Practice Principles, the candidate nomination system is adopted to elect the Board of Directors in a fair, just, and open procedure. The "Rules for Election of Directors" is stipulated and board diversity policy is specified in "Corporate Governance Best Practice Principles". Based on the Company's business operations, operating dynamics, and development needs, the criteria of the professional background, professional skills, industry experience, gender, age, nationality, etc. are considered when determining the suitable composition of the Board of Directors and successor candidates. The policy of diversity of the Board of Directors, as stipulated in Article 20, Section 4 of the Company's "Corporate Governance Best Practice Principles", states that the composition of the Board of Directors should adhere to, but is not limited to, the following two general standards:

- i. Basic criteria and values: gender, race, age, nationality, and culture, etc.
- ii. Professional knowledge and skills: professional background (such as law, accounting, industry, finance, marketing, technology, information security, risk management, corporate governance/legal compliance, environmental sustainability, corporate social responsibility, and human rights protection), professional skills, and industry experience, etc.

All members of the board shall have the knowledge, skills, and experience necessary to perform their duties. To achieve the ideal goal of corporate governance, the board of directors shall possess the following abilities:

- i. Ability to make operational judgments.
- ii. Ability to perform accounting and financial analysis.
- iii. Ability to conduct management administration.
- iv. Ability to conduct crisis management.
- v. Knowledge of the industry.
- vi. An international market perspective.
- vii. Ability to lead.
- viii. Ability to make policy decisions.

At the general meeting of shareholders on May 31, 2023, WPG Holdings elected the seventh Board of Directors for a term of 3 years from 2023/5/31 to 2026/5/30. The seventh Board of Directors consists of 9 members (including 4 Independent Directors). In addition to the electronic components industry, the professional background of the Board covers investment management, strategic management, financial accounting, law, and global market perspective. Among the Board members, 2 members are concurrent employees (including appointed managers) (22% of the Board), and 4 members are independent directors (44% of the Board). There are currently 8 male directors (89% of the Board) and 1 female director

(achieving the target of at least 1 female director; 11% of the Board). In terms of age, 7 members are over 70 years old (78% of the Board), while the remaining 2 members are under the age of 70 (22% of the Board). There are 3 independent directors with tenure of less than 9 years, and 1 independent director with tenure of more than 9 years. However, after the Board of Directors has evaluated his participation in the operations of the Board of Directors and his independence, it is believed that Mr. Jack J. T. Huang still possesses the necessary independence and has not established any relationship with the management (or others) that may impair his ability to exercise impartial judgment based on the best interests of the Company or to his their duties impartially. Considering that Mr. Huang contributes his expertise in law and business mergers and acquisitions, and excels at related legal practices and business management, he is able to provide forward-looking and fair important suggestions for the Company's operation and development, as well as suggestions and supervision to the functional committees under the Company's Board of Directors, and can continue to improve the experience of a more comprehensive corporate governance mechanism. Thus, Mr. Huang is re-elected as the current independent director.

The reasons and corresponding measures for the Company's Board representation of any gender not reaching one-third are as follows:

- i. Due to the industry's unique characteristics, which make it challenging to recruit qualified candidates promptly
- ii. Prior to the re-election at the end of the current Board's term, the Company will actively seek talent recommendations through multiple channels.

The directors' industry experience/professional distribution are as follows:

Name of Director	Nationality	Gender	Age		Length of Service as an Independent Director		Business Management	Decision-Making	Industry Knowledge	Finance and Accounting	Law	Human Resources	Risk Management	International Market Perspective	Investment Management
			Under 70 years	70 or over	Under 9 years	Over 9 years									
Simon Huang	Republic of China	Male		✓			✓	✓		✓					✓
Frank Yeh	Republic of China	Male		✓			✓	✓	✓			✓	✓	✓	
K. D. Tseng	Republic of China	Male		✓			✓	✓	✓	✓			✓		✓
Mike Chang	Republic of China	Male	✓				✓	✓	✓			✓		✓	
T. L. Lin	Republic of China	Male		✓			✓	✓	✓	✓			✓		✓
Jack J. T. Huang	Republic of China	Male		✓		✓	✓	✓	✓	✓	✓		✓	✓	
Charles Chen	Republic of China	Male		✓	✓		✓	✓		✓		✓	✓		
Kathy Yang	Republic of China	Female	✓		✓		✓		✓	✓				✓	✓
Joseph Yu	Republic of China	Male		✓	✓		✓	✓		✓		✓		✓	

## II. Independence of the Board of Directors

The seventh term Board of Directors consists of 9 members, including 4 independent directors (approximately 44%). All directors comply with the provisions of Article 26-3, Paragraphs 3 and 4 of the Securities and Exchange Act. There is no spousal relationship or familial relationship within the second degree of kinship among the directors.

## 2.1.2 Information regarding President, Vice Presidents, Directors, and Division/Department/Affiliates Heads

March 30, 2025

Title	Nationality	Name	Gender	On-board Date	Shareholding		Shareholding by Spouse & Minor Children		Shareholding by Nominee Arrangement		Education and Selected Past Positions	Selected Concurrent Positions at Other Companies	Managers Who are Spouses or within Second-			Remarks
					Common Shares	%	Common Shares	%	Common Shares	%			Title	Name	Relation	
Chief Executive Officer (Note1)	Republic of China	Mike Chang	Male	2021/01/01	7,806,020	0.46	582,148	0.03	22,564,000	1.34	Department of Electrical Engineering, National Taipei Institute of Technology (Department of Electrical Engineering, National Taipei University of Technology)	Chairman & Director, WPG Holdings Affiliated Venture	—	—	—	—
Chief Sustainability Officer	Republic of China	K. D. Tseng	Male	2021/01/01	9,654,480	0.57	19,053,200	1.13	—	—	B.S., Department of Electronics, National Taiwan College of Marine Science and Technology (B.S., Electronic Engineering,	Chairman & Director, WPG Holdings Affiliated Venture	—	—	—	—
Chief Financial Officer (Accounting Supervisor,	Republic of China	Cliff Yuan	Male	2005/11/09	685,584	0.04	5,082	0.00	—	—	Bachelor of Law & Bachelor of Accounting, Soochow University Financial Assistant Vice	Director & Supervisor, WPG Holdings Affiliated Ventures	—	—	—	—
Chief HR Officer	Republic of China	David Li	Male	2013/07/01	6,367	0.00	—	—	—	—	Master, Southern California University Vice President, WPG Holdings Affiliated Ventures	None	—	—	—	—
Chief Legal Officer	Republic of China	Lucia Tai	Female	2018/05/01	238	0.00	1,000	0.00	—	—	Bachelor of Law, National Taiwan University	Director, WPG Holdings Affiliated Ventures	—	—	—	—
Chief MarCom Officer	Republic of China	Tracy Cheng	Female	2018/05/01	239,701	0.01	—	—	—	—	Bachelor of German Language and Culture & Bachelor of	None	—	—	—	—
Vice President	Republic of China	Scott Lin	Male	2007/01/01	543,507	0.03	—	—	—	—	B.S., Electronic Engineering Technology, National Taiwan University of Science and Technology	None	—	—	—	—

Title	Nationality	Name	Gender	On-board Date	Shareholding		Shareholding by Spouse & Minor Children		Shareholding by Nominee Arrangement		Education and Selected Past Positions	Selected Concurrent Positions at Other Companies	Managers Who are Spouses or within Second-			Remarks
					Common Shares	%	Common Shares	%	Common Shares	%			Title	Name	Relation	
Vice President (Note2)	Republic of China	Victor Lu	Male	2021/01/01	—	—	—	—	—	—	B.S., Electronic Engineering, National Taipei University of Technology Vice President, Arrow	None	—	—	—	—
Vice President	Republic of China	Jessica Lee	Female	2021/01/01	17,558	0.00	—	—	—	—	A.S., Shipping and Transportation Management, Taipei University of Marine Technology	None	—	—	—	—

Note 1: Mr. Mike Chang assumed the additional role as Chief Marketing & Sales Officer and Chief Information Officer.

Note 2: Victor Lu retired on September 30, 2024.

## 2.2 Remuneration Paid in the Most Recent Year to Directors, President, and Vice Presidents

### 2.2.1 Remuneration Paid to Directors and Independent Directors

December 31, 2024 / Unit: NT\$ thousands

Title	Name	Director's Remuneration (Note 1)						(A+B+C+D) as a % of Net Income		Compensation Paid to Director Who is an Employee of WPG or of WPG's Consolidated Entities								Compensation Paid from Non-consolidated Reinvested Ventures or from Parent Company				
		Base Compensation (A)		Severance Pay and Pensions (B)	Compensation to Directors (C)		Business Execution Expenses (D)				Base Compensation, Bonuses and Allowances (E)		Severance Pay and Pensions (F)		Employee Compensation (G)							
		The Company	All Consolidated Entities	The Company	All Consolidated Entities	The Company	All Consolidated Entities	The Company	All Consolidated Entities	The Company	All Consolidated Entities	The Company	All Consolidated Entities	The Company	All Consolidated Entities	Cash	Stock (Fair Market Value)	Cash	Stock (Fair Market Value)			
Director	Simon Huang	240	624	0	0	6,852	8,010	0	0	7,092	8,634	15,800	18,900	599	599	0	0	0	0	23,491 0.32%	28,133 0.38%	0
	K. D. Tseng	240	624	0	0	3,426	4,005	0	0	3,666	4,629	10,000	16,000	0	611	0	0	0	0	13,666 0.19%	21,240 0.29%	0
	Mike Chang	240	240	0	0	3,426	3,426	0	0	3,666	3,666	14,000	14,000	932	932	17,000	0	17,000	0	35,598 0.49%	35,598 0.48%	0
	Frank Yeh	240	240	0	0	3,426	3,426	0	0	3,666	3,666	34,000	34,000	1,548	1,548	11,000	0	11,000	0	50,214 0.69%	50,214 0.68%	0
	T. L. Lin	240	240	0	0	3,426	3,426	0	0	3,666	3,666	0	0	0	0	0	0	0	0	3,666 0.05%	3,666 0.05%	0
Independent Director	Jack J. T. Huang	1,216	1,216	0	0	4,611	4,611	0	0	5,827	5,827	0	0	0	0	0	0	0	0	5,827 0.08%	5,827 0.08%	0
	Charles Chen	1,120	1,120	0	0	4,611	4,611	0	0	5,731	5,731	0	0	0	0	0	0	0	0	5,731 0.08%	5,731 0.08%	0
	Kathy Yang	640	640	0	0	4,611	4,611	0	0	5,251	5,251	0	0	0	0	0	0	0	0	5,251 0.07%	5,251 0.07%	0
	Joseph Yu	640	640	0	0	4,611	4,611	0	0	5,251	5,251	0	0	0	0	0	0	0	0	5,251 0.07%	5,251 0.07%	0
<p>Note 1: Resolved by the Company's Board of Directors on March 25, 2025.</p> <ol style="list-style-type: none"> <li>1. Please describe the remuneration policy, system, standard, and structure of Independent Directors, and as attested by the responsibilities, risks, investment time, and other factors to describe the relation with the amount of remuneration paid: the Independent Directors of the Company are ex officio members of the audit committee, as claimed by the remuneration payment standard for directors decided by the Board of Directors of the Company. In addition to receiving fixed remuneration as a director, the convener of the Audit Committee receives a fixed monthly remuneration, the audit members receive attendance fees as stated by the number of meetings; based on the performance evaluation method of the Board of Directors, the Audit Committee receives committee performance remuneration as reported by the annual performance evaluation results; if the Company has a surplus at the end of the year, the director's remuneration is paid on the basis of the Company's operating performance, considering the time invested by the Independent Directors and their responsibilities, the amount to be released shall be decided by the Board of Directors.</li> <li>2. Besides the disclosure in the above table, remuneration received by the Directors of the Company in the most recent year for providing services (such as serving as a consultant for the parent company / all companies listed in the financial report / non-employees of the investments in other companies, etc.): None.</li> </ol>																						

## 2.2.2 Compensation Paid to President and Vice Presidents

December 31, 2024 / Unit: NT\$ thousands

Title	Name	Salary (A)		Severance Pay and Pensions (B)		Bonuses and Allowances (C)		Employee's Profit Sharing Bonus (D) (Note 1)				(A+B+C+D) as a % of Net Income	Compensation Paid from Non-consolidated Reinvested Ventures or from Parent Company		
		The Company	All Consolidated Entities	The Company	All Consolidated Entities	The Company	All Consolidated Entities	The Company		All Consolidated Entities					
								Cash Amount	Stock Amount	Cash Amount	Stock Amount				
Chief Executive Officer	Mike Chang														
Chief Corporate Structure Officer	Frank Yeh														
Chief Financial Officer (Accounting Supervisor, Financial Supervisor)	Cliff Yuan														
Chief HR Officer	David Li														
Chief Legal Officer	Lucia Tai														
Chief MarCom Officer	Tracy Cheng														
Vice President	Jessica Lee	41,451	41,451	2,481	2,481	27,058	27,058	36,070	—	36,070	—	107,060	107,060		
Vice President	Victor Lu											1.48%	1.44%		
Vice President	Scott Lin														

Note 1: On March 25, 2024, the Company's Board of Directors resolved that the employees' and Directors' remuneration for 2024 was \$36,070 and \$39,000, respectively. The difference from the recognized amount in the 2024 financial statements has been adjusted into gain and loss in the first quarter of 2025.

### 2.2.3 Salary Grade Table

Range of Remuneration Paid to President and Vice Presidents	Name of President and Vice Presidents	
	The Company	All Consolidated Entities
Less than NT\$1,000,000	—	—
NT\$1,000,000 to NT\$1,999,999	—	—
NT\$2,000,000 to NT\$3,499,999	Victor Lu	Victor Lu
NT\$3,500,000 to NT\$4,999,999	David Li, Lucia Tai, Tracy Cheng, Jessica Lee, Scott Lin	David Li, Lucia Tai, Tracy Cheng, Jessica Lee, Scott Lin
NT\$5,000,000 to NT\$9,999,999	Cliff Yuan	Cliff Yuan
NT\$10,000,000 to NT\$14,999,999	—	—
NT\$15,000,000 to NT\$29,999,999	—	—
NT\$30,000,000 to NT\$49,999,999	Mike Chang, Frank Yeh	Mike Chang, Frank Yeh
NT\$50,000,000 to NT\$99,999,999	—	—
NT\$100,000,000 or more	—	—
Total	9	9

### 2.2.4 Employee's Profit Sharing Bonus Paid to Management Team

December 31, 2024 / Unit: NT\$ thousands

	Title	Name	Stock (Fair Market Value)	Cash (Note 1)	Total	Total Amount as % of Net Income
Manager	Chief Executive Officer	Mike Chang	—	36,070	36,070	0.49
	Chief Corporate Structure Officer	Frank Yeh				
	Chief Financial Officer (Accounting Supervisor, Financial Supervisor)	Cliff Yuan				
	Chief HR Officer	David Li				
	Chief Legal Officer	Lucia Tai				
	Chief MarCom Officer	Tracy Cheng				
	Vice President	Jessica Lee				
	Vice President	Victor Lu				
	Vice President	Scott Lin				

Note 1: On March 25, 2024, the Company's Board of Directors resolved that the employees' and Directors' remuneration for 2024 was \$36,070 and \$39,000, respectively.

The difference from the recognized amount in the 2024 financial statements has been adjusted into gain and loss in the first quarter of 2025.

2.2.5 Separate Comparisons and Descriptions of Total Remuneration, as a Percentage of Net Income Stated in the Parent Company-only Financial Reports or Individual Financial Reports, as Paid by the Company and All Other Companies Included in the Consolidated Financial Statements in the Past Two Years to Directors, Supervisors, the President, and Vice Presidents, with Analysis and Description of Remuneration Policies, Standards, and Packages, Procedure for Determining Remuneration, and Linkage Thereof to Operating Performance and Future Risk Exposure

1. Analysis of total compensations paid to the Company's Directors, Supervisors, President, and Vice Presidents in the 2 most recent years as a % of Net Income After Tax (NIAT)

Unit: NT\$ thousands

Category	The Company		All Consolidated Entities	
	112	113	112	113
Director's Remuneration	53,369	43,816	55,086	46,321
Total Amount as % of Net Income	0.66	0.60	0.67	0.62
Supervisor's Remuneration	—	—	—	—
Total Amount as % of Net Income	—	—	—	—
President and Vice Presidents' Compensation	141,169	107,060	141,169	107,060
Total Amount as % of Net Income	1.74	1.48	1.72	1.44
NIAT	8,109,407	7,245,173	8,197,737	7,415,736

As shown in the above table, it is evident that the Director's compensation, as well as the compensation of the President and Vice Presidents in the financial statements of all consolidated entities of the Company for the year 2024, decreased in line with the decline in NIAT. However, the Director's compensation, along with the compensation of the President and Vice Presidents, accounted for a similar proportion of the NIAT compared to the previous year.

2. Remuneration policy, standard and package, the procedure for determination, and linkage thereof to operating performance and future risk exposure:

- I. The rules governing the remunerations paid to the Company's Directors and Supervisors are as follows:

In accordance with the regulations stipulated in the Articles of Incorporation of the Company, where the financial results for the fiscal year show a profit, the Company may, by a resolution adopted by the meeting of the Board of Directors, allocate no more than 3% as directors' remuneration, and report to the shareholders meeting. However, when the Company still has accumulated losses, it shall reserve the compensation amount in advance.

- II. The rules governing the remunerations paid to President and Vice Presidents are as follows:

In compliance with the regulations stipulated in the Articles of Incorporation of the Company, where the financial results for the fiscal year show a profit, the Company may, by a resolution adopted by the meeting of the Board of Directors, allocate

more than 0.01% and less than 5% as employees' remuneration and report to the shareholders meeting. However, when the Company still has accumulated losses, it shall reserve the compensation amount in advance.

The remuneration of the Vice President of the Company is reported by the President. After review and securing approval by the Remuneration Committee, the remuneration is then reported to the Board of Directors in an aggregated manner for approval.

**III. Remuneration structure for CEO and senior managers:**

The remuneration structure of managers is highly aligned with their performance. The remuneration policies and performance evaluation policies and standards are reviewed by the remuneration committee and submitted to the Board of Directors for resolution and implementation. The measurement aspects of manager remuneration and performance include the practice of corporate core values, senior-level competency behavior indicators, leadership and management capabilities, relevant operational performance indicators, and other special performances.

Measurement Dimension	Items and Weight	Description
Performance Indicators	Financial and business indicators—60%	Profit growth index and operation management quality improvement index, e.g., profit after tax (PAT), Return on Equity (ROE), operating expense over gross profit (OPEX/GP), etc.
	Comprehensive management indicators—40%	<ul style="list-style-type: none"> <li>Practice business philosophy, corporate culture, and core values, and cast the vision of common prosperity.</li> <li>Organizational leadership and management capabilities</li> <li>Human resource management and human capital development</li> <li>Innovation and integration, risk management, regulation compliance, and sustainable development (ESG) strategies.</li> </ul>
	Other special contributions or major events are also included in the assessment.	Non-IED Investment

**IV. Pursuant to the Company's Articles of Incorporation, the remuneration of Directors who conduct the business of the Company shall be determined by the Board of Directors and paid based on the participation in and contribution to the Company and with reference to industry standards no matter whether the Company is in a loss or not. The Board of Directors of the Company has established a Remuneration Committee that assists in the development of remuneration policies for Directors,**

senior managers, and the Company as a whole. In accordance with the Company's board resolutions, Directors and committee conveners receive fixed pay every month, and committee members are offered allowance according to the attendance of meetings, with no compensation paid. If the Company has surplus earnings at the end of the year, directors' remuneration shall be determined in consideration of the Company's operating performance as well as directors' participation in and contribution to the Company's operation, and paid after the distribution proposal is reviewed by Remuneration Committee and resolved by the Board of Directors. Directors' remuneration content and rationality are periodically reviewed (at least once per term) by the Remuneration Committee and resolved by the Board of Directors. Directors' remuneration policy is reviewed in due course according to operating performance and related regulations in order to balance sustainable development and risk control. The Company has ensured the Board and managerial personnel against liability, with insured amounts adding up to US\$15,000 thousand; by means of D&O insurance, the Company mitigates the risk exposure, shifting the potential damages arising from the business conduct of Directors, management team, and the Company.

- V. The Company's remuneration policy for directors and appointed managers will be reviewed timely based on consideration of the overall environment, corporate business strategies, future risk assessment, etc. with the aim of minimizing potential risks.

## **2.3 Overview of Corporate Governance**

### **2.3.1 Information on Board Operations**

At the general meeting of shareholders on May 31, 2023, WPG Holdings elected the seventh Board of Directors for a term of 3 years from May 31, 2023, to May 30, 2026. The seventh term of the Board of Directors consists of 9 members (including 4 Independent Directors). In addition to the electronic components industry, the professional background of the Board covers investment management, strategic management, financial accounting, law, and global market mindset. Among them, there are 4 Independent Directors: Jack J.T. Huang, Chairman of Taiwan Renaissance Platform Co. Ltd., Charles Chen, who previously served as Vice Director of PricewaterhouseCoopers Taiwan, Kathy Yang, who previously served as Executive Vice President of CDIB Capital Group, and Joseph Yu, Distinguished Professor of Chang Gung University.

The Board has the responsibility to supervise the overall operations and affairs of the Company and make decisions for major investment and M&A matters.

In 2024, the Board held 12 meetings. The following lists the attendance of Directors at these meetings:

Title	Name	In Person	By Proxy	Actual Presence (Attendance) (%)	Remarks
Chairman	Simon Huang	12	0	100%	
Vice Chairman	Frank Yeh	11	1	91.67%	
Director	K. D. Tseng	12	0	100%	
Director	Mike Chang	12	0	100%	
Director	T. L. Lin	12	0	100%	
Independent Director	Jack J. T. Huang	12	0	100%	
Independent Director	Charles Chen	12	0	100%	
Independent Director	Kathy Yang	12	0	100%	
Independent Director	Joseph Yu	12	0	100%	

Other matters:

I. Where the proceedings of the Board meeting include one of the following circumstances, then describe the date, session, topic discussed, opinions of every Independent Director, and the handling by the Company:

(I) Matters referred to in Article 14-3 of the Securities and Exchange Act:

Board of Directors Meeting Date	Content of Proposal
February 29, 2024 (2nd meeting in 2024)	Proposal of the appointment of WPG's Chief Internal Auditor
March 26, 2024 (3rd meeting in 2024)	Proposal of the appointment of 2024 WPG's CPAs
March 26, 2024 (3rd meeting in 2024)	Proposal for a revision of the Company's "Procedure for the Acquisition and Disposal of Assets"

Board of Directors Meeting Date	Content of Proposal
March 26, 2024 (3rd meeting in 2024)	Proposal for a revision of the Company's "Procedure for the Loaning of Funds to Others"
March 26, 2024 (3rd meeting in 2024)	Proposal for a revision of "Procedure for the Making of Endorsements/Guarantees"
March 26, 2024 (3rd meeting in 2024)	Proposal for a motion to the 2024 General Shareholders' Meeting for the release of WPG's directors from the restrictions on non-competition
July 30, 2024 (7th meeting in 2024)	Proposal for the investment of common share's private placement in Zero One Technology Co., Ltd.
September 14, 2024 (9th meeting in 2024)	Proposal for WPG to issue the second and third domestic unsecured convertible corporate bonds
November 12, 2024 (11th meeting in 2024)	Proposal to redeem all Preferred Shares A of the Company at their original actual issue price and to terminate their listing
December 24, 2024 (12th meeting in 2024)	Proposal to develop "Sustainable Information Management" and "Regulations for Sustainable Information Preparation Management" for WPG's internal control system

Opinions of independent directors: None.

The Company's handling of independent directors' opinions: None.

Resolution result: After the chairman consulted all the directors present, it was passed without objection.

(II) Other than the matters mentioned above, other resolutions on which the Independent Directors have dissenting or reserved opinions: None.

II. Regarding recusals of Directors from voting due to conflicts of interests, the names of the Independent Directors, contents of motions, reasons for recusal, and results of the voting shall be specified:

Board of Directors Meeting Date	Content of Proposal	Director	Description/Statement of Interest
---------------------------------	---------------------	----------	-----------------------------------

	March 26, 2024 (3rd meeting in 2024)	Proposal for a motion to the 2024 General Shareholders' Meeting for the release of WPG's directors from the restrictions on non-competition	Kathy Yang	In person/voluntarily recused	
III. Implementation of Board of Directors evaluation:					
	Evaluation Cycle	Evaluation Period	Evaluation Scope	Evaluation Method	Evaluation Content
	Every year	2024/01/01 ~ 2024/12/31	Board of Directors	Board Member Self-Evaluation	<ul style="list-style-type: none"> <li>• Degree of participation in the Company's operations</li> <li>• Internal control and risk management</li> <li>• Management of external and internal relations</li> <li>• Composition and capabilities of the Board/Election and continuing education of the Directors</li> <li>• Decision-making quality and operations of the Board</li> <li>• Whether work goals are implemented and achieved</li> </ul>
	Every year	2024/01/01 ~ 2024/12/31	Board of Directors	Directors' Self-Evaluation	<ul style="list-style-type: none"> <li>• Degree of participation in the Company's operations</li> <li>• Internal control and risk control</li> <li>• Management of external and internal relations</li> <li>• Decision-making quality and operations of the Board</li> <li>• The director's awareness, professionalism and continuing education</li> <li>• Whether work goals of the board of directors goals are implemented and achieved</li> </ul>
	Evaluation Cycle	Evaluation Period	Evaluation Scope	Evaluation Method	Evaluation Content
	Every year	2024/01/01 ~ 2024/12/31	Audit Committee	Committee Member Self-Evaluation	<ul style="list-style-type: none"> <li>• Composition, appointment and operation of the Committee</li> <li>• Degree of participation in the Company's operations</li> <li>• Understanding of the responsibilities of the functional committee</li> <li>• Enhance the decision-making quality of functional committees</li> <li>• Internal control</li> <li>• Whether work goals of the current committee are achieved</li> </ul>
	Every year	2024/01/01 ~ 2024/12/31	Remuneration Committee	Committee Member Self-Evaluation	<ul style="list-style-type: none"> <li>• Composition, appointment and operation of the Committee</li> <li>• Degree of participation in the Company's operations</li> <li>• Understanding of the responsibilities of the functional committee</li> <li>• Enhance the decision-making quality of functional committees</li> <li>• Whether work goals of the current committee are achieved</li> </ul>

	<p>Every three years</p>	<p>2021/01/01 ~ 2022/06/30</p>	<p>Board of Directors</p>	<p>Appointment of external professional organizations</p>	<ul style="list-style-type: none"> <li>• Board structure and process</li> <li>• Members of the board of directors</li> <li>• Legal person and organizational structure</li> <li>• Roles and responsibilities</li> <li>• Behavior and culture</li> <li>• Director training and development</li> <li>• Supervision in risk control</li> <li>• Declaration/disclosure and performance monitoring</li> </ul>
I.	<p>Measures taken to strengthen the functionality of the Board this year and in recent years (including establishing the Audit Committee and enhancing information transparency, etc.) and the results thereof: In order to perfect the supervising functions of the Board and enhance its managerial mechanism, since 2008, WPG has advanced the establishment and operation of the Audit Committee and the Remuneration Committee, please refer to 3.3.2 “Operation of Audit Committee”, 3.3.3 “Operation of Remuneration Committee and ” 3.3.4 “Composition and Operation of Nominating Committee” on the current page and page 26-30 for details.</p>				

The attendance of Independent Directors at each Board meeting in 2024: All Independent Directors attended in person.

### 2.3.2 Operation of Audit Committee

The whole independent directors constitute the Audit Committee of the Company, to establish a good corporate governance structure, reinforce audit supervision functions and strengthen the management mechanism; the Audit Committee aims to assist the board of directors in performing its supervisory duties, and its powers are as follows:

1. Adoption or amendment of an internal control system pursuant to Article 14-1 of the Securities and Exchange Act.
2. Effectiveness assessment of internal control systems.
3. Adoption or amendment, pursuant to Article 36-1 of the Securities and Exchange Act, of handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, or endorsements or guarantees for others.
4. Matters bearing on the personal interest of a director.
5. Material transactions in assets or derivatives.
6. Material loaning of funds or provision of endorsements/guarantees.
7. Offering, issuance or private placement of any equity based securities.
8. Appointment or discharge of an attesting CPA or the compensation was given thereto.
9. Appointment or discharge of a financial, accounting, or Chief Internal Auditor.
10. Review of annual financial reports and semi-annual financial reports.
11. Review of major investment performance.
12. Supervision of the formulation and implementation of risk management policies.
13. Any other material matter so required by the company or the Competent Authority.

The Audit Committee convened a total of 12 meetings in 2024, with the attendance of independent directors listed as follows:

Title	Name	In Person	By Proxy	Attendance Rate (%)	Remarks
Independent Director (Convener)	Charles Chen	12	0	100%	
Independent Director (Member)	Jack J. T. Huang	12	0	100%	
Independent Director (Member)	Kathy Yang	12	0	100%	
Independent Director (Member)	Joseph Yu	12	0	100%	
Other matters:					
I. With regard to the operation of the Audit Committee, if any of the following circumstances occur, the dates, terms of the meetings, contents of motions, all Audit Committee resolutions, and the Company's handling of such resolutions shall be specified:					

	(I) Matters referred to in Article 14-5 of the Securities and Exchange Act:																								
	<table border="1"> <thead> <tr> <th>Audit Committee Meeting Date</th><th>Content of Proposal</th></tr> </thead> <tbody> <tr> <td>February 29, 2024 (2nd meeting in 2024)</td><td>The Company's 2023 financial reports (including parent company-only financial statements and consolidated financial statements) and business report</td></tr> <tr> <td>February 29, 2024 (2nd meeting in 2024)</td><td>Proposal of the appointment of WPG's Chief internal Auditor</td></tr> <tr> <td>March 26, 2024 (3rd meeting in 2024)</td><td>Internal control system self-inspection and internal control statement in 2023</td></tr> <tr> <td>March 26, 2024 (3rd meeting in 2024)</td><td>Proposal of the appointment of 2024 WPG's CPAs</td></tr> <tr> <td>March 26, 2024 (3rd meeting in 2024)</td><td>Proposal for a revision of the Company's "Procedure for the Acquisition and Disposal of Assets"</td></tr> <tr> <td>March 26, 2024 (3rd meeting in 2024)</td><td>Proposal for a revision of the Company's "Procedure for the Loaning of Funds to Others"</td></tr> <tr> <td>March 26, 2024 (3rd meeting in 2024)</td><td>Proposal for a revision of "Procedure for the Making of Endorsements/Guarantees"</td></tr> <tr> <td>July 30, 2024 (7th meeting in 2024)</td><td>Proposal for the investment of common share's private placement in Zero One Technology Co., Ltd.</td></tr> <tr> <td>September 14, 2024 (9th meeting in 2024)</td><td>Proposal for WPG to issue the second and third domestic unsecured convertible corporate bonds</td></tr> <tr> <td>November 12, 2024 (11th meeting in 2024)</td><td>Proposal to redeem all Preferred Shares A of the Company at their original actual issue price and to terminate their listing</td></tr> <tr> <td>December 24, 2024 (12th meeting in 2024)</td><td>Proposal to develop "Sustainable Information Management" and "Regulations for Sustainable Information Preparation Management" for WPG's internal control system</td></tr> </tbody> </table>	Audit Committee Meeting Date	Content of Proposal	February 29, 2024 (2nd meeting in 2024)	The Company's 2023 financial reports (including parent company-only financial statements and consolidated financial statements) and business report	February 29, 2024 (2nd meeting in 2024)	Proposal of the appointment of WPG's Chief internal Auditor	March 26, 2024 (3rd meeting in 2024)	Internal control system self-inspection and internal control statement in 2023	March 26, 2024 (3rd meeting in 2024)	Proposal of the appointment of 2024 WPG's CPAs	March 26, 2024 (3rd meeting in 2024)	Proposal for a revision of the Company's "Procedure for the Acquisition and Disposal of Assets"	March 26, 2024 (3rd meeting in 2024)	Proposal for a revision of the Company's "Procedure for the Loaning of Funds to Others"	March 26, 2024 (3rd meeting in 2024)	Proposal for a revision of "Procedure for the Making of Endorsements/Guarantees"	July 30, 2024 (7th meeting in 2024)	Proposal for the investment of common share's private placement in Zero One Technology Co., Ltd.	September 14, 2024 (9th meeting in 2024)	Proposal for WPG to issue the second and third domestic unsecured convertible corporate bonds	November 12, 2024 (11th meeting in 2024)	Proposal to redeem all Preferred Shares A of the Company at their original actual issue price and to terminate their listing	December 24, 2024 (12th meeting in 2024)	Proposal to develop "Sustainable Information Management" and "Regulations for Sustainable Information Preparation Management" for WPG's internal control system
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	Audit Committee resolution: After the chairman consulted all the committee members present, it was passed without objection.																								
	The Company's actions in response to the opinions of the Audit Committee: All Directors present voted in favor of the resolution.																								
	(II) Except for the previous matters, other matters that have not been approved by the Audit Committee and approved by more than two-thirds of all directors: None.																								
II.	Where an independent director recuses himself or herself from a proposal in which he/she has a personal interest, the name of the independent director, the content of proposal, the reason for recusal and the results of the voting should be stated: None.																								
III.	Communications between Independent Directors, the Company's Chief Internal Auditor, and CPAs (shall include the material items, methods, and results of audits of corporate finance or operations, etc.): The Audit Committee is composed of all four Independent Directors and holds meetings at least once per quarter, where the heads of the audit office and accounting and financial office shall make a routine business report. In addition, CPAs shall also regularly communicate with the Audit Committee. For the relevant communication details, please refer to the Company's official website.																								

### 2.3.3 Composition, Duties, and Operation of Remuneration Committee

#### 1. Composition of Remuneration Committee

Position	Name/ Qualification	Professional Qualifications and Experience and Independence Criteria	Number of Other Taiwanese Public Companies Concurrently Serving as Remuneration Committee member
Independent Director	Jack J. T. Huang (Convener)		1
Independent Director	Charles Chen	All members are Independent Directors, please refer to page 11-12 for information disclosure of Directors' Professional Qualifications and Independence of Independent Directors.	0
Independent Director	Kathy Yang		3
Independent Director	Joseph Yu		2

#### 2. Duties and Operation of the Remuneration Committee

The Remuneration Committee is formed according to “Remuneration Committee Organizational Rules” and the primary authority of the committee comprises the following four items. The Remuneration Committee reports the operating status or recommendations to the Board of Directors for discussion.

- (1) Propose Director's Compensation and performance evaluation report regularly.
- (2) Propose CEO Compensation and performance evaluation report regularly.
- (3) Propose and review the Director's performance evaluation.
- (4) Propose and review CEO performance evaluation.

The Remuneration Committee is composed of four members, of whom Jack J.T. Huang acts as the convener and convenes meetings no less than twice a year. The term of the current office is from May 31, 2023 to May 30, 2026.

Eight meetings were convened in 2024; the status of attendance is as follows:

Title	Name	In Person	By Proxy	Attendance Rate (%)	Remarks
Independent Director (Convener)	Jack J. T. Huang	8	0	100%	
Independent Director (Member)	Charles Chen	8	0	100%	
Independent Director (Member)	Kathy Yang	8	0	100%	
Independent Director (Member)	Joseph Yu	8	0	100%	

Other matters:	
Remuneration Committee Meeting Date	Content of Proposal
January 29, 2024 (1st meeting in 2024)	Proposal of the Company's 2023 compensation distribution for Directors Proposed to set 2024 WPG Holdings CEO and appointed managers key performance indicators (KPI)
March 26, 2024 (2nd meeting in 2024)	Proposed to adjust 2024 WPG Holdings CEO and appointed managers key performance indicators (KPI) (Note 1) Proposal of the Company's 2023 manager and employee performance appraisal and remuneration distribution (Note 2)
<p>Note 1: The matters to be determined by the Remuneration Committee under the authorization of the Board of Directors pursuant to Operation Procedures of the Remuneration Committee shall be first resolved by the Remuneration Committee and then reported to the Board of Directors.</p> <p>Note 2: Matters to be determined by the Remuneration Committee under the authorization of the Board of Directors pursuant to Operation Procedures of the Remuneration Committee.</p> <p>Remuneration Committee resolution: After the chairman consulted all the committee members present, it was passed without objection.</p> <p>The Company's actions in response to the opinions of the Remuneration Committee: Submitted to the board of directors and approved by all Directors present without objection.</p>	
<p>I. In the event the Board of Directors does not adopt or wishes to amend the proposals of the Remuneration Committee, please state the date and number of the Board meeting, the content of the proposals, the resolution from the Board of Directors, and the method the opinion from the Remuneration Committee was handled (e.g. if the salaries and compensations approved by the Board were higher than the suggested levels from the Remuneration Committee, please state the differences and reasons): None.</p> <p>II. If a member has a dissenting or qualified opinion, that a member has a record or reservation that is recorded or stated in a written statement, the date and session of the Remuneration Committee, the content of the proposal, all members' opinions, and the handling of the opinions of the member of the Remuneration Committee shall be stated: None.</p>	

### 2.3.4 Composition and Operation of Nominating Committee

#### 1. Composition of Nominating Committee:

Position	Name/Qualification	Professional Qualifications and Experience	In Person	By Proxy	Attendance Rate (%)	Remarks
Independent Director (Convener)	Jack J. T. Huang	All members are Independent Directors and Directors, please refer to page 11-12 for information disclosure of Directors' Professional Qualifications and Independence of Independent Directors.				
Chairman (Member)	Simon Huang					
Independent Director (Member)	Kathy Yang					
Independent Director (Member)	Joseph Yu					
Director (Member)	Mike Chang					

#### 2. Duties and Operation of Nominating Committee:

This committee aims to assist the Board of Directors in establishing principles regarding the qualifications and expertise of board members and the CEO, as well as in the nomination and review of candidates and succession planning for both the Director and the CEO. The committee shall convene at least twice a year and will have the following responsibilities:

- (1) Assist the Board of Directors in establishing the principles for the composition and qualification criteria of the Company's board members. This includes defining the qualifications, expertise, and experience required for serving as a director, as well

as determining the allocation of seats, terms of office, and diversity policies for the board's composition.

- (2) Seek, select, and nominate qualified director candidates.
- (3) Review the qualifications of director candidates nominated by shareholders (including the independence of independent directors), and present the review findings to the Board of Directors.
- (4) Assist the Board of Directors in establishing the selection criteria for the Chief Executive Officer of the company, and aid in the search, selection, and nomination of qualified candidates for the position of Chief Executive Officer.
- (5) Assist the Board of Directors in formulating the succession plan for Directors and the CEO, and regularly review and supervise the implementation of the succession plan.

### 2.3.5 Corporate Governance Implementation Status and Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	Description	
I. Has the Company established and disclosed its Corporate Governance Best-Practice Principles based on the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies?	Yes		The Company formulated the Corporate Governance Best Practice Principles on July 27, 2010, which was recently amended on October 22, 2024, and disclosed on the Market Observation Post System and the Company's website.	No deviation
II. Shareholding structure & shareholders' rights				
(I) Has the Company established an internal operating procedure to deal with shareholders' suggestions, doubts, disputes, and litigations, and implement based on the procedure?	Yes	(I)	WPG designates a spokesperson, deputy spokesperson, and shareholder services agent to handle such matters.	No deviation
(II) Has the Company possessed the list of its major shareholders as well as the ultimate owners of those shares?	Yes	(II)	WPG's shareholder services division retains the register of major shareholders; such records are disclosed, by law, on the designated internet information posting system of Securities and Futures Institute.	No deviation
(III) Has the Company established and executed the risk management and firewall system within its conglomerate structure?	Yes	(III)	WPG's internal control systems already have relevant systems; a clear distinction has been drawn between the responsibilities and duties of involved persons and no abnormal transactions have been identified.	No deviation
(IV) Has the Company established internal rules against Insider Trading with undisclosed information?	Yes	(IV)	WPG has established the Procedures for Managements of Major Information and Prevention of Insider Dealing in place, prohibiting company insiders from trading securities with undisclosed information.	No deviation

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof	
			Description		
	Yes	No			
III. Composition and responsibilities of the Board of Directors					
(I) Have a diversity policy and specific management objectives been adopted for the board and have they been fully implemented?	Yes	(I)	<p>In accordance with the Company's Articles of Association, the Rules for Election of Directors, and Corporate Governance Best Practice Principles, a candidate nomination system is adopted to elect the Board of Directors in a fair, just, and open procedure.</p> <p>According to Paragraph 4, Article 20 of the Company's <a href="#">Corporate Governance Best-Practice Principles</a>, in order to achieve the ideal goal of corporate governance, the overall Board of Directors should show the following capabilities:</p> <ol style="list-style-type: none"> <li>1. Ability to make operational judgments.</li> <li>2. Ability to perform accounting and financial analysis.</li> <li>3. Ability to conduct management administration.</li> <li>4. Ability to conduct crisis management.</li> <li>5. Knowledge of the industry.</li> <li>6. An international market perspective.</li> <li>7. Ability to lead.</li> <li>8. Ability to make policy decisions.</li> </ol> <p>The seventh Board of Directors of the Company consists of 9 members (including 4 Independent Directors). In addition to the electronic components industry, the professional background of the Board covers investment management, strategic management, financial accounting, law, and global market perspective. Among the Board, 2 members are concurrent employees (including appointed manager) (22% of the Board), and 4 members are independent directors (44% of the Board). There are currently 8 male directors (89% of the Board), and 1 female director (achieved the target of at least 1; 11% of the Board). In terms of age, 7 members are over 70 years old (78% of the Board), while the remaining 2 members are under 70 years old (22% of the Board). There are 3 independent directors with a tenure of less than 3 years and 1 with a tenure of over 9 years. Considering their expertise in law and business mergers and acquisitions, and their proficiency in relevant legal practices and business management, they are able to provide forward-looking and impartial advice for the Company's operations and development. They also offer valuable oversight and recommendations to the functional committees under the Company's Board of Directors, contributing to the ongoing enhancement of a more comprehensive corporate governance framework. Therefore, they have been re-elected as the current independent directors. Directors' industry experience/professional distribution information is disclosed on the Company's website.</p>	No deviation	
(II) Has the company voluntarily established other functional committees in addition to the Remuneration Committee and the Audit Committee which are required by law?	Yes	(II)	The Company established the Nomination Committee on December 24, 2024.	No deviation	

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
(III) Has the Company formulated rules and procedures for board performance assessments and conducted regularly scheduled performance assessments each year? Does the Company submit the performance assessment results to the Board and use the results as a standard for the remuneration of directors and the nomination of their re-election?	Yes	(III)	<p>WPG formulated rules and procedures for board performance assessment in 2015 that specify at least one internal performance assessment shall be made each year. WPG conducts director self-assessments over their performance in the previous year via closed- and open-ended questionnaires in January or so each year and such assessment results shall be reported to the Board of Directors. Since October 2019, at least one evaluation every three years shall be conducted additionally by an external professional independent institution or an external team of experts and scholars.</p>	No deviation
(IV) Has the Company evaluated the independence and competency of CPAs on a regular basis by referring to the Audit Quality Index (AQIs)?	Yes	(IV)	<p>The Company regularly assesses the independence and competency of CPAs and establishes the Certified Public Accountant Review and Evaluation Form based on the Certified Public Accountant Selection Review Method adopted by the Audit Committee. The following major items are used as review requirements:</p> <ul style="list-style-type: none"> <li>(1) CPAs and their spouses, and minor children are not the Directors, Supervisors, or management team of the Company and its subsidiaries or have a significant influence on duties and conflicts of interest.</li> <li>(2) The CPAs have not undertaken audit services for 7 years.</li> <li>(3) In the past two years, the firm and the CPA have had no major lawsuits or cases corrected by competent authorities.</li> <li>(4) The CPAs report the content of the review/inspection to the Audit Committee quarterly.</li> <li>(5) Obtain the independent declaration issued by the CPAs regularly.</li> <li>(6) Scale and reputation of the accounting firm.</li> <li>(7) Service quality and timeliness of audit and tax services.</li> </ul> <p>The Company evaluates the independence and competency of CPAs by submitting the CPAs' resumes, statements, audit quality indicators (AQIs) as well as the Certified Public Accountant Review and Evaluation Form, then gained the approval of the Company's resolutions from the Audit Committee as well as Board meeting on March 25, 2025. According to the Company's assessment, CPA Lin Yifan and CPA Chien Hung Chou from PricewaterhouseCoopers Taiwan, meet the Company's evaluation criteria for independence and competency of CPAs, and have not undertaken the Company's audit services for 7 consecutive years, and are qualified to serve as the Company's CPAs.</p>	No deviation

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof																							
	Yes	No	Description																								
IV. Has the Company had in place an adequate number of qualified corporate governance officers and has it appointed a chief corporate governance officer responsible for corporate governance practices (including but not limited to providing information necessary for directors and supervisors to perform their duties, aiding directors and supervisors in complying with laws and regulations, organizing board meetings and annual general meetings of shareholders as required by law, and compiling minutes of board meetings and annual general meetings)?	Yes	<p>The Company has approved to designation of Lucia Tai, the Chief Legal Officer, to serve as the Company's head of corporate governance based on the Board Resolution on April 30, 2019, with the goal of protecting the rights and interests of shareholders, and strengthening the functions of the Board. Ms. Tai has more than 3 years of experience in the legal affairs of public companies. The head of corporate governance is mainly responsible for handling matters related to the Board meetings and Shareholders' Meetings in accordance with the law, recording minutes of Board meetings and Shareholders' Meetings, assisting the Directors and the Supervisors in their positions, and pursuing relevant training courses, furnishing Directors and Supervisors with the information required for business decisions, and assisting them to comply with law and regulations. The scope of operation in 2024 is as follows (including but not limited to):</p> <ul style="list-style-type: none"> <li>✓ Operated the Board meetings and various committee meetings in accordance with the law</li> <li>✓ Planned and executed door-to-door training courses for Directors</li> <li>✓ Obtained and maintained liability insurance for Directors</li> <li>✓ Conducted performance evaluation of the Board of Directors in accordance with the Company's Rules and Procedures for Board Performance Assessments</li> </ul> <p>Training courses conducted in 2024:</p> <table border="1"> <thead> <tr> <th>Training Date</th> <th>Organizer</th> <th>Course Title</th> <th>Hours of Courses</th> </tr> </thead> <tbody> <tr> <td>2024/05/09</td> <td>Taiwan Institute of Directors</td> <td>Establishing Sustainability Performance Indicators and Related Remuneration</td> <td>3 hours</td> </tr> <tr> <td>2024/05/10</td> <td>Taiwan Corporate Governance Association</td> <td>Nomination and Compensation Committees in U.S. Corporate Governance: Case-Based Analysis</td> <td>3 hours</td> </tr> <tr> <td>2024/06/26</td> <td>Taiwan Corporate Governance Association</td> <td>Board Performance Evaluation Practice Sharing Seminar (2024)</td> <td>3 hours</td> </tr> <tr> <td>2024/08/13</td> <td>Taiwan Institute of Directors</td> <td>Carbon Connections – A Discussion on Carbon Fees, Taxes, Credits, and Trading</td> <td>3 hours</td> </tr> <tr> <td>2024/10/16</td> <td>Taiwan Corporate Governance Association</td> <td>Corporate Governance Summit XX (2024) - Focusing on Governance Priorities and Leveraging Talent Strengths</td> <td>3 hours</td> </tr> </tbody> </table>	Training Date	Organizer	Course Title	Hours of Courses	2024/05/09	Taiwan Institute of Directors	Establishing Sustainability Performance Indicators and Related Remuneration	3 hours	2024/05/10	Taiwan Corporate Governance Association	Nomination and Compensation Committees in U.S. Corporate Governance: Case-Based Analysis	3 hours	2024/06/26	Taiwan Corporate Governance Association	Board Performance Evaluation Practice Sharing Seminar (2024)	3 hours	2024/08/13	Taiwan Institute of Directors	Carbon Connections – A Discussion on Carbon Fees, Taxes, Credits, and Trading	3 hours	2024/10/16	Taiwan Corporate Governance Association	Corporate Governance Summit XX (2024) - Focusing on Governance Priorities and Leveraging Talent Strengths	3 hours	No deviation
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Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	Description	
V. Has the Company established a communication channel with stakeholders (including but not limited to shareholders, employees, customers, and suppliers)? Has a stakeholders' area been established on the company's website? Are major Corporate Social Responsibility (CSR) topics that the stakeholders are concerned with addressed appropriately by the Company?	Yes		Aiming for enhanced corporate governance, WPG has announced on its website the establishment of a reporting platform managed by a third party appointed as a direct and smooth channel of communication with "Stakeholders" of the Company such as employees, shareholders, corresponding banks, consumers, and suppliers in accordance with Measures for Receiving Advice and Handling Complaints from Stakeholders, with the Audit Committee acted as the supervisory unit for accepting suggestions from stakeholders and handling complaints. The website is: <a href="https://www.wpgholdings.com/csr_area/info/zhtw/2485">https://www.wpgholdings.com/csr_area/info/zhtw/2485</a>	No deviation
VI. Has the Company appointed a professional shareholder service agency to deal with shareholder affairs?	Yes		The Company has appointed the Share Affair Agency Department of Capital Securities Corporation to handle the affairs of the Shareholders' Meetings.	No deviation
VII. Information disclosure (I) Has the Company established a website to disclose information on financial operations and corporate governance?	Yes	(I)	WPG has a public website ( <a href="http://www.wpgholdings.com">www.wpgholdings.com</a> ), in place, regularly disclosing and updating the information regarding Company's finance, operation, and corporate governance for investors' reference.	No deviation
(II) Has the Company adopted other means of information disclosure (such as establishing an English language website, delegating a professional to collect and disclose Company information, implementing a spokesperson system, and discloses the process of investor conferences on the company website)?	Yes	(II)	WPG has a public website that contains an English webpage and the information thereof is gathered and disclosed by responsible persons. In addition, briefings of investor conferences are also available on the website for investors' reference.	No deviation
(III) Has the Company published and reported its annual financial report within two months after the end of the fiscal year, and published and reported its financial reports for the first, second, and third quarters as well as its operating statements for each month before the specified deadlines?	Yes	(III)	The Company publishes and reports its annual financial report within two months after the end of a fiscal year, and publishes and reports its financial reports for the first, second and third quarters as well as its operating status for each month.	Published and reported before the specified deadline.

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
VIII. Is there any other important information to facilitate a better understanding of the Company's corporate governance practices (including but not limited to employee rights, employee wellness, investor relations, supplier relations, stakeholder rights, Directors' and Supervisors' training records, implementation of risk management policies and risk evaluation measures, implementation of customer policies, and participation in liability insurance by Directors and Supervisors)?	Yes		<p>(I) For employee rights and employee wellness, please refer to the "Labor Relation" section of the annual report (See pages 110 to 118 for details).</p> <p>(II) WPG is a holding company, engaging in neither manufacturing nor selling, hence causing no pollution to the environment; transactions with suppliers are primarily daily general business operations.</p> <p>(III) The Company's Directors have faithfully conducted corporate affairs and perform the duty of care of a good administrator in exercising their powers.</p> <p>(IV) The Company purchases D&amp;O liability insurance for its Directors and management team.</p> <p>(V) The Company has already formulated the Policy and Procedure for Risk Management for WPG Group on April 24, 2012 that specifies risk management policy and risk metrics, and amended it on January 26, 2016; please refer to the "Risk Management" section of this Report (See pages 129 to 133 for details).</p> <p>(VI) Continuous education of Directors is governed by the Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies; please refer to page 37 for details.</p>	No deviation No deviation No deviation No deviation No deviation No deviation
IX. Please explain the improvements made in accordance with the Corporate Governance Evaluation results released by the Taiwan Stock Exchange's Corporate Governance Center, and provide the priorities and plans for improvement with items yet to be improved. (Not required if the company is not an assessed company)	Yes		<p>In 2023, the Company ranked in the top 5% out of all listed companies in the evaluation results.</p> <p>Items for improvements:</p> <ul style="list-style-type: none"> <li>On December 24, 2024, the Board of Directors approved the establishment of the Nomination Committee.</li> </ul>	No deviation

Note 1: Describe briefly in the implementation status column no matter the result of the operation is "yes" or "no".

## Summary of Directors' Training:

Title	Name	On-board Date	Training Date		Organizer	Course Title	Hours of Courses
			From	To			
Chairman	Simon Huang	2023/05/31	2024/05/09	2024/05/09	Taiwan Institute of Directors	Establishing Sustainability Performance Indicators and Related Remuneration	3 hours
			2024/06/19	2024/06/19	Taiwan Institute of Directors	Exploring the International Competitiveness of Taiwanese Companies Under Global Co-competition Trends	3 hours
			2024/08/13	2024/08/13	Taiwan Institute of Directors	Carbon Connections – A Discussion on Carbon Fees, Taxes, Credits, and Trading	3 hours
			2024/09/30	2024/09/30	Taiwan Stock Exchange	Summit on Strengthening Taiwan's Capital Market	3 hours
Vice Chairman	Frank Yeh	2023/05/31	2024/05/09	2024/05/09	Taiwan Institute of Directors	Establishing Sustainability Performance Indicators and Related Remuneration	3 hours
			2024/08/13	2024/08/13	Taiwan Institute of Directors	Carbon Connections – A Discussion on Carbon Fees, Taxes, Credits, and Trading	3 hours
Director	K. D. Tseng	2023/05/31	2024/05/09	2024/05/09	Taiwan Institute of Directors	Establishing Sustainability Performance Indicators and Related Remuneration	3 hours
			2024/08/13	2024/08/13	Taiwan Institute of Directors	Carbon Connections – A Discussion on Carbon Fees, Taxes, Credits, and Trading	3 hours
Director	Mike Chang	2023/05/31	2024/05/09	2024/05/09	Taiwan Institute of Directors	Establishing Sustainability Performance Indicators and Related Remuneration	3 hours
			2024/08/13	2024/08/13	Taiwan Institute of Directors	Carbon Connections – A Discussion on Carbon Fees, Taxes, Credits, and Trading	3 hours
Director	T. L. Lin	2023/05/31	2024/04/26	2024/04/26	Corporate Operating and Sustainable Association	Challenges and Strategic Thinking of Taiwanese Enterprises in an Era of Turbulence	3 hours
			2024/05/09	2024/05/09	Taiwan Institute of Directors	Establishing Sustainability Performance Indicators and Related Remuneration	3 hours
			2024/08/13	2024/08/13	Taiwan Institute of Directors	Carbon Connections – A Discussion on Carbon Fees, Taxes, Credits, and Trading	3 hours
Independent Director	Jack J. T. Huang	2023/05/31	2024/04/30	2024/04/30	Taiwan Corporate Governance Association	Corporate Strategy Development Direction	3 hours
			2024/05/09	2024/05/09	Taiwan Institute of Directors	Establishing Sustainability Performance Indicators and Related Remuneration	3 hours
			2024/08/13	2024/08/13	Taiwan Institute of Directors	Carbon Connections – A Discussion on Carbon Fees, Taxes, Credits, and Trading	3 hours
Independent Director	Charles Chen	2023/05/31	2024/05/09	2024/05/09	Taiwan Institute of Directors	Establishing Sustainability Performance Indicators and Related Remuneration	3 hours
			2024/08/13	2024/08/13	Taiwan Institute of Directors	Carbon Connections – A Discussion on Carbon Fees, Taxes, Credits, and Trading	3 hours
Independent Director	Kathy Yang	2023/05/31	2024/05/09	2024/05/09	Taiwan Institute of Directors	Establishing Sustainability Performance Indicators and Related Remuneration	3 hours
			2024/08/13	2024/08/13	Taiwan Institute of Directors	Carbon Connections – A Discussion on Carbon Fees, Taxes, Credits, and Trading	3 hours
Independent Director	Joseph Yu	2023/05/31	2024/05/09	2024/05/09	Taiwan Institute of Directors	Establishing Sustainability Performance Indicators and Related Remuneration	3 hours
			2024/08/01	2024/08/01	Taiwan Corporate Governance Association	Corporate Governance and Securities Regulations	3 hours
			2024/08/13	2024/08/13	Taiwan Institute of Directors	Carbon Connections – A Discussion on Carbon Fees, Taxes, Credits, and Trading	3 hours

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

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
I. Has the Company established a governance framework for promoting sustainable development, and established an exclusively(or concurrently) dedicated unit to be in charge of promoting sustainable development? Has the Board of Directors authorized senior management to handle related matters under the supervision of the Board?	Yes		<p>I. The Company has established the WPG ESG and Sustainability Committee (hereinafter referred to as the Sustainability Committee), which is the supreme guiding organization for the corporate sustainable governance, with the Holding Chief Sustainability Officer as the convener of the Committee. All members are composed of directors, including the Chairman of the Holding company, the Chief Executive Officer of the Holding company and an independent director, to effectively drive the Group's overall sustainability goal setting and implementation of specific action plans, and to integrate the ESG concept into the business strategy to demonstrate the determination of sustainable business, as well as report to the Board of Directors on a regular basis (at least once a year), and present the ESG implementation plan and promotion results to the Board of Directors.</p> <p>The Corporate Sustainability Committee is divided into 5 function groups, including "Corporate Governance Group", "Environmental Sustainability Group", "Sustainable Talent Group", "Social Participation Group" and "Supply Chain Group". Top-level managers of relevant functional units are in charge of promoting various projects or measures for major issues and integrating into day-to-day business operations. In addition, WPG has set up a dedicated unit, the</p>	No deviation.

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	Description	
			<p>Sustainability Office, directly under the management of Chief Sustainability Officer, to be responsible for WPG's planning and promotion of the sustainable development affairs, tracking the implementation results, establishing continuous improvement plans, and reporting to the Sustainability Committee on a quarterly basis. The Board of Directors conducts regular review of ESG-related reports, proposed by Chief Sustainability Officer and members of the ESG Office, of which contains annual ESG plans and goals. The Board of Directors evaluates the plans, monitors the progress and provides revised feedback.</p> <p>Chief Sustainability Officer and members of the ESG Office reported to the Board of Directors on behalf of WPG Corporate Sustainability Committee 4 times in 2024. The meeting agenda included the following:</p> <ul style="list-style-type: none"> <li>(1) Key takeaways from our ESG Progress Report;</li> <li>(2) Sustainability Report ( including materiality subjects assessment results ) ;</li> <li>(3) WPG's Group GHG inventory plan and progress report;</li> <li>(4) Sustainable development and policies at home and abroad;</li> <li>(5) Setting annual work targets;</li> <li>(6) Reformed sustainability-related policies are proposed by dedicated units.</li> </ul>	

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	Description	
II. Does the Company conduct risk assessments of environmental, social and corporate governance (ESG) issues related to the Company's operations in accordance with the materiality principle, and formulate relevant risk management policies or strategies?	Yes		<p>II. The Company regularly conducts material issue identification and risk analysis in accordance with the principle of materiality. The analysis scope covers the subsidiaries with a shareholding ratio of 50% or above or that is determined to have control ability compliant with international accounting criteria, and stipulates relevant risk management policies and strategies. Based on the assessed risks, the relevant risk management policies and strategies are stipulated as follows:</p> <p>(I) Environment</p> <p>1. Low Carbon Operation</p> <p>Uphold the concepts of environmental protection, energy-saving, and carbon reduction to realize resource maintenance; Build environmental control system and BIM management platform to monitor the usage status to further implement energy conservation and environmental protection.</p> <p>Actively promote the construction of smart systems and</p> <ul style="list-style-type: none"> <li>• energy-saving facilities to optimize resource use and achieve the goal of energy conservation and carbon reduction.</li> </ul> <p>Introduce the environmental management system (ISO 14001) into the warehousing to establish a comprehensive</p> <ul style="list-style-type: none"> <li>• organizational structure, policies, and related management actions to reduce the impact on the environment during operation</li> </ul>	No deviation.

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	Description	
			<p>(II) Society</p> <p>1. Workplace Health and Safety</p> <p>Implement workplace safety and health practices in</p> <ul style="list-style-type: none"> <li>• accordance with the occupational safety and health management measures set by the Ministry of Labor</li> </ul> <p>Arrange courses regarding promoting public security</p> <ul style="list-style-type: none"> <li>• periodically to strengthen the employees' concept and knowledge of safety management</li> </ul> <p>Provide employees with health check every two years; establish health consultation room; equip professional</p> <ul style="list-style-type: none"> <li>• medical care, and offer daily health consultation and care to the employees</li> </ul> <p>2. Talent Development</p> <p>Plan and develop training programs for the employees in</p> <ul style="list-style-type: none"> <li>• various ranges and positions, as an important blueprint for talent development</li> </ul> <p>Plan a variety of courses on education and training, introduce external resources to broaden employees' learning</p> <ul style="list-style-type: none"> <li>• horizons, and help employees quickly grasp updated digital knowledge and global trends.</li> </ul>	

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	Description	
			<p>3. Remuneration Benefits and Employee Care</p> <p>Provide competitive remuneration level through fair</p> <ul style="list-style-type: none"> <li>• appointment, performance management, talent development, and remuneration level survey and analysis</li> </ul> <p>Create a friendly environment in the workplace; abide by various labor laws and regulations; provide full-time</p> <ul style="list-style-type: none"> <li>• employees with complete labor protection, and organize appropriate physical and mental care plans within the scope of available resources</li> </ul> <p>(III) Corporate Governance</p> <p>1. Ethical Corporate Management and Compliance with Laws</p> <p>Establish "Ethical Corporate Management Best Practice Principles", "Code of Ethical Conduct" and "Management</p> <ul style="list-style-type: none"> <li>• Procedures for Prevention of Insider Trading" to protect the rights and interests of investors and companies</li> <li>• Conduct education and publicity on ethical behavior regularly</li> <li>• Review regulation compliance regularly to establish internal management policies</li> </ul> <p>2. Information Security, Trade Secrets and Privacy</p> <p>Establish "WPG Holdings Information Security Management Principles", " Personal Data Protection Management Guidelines" and the rules and regulations of</p> <ul style="list-style-type: none"> <li>• intellectual property rights (including trade secrets); and has passed the ISO 27001 information security certification to ensure the information security of the company and the customers</li> </ul>	

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	Description	
			<p>3. Product Trade Compliance</p> <p>Control product sales through an assigned trade compliance</p> <ul style="list-style-type: none"> <li>unit to comply with relevant regulations regarding national, regional, and government export control</li> </ul> <p>Routinely hold trade compliance training every year to</p> <ul style="list-style-type: none"> <li>enhance the employees' familiarity and professionalism with trade compliance, and update the latest regulatory changes in various countries/regions promptly</li> </ul>	
III. Environmental Topic (I) Has the Company set an environmental management system designed to industry characteristics?	Yes		(I) The Company has established environmental/energy management system pursuant to relevant laws and regulations. Linkou warehouse, Hong Kong warehouse, Singapore warehouse, and Dongguan warehouse have all introduced ISO 14001 environmental management systems to effectively execute carbon reduction, energy-saving, water-saving, and industrial waste management, thus reducing the impact on the environment during the operation process. In addition, WPG conducts annual greenhouse gas inventory in accordance with the Greenhouse Gas Inventory Standard ISO 14064-1:2018, which is verified by a third party, the British Standards Institution (BSI) Taiwan Branch, and publicly discloses the relevant information in the Sustainability Report and WPG company website.	No deviation.

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	Description	
(II) Does the Company endeavor to utilize all resources more efficiently and use renewable materials which have a low impact on the environment?	Yes		(II) The Company is committed to promoting and improving the sustainable environment so as to reduce the impact on the environment in the process of operation;. For energy use management, the Company mainly conducts real-time energy consumption control with the construction of intelligent devices, and enhances the added value of various data through the system data digitization for effective analysis. In addition, the Company promotes environmental topics with the aim of improving resource reuse efficiency and achieving the goal of reducing energy consumption and waste, following the principle of prioritizing local and green procurement. Details are disclosed in WPG's Annual Sustainability Report.	No deviation.
			(III) With reference to the Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) issued by the Financial Stability Board (FSB) of the United Nations, the Company conducts current analysis of climate change related financial disclosure, identification of climate change risks and opportunities and scenario analysis, and develops management policies and response strategies. Details are disclosed in WPG's Annual Sustainability Report.  In addition, on climate issues, the Company's Board of Directors serves as the highest supervision unit to coordinate the overall climate strategy direction and oversee the implementation of climate-related risk management by relevant units; Regularly (at least once a year), the convener of the Sustainability Committee will report to the Board on the progress of the corporate sustainability promotion, including the implementation results and future planning of climate-related issues.	Continue to develop and follow up.

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	Description	
(IV) Did the Company collect data for the past two years on greenhouse gas emissions, volume of water consumption, and the total weight of waste, and establish policies for greenhouse gas reduction, reduction of water consumption, or management of other wastes?	Yes		<p>(IV) In the past two years, the Company has collected statistics on greenhouse gas emissions, water consumption, and total waste weight, and reviewed relevant data to plan various reduction action plans. Details are disclosed in WPG's Annual Sustainability Report.</p> <p>(I) In the past two years, the Company has conducted inventory in accordance with the Greenhouse Gas Inventory Standard ISO 14064-1, which is verified by the third party British Standards Institution (BSI) Taiwan Branch. In addition, to reduce indirect energy emissions the Company set the targets of RE40 by 2025 and RE100 by 2030.</p> <p>(II) The water is mainly for people's livelihood. Offices in each region control the use of water and energy through real-time monitoring or regular data statistics, and make corresponding improvements to control measures.</p> <p>(III) The Company manages waste in two categories: office area and logistics warehouse. Since no hazardous waste is generated in the industry type of the Company, the waste generated in the operation process is not within the scope of the "Domestic Hazardous Business Waste Identification Standard". The Company actively promotes the classification of resource recycling and various reduction measures.</p>	No deviation.

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	Description	
IV. Social Topic				
(I) Does the Company formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?	Yes		<p>(I) The Group is committed to creating a friendly and dignified workplace environment and has formulated a "WPG Human Rights Policy" in accordance with "The United Nations Universal Declaration of Human Rights", the "United Nations Global Compact", the "United Nations Guiding Principles on Business and Human Rights", the "International Labor Organization Core Conventions", and the "OECD Guidelines for Multinational Enterprises". Based on these principles, we abide by the local laws and regulations of our global operations. The internal regulations also include issues related to human rights protection, training, and promotion, such as Work Rules announcement, 100% employee acknowledgment of Code of Conduct, workplace sexual harassment prevention, etc., integrating the concept of human rights into the employees' daily work.</p>	No deviation.
(II) Has the Company established and implemented reasonable employee welfare measures (include salary/compensation, leave, and other benefits), and are business performance or results appropriately reflected in employee salary/compensation?	Yes		<p>(II) The company creates a sustainable and friendly workplace, and provides full labor protection to full-time employees in compliance with the labor laws regulations, and provides appropriate physical and mental care programs within the range of available resources, such as employee birthday leave, employee health check-ups, various kinds of leisure activities, front-end personnel car loans and vehicle maintenance, fuel, depreciation, and other allowances, as well as various wedding and funeral subsidies.</p>	No deviation.

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	Description	
			<p>The company's compensation system includes "guaranteed compensation" and "variable compensation". Of which, the variable compensation is adjusted in accordance with performance evaluation to encourage working performance. The variable compensation also reflects the company's annual earnings performance to encourage employees.</p> <p>Pursuant to Article 31 of the Company's Articles of Incorporation, where the financial results for the fiscal year show a profit, the Company may, by a resolution adopted by the meeting of the Board of Directors, allocate more than 0.01% and less than 5% as employees' remuneration and no more than 3% for the Directors, and report to the shareholders meeting. Nevertheless, when the Company remains accumulated losses, it should reserve the amount in advance to compensate for it.</p>	
(III) Does the Company provide a safe and healthy working environment for its employees and organize training on safety and health on a regular basis?	Yes		<p>(III) The Company conducts office environment and equipment maintenance, as well as public security publicity and fire drills periodically. To promote employees' health, many measures are taken including giving employees' health checks every two years, establishing medical and nursing health consultation rooms in the office area, equipping professional medical nurses to offer health consulting services, tracking employees' health status through health questionnaires, and periodically arranging health seminars, on-site screenings for four types of cancer, physical fitness testing and blood donation activities.</p> <p>There were no occupational disasters in the whole group during the year 2024. The Company and each group have labour safety and health personnel in place. In 2024, four workplace safety education and training sessions were held.</p>	No deviation.

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	Description	
(IV) Does the Company provide its employees with career development and training sessions?	Yes		(IV) The Company and each group organize education and training courses (e.g. orientation training/senior manager training courses) for employees of different positions/levels and formulate competency required for each level according to company strategy to align human resource development with business objectives and thereby realizing win-win outcome.	No deviation.
(V) Does the Company comply with the relevant laws and international standards with regards to customer health and safety, customer privacy, and marketing and labeling of products and services, and implement consumer protection and grievance policies?	Yes		(V) The Company's sales business and supply chain services and supply chain service are in compliance with internal and external regulations; a trade compliance unit for export control is established to ensure the circulation of goods obeys domestic and overseas laws and decrees, and the transactions with counterparties are legal and legitimate.	No deviation.
(VI) Has the Company formulated supplier management policies requiring suppliers to comply with relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights, and what is the status of their implementation?	Yes		(VI) In order to encourage suppliers to recognize and follow the "WPG Supplier Code of Conduct," and to perform self-assessment through this Code of Conduct, the Company has distributed the "Announcement of WPG Supplier Code of Conduct" and "WPG Supplier Code of Conduct Self-Assessment" to all our general affairs suppliers in Taiwan, wishing to raise supplier's awareness of the following five aspects – labor, health and safety, environment, business ethics, and management system, thus making improvement and optimization.	No deviation.

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
V. Has the Company prepared and published reports such as its Corporate Social Responsibility report based on internationally recognized guidelines, to disclose its non-financial information? Has the Company received assurance or certification of the aforesaid reports from a third-party accreditation institution?	Yes		V. The Company's 2024 Sustainability Report published in 2025 was prepared in line with the Global Reporting Initiative Standards (GRI Standards) issued by the Global Reporting Initiative (GRI), with reference to international standards such as the Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Corporate Social Responsibility Reports by TWSE Listed Companies, Industry disclosure standards issued by the Sustainability Accounting Standard Board (SASB) and the Task Force on Climate-Related Financial Disclosures (TCFD) Framework, and entrusted Deloitte in Taiwan, in fulfillment of Limited Assurance for specific key indicators based on TWSAE 3000-- Confirmation Cases of Non-historical Financial Information Verification or Review issued by the Accounting Research and Development Foundation of the Republic of China, regarding ISAE 3000 Revised International Assurance Standard to confirm the Sustainability Report is in line with GRI Universal Standards 2021. The CPA's Independent Assurance Statement is disclosed in the Company's Annual Sustainability Report.	No deviation.
VI. If the Company has established corporate social responsibility principles based on Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, describe the implementation and any deviations from the Principles: According to Corporate Social Responsibility Best Practice Principles for TWSE/GTSM-Listed Companies (now called Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies), the Company has formulated corporate social responsibility best practice principles, and the Company and its subsidiary groups are actively moving in the direction set by the principles. There have been no differences in implementation to date.				
VII. Other important information to facilitate better understanding of promotion of sustainable development: Regarding the Company's sustainability operations and performance, please refer to the content in Company's website 'Sustainability' section and Annual Sustainability Report; Sustainability section: <a href="https://www.wpgholdings.com/esg_area/info/zhtw/news">https://www.wpgholdings.com/esg_area/info/zhtw/news</a> Download Sustainability Report: <a href="https://www.wpgholdings.com/esg_area/year_report/zhtw">https://www.wpgholdings.com/esg_area/year_report/zhtw</a>				

## **The Company's Corporate Social Responsibility Practices:**

WPG Sustainability Report is prepared pursuant to the Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Corporate Social Responsibility Reports by TWSE Listed Companies, with reference to the GRI Universal Standards and Topic Standards issued by the Global Reporting Initiative (GRI), the SASB Industry Disclosure Standards, and other relevant frameworks. The report structure is constructed based on the Company's business development and core competencies to facilitate comprehensive information disclosure to various stakeholders. Through the process of preparing the annual report, the Company conducts internal reviews, and improvements, and uses the findings as a basis for planning in the coming year. Four major subjects "Sustainability Governance Structure, Diverse Talent Development, Promotion of Interaction with Industry, and Sustainable Social Engagement" are summarized below.

### **1. Sustainability Governance Structure**

WPG Holdings strongly believes that "integrity" is one of the cornerstones of corporate success. We insist on integrating integrity into every aspect of our corporate culture and business activities, and believe that only the cooperative relationship established based on integrity can truly achieve "Grow Together, Strive Together and Win Together." In terms of governance performance, in order to strive to signify the close connection between shared values and management philosophy, WPG Holdings has established a robust corporate governance structure to ensure that all decisions and operations meet the highest standards, in order to enable us to manage risks effectively and also ensure the enterprise's sustainable development.

#### **I. Complete Corporate Governance Structure**

Please see details for Corporate Governance Implementation Status on pages 20 to 22.

WPG Holdings attaches great importance to corporate governance, and the highest responsible person for corporate governance is the Chairman of the Company. In addition to the establishment of Independent Directors, committees are also set up to be in charge of major operational issues of the Company. The responsibilities of the Chairman and the President are clearly defined, and the CEO is assumed by a professional manager, who implements the decision of the Board of Directors and takes responsibility for the business performance of the Company within the scope of authorization. In addition, the Board of Directors also supervises the management team and keeps abreast of changes in domestic and international laws and regulations.

#### **II. Sustainability Organization Structure**

Please see details for the Sustainability Organization Structure and Implementation Status on pages 38 to 49.

## 2. Diverse Talent Development Blueprint

WPG Holdings is committed to strengthening the accumulation of human capital internally, continuing to promote the development of human capital with the spirit of industrial cocreation, valuing the inheritance of corporate culture and knowledge management, empowering the employees, and connecting the talents, and encouraging mutual learning and sharing culture to pursue the optimization of the enterprise.

### I. Professional Skills Development

Thanks to the unique characteristics in business policies and organizational cultures, WPG Holdings and its subsidiary groups are provided with different manpower training and development resources, presenting a variety of learning features. The overall training structure is built on the basis of general and professional training programs that are designed to cultivate employees' competitiveness and uplift organizational performance. Management training programs for employees of all levels are carried out step by step in an attempt to construct leadership teams that are expected to lead our organization to face various challenges and achieve sustainable development and growth.

Course Type	Main Participants	Main Course Content	Course Objective
General Courses	New Recruits	Including a presentation of the Company, an introduction to its core values, and relevant introductory courses for basic skills. General training courses cover courses on information management, training of the use of corporate platform systems (e.g. ERP/WMS/WEBFLOW), and education on trade compliance.	To help new recruits understand the Company and integrate into the team to give play to their professional expertise; to help them get familiar with information tools to enhance work outputs and effectiveness.
Professional Courses	Product Staff, Sales Staff, etc.	Planning and configuring appropriate professional courses according to the needs of different positions/functions and conducting irregular education and training on the product technologies and business models used by the upstream and downstream supply chains.	To establish a professionally competitive front-end service team; in other functions, plan and implement corresponding training courses with the development of professional trends and the formulation of relevant laws and regulations, continuously improving employees' professional capabilities.
Managerial Skill Courses	High, Middle and Junior Supervisors	Planning and arrangement of courses for high, middle and basic-level management, trends and thinking.	To continuously develop the ability of senior, middle and junior supervisors based on organizational development, business competition, manpower layout, and other needs.

### Training courses launched in 2024:

Courses	Number of Courses	Person-time
General Courses	72	33,001
Managerial Skill Courses	24	13,811
Professional Courses	94	29,942
Subtotal	190	76,754
Number of Trainees	4,268	
Per Capita	17.98	

\* The above data are all from internal training materials.

### II. Organizational Core Competencies Development

WPG Holdings promotes the core values of "Teamwork, Integrity, Professionalism, and Effectiveness" to agglomerate a team consensus and serve as a criterion for all WPG's members to follow. It also connects professionals from all aspects both internally and externally through virtual team projects to discuss major issues and implementations. We facilitate team growth through communication and trials, combining each other's practical experience with the theoretical framework, which enables mutual inspection and introspection, thereby achieving double-loop learning.

### III. The Succession Plan of Management

To meet the needs of the Company's sustainable operation, the succession plan of an important management team is discussed by the talent evaluation committee from the perspective of business strategy and career development every year. In addition to increasing the depth and breadth of experience through cross-field and regional rotation, the successors' fulfillment of the Company's core values (Teamwork, Integrity, Professionalism and Effectiveness) is valued as well. The "Elite Class" of WPG Holdings is also held, aiming at planning for senior managers to prepare for the transition and change their mentality and thinking in the face of the VUCA environment. Meanwhile, we cultivate a succession echelon, conduct training and development planning for key talents, handle management studies, strengthen competence advantages, and prepare for the perfect backup. In particular, in order to achieve corporate sustainability and train the next generation of leadership, the third Elite Development Plan from 2023 is planned to last for three years, with the first year mainly taking the form of curriculum and action learning. Different from the past learning methods, by solving the major strategic issues facing the company, action learning breaks down groups across the group, and under the observation and guidance of the action learning coach, the company is aware of the leadership of self-reflection and team, expecting to break through the

past thinking and bring innovative ideas, which not only promotes the improvement of personal leadership, but also helps the growth of the organization.

#### IV. Performance Appraisal and Remuneration Policy

WPG's performance appraisal is a cycling mechanism that connects organizational goals, personal goals, and personnel development. All performance records will be used as the basis for subsequent human capital development programs, thereby improving overall organizational effectiveness. Employees' professionalism and work performance are used as the benchmark for performance evaluations and promotions.

WPG Holdings strives to formulate a human capital development policy and remuneration policy under the premise of a win-win for the Company, employees, investors, and other stakeholders. These two policies are two important cornerstones for establishing a sustainable workplace which are listed in the company's Sustainable Goal (ESG). WPG's talent policy emphasizes both talent attraction and retention, as well as performance and growth. Therefore, in addition to emphasizing clear rewards and punishments, fairness, and openness, our remuneration policy follows three main principles: "salary calculation based on position", "salary adjustment based on capability", and "performance appraisal award".

- **Salary calculation based on position**

The foundation of WPG's guaranteed compensation is based on the position, knowledge, and skills, to maintain a certain degree of attractiveness in the talent market.

- **Salary adjustment based on capability**

WPG continuously strengthens employees' capability through training and technology empowerment to maintain their competitiveness in the changing era.

- **Performance appraisal award**

"Teamwork" is among WPG's core values. Therefore, the foundation of WPG's variable compensation is firstly based on the company's concept of "Grow Together, Strive Together, and Win Together", with the pursuit of overall interests and performance as the top priority, and then subteam and individual performance results.

#### 3. Promotion of Interaction with Industry

WPG Holdings diligently improves the quality of service, integrates the needs of the supplier and the customer, leads the development of the industry with professionalism and supports the initiatives and exchanges of the industry, together with value chains of the upstream and the downstream to create the apex of profit, expands service platforms,

and leads the industry to grow together, strive together. We also participate in industry-academia collaboration projects and industry associations/unions to exert greater social influence.

## I. Sharing of Industrial Professional Knowledge

The multiple roles of B2B sales, technical services, and central logistics, played by WPG Holdings and its subsidiaries aim to provide excellent supply chain management services, and also strive to manage the brand image of WPG Holdings and its semiconductor components distributor business, whether in the industry chain, academic units or technical forums, which also includes all types of information channels, both physical and digital.

### ■ Create promotion benefits through inbound marketing

In response to the trends of the online community, WPG created and continued to promote inbound marketing, introduced interactive mobile marketing services, continuously optimized the WPG program and the digitally transformed content marketing, and made good use of KOL's influence to engage a full-coverage community interactive marketing mechanism. At the same time, WPG established the "Inbound Marketing Value" which reflects the marketing promotion benefits with detailed figures. As of the end of 2024, the cumulative value of promotion benefits exceeded RMB0.95 billion, through social media resources such as WeChat and Weibo accounts, WeChat Moments, forums, etc., and viral marketing activities to enhance the effectiveness of self-media operations. Through the promotion of the following marketing activities, WPG offered valuable services that included joint marketing of both upstream and downstream and continued to strengthen customer loyalty.

WPG Weibo account	The number of fans and the number of posts ranked top one of the industry; number of followers reached 639,771. Updates 1 to 3 tweets daily; content includes monthly popular solutions, industry trends, technology news, workplace skills, and WPG updates.
WPG WeChat account	As the first IC WeChat account, the account raises the public's understanding of trends in the IC industry through profound articles on market trends using simple language. In 2024, it has 222,801 accurate fans, and sends four mass messages regularly each month, resulting in over 382,000 cumulative views and more than 30,000 shares. Meanwhile, it manages the engineering community and demonstrates technical support capabilities. The subscription account "WPGDADATONG" launched by WPG Holdings WeChat account managed by the technical team provides solutions for engineers with incisive and intuitive arguments. It has also established an HR service account to provide timely recruitment news for those in need.
News Exposure	The total number of exposures for WPG's annual news is nearly 5,259, ranking first in the industry.

Internal and External Marketing Activity	<p>To continuously expand the brand influence of WPG and promote co-branding strategies with partner brands while enhancing innovative services, three internal and external brand marketing campaigns were held in 2024:</p> <ol style="list-style-type: none"> <li>1. To cultivate Taiwan women's golf and implement the ESG concept, WPG held the women's golf open championship (WPG Ladies Open) in 2020. Moreover, it maintains a friendly relationship with the original factories/customers by providing co-branded marketing services, then increases the cohesion between upstream and downstream, so as to strengthen its external brand power. The annual event was held for the fifth time in 2024, with participation from 23 original factories, which sponsored up to NT\$5.8 million. At the same time, the total prize pool for the competition was increased to NT\$12 million. The event was disseminated through commercial films by using pictures and texts on online/offline streams, and the total number of touches for the overall event promotion exceeded 11 million times.</li> <li>2. To establish a communication platform covering cross-group and cross-production lines is the goal. Therefore, "Industry Communication Meeting 2.0" in 2021 was restarted with topics that colleagues are concerned about through a consultation mechanism, then invited analysts to give briefings, and combined the promotion of cross-strait local market industry reports to increase the sources for colleagues to gain professional knowledge. In 2024, we collaborated with five resource centers on both sides of the Taiwan Strait (including DIGITIMES, Gasgoo, MIC, Taiwan Tech, and CCID), conducted 12 sessions with a total of 7,000 participants, and gained up to 98.7% satisfaction rate.</li> <li>3. With the 2026 goal of deepening WPG brand value and strengthening the internal brand power, we see the CEO's 24-word motto as our principle and plan MyDay live-stream. In 2024, we kept optimizing the theme and deepening the content, conveying the simultaneous resonance of "Leading group stories, seeking internal main axis." Three sessions were held with over 6,000 views.</li> </ol>
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#### ■ Public association support and participation

Through holding different kinds of events, we provide a platform with instant communication service to assist members in sharing resources of knowledge, and increase members' opportunities for external strategic alliances, with the expectation to raise the voice and status of the distributors in Taiwan among the industrial network communities. Based on the core expertise of the group, we actively assist in promoting copious supply chain management-related activities, to fulfill corporate social responsibilities.

#### II. Industry and Academic Collaboration

WPG continues to launch a series of industry and academic collaboration projects to ensure that the students acquire abilities needed by the industry aside from their studies, and combine our own business operations and supply chain management expertise with the commitment to sharing industry knowledge and contributing to the society.

#### ■ "Supply Chain Management Course" Industry and Academic Collaboration Project

Since 2010, WPG Holdings Ltd. has collaborated with NCCU College of Commerce and sponsored the "Supply Chain Management Industry and Academic Collaboration Project." It has entered its fourth year in 2024. The project aims to integrate theory and practice and systematically organize the know-how of Taiwan's supply chain management; and secondly, to create a complete set of teaching materials and teaching plans for supply chain management, with the ultimate goal of adding supply chain management talents to the Taiwan Industry.

The challenge of cultivating professionals in supply chain management in an academic environment stems from its interdisciplinary nature and the fragmentation of relevant courses across different departments within the College of Commerce. Due to the positioning of the various departments, the individual departments cannot offer more complete, professional, and market-oriented training. Therefore, WPG Holdings participated in the NCCU College of Commerce's academic programs. Combining WPG's market experience, the rich teaching experience of NCCU College of Commerce, and the existing curriculum resources of various departments, a customized and innovative curriculum for the supply chain, the "Supply Chain Management Credit Program" is created to nurture supply chain management talents for the Taiwan Industry.

Phase	Project Period (Year)	Cooperation Content
Phase 1	2010~2012	WPG Holdings provided resources and supported the establishment of supply chain management industry-academia cooperation courses
Phase 2	2013~2015	WPG Holdings shared the practical cases in the courses to let the students fully understand the strategic plan of the enterprise in the chain management
Phase 3	2016~2019	The students physically visited the WPG warehouse in Linkou
Phase 4	2020~2022	Professors and WPG professionals jointly held the course to teach the supply chain practical application. Established the "WPG Scholarship" to encourage students to participate in internship programs
Phase 5	2023~2025	Continued to carry out the supply chain internship program and implement the integration of industry and education

#### ■ WPG Scholarship for unprivileged students

Since 2011, the "WPG Scholarship for Underprivileged Students" has been established in the Department of Electrical Engineering and Computer Science at Taipei University of Technology to provide financial assistance to

underprivileged and impoverished students. Thanks to the scholarship, they are less likely to drop out of school due to family poverty or unexpected incidents and are able to complete their studies with the support of social care. To encourage students to develop their professional abilities, the scholarship application method was updated in the 2020 academic year, and the study plan is now included as one of the selection criteria. It is expected that the scholarship will not only provide financial relief but also support the recipients in their academic and personal development. Five scholarship applications were accepted every semester.

■ “Information Technology Internship Project”

Since 2017, WPG has collaborated with the National Yunlin University of Science and Technology on an IT internship project with the aim of cultivating professionals for the industry and enabling students to apply what they have learned from school at the workplace. Through experience at the workplace, students may explore different possibilities and experience diverse challenges. The process of experiencing corporate work assists students in determining the direction of career development. Since 2022, the number of industry-university cooperation targets has been expanded year by year, including the National Yunlin University of Science and Technology, National Taipei University of Technology, National Taitung University, National Taichung University of Science and Technology, Soochow University, and Tamkang University. In 2024, a total of 10 interns were recruited, of which 5 were directly transferred to full-time employees after the internship, achieving the goal of a seamless transition from campus to workplace.

4. Sustainable Social Engagement

Through "WPG Holdings Education Foundation", WPG invests resources to care for society and fulfill social responsibility. By sharing information and linking resources, the organization's resources are effectively delivered to those who need assistance, such as the underprivileged community groups in society.

	Meaning	Action	Public welfare performance in 2024
Environmental friendly	Advocate environmental protection, energy conservation and carbon reduction. Participate in a number of green actions, and drive employees to participate in it through the strength of the organization and practice what we preach and experience.	WPG took carbon reduction action by giving gifts	2,866 used things were collected and donated to 19 social welfare organizations, with the carbon emissions reduced by a total of 1,786 kg.

Public welfare performance	<p>Focus on caring for disadvantaged groups and theatrical performance education. Providing resources to assist disadvantaged groups or public welfare organizations, and apply them to charity, emergency, and other public welfare activities.</p>	Supported the “Youth Center Dream Benchmark School” of the Academic Enhancement Project by Dream Home Education Foundation	Total contribution amount: NT\$200,000
		Supported the BOYO Social Welfare Foundation to maintain the guidance teaching of rural children in Puli Centre	Total contribution amount: NT\$500,000
		Supported the Visually Impaired Music Festival "EYE Music ETF" held by the Taipei City Visually Impaired Music Cultural and Educational Foundation	Total contribution amount: NT\$100,000
		Supported the visually impaired angel public benefit tour by Spread Wings Choir.	Total contribution amount: NT\$150,000
		Rural children love dream program	All employees adopted 143 votive gifts
		WPG Sustainability Carnival	A total of 126 volunteers participated in the event, and NT\$440,000 was raised through a charity sale, which was donated to two nonprofit organizations.
Technical Nurturing	<p>Focus on technical nurturing, paying attention to the development of technical careers and supporting sports events.</p>	Held the WPG Ladies Open for 4 consecutive years	A total of 23 supply chain partners were invited to participate in and support this significant event.
		Long-term sponsorship of the PGA Tech Cup Tour	Total contribution amount: NT\$300,000
		Supported the Young Female Golfer Development Program and backed professional and amateur players	Total contribution amount: NT\$1.6 million

## Climate-Related Information of TWSE/TPEX Listed Company

### Implementation of Climate-Related Information

Item		Implementation Status																																
1	Describe the Board of Directors' and management's oversight of climate-related risks and opportunities.	On climate issues, the Company's Board of Directors serves as the highest supervision unit to coordinate the overall climate strategy direction and oversee the implementation of climate-related risk management by relevant units. There are five functional groups set up under the Sustainability Committee, chaired by the Chief Sustainability Officer, who is responsible for managing and monitoring the implementation of relevant climate risks and opportunities. Regularly (at least once a year), the convener of the Sustainability Committee will report to the Board of Directors on the progress of the corporate sustainability promotion, including the implementation results and future planning of climate-related issues.																																
2.	Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	The Company has identified five climate risks and five climate opportunities through internal discussion and assessment of climate-related issues, with reference to the Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) issued by the Task Force on Climate-related Financial Disclosures Financial Stability Board (FSB) of the United Nations. The impact period is divided into short-term (1 to 3 years), medium-term (3 to 10 years), and long-term (more than 10 years), and the potential financial impact is described as follows:																																
<b>I. Climate Risks</b>																																		
<table border="1"> <thead> <tr> <th>Risk Type</th><th>Item</th><th>Risk Factor</th><th>Potential Financial Impact</th><th>Impact Period</th></tr> </thead> <tbody> <tr> <td rowspan="3">Transition Risk</td><td>Policies and Regulation</td><td>Carbon tax, carbon charge</td><td>The introduction of a carbon tax or carbon charge by the government will lead to an increase in operating costs and the transfer of logistics distribution costs</td><td>Medium term</td></tr> <tr> <td>Market</td><td>Energy transition, leads to increased electricity prices</td><td>Increased operating costs</td><td>Medium term</td></tr> <tr> <td>Reputation</td><td>Reputation impairment due to poor environmental or ESG-related ratings</td><td>Failure to properly implement sustainability related actions resulting in international sustainability ratings lagging behind peers will result in impaired goodwill</td><td>Medium term</td></tr> <tr> <td rowspan="3">Physical Risk</td><td>Immediacy</td><td>Typhoons, floods, mudslides</td><td>Natural disasters will damage storage equipment, damp goods, interrupt information network system services or cause casualties, resulting in supply chain disruption and suspension of operations</td><td>Short term</td></tr> <tr> <td rowspan="4">Long term</td><td>Temperature rising</td><td>To maintain office temperature, the demand for air-conditioning operation has increased, resulting in an increase in related operating costs such as electricity charges</td><td>Medium term</td></tr> <tr> <td>Sea level rising</td><td>Inundation of the operating locations will result in financial losses</td><td>Long term</td></tr> </tbody> </table>					Risk Type	Item	Risk Factor	Potential Financial Impact	Impact Period	Transition Risk	Policies and Regulation	Carbon tax, carbon charge	The introduction of a carbon tax or carbon charge by the government will lead to an increase in operating costs and the transfer of logistics distribution costs	Medium term	Market	Energy transition, leads to increased electricity prices	Increased operating costs	Medium term	Reputation	Reputation impairment due to poor environmental or ESG-related ratings	Failure to properly implement sustainability related actions resulting in international sustainability ratings lagging behind peers will result in impaired goodwill	Medium term	Physical Risk	Immediacy	Typhoons, floods, mudslides	Natural disasters will damage storage equipment, damp goods, interrupt information network system services or cause casualties, resulting in supply chain disruption and suspension of operations	Short term	Long term	Temperature rising	To maintain office temperature, the demand for air-conditioning operation has increased, resulting in an increase in related operating costs such as electricity charges	Medium term	Sea level rising	Inundation of the operating locations will result in financial losses	Long term
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<p>To address the critical risks and opportunities arising from climate change, the Company has developed the following management plans for low-carbon operations and promoting green value chains:</p>																																		
<p>I. Low Carbon Operation</p> <ol style="list-style-type: none"> <li>Office area: In the short term, we will move to a new building with green building certification to reduce energy consumption and office operating costs; In the long run, we will gradually purchase energy-saving equipment to reduce the use of energy in the office.</li> </ol>																																		

Item		Implementation Status																		
		2. Logistics warehousing: Build intelligent monitoring equipment and promote combined transportation modes. II. Renewable Energy Usage: Assess and promote renewable energy usage at operational sites to gradually reduce carbon emissions produced from the Group's electricity consumption. III. Green Value Chain — Clean technology development: Develop clean technology related product solutions with customers to promote green energy-related semiconductor components business opportunities.																		
3. Describe the financial impact of extreme weather events and transformative actions.		I. The financial impact of extreme weather events (immediacy and long term) and transformative actions (policies and regulations, markets, reputation) on the Company is described in detail in Item 2 above. II. In addition, the Company has developed specific response strategies to address the impact of two such extreme weather events and one of the transformative actions, the details of which are disclosed in the Company's Annual Sustainability Report.																		
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.		The Company's climate change risk management process has been integrated into the general risk management, and six major risks are defined through risk identification, including environmental risks (natural disasters resulting in suspension of operations, etc.), and emergency response procedures for disruption of operations are in place; The climate risk management process is divided into three major steps, namely "Identify and Assess", "Monitor and Respond" and "Report".																		
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.		To understand the risk impact caused by various possible future climate paths, the Company has used scenario analysis to assess two physical risks (flooding disaster, global average temperature rising) and one transition risk (commodity transportation carbon emission cost transfer), and developed appropriate response strategies to reduce the potential impact of climate risks. The use of risk scenarios, analysis factors and evaluation results are disclosed as the following table:																		
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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.		In order to implement sustainable operations and achieve the Group's declared goal of net zero emissions, the Company conducts annual greenhouse gas inventory and verifies the credibility and consistency of emissions data through third-party verification, and will continue to expand the scope of greenhouse gas inventory and verification in the future, and publicly disclose the relevant content of climate-related financial disclosures. The Company has set short-term, medium-term and long-term targets as follows:																		
		I. 2025: Increase greenhouse gas inventory coverage to 100% and strengthen the Group's carbon management to incorporate the operating locations that emissions data deemed material as a top priority for management to reduce transition risks.. II. 2030: Achieve net zero emissions at all the Group's operating locations (offices and self-owned warehouses); Achieve use 100 % renewable energy at all the Group's. III. 2050: The Group expects to achieve net zero emissions as a whole, during which time the relevant targets and indicators will be adjusted in a rolling manner in response to climate risks and opportunities.																		

Item	Implementation Status
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	In the future, the Company plans to evaluate the implementation of internal carbon pricing, prioritizing major emission sources and gradually expanding the scope to encompass all operational sites within the Group. The carbon price will be based on the pricing structures of domestic and international carbon fees. Our objective is to integrate this system into the corporate decision-making process, assess the impact of carbon emissions on business operations, and expedite the execution of carbon reduction measures. Furthermore, we will conduct regular reviews and dynamically adjust the internal carbon pricing mechanism and its pricing.
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.	<p>I. The Company's climate-related targets are set out in detail in Item 6 above.</p> <p>II. To achieve the target of net zero emissions by 2050, the Company will take improvement of energy utilization efficiency (Including but not limited to promote energy-saving solutions and evaluate the replacement of equipment, etc.) as a priority reduction method, analyze the power consumption state of major operating locations, strengthen the power management of each location, and gradually expand the use of renewable energy, and adopt "RECs", green electricity procurement and self-construction as its strategic tools to achieve the Group's phased target on renewable energy utilization rate.</p>
9. Greenhouse gas inventory and assurance status and reduction targets, strategy, and concrete action plan.	See Items 1-1 and 1-2 for details.

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

### 1-1-1 Greenhouse Gas Inventory Information

Describe the emission volume (metric tons CO<sub>2</sub>e), intensity (metric tons CO<sub>2</sub>e/NT\$ million), and data coverage of greenhouse gases in the most recent 2 fiscal years

Year	Scope	Emission (metric tons CO <sub>2</sub> e)	Intensity (metric tons CO <sub>2</sub> e)	Data Coverage
2023	Scope 1 - Direct emission	1,157.19	0.002	<ul style="list-style-type: none"> <li>● Taiwan region: All locations</li> <li>● China (including Hong Kong) region: All locations</li> <li>● Other overseas regions: South Korea, Singapore, Malaysia, Thailand, Philippines, Vietnam, India, United States, EMEA</li> </ul>
	Scope 2 - Indirect energy emissions	6,025.21	0.009	
	Scope 3 - Indirect transport emissions			
	Scope 3 - Upstream transport	14,293.44	0.021	<ul style="list-style-type: none"> <li>● Taiwan region: All self-owned warehouses</li> <li>● China (including Hong Kong) region: All self-owned warehouses</li> <li>● Other overseas regions: Self-owned warehouses in South Korea, Singapore, and the United States</li> </ul>
	Scope 3 - Downstream transport	5,585.88	0.008	
	Scope 3 - Business travel	1,671.65	0.002	<ul style="list-style-type: none"> <li>● Taiwan region: All companies</li> <li>● China (including Hong Kong) region: All companies</li> <li>● Other overseas regions: All companies in South Korea, Singapore, Malaysia, Thailand, Philippines, Vietnam, India, United States, EMEA</li> </ul>
	Scope 4: Indirect emissions from organization-related uses			
	Scope 4 - Fuel and energy-related activities	1,154.98	0.002	
	Scope 5: Indirect emissions from organizational product usage			
	Scope 5 - Downstream asset leasing	963.88	0.001	<ul style="list-style-type: none"> <li>● Taiwan region: All locations</li> <li>● China (including Hong Kong) region: All locations</li> <li>● Other overseas regions: South Korea, Singapore, Malaysia, Thailand, Philippines, Vietnam, India, United States, EMEA</li> </ul>
	Scope 5 - Investment	4,655.63	0.007	
	Total	35,507.86		
2024	Scope 1 - Direct emission	1,229.55	0.001	<ul style="list-style-type: none"> <li>● Taiwan region: All locations</li> <li>● China (including Hong Kong) region: All locations</li> </ul>

Year	Scope	Emission (metric tons CO <sub>2</sub> e)	Intensity (metric tons CO <sub>2</sub> e)	Data Coverage
	Scope 2 - Indirect energy emissions	6,257.47	0.007	● Other overseas regions: South Korea, Singapore, Malaysia, Thailand, Philippines, Vietnam, Indonesia, LEMEA For inventory in terms of Scope 3 to Scope 6, please refer to the Company's 2024 Sustainability Report
	For inventory in terms of Scope 3 to Scope 6, please refer to the Company's 2024 Sustainability Report			

Note 1: The intensity of greenhouse gas emissions may be calculated per unit of product/service or revenue. Revenue in 2024 and 2023 was NT\$880,552 and NT\$671,888 million, respectively.

### 1-1-2 Greenhouse Gas Assurance Information

Describe the status of assurance for the most recent 2 fiscal years as of the printing date of the annual report, including the scope of assurance, assurance level, and the scope of the assurance statement. The assurance statement should be included in the annual report.

Of the total greenhouse gas emissions disclosed by the Company in 2023, 23,457.60 metric tons of CO<sub>2</sub>e (66% of total emissions) was assured by BSI Taiwan according to the ISO 14064-3:2019 standard. Scope 1 and Scope 2 are verified by "reasonable assurance"; Scope 3 and Scope 4 are verified by "agreed-upon procedures". Full assurance information for 2024 will be disclosed in the Sustainability Report.

### 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.

The Company proposes to take 2023 as the base year for reduction and the total emissions for 2024 will be disclosed separately in the Sustainability Report. The greenhouse gas reduction strategy planning is as follows:

1. Resource management implementation: Set the annual target of saving electricity, water and reducing waste by 1% in Taiwan office; set a target for the logistics warehouse to reduce electricity and water consumption by 2% annually and to decrease waste by 8% by 2026.
2. Increase renewable energy usage: Set the targets of RE40 by 2025 and RE100 by 2030; This will be accomplished through methods such as purchasing Renewable Energy Certificates (RECs), procuring green electricity, or constructing renewable energy generation facilities.

Through the above strategy, we will continue to move towards the reduction target of net zero emissions at all the Group's operating locations (offices and self-owned warehouses) by 2030 and net zero emissions by 2050.

### 2.3.7 Ethical Corporate Management – Implementation Status and Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons

Evaluation Item	Implementation Status (Note 1)				Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description		
I. Establishment of ethical corporate management policies and programs					
(I) Has the Company established an ethical corporate management policy approved by its Board of Directors, and bylaws and publicly available documents addressing its corporate conduct and ethics policy and measures, and commitment regarding implementation of such policy from the Board of Directors and the top management team?	Yes		(I)	On January 29, 2013, the Company established the Ethical Corporate Management Best Practice Principles (Amended by the Board of Directors on October 26, 2021) and the Code of Ethical Conduct (Amended by the Board of Directors on October 26, 2021) in accordance to the templates announced by the competent authority. In terms of the colleagues of the Company, WPG established the Employee Code of Conduct, which stipulates explicitly the rules of practice, reporting mechanism, and disciplinary provisions, as an essential reference for the Company to implement honest management, thereof Ethical Corporate Management Best Practice Principles and Code of Ethical Conduct are published on the Company's website as a declaration of the commitment to the policy of honest management to the public.	No deviation
(II) Has the Company established an assessment mechanism for the risk of unethical conduct; regularly analyzes and evaluates, within a business context, the business activities with a higher risk of unethical conduct; has formulated a program to prevent unethical conduct with a scope no less than the activities prescribed in paragraph 2, Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/TPE Listed Companies?	Yes		(II)	The Company's Work Rules stipulate that employees employed by the Company shall abide by the code of ethical conduct and shall be punished for any violation of work discipline and integrity; employees who take advantage of their positions to ask for or accept kickbacks from vendors or interested parties, which affects the Company's goodwill, constitutes a material breach of the labor contract. The Company arranges a series of training courses on compliance with laws and regulations for all employees every year as a measure to prevent employees from engaging in dishonest behavior. In response to employees' dishonest behavior, the Company has set up a reporting platform entrusted to a third party in accordance with the Measures for Receiving Advices and Handling Complaints from Stakeholders to receive complaints from all internal and external stakeholders in order to supervise the implementation of the relevant control mechanism.	No deviation
(III) Has the Company established policies to prevent unethical conduct, with clear statements regarding relevant procedures, conduct guidelines, punishments for violation, and rules for appeal, and does the Company regularly review such policies?	Yes		(III)	The company has established an "Employee Code of Conduct" and "Employee Service Consent Form" to promote ethical behavior guidelines. The content includes confidential information guidelines, insider trading prohibition guidelines, etc. It is clearly stated in the Work Rules that employees will be subject to relevant disciplinary actions if any violation of ethical behavior guidelines is found.	No deviation

Evaluation Item	Implementation Status (Note 1)				Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description		
II. Implementation of Ethical Corporate Management					
(I) Has the Company evaluated the business counterparty's ethical records and included ethics-related clauses in business contracts?	Yes		(I)	To comply with the management requests of downstream customers, the Company signed the Code of Ethical Conduct and provided supervision to ensure compliance with the principle of ethics during business operations and that no illegal conduct or actions for private gains due to greed arise. For the management of service providers, the Company has formulated the "WPG Supplier Code of Conduct", which includes rules related to honest management, and has invited service providers to sign a response form and conduct a self-assessment every year.	No deviation
(II) Has the Company established a dedicated unit to promote ethical corporate management under the Board of Directors, and does it regularly (at least once a year) report to the Board of Directors on its ethical corporate management policy and program to prevent unethical conduct and monitor their implementation?	Yes		(II)	In order to implement the principle of ethical corporate management, the Company established the "Ethics Committee", with the CEO of the Company and the CEOs of each group serving as members. The committee is held quarterly to discuss the issue of ethical conduct. Work progress is reported to the Board of Directors at least once a year. The reporting date to the Board of Directors in 2024 was on December 24.	No deviation
(III) Has the Company formulated policies on preventing conflicts of interest, provided adequate channels of declaration, and implemented them?	Yes		(III)	The "Ethical Corporate Management Best Practice Principles" and "Code of Ethics" formulated by the Company have provisions that expressly stipulate the avoidance of interest, whistleblowing, and punishment, which serve as the basis for implementation.	No deviation
(IV) Has the Company established an effective accounting system, and internal control system to put ethical corporate management into practice? The internal audit unit shall draw up the relevant audit plan to audit the compliance of the prevention programs for unethical conduct according to the risk valuation results of the unethical conduct, or audited by CPAs?	Yes		(IV)	Relevant management units of the Company conduct regular operation inspections, and accounting units conduct quarterly/annual field audits with external accounting firms to ensure that the Company's management complies with relevant laws and regulations, and the ideals of integrity management; the audit units, apart from periodic internal audit, also regularly conduct internal control self-assessment with relevant units.	No deviation

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
(V) Has the Company regularly held internal and external educational training on ethical corporate management?	Yes	(V)	<p>The Company has established an "Employee Code of Conduct". In addition to acquiring employee signatures towards the Employee Code of Conduct, the Company continues to promote the Employee Code of Conduct to new employees to strengthen awareness of ethical management. An internal platform that promotes the code of conduct has been established and online training covering ethical behavior guidelines was conducted. The themes comprised specific methods to implement the code of conduct. In 2024, four sessions of education and training were held on issues related to integrity management for all employees.</p> <ul style="list-style-type: none"> <li>• [Taiwan Special Session] Analysis of Legal Norms of Insider Trading from Practical Cases</li> <li>• [Taiwan Special Session] Illustration of Legal Norms and Practical Cases on Dishonest Behaviors</li> <li>• [Mainland China Special Session] Keep compliance in mind, honest and upright   Analyze Common Fraud Types and Compliance Management from Practical Cases</li> <li>• [Hong Kong Special Session] Take money wisely, be in good faith   Hong Kong Independent Commission Against Corruption Case Series</li> </ul>	No deviation
III. Operation of the Whistle-blowing System				
(I) Has the Company established specific whistle-blowing and reward procedures, set up conveniently accessible whistle-blowing channels, and appointed appropriate personnel specifically responsible for handling complaints received from whistle-blowers?	Yes	(I)	<p>In addition to an internal employee suggestion box, the Company has established a third-party reporting platform (hereinafter referred to as the "third-party reporting platform") to serve as a channel for internal and external stakeholders to report on the Company's activities. However, there is no incentive system for reporting.</p>	No deviation

Evaluation Item	Implementation Status (Note 1)				Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description		
(II) Has the Company established standard operation procedures for investigating the complaints received, follow-up measures taken after investigation, and mechanisms ensuring such complaints are handled in a confidential manner?	Yes	(II)	After receiving the reports through the employee suggestion box, the special unit will handle the reports according to the contents of the cases. The reports on the third-party reporting platform can only be handled by the special unit through the third party entrusted with the management of the platform under the condition that the whistleblower is protected, and the third party reports the handling of the reports to the Audit Committee on a regular basis.		No deviation
(III) Has the Company taken measures to protect the whistle-blowers from improper infringement due to reporting?	Yes	(III)	In accordance with the "Measures for Receiving Advice and Handling Complaints from Stakeholders", the Company appoints a third party to handle and respond to complaints, and accepts anonymous reports, with the third-party organization acting as the first line of receivers of the cases and then carrying out special division of the cases, in order to facilitate the protection of the relevant rights and interests of the complainants and to ensure that the identities of the complainants are not made known to the public.		No deviation
IV. Strengthening information disclosure					
(I) Has the company disclosed its ethical corporate management policies and the results of their implementation on its website and the Market Observation Post System (MOPS)?	Yes	(I)	"Ethical Corporate Management Practice Principle" and "Code of Ethical Conduct" are published on the Company's website. There is also a dedicated investor section on the website which discloses corporate governance organization and important internal regulations. Designated persons are responsible for collecting information and accepting inquiries on related matters.		No deviation
V. Where the Company has formulated its own ethical corporate management best practices according to the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, please state the variances between its implementation and the principles formulated: The Company has its own Ethical Corporate Management Best Practice Principles and drafts its Ethical Corporate Management Procedures and Code of Conduct in accordance with these Principles.					
VI. Other important information that facilitates the understanding of the implementation of ethical corporate management: (such as review and amendment of the Corporation's Ethical Corporate Management Best Practice Principles): None					

2.3.8 Other important information enabling better understanding of the Company's corporate governance may also be disclosed

1. The Company has formulated the Management Procedures for Material Information Processing and Prevent Insider Trading for the Company's material inside information, and informed all Directors, managers, and employees. These Procedures and relevant cautions are displayed on the top of the Company's website for all staff to follow and avoid violations or insider trading.
2. The latest versions of the Directions Concerning Securities Market Regulatory Matters for TWSE Listed Companies and Their Directors, Supervisors, and Major Shareholders and Guide to Regulations Governing Independent Director prepared by TWSE are distributed to insiders such as Directors and managers of the Company when they take office to assist them to comply with the relevant requirements.
3. MOPS Website: <https://mops.twse.com.tw/mops/web/index>
4. The Company's website: <http://www.wpgholdings.com>

2.3.9 Execution Status of Internal Control System

1. Internal Control Statement

The information has been disclosed on the information reporting website designated by the Financial Supervisory Commission. Relevant details can be accessed through the Market Observation Post System : MOPS>Company>Corporate Governance>Company Regulations/Internal Control>Internal Control Statement (<https://mops.twse.com.tw/mops/#/web/t06sg20>).

2. The CPA's Review Report shall be Disclosed if any CPA is Commissioned to Review the Internal Control System: Not applicable.

2.3.10 Major resolutions adopted by the Shareholders' Meeting and the Board of Directors in the most recent fiscal year up to the publication date of this annual report

1. Shareholders' General Meeting Important Resolutions and Implementation Status

Meeting Date	Shareholders' Meeting Resolutions	Implementation Status
2024/5/24 Shareholders' General Meeting	1. To accept 2023 Business Report and Financial Statements (including parent company-only and consolidated financial statements).	Resolved as proposed.
	2. To approve 2023 profit distribution proposal.	Resolved as proposed. July 31, 2024 was set as the ex-dividend record date and dividends were distributed on August 21, 2024. (Cash dividend per share: NT\$3.50; The allotted cash for each Preferred Share A is NT\$2).
	3. To approve amendment of the Company's Articles of Incorporation.	Resolved as proposed, announced on the Company's website on May 24, 2024, where related matters were handled in accordance with the amended regulations. The registration was approved by the Ministry of Economic Affairs (MOEA) on June 14, 2024.

4.	To propose a revision of the Company's "Procedure for the Acquisition and Disposal of Assets".	Resolved as proposed, announced on the Company's website on May 24, 2024, where related matters were handled in accordance with the amended regulations.
5.	To propose a revision of the Company's "Procedure for the Loaning of Funds to Others".	Resolved as proposed, announced on the Company's website on May 24, 2024, where related matters were handled in accordance with the amended regulations.
6.	To propose a revision of "Procedure for the Making of Endorsements/Guarantees".	Resolved as proposed, announced on the Company's website on May 24, 2024, where related matters were handled in accordance with the amended regulations.
7.	To approve the release of the Company's Directors from the restrictions on non-competition.	Resolved as proposed.

2. The Company's Board of Directors held 15 meetings in total in 2024 and up to the publish date of this annual report, summaries of important resolutions are as follows:

1.	Resolution to convene the 2024 annual Shareholders' Meeting.
2.	Approved 2023 annual Business Report and Financial Statements.
3.	Approved 2023 profits distribution proposal.
4.	Resolution to 2023 employees' and directors' remuneration.
5.	Approved the amendment of the Company's Articles of Incorporation, Procedures for Acquiring or Disposing of Assets, Procedures for Loaning Funds to Others and the Procedures for Endorsements and Guarantees.
6.	Resolution to amend the Company's "Corporate Governance Best Practice Principles," "Regulations Governing Procedure for Board of Directors Meetings for WPG Holdings," "Audit Committee Organizational Regulations," and "Operational Procedures for Transactions with Related Parties, Specific Companies, and Group Enterprises."
7.	Resolution to "Sustainable Information Management", "Operational Procedures for Sustainable Information Preparation Management" and "Control of relevant procedures for disclosing and reporting information on websites designated by the FSC" for WPG's internal control system.
8.	Resolution to establish a Nomination Committee within the Board of Directors of the Company and to approve the "Nomination Committee Organizational Regulations."
9.	Resolution to approve the Nomination Committee convener and members' list of nominees.
10.	Resolution to approve the appointment of WPG's Chief Internal Auditor.
11.	Resolution to approve the investment of common share's private placement in Zero One Technology Co., Ltd.
12.	Resolution to approve WPG to issue the second and third domestic unsecured convertible corporate bonds.
13.	Resolution to approve the redemption of all Preferred Shares A of the Company at their original actual issue price and to terminate their listing.
14.	Resolution to convene the 2025 annual Shareholders' Meeting.
15.	Approved 2024 annual Business Report and Financial Statements.
16.	Resolution to 2024 employees' and directors' remuneration.
17.	Resolution to adopt the involvement to capital increase in Trigold Holdings Limited in cash to issue new shares in 2024.

18. Resolution to publicly acquire the common shares of Fortune Information Systems Corporation.

2.3.11 Where, During the Most Recent Fiscal Year or During the Current Fiscal Year up to the Date of Publication of the Annual Report, A Director or Supervisor has Expressed A Dissenting Opinion with Respect to A Material Resolution Passed by the Board of Directors, and Said Dissenting Opinion Has Been Recorded or Prepared as A Written Declaration, the Principal Content Thereof: None.

## 2.4 Information Regarding Certified Public Accountant Fees

### 2.4.1 Public Fund Information

Unit: NT\$ thousands

Accountant Office Name	Accountant Name		Accountant Audit Period	Audit Public Funds	Non-audit related Public Funds	Total	Remarks
Pricewaterhouse Coopers	Lin Yifan	Chou Chien-Hung	2024/01/01 ~ 2024/12/31	49,232	26,324	75,556	The non-audit fees include tax compliance services, transfer pricing, and tax consultation.

Note: It includes service fees for both domestic and overseas subsidiaries.

2.4.2 If the accounting firm is replaced and the audit fee paid in the replacement year is lower than the audit fee in the previous year, the amount of the audit fee before the replacement shall be disclosed and the reason thereof shall be disclosed: None.

2.4.3 When the Audit Fees Decrease 10% or More than the Last Fiscal Year, the Company must Disclose the Decreased Amount, Ratio, and Reason: None.

## 2.5 Information on Replacement of CPAs:

### 2.5.1 Information regarding the former CPAs

Date of Change	Approved by BOD on March 28, 2023		Approved by BOD on March 25, 2025
Reasons and Explanation of Changes	Due to the need for internal organizational adjustments in coordination with CPA Firm, CPAs, Mr. Lin, Chun-Yao and Mr. Chou, Chien-Hung will be replaced by CPAs, Mr. Lin, Yi-Fan and Mr. Chou, Chien -Hung from 2023.		Due to the need for internal organizational adjustments in coordination with CPA Firm, CPAs, Mr. Lin, Yi-Fan and Mr. Chou, Chien -Hung will be replaced by CPAs, Mr. Lin, Yi-Fan and Mr. Lin, Yung-Chih from 2025.
State Whether the Appointment is Terminated or Rejected by the Consignor or CPAs	Status/Client	CPA	Consignor
	Appointment terminated automatically	Not applicable	Not applicable
	Appointment rejected (discontinued)	Not applicable	Not applicable

The Opinions Other than Unmodified Opinion Issued in the Last Two Years and the Reasons for the Said Opinions	None		
Is There Any Disagreement in Opinion with the Issuer	Yes	Accounting principle or practice	Accounting principle or practice
		Disclosure of financial statements	Disclosure of financial statements
		Auditing scope or procedures	Auditing scope or procedures
		Others	Others
	No	V	
Other Disclosure (Disclosures Specified in Article 10.6.1.4~Article 10.6.1.7 of the Standards)	None		

#### 2.5.2 Information Regarding the Successor CPAs

Accounting Firm	PricewaterhouseCoopers	PricewaterhouseCoopers
CPA	Mr. Lin, Yi-Fan and Mr. Chou, Chien -Hung	Mr. Lin, Yi-Fan and Mr. Lin, Yung-Chih
Date of Engagement	Approved by BOD on March 28, 2023	Approved by BOD on March 25, 2025
Prior to the Formal Engagement, Any Inquiry or Consultation on the Accounting Treatment or Accounting Principles for Specific Transactions, and the Type of Audit Opinion that Might be Rendered on the Financial Report	None	None
Written Opinions from the Successor CPAs that are Different from the Former CPA's Opinions	None	None

2.5.3 The reply of former CPAs on Article 10.6.1 and Article 10.6.2.3 of the Standards: None.

**2.6 Where the Company's Chairman, President, or any Manager in Charge of Finance or Accounting Matters Has in the Most Recent Year Held a Position at the Accounting Firm of Its Certified Public Accountant or at an Affiliated Enterprise of Such Accounting Firm, the Names, Titles and Positions Held by such Person shall be Disclosed: None.**

**2.7 Stock Trade and/or Stock Pledge by the Company's Directors, Managers, or Shareholders with 10% Shareholdings or More in the Most Recent Year or as of the Date of Publication of this Annual Report**

The information has been disclosed on the information reporting website designated by the Financial Supervisory Commission. Relevant details can be accessed through the Market Observation Post System.

Shareholding Transfer : MOPS>Company>Change In Equity Interests/Securities

Issuers>Shareholding Transfer Information>Changes in Shareholdings of Insider([https://mops.twse.com.tw/mops/#/web/query6\\_1](https://mops.twse.com.tw/mops/#/web/query6_1))

Change In Pledges of Shares : MOPS>Company>Change In Equity Interests/Securities

Issuers>Pledges of Shares of Insider>Pledges of Shares of Insider  
Describe([https://mopsov.twse.com.tw/mops/web/STAMAK03\\_1](https://mopsov.twse.com.tw/mops/web/STAMAK03_1))

2.7.1 Stock Trade with Related Party: None.

2.7.2 Stock Pledge with Related Party: None.

## 2.8 Top 10 Shareholders Who Are Related Parties, Spouses, or within Second Degree of Kinship to Each Other:

March 30, 2025/ Unit: shares; %

Name	Current Shareholding		Shareholding by Spouse & Minor Children		Shareholding by Nominee Arrangement		Name and Relationship of Top 10 Shareholders Who Are Related Parties, Spouses, or within Second Degree of Kinship to Each Other		Remarks
	Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio	Name	Relation	
Taishin International Commercial Bank Co., Ltd. is entrusted with the custody of Cathay MSCI Taiwan ESG Sustainability High Dividend Yield E T F Securities Investment Trust Fund	148,742,000	8.86	N/A	N/A	—	—	—	—	
CTBC Bank Co., Ltd. is entrusted with the custody of the Yuanta/P-shares Taiwan Dividend Plus ETF Securities Investment Trust Fund	87,087,486	5.19	N/A	N/A	—	—	—	—	
Taipei Fubon Commercial Bank Co., Ltd. is entrusted with the custody of the Fuh Hwa Taiwan Technology Dividend Highlight E T F Securities Investment Trust Fund	61,284,000	3.65	N/A	N/A	—	—	—	—	
Hua Nan Commercial Bank, Ltd. is entrusted with the custody of the Yuanta Taiwan Value High Dividend ETF Securities Investment Trust Fund	43,183,000	2.57	N/A	N/A	—	—	—	—	
Simon Huang	41,411,507	2.47	10,523,167	0.63	N/A	—	—	—	
Nan Shan Life Insurance Co., Ltd.	41,197,000	2.45	N/A	N/A	—	—	—	—	
Representative: Chung-yao Yin	Data unavailable								
Taiwan Business Bank, Ltd. is entrusted with the custody of the UOB Taiwan High Dividend Recovery ETF Securities Investment Trust Fund	39,017,000	2.32	N/A	N/A	—	—	—	—	
Taiwan Life Insurance Co., Ltd.	34,779,000	2.07	N/A	N/A	—	—	—	—	
Representative: Shu-Po Hsu	Data unavailable								
Chunghwa Post Co., Ltd.	30,669,512	1.83	N/A	N/A	—	—	—	—	
Representative: Hong Mo Wu	Data unavailable								
Fullerton Technology Co., Ltd.	29,921,074	1.78	N/A	N/A	—	—	—	—	
Representative: Richard Wu	Data unavailable								

Note: The ones disclosed in this table are the top 10 shareholders in terms of the ratios of shareholdings of common shares.

## 2.9 Total Number of Shares and Total Equity Stake Held in Any Single Enterprise by the Company, Its Directors and Supervisors, Management, and Any Companies Controlled Either Directly or Indirectly by the Company

December 31, 2024; /Unit: thousand shares; %

Investee (Note 1)	Investment by the Company		Investment by Directors, Supervisors, Managers, Direct or Indirect Control Groups		Total Investment	
	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio
World Peace Industrial Co., Ltd.	1,847,500	100	—	—	1,847,500	100
Silicon Application Corp.	677,090	100	—	—	677,090	100
Asian Information Technology Inc.	643,029	100	—	—	643,029	100
WPG Electronics Limited	33,000	100	—	—	33,000	100
WPG Korea Co., Ltd.	2,959	100	—	—	2,959	100
Trigold Holdings Limited	59,195	58.86	1,750	1.74	60,945	60.60
WPG International (CI) Limited	118,292	100	—	—	118,292	100
WPG EMEA B.V.	8,000	100	—	—	8,000	100
Yosun Industrial Corp.	402,310	100	—	—	402,310	100
WPG ELECTRONICS (HK) LIMITED	234,082	100	—	—	234,082	100
WPG South Asia Pte. Ltd.	64,036	100	—	—	64,036	100
WPG Investment Co., Ltd.	210,000	100	—	—	210,000	100
WT Microelectronics Co., Ltd. (Note 2)	153,087	13.70	—	—	153,087	13.70

Note 1: Long-term equity investments made by the Company using equity method.

Note 2: Preferred Shares not included.

### 3. Capital Overview

#### 3.1 Capital and Shares

##### 3.1.1 Sources of Capital

###### 1. Sources of Capital

March 30, 2025 / Unit: NT\$ / Shares

Year/ Month	Issued Price	Authorized Capital		Capital Stock		Sources of Capital	Remarks	
		Number of shares	Amount	Number of shares	Amount		Capital Increase by Assets	Others
2005/11	10	2,000,000,000	20,000,000,000	693,202,022	6,932,020,220	Incorporation capital Incorporation capital MOEA Jing-Shou-Shang No. 09401220210 dated November 9, 2005	—	—
2006/12	10	2,000,000,000	20,000,000,000	668,202,022	6,682,020,220	Cancellation of treasury stocks MOEA Jing-Shou-Shang No. 09501288500 dated December 26, 2006	—	—
2007/02	10	2,000,000,000	20,000,000,000	670,301,494	6,703,014,940	Exercising employee stock warrant MOEA Jing-Shou-Shang No. 09601035000 dated February 14, 2007	—	—
2007/04	10	2,000,000,000	20,000,000,000	670,950,744	6,709,507,440	Exercising employee stock warrant MOEA Jing-Shou-Shang No. 09601075500 dated April 14, 2007	—	—
2007/09	10	2,000,000,000	20,000,000,000	712,953,666	7,129,536,660	Recapitalization of retained earnings Capital increase by employee bonus Exercising employee stock warrant MOEA Jing-Shou-Shang No. 09601214570 dated September 3, 2007	—	—
2007/10	10	2,000,000,000	20,000,000,000	716,357,569	7,163,575,690	Exercising employee stock warrant MOEA Jing-Shou-Shang No. 09601263220 dated October 26, 2007	—	—
2008/01	10	2,000,000,000	20,000,000,000	718,640,319	7,186,403,190	Exercising employee stock warrant MOEA Jing-Shou-Shang No. 0970105780 dated January 21, 2008	—	—
2008/04	10	2,000,000,000	20,000,000,000	719,922,944	7,199,229,440	Exercising employee stock warrant MOEA Jing-Shou-Shang No. 09701089610 dated April 16, 2008	—	—
2008/09	10	2,000,000,000	20,000,000,000	743,086,784	7,430,867,840	Conversion of shares MOEA Jing-Shou-Shang No. 09701236790 dated September 16, 2008	—	—
2008/09	10	2,000,000,000	20,000,000,000	774,306,982	7,743,069,820	Recapitalization of retained earnings Capital increase by employee bonus Exercising employee stock warrant MOEA Jing-Shou-Shang No. 09701240610 dated September 18, 2008	—	—
2008/10	10	2,000,000,000	20,000,000,000	774,736,482	7,747,364,820	Exercising employee stock warrant MOEA Jing-Shou-Shang No. 09701263220 dated October 17, 2008	—	—
2009/01	10	2,000,000,000	20,000,000,000	774,993,607	7,749,936,070	Exercising employee stock warrant MOEA Jing-Shou-Shang No. 09801008180 dated January 15, 2009	—	—
2009/05	10	2,000,000,000	20,000,000,000	891,751,941	8,917,519,410	Conversion of shares MOEA Jing-Shou-Shang No. 09801095190 dated May 14, 2009	—	—
2009/06	10	2,000,000,000	20,000,000,000	892,629,941	8,926,299,410	Exercising employee stock warrant MOEA Jing-Shou-Shang No. 09801122940 dated June 17, 2009	—	—
2009/09	10	2,000,000,000	20,000,000,000	893,398,816	8,933,988,160	Exercising employee stock warrant MOEA Jing-Shou-Shang No. 09801200400 dated September 3, 2009	—	—

Year/ Month	Issued Price	Authorized Capital		Capital Stock		Remarks		
		Number of shares	Amount	Number of shares	Amount	Sources of Capital	Capital Increase by Assets	Others
2009/10	10	2,000,000,000	20,000,000,000	893,772,566	8,937,725,660	Exercising employee stock warrant MOEA Jing-Shou-Shang No. 09801238420 dated October 15, 2009	—	—
2010/01	10	2,000,000,000	20,000,000,000	894,412,316	8,944,123,160	Exercising employee stock warrant MOEA Jing-Shou-Shang No. 09901007210 dated January 14, 2010	—	—
2010/04	10	2,000,000,000	20,000,000,000	894,625,566	8,946,255,660	Exercising employee stock warrant MOEA Jing-Shou-Shang No. 09901076640 dated April 21, 2010	—	—
2010/09	10	2,000,000,000	20,000,000,000	1,056,048,043	10,560,480,430	Recapitalization of retained earnings Exercising employee stock warrant MOEA Jing-Shou-Shang No. 09901198560 dated September 3, 2010	—	—
2011/03	10	2,000,000,000	20,000,000,000	1,453,073,506	14,530,735,060	Conversion of shares MOEA Jing-Shou-Shang No. 10001042020 dated March 7, 2011	—	—
2011/9	10	2,000,000,000	20,000,000,000	1,583,850,122	15,838,501,220	Surplus transferred to capital MOEA Jing-Shou-Shang No. 10001207100 dated September 15, 2011	—	—
2012/4	10	2,000,000,000	20,000,000,000	1,655,709,212	16,557,092,120	Conversion of shares MOEA Jing-Shou-Shang No. 10101072410 dated April 24, 2012	—	—
2016/10	10	2,000,000,000	20,000,000,000	1,692,782,499	16,927,824,990	Shares converted from corporate bonds MOEA Jing-Shou-Shang No. 105011248620 dated October 25, 2016	—	—
2017/01	10	2,000,000,000	20,000,000,000	1,723,895,350	17,238,953,500	Shares converted from corporate bonds MOEA Jing-Shou-Shang No. 10601006760 dated January 27, 2017	—	—
2017/04	10	2,000,000,000	20,000,000,000	1,740,963,062	17,409,630,620	Shares converted from corporate bonds MOEA Jing-Shou-Shang No. 10601049450 dated April 20, 2017	—	—
2017/07	10	2,000,000,000	20,000,000,000	1,745,420,665	17,454,206,650	Shares converted from corporate bonds MOEA Jing-Shou-Shang No. 10601094540 dated July 10, 2017	—	—
2017/08	10	2,000,000,000	20,000,000,000	1,825,061,775	18,250,617,750	Shares converted from corporate bonds MOEA Jing-Shou-Shang No. 10601122870 dated August 25, 2017	—	—
2018/08	10	2,000,000,000	20,000,000,000	1,679,056,833	16,790,568,330	Cash capital reduction MOEA Jing-Shou-Shang No. 10701100870 dated August 1, 2018	—	—
2019/10	10	2,500,000,000	25,000,000,000	1,879,056,833	18,790,568,330	Issue preferred stocks MOEA Jing-Shou-Shang No. 10801132530 dated October 3, 2019	—	—
2024/06	10	3,200,000,000	32,000,000,000	1,879,056,833	18,790,568,330	Total capital increase MOEA Jing-Shou-Shang No. 11330096420 dated June 26, 2024	—	—
2025/01	10	3,200,000,000	32,000,000,000	1,679,056,833	16,790,568,330	Redeem preferred stocks MOEA Jing-Shou-Shang No. 11430005260 dated January 22, 2025	—	—

## 2. Type of Stock:

March 30, 2025/ Unit: shares

Type of Stock	Authorized Capital				Stock Warrants, Restricted Stock, Preferred Shares with Warrants or Corporate Bonds with Warrants	
	Outstanding shares (Note)			Unissued Shares		
	Listed (OTC)	Not listed (OTC)	Total			
Common shares	1,679,056,833	—	1,679,056,833	1,520,943,167	3,200,000,000	100,000,000

Note: Of the 3,200,000,000 authorized shares, 100,000,000 shares are reserved for the issuance of stock warrants, restricted stock, preferred shares with warrants or corporate bonds with warrants.

### 3.1.2 Major Shareholders

Name, number of shares held, and shareholding percentage of shareholders who hold more than 5% of the shares or the top 10 shareholders

March 30, 2025/ Unit: shares

Shareholding \ Shareholders	Shares Owned	Ownership Percentage (%)
Taishin International Commercial Bank Co., Ltd. is entrusted with the custody of Cathay MSCI Taiwan ESG Sustainability High Dividend Yield E T F Securities Investment Trust Fund	148,742,000	8.86
CTBC Bank Co., Ltd. is entrusted with the custody of the Yuanta/P-shares Taiwan Dividend Plus ETF Securities Investment Trust Fund	87,087,486	5.19
Taipei Fubon Commercial Bank Co., Ltd. is entrusted with the custody of the Fuh Hwa Taiwan Technology Dividend Highlight E T F Securities Investment Trust Fund	61,284,000	3.65
Hua Nan Commercial Bank, Ltd. is entrusted with the custody of the Yuanta Taiwan Value High Dividend ETF Securities Investment Trust Fund	43,183,000	2.57
Simon Huang	41,411,507	2.47
Nan Shan Life Insurance Co., Ltd.	41,197,000	2.45
Taiwan Business Bank, Ltd. is entrusted with the custody of the UOB Taiwan High Dividend Recovery ETF Securities Investment Trust Fund	39,017,000	2.32
Taiwan Life Insurance Co., Ltd.	34,779,000	2.07
Chunghwa Post Co., Ltd.	30,669,512	1.83
Fullerton Technology Co., Ltd.	29,921,074	1.78

Note: The ones disclosed in this table are the top 10 shareholders in terms of the ratios of shareholdings of common shares.

### 3.1.3 Dividend Policy and Implementation Status

1. In accordance with the provisions of the Company's Articles of Incorporation, where if the Company has surplus earnings at the end of the year, after tax payment and recovery of losses over the years, 10% of the amount shall be appropriated as legal capital reserve;

if there is any balance after setting aside or reversion to special capital reserve in accordance with laws and regulations, the remaining balance (hereinafter referred to as “earnings for the current year”) is added to the undistributed surplus at the beginning of the period, as the surplus available for distribution, and the dividends for preferred shares shall be paid in priority, which is to be distributed as the dividends and bonuses to shareholders after the distribution plan shall be proposed by the Board of Directors and subject to the resolution of the Shareholders' Meeting.

2. The Company's dividend policy and dividend distribution shall consider the Company's profitability, future operation funding needs, and changes in industry environment, as well as shareholders' rights and the Company's long-term financial plans. The Company's yearly total dividend distribution amount shall not be less than 40% of the year's earnings. The distributed cash dividend shall not be less than 20% of the total dividend distribution amount. However, if our company does not have surplus available for distribution in the current year, or if the surplus available for distribution is significantly lower than the actual surplus distributed in previous years according to the aforementioned principles, the entire or a portion of the reserves or undistributed surplus from previous periods may be distributed in accordance with legal regulations or regulations of regulatory authorities. Furthermore, if the Company has significant non-recurring income in the current year, and if such income does not correspond to cash receipts due to accounting principles such as differences in recognition timing or changes in valuation methods, the Company may retain all or part of such income without being subject to the aforementioned dividend distribution ratio or cash proportion principles.
3. Distribution of dividend proposed for approval at the Shareholders' Meeting:  
As of the date of publication of the annual report, the Board of Directors of the Company has not approved the earnings distribution plan for the year 2024.

3.1.4 Effect on the Operating Performance and Earnings per Share of Distribution of Stock Dividends Proposed or Adopted in the Most Recent Shareholders' Meeting: N/A.

3.1.5 Information regarding Employee Bonuses and Compensation for Directors and Supervisors

1. Based on the Articles of Incorporation, if the financial results for the fiscal year show profit, the Company shall set aside, resolved by Board of Directors, not more than 5% and not less than 0.01% of its annual profit to employees as compensation and not more than 3% of the aforesaid profit distributable to Directors as remuneration. Reports of such distribution as employees' compensation and remuneration of Directors shall be submitted to the Shareholders' Meeting. Nevertheless, when the Company remains accumulated losses, it should reserve the amount in advance to compensate for it. The employees' compensation can be paid by stock or cash, and the target person may include the employees of the subordinate company that meet certain conditions. The term

"profits in a given fiscal year" refers to the profit before tax of that year, after deducting the amounts allocated for employee and director compensation.

2. The basis for estimating the amount of employee, director, and supervisor profit-sharing compensation, for calculating the number of shares to be distributed as employee profitsharing compensation, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated figure, for the current period: The profit-sharing compensation to employee and directors is subject to the requirements of Company's articles of incorporation policy. The appropriated amount is recognized as operating expenses for the current year. However, if the actual distribution amount resolved by the Board of Directors is different from the estimated amount, it is recognized as profit or loss in the following year. For further details about compensation for Directors, please refer to "2.Corporate Governance Report" "Remuneration Paid in the Most Recent Year to Directors, President, and Vice Presidents" in this annual report.
3. Information on the proposed employees compensation approved by the Board of Directors:  
The Employees' compensation and remuneration of Directors to be distributed in 2024 were approved by the Board of Directors on March 25, 2025. The remuneration of Directors in 2024 was NT\$39,000 thousand; the Employees' compensation in 2024 was NT\$36,070 thousand. All of the above are distributed in cash. The Employees' compensation and remuneration of Directors in 2024 was expensed, which had no impact on earnings per share.
4. The actual distribution of compensation for Employees, Directors, and Supervisors (including the number, sum, and price of shares distributed), and where there were discrepancies with the recognized compensation for Employees, Directors, and Supervisors in the prior year, the difference, cause, and treatment of the discrepancy be described:  
On March 26, 2024, the Board of Directors of the Company resolved that the employee compensation for 2023 was NT\$23,001 thousand and Directors' remuneration would be NT\$48,608 thousand. Compared to the employee compensation of NT\$28,483 thousand and Directors' remuneration of NT\$48,608 thousand reported in the 2023 Financial Statements, employee compensation decreased by NT\$5,482 thousand. This adjustment has been incorporated into the profit and loss statement for the first quarter of 2024. The Directors' remuneration remained unchanged. The aforementioned employee compensation will be disbursed in cash.

### 3.1.6 Repurchase of Shares by the Company: None.

### 3.2 Issuance of Corporate Bonds:

Category of Corporate Bonds	The second domestic unsecured convertible corporate bonds	The third domestic unsecured convertible corporate bonds
Date of Issuance (Processing)	November 11, 2024	November 21, 2024
Par Value	Par Value per Share: NT\$100 thousand	
Place of issuance and trading	N/A	
Issued Price	Issued at 101% of the face value	Issued at 104.3% of the face value
Total Amount	NT\$3,500,000 thousand, issued at 101% of the face value	NT\$2,000,000 thousand, issued at 104.3% of the face value
Interest rate	Coupon rate: 0%	
Term	3-Year term Maturity date: November 11, 2027	3-Year term Maturity date: November 21, 2027
Guarantee Institutions	None	
Trustee	Bank SinoPac Co., Ltd.	
Underwriter	Yuanta Securities Co., Ltd.	
Certifying lawyer	Handsome Attorneys-at-law	
Certifying Accountant	PricewaterhouseCoopers Taiwan: CPA Lin Yifan, CPA Chou ChienHung	
Redemption Method	Unless the convertible bonds are converted into the Company's common shares by bondholders in accordance with Article 10 of these Regulations, redeemed early by the Company pursuant to Article 17, or repurchased and canceled by the Company through a securities firm's business office, the Company shall redeem the convertible bonds in a lump-sum cash payment at their face value within ten business days following the maturity date. If the redemption date falls on a non-business day of the Taipei Exchange, the redemption shall be postponed to the next business day.	
Outstanding principal	NT\$3,500,000 thousand	NT\$2,000,000 thousand

Category of Corporate Bonds	The second domestic unsecured convertible corporate bonds	The third domestic unsecured convertible corporate bonds
Redemption or early repayment clause	<p>(I) From the day following the third month after the issuance of the Convertible Corporate Bonds (February 12, 2025) until forty days prior to the maturity date of the issuance period (October 1, 2027), if the closing price of the Company's common shares listed on the Taiwan Stock Exchange exceeds the then-effective conversion price by 30% or more for thirty consecutive trading days, the Company may, within thirty business days thereafter, issue a "Bond Redemption Notice" with a thirty-day notice period to bondholders by registered mail (based on the bondholder register as of the fifth business day prior to the mailing date). For bondholders who acquire the Bonds through purchase or other means after such date, public announcement shall serve as notification. The aforementioned notice period shall commence from the date of mailing and the last day of the notice period shall be deemed the Bond Redemption Reference Date. Such period shall not fall within any suspension period for conversion as set forth in Article 9. The Company shall file a report with the Taipei Exchange for public disclosure and shall, within five business days following the Bond Redemption Reference Date, redeem the Bonds in cash at face value.</p> <p>(II) From the day following the third month after the issuance of the Convertible Corporate Bonds (February 12, 2025) until forty days prior to the maturity date of the issuance period (October 1, 2027), if the outstanding balance of the convertible bonds falls below 10% of the original total issuance amount, the Company may, at any time thereafter, issue a "Bond Redemption Notice" with a thirty-day notice period to bondholders by registered mail (based on the bondholder register as of the fifth business day prior to the mailing date and ). For bondholders who acquire the Bonds through purchase or other means after such date, public announcement shall serve as notification. The aforementioned notice period shall commence from the date of mailing and the maturity date of such period shall serve as the bond redemption reference date. Such period shall not fall within any suspension period for conversion as set forth in Article 9. The Company shall file a report with the Taipei Exchange for public disclosure and shall, within five business days following the Bond Redemption Reference Date, redeem the Bonds in cash at face value.</p> <p>(III) If the bondholder does not provide a written reply to the Company's shareholder services agent (effective upon delivery, or if mailed, based on the postmark date) before the Bond Redemption Reference Date specified in the "Bond Redemption Notice," the Company shall redeem the Convertible Corporate Bonds in cash at face value within five business days following the Bond Redemption Reference Date.</p> <p>(IV) If the Company executes a redemption request, the deadline for bondholders to request conversion shall be the second business day following the termination of the over-the-counter trading of the Convertible Corporate Bonds.</p>	<p>(I) After three months after the issuance of the Convertible Corporate Bonds (February 22, 2025) until forty days prior to the maturity date of the issuance period (October 11, 2027), if the closing price of the Company's common shares listed on the Taiwan Stock Exchange exceeds the then-effective conversion price by 30% or more for thirty consecutive trading days, the Company may, within thirty business days thereafter, issue a "Bond Redemption Notice" with a thirty-day notice period to bondholders by registered mail (based on the bondholder register as of the fifth business day prior to the mailing date). For bondholders who acquire the Bonds through purchase or other means after such date, public announcement shall serve as notification. The aforementioned notice period shall commence from the date of mailing and the last day of the notice period shall be deemed the Bond Redemption Reference Date. Such period shall not fall within any suspension period for conversion as set forth in Article 9. The Company shall file a report with the Taipei Exchange for public disclosure and shall, within five business days following the Bond Redemption Reference Date, redeem the Bonds in cash at face value.</p> <p>(II) After three months after the issuance of the Convertible Corporate Bonds (February 22, 2025) until forty days prior to the maturity date of the issuance period (i.e., October 11, 2027), if the outstanding balance of the Convertible Corporate Bonds in circulation falls below 10% of the original total issuance amount, the Company may, at any time thereafter, issue a "Bond Redemption Notice" with a thirty-day notice period to bondholders by registered mail (based on the bondholder register as of the fifth business day prior to the mailing date). For bondholders who acquire the Bonds through purchase or other means after such date, public announcement shall serve as notification. The aforementioned notice period shall commence from the date of mailing and the last day of the notice period shall be deemed the Bond Redemption Reference Date. Such period shall not fall within any suspension period for conversion as set forth in Article 9. The Company shall file a report with the Taipei Exchange for public disclosure and shall, within five business days following the Bond Redemption Reference Date, redeem the Bonds in cash at face value.</p> <p>(III) If the bondholder does not provide a written reply to the Company's shareholder services agent (effective upon delivery, or if mailed, based on the postmark date) before the Bond Redemption Reference Date specified in the "Bond Redemption Notice," the Company shall redeem the Convertible Corporate Bonds in cash at face value within five business days following the Bond Redemption Reference Date.</p> <p>(IV) If the Company executes a redemption request, the deadline for bondholders to request conversion shall be the second business day following the termination of the over-the-counter trading of the Convertible Corporate Bonds.</p>
Restriction	None	

Category of Corporate Bonds		The second domestic unsecured convertible corporate bonds	The third domestic unsecured convertible corporate bonds	
Name of Credit Rating Institution, Rating Date and Bond Rating Results		N/A		
Other Rights	Amount Common Stock, Global Depository Receipts, or Other Securities Converted (Exchanged or Subscribed) as of the Date of Publication of the Annual Report	As of the date of publication of the Annual Report, no conversions into common shares had been conducted.	As of the date of publication of the Annual Report, no conversions into common shares had been conducted.	
	Issuance and Conversion (Exchange or Subscription) Methods	Please refer to the MOPS Website "Prospectus" for details	Please refer to the MOPS Website "Prospectus" for details	
Impact of Issuance and Conversion, Exchange, or Subscription Rules, Conditions of Issuance on Possible Dilution of Equity and the Rights and Interests of Existing Shareholders.		Assuming the Company issues its second and third domestic unsecured convertible bonds and all investors elect to convert them into the Company's common shares, the maximum potential dilution ratio would be 3.95%. The dilution effect on existing shareholders' equity is therefore considered to be limited.		
Name of the Custodian Institution for the Exchange Target		None		

## Information of Convertible Bond

Category of Corporate Bonds		The second domestic unsecured convertible corporate bonds		The third domestic unsecured convertible corporate bonds	
Year/Item		113	As of the Date of Publication	113	As of the Date of Publication
Market Value of Convertible Bond	Highest Market Value	NT\$103.85	NT\$104.2	NT\$104.10	NT\$104.9
	Lowest	NT\$100.65	NT\$99.8	NT\$101.60	NT\$100.5
	Average	NT\$102.97	NT\$101.77	NT\$103.42	NT\$103.06
Conversion Price		NT\$80.5		NT\$78	
Date of Issuance (Processing) and Conversion Price at Issuance		Date of Issuance: November 11, 2024 Conversion Price at Issuance: NT\$80.5		Date of Issuance: November 21, 2024 Conversion Price at Issuance: NT\$78	
Method of Fulfilling Conversion Obligation		(I) Bondholders shall complete the Convertible Bond Book Transfer Application for Conversion/Redemption/Sellback (indicating conversion) at the original broker. The broker will then submit the application to Taiwan Depository & Clearing Corporation (TDCC). After accepting the application, TDCC will notify the Company's stock transfer agent electronically. The conversion becomes effective upon delivery and cannot be revoked. The conversion process must be completed within five business days after delivery, and the Company's common shares will be directly credited to the bondholder's TDCC account. (II) When overseas Chinese and foreign investors apply to convert their held convertible bonds into the Company's common shares, the entire process will be handled by TDCC using the book-entry transfer method.			

- 3.3 Issuance of Preferred Shares: None.**
- 3.4 Issuance of Global Depository Receipts: None.**
- 3.5 Employee Share Subscription Warrants: None.**
- 3.6 New Restricted Employee Shares: None.**
- 3.7 Issuance of New Shares in Connection with Mergers or Acquisitions or with Acquisitions of Shares of Other Companies**

- 3.7.1 Issue of New Shares in connection with any Acquisition of Shares of Another Company in the Most Recent Year and up to the Date of This Annual Report:
  - 1. The Lead Securities Underwriters' opinion on the issuance of new shares for acquisition of shares of another company in the most recent quarter: None.
  - 2. The status of implementation in the most recent quarter. If the implementation has not achieved the expected target, a statement on the impact on shareholders' equity and improvement plan shall be provided: None.
- 3.7.2 Any Issuance of New Shares in Connection with the Acquisition of Shares of Another Company Approved by the Board of Directors in the Most Recent Fiscal Year up to the Publication Date of the Annual Report:
  - 1. Basic information of the company being acquired or transferred: None.
  - 2. Implementation of undergoing merger or acquisition of other companies through the issuance of Common Shares shall be disclosed, so is the impact on shareholders' equity: None.

### **3.8 Financing Plans and Implementation:**

The information has been disclosed on the information reporting website designated by the Financial Supervisory Commission. Relevant details can be accessed through the Market Observation Post System, MOPS>Company>Change In Equity Interests/Securities Issuers>Raise Fund>Raise Fund Plan Execution ([https://mopsov.twse.com.tw/mops/web/bfhtm\\_q2](https://mopsov.twse.com.tw/mops/web/bfhtm_q2)).

## 4. Operational Highlights

### 4.1 Business Activities

#### 4.1.1 Business Scope

1. WPG Holdings Ltd.:
  - I. Investment industry.
  - II. International trade.
  - III. Industry holding company.
  - IV. All business activities that are not prohibited or restricted by law, except those that are subject to special approval.
2. WPG Group

##### I. Main Business Activities

Headquartered in Taipei (TSE:3702), WPG Holdings owns World Peace Industrial Group, Silicon Application Corporation, Asian Information Technology and Yosun Industrial Group, etc. Through the industrial holding model, WPG focuses on international operational scale and local flexibility, based on Semiconductor industry Supply-chain Resource integration service, our company continues to provide value-added supply chain management services. In recent years, our company has successfully developed its Logistics as a Service (LaaS) business by upgrading and optimizing warehouse facilities and space. This has enabled us to provide customers with more efficient, flexible, and competitive comprehensive logistics solutions, assisting customers in developing and investing in future markets while aiming to achieve "Co-Creation and Win Together" with our suppliers, customers, and strategic investment partners. Under the industrial holding model, we continue to expand our investment scope, and establish the Industrial holding ecosystem, to achieve the goals of resource integration and diversified management, enhancing international competitiveness.

##### II. Sales Percentage(2024)

Product Name	Sales Percentage
Core components	39.08%
Analog IC and mixed-signal IC	8.32%
Discrete logic IC	9.05%
Memory components	26.98%
Optical components and sensors	9.33%
Passive components, electromagnetic	5.17%
Other components	2.07%
Total	100.00%

### III. Current Products/Services

#### i. Franchised Semiconductor Brands

WPG Group is the authorized distributor of more than 250 semiconductor brands, including Airoha, AMD, Amphenol, ams OSRAM, AOS, Awinic, Broadcom, Cree LED, Diodes, Elan, Everlight, FORESEE, Infineon, Intel, Kingston, Kioxia, Kneron, Liteon, Littelfuse, MaxLinear, MediaTek, Microchip, Micron, Molex, MPS, MXIC, Nanya, Nexperia, Novatek, Nuvoton, NXP, OmniVision, onsemi, Parade, Phison, Pixart, Qualcomm, Realtek, Richtek, Richwave, Robert Bosch, Rockchip, Samsung Electronics, Samsung SEMCO, Semtech, SGMicro, Silergy, SiTime, STMicro, Sunplus, Toshiba, Unisoc, UPI, Vanchip, Vishay, Winbond, Zilltek.

#### ii. Category/Name of Franchised Semiconductor Products

Main Product Category	Product Name
Core components	AI accelerator, chipset, graphics/audio/video controller, smartphone chip, network/modem chipset, self-driving car control chip, MCU, GPU, CPU/MPU and RISC CPU, etc.
Analog IC and mixed-signal IC	Bipolar, CMOS operational amplifier, comparator, digital/analog converter, power supply controller, audio and video amplifier or controller, etc.
Discrete logic IC	Diode, rectifier, transistor, thyristor, insulated-gate bipolar transistor (IGBT), SiC, GaN, optical transistor, logic IC, etc.
Memory components	DRAM, MRAM, SRAM, EPROM, EEPROM, Flash, MCP, etc.
Optical components and sensors	LCD panel module, panel driver IC, panel touch IC, CMOS Sensor, Inertial Sensor, LED, Micro LED, etc.
Passive components, electromagnetic components, and connectors	Resistor, capacitor, inductor, magnetic component, cable, connector, mechanics, electromechanics, circuit protection, material, battery, filter, oscillator, touchpad, polarizer, etc.
Other components	Non-electronic components

#### IV. New Products (Services) in the Planning

Category of Product	New Component Planned to Franchise
Internet of Things (IoT)	AIoT, smart home, smart city, smart wearable device, smart medical treatment, etc.
Automotive	IoV, vehicle entertainment system, vehicle electronics, vehicle safety, etc.
Power	New energy lighting, consumer, industry,
More	Computers and peripheral products, industry, communication, consumer, development board

##### 4.1.2 Industry Overview

###### 1. Current State and Future Development of the Industry

In 2023, the semiconductor industry underwent inventory adjustments. Entering the second half of 2024, driven by easing global inflation, recovering end-market demand, and the surge in AI development, the industry has shown a strong rebound. The surge in demand for high-performance computing and data centers has significantly driven the growth of AI server shipments, especially among major cloud service providers in North America. Meanwhile, the memory market has also experienced a rebound, with high-bandwidth memory (HBM) becoming a key engine of growth. Looking ahead to 2025, the industry is expected to encounter challenges including global economic adjustments, rapid advancements in AI technologies, and intensified supply chain competition, along with global market uncertainties contributed by heightened geopolitical risks. Nevertheless, the rise of emerging markets such as Southeast Asia and India is expected to present new growth opportunities for the semiconductor sector.

According to the latest forecast by Gartner, Inc., worldwide semiconductor revenue is projected to reach USD 626 billion in 2024, representing an 18.1% increase from USD 530 billion in 2023. In 2025, revenue is expected to grow further to USD 705 billion, reflecting a year-over-year increase of 12.7%, with memory serving as the primary growth driver and non-memory segments expanding by 6.9%. The compound annual growth rate (CAGR) for the period from 2023 to 2028 is 9.4%, as shown in Figure 1.

Figure 1. Estimated Revenue of the Global Semiconductor Industry from 2023 to 2028

(2023-2028) CAGR: 9.4%						
Year	2023	2024	2025(F)	2026(F)	2027(F)	2028(F)
Revenue (Unit: US\$ billion)	530.0	626.0	705.0	768.0	800.0	829.0
Year-on-year	(11.7)%	18.1%	12.7%	8.9%	4.1%	3.7%

Source: Gartner March. 2025

###### 2. Main Application Markets and Development Trends

The estimation and analysis of the four main application markets of the notebook, the smartphone, the server, and the automotive/EV, are as follows: (Source: DigiTimes)

## Notebook

According to the analysis of DigiTimes, after three consecutive years of decline, the global notebook market is expected to rebound significantly in 2024, supported by strong demand for AI NB (Note). Total shipments are projected to reach 175 million units, representing a 6.0% year-over-year growth. AI NB shipments alone are estimated at 39.35 million units—more than double the volume in 2023—accounting for 22.6% of total NB shipments. Looking ahead to 2025, growth in the overall notebook market is forecast to decelerate to 2.6%, with total shipments reaching 180 million units. Nevertheless, AI notebooks are expected to remain the primary growth driver, accounting for 42.0% of total shipments and registering an estimated year-over-year increase of 92%. Intel, with its mainstream CPU platform fully integrated with NPU, remains the primary growth driver for 2025. Meanwhile, high-end products based on Qualcomm's ARM architecture and the collaboration between NVIDIA and MediaTek are expected to enter the market by the end of 2025, collectively driving the growth of AI notebooks.

The application market is forecast to exhibit significant growth in 2025. In the commercial sector, following a period of sluggishness in 2024, growth is anticipated to rebound sharply due to the low base effect, the discontinuation of support for Microsoft Windows 10, the maturation of X86-based AI notebook platforms, and the enhanced functionality of Copilot+PC, resulting in a projected growth rate of 4.8%. The education market, driven by the NEXT GIGA project in Japan, is set to experience a robust procurement wave, with growth reaching 8.5%, making it the fastest-growing segment among the three major application areas.

Note: AI NB refers to notebooks equipped with a processor that includes a CPU, integrated GPU (iGPU), and NPU.

## Server

According to DigiTimes' analysis, global server shipments reached 14.89 million units in 2024, reflecting a 3.2% year-over-year growth and signaling the end of the market's decline. This growth is mainly driven by robust demand for high-end AI servers from major North American cloud service providers. Among these, AI server shipments amounted to 1.272 million units in 2024, representing a 74% year-over-year increase and accounting for 8.7% of total server shipments. Looking ahead to 2025, global server shipments are projected to reach 15.24 million units, up 2.3% from 2024. AI server shipments are expected to grow to 1.97 million units, representing a 54.9% year-over-year increase and accounting for 12.9% of total server shipments. However, escalating geopolitical tensions between the U.S. and China are prompting another wave of supply chain relocations, and ongoing economic uncertainty is likely to constrain overall market growth. High-end AI servers will remain the primary growth driver, while shipments of

general-purpose servers may see a slight decline. Over the longer term, DigiTimes forecasts a compound annual growth rate (CAGR) of 4.8% for global server shipments from 2024 to 2028. In terms of processor platform performance, both Arm-based and AMD CPUs are expected to steadily increase their share of global server shipments over the next five years, with Arm-based CPUs projected to grow at a faster pace than AMD. Arm and AMD are collectively projected to account for over 30% of the market by 2029, up from 24.3% in 2024, while Intel's market share is expected to drop below 70%.

- I. On the demand side, the global server market experienced modest growth in 2024, driven by demand for high-end servers supporting generative AI. However, growth was constrained by macroeconomic and geopolitical uncertainties, as well as slowing capital expenditures from major cloud service providers. In the long term, however, ongoing AI development and supply chain restructuring after 2027 are expected to restore growth momentum in the server market.
- II. On the supply side, in 2025, the widespread adoption of generative AI will drive a surge in demand for high-end AI servers, bringing liquid cooling technology into the mainstream. In terms of hardware technology, NVIDIA's AI servers will continue to serve as the focal point of industry development. The adoption of Arm-based processors by Google, Microsoft, and NVIDIA is expected to significantly boost Arm's market share. AMD will continue to expand its presence with new architectures, a major technological breakthrough anticipated in 2027 is expected to drive a resurgence in demand across both general-purpose and AI server segments.

### **Smart Phone**

According to the analysis of DigiTimes, the global smartphone market showed signs of recovery in 2024 after several years of sluggish performance, with shipments reaching 1.19 billion units, a 6.0% increase from 2023. Despite ongoing challenges from macroeconomic conditions and geopolitical factors, technological innovations, particularly the introduction of AI features, are becoming the primary drivers of market growth. Looking ahead to 2025, generative AI smartphones will be a key highlight in the market, especially in high-end models. The innovative generative AI technology, combined with the widespread adoption of 5G and Wi-Fi 7 technologies, will further enhance smartphone connectivity speed and user experience. At the same time, smartphone cameras and image processing capabilities will continue to upgrade, with AI playing an increasingly important role in image processing. DigiTimes forecasts that global smartphone shipments will reach 1.23 billion units in 2025, marking a 3.4% increase from 2024. Among them, AI smartphones are expected to experience explosive growth, with shipments reaching 450 million units, representing a 115% year-over-year increase and accounting for 36% of total global smartphone shipments.

## Automotive/EV

In 2024, the global automotive market experienced slower growth due to factors such as macroeconomic uncertainty, geopolitical instability, and economic recessions in certain regions. However, the electric vehicle (EV) market continued to expand, though at a decelerated rate. There were notable regional disparities, with the Chinese market maintaining its leadership, while the European and North American markets lagged behind due to policy challenges and weaker demand.

According to the data from DigiTimes, in 2024, global smartphone shipments reached 89.9 million units in 2024, marking a 0.9% increase from 2023. Among them, the sales volume of electric vehicles (BEV/PHEV) was approximately 17.23 million units, accounting for 19.2% of the total market, reflecting a 25.5% year-over-year growth. Looking ahead to 2025, the sales volume of electric vehicles (BEV/PHEV) is expected to reach approximately 20.47 million units, accounting for 22.4% of the total market, reflecting an 18.8% year-over-year growth. The main growth drivers stem from the continued leadership of the Chinese market and the potential recovery of the European market.

### 3. Conclusion

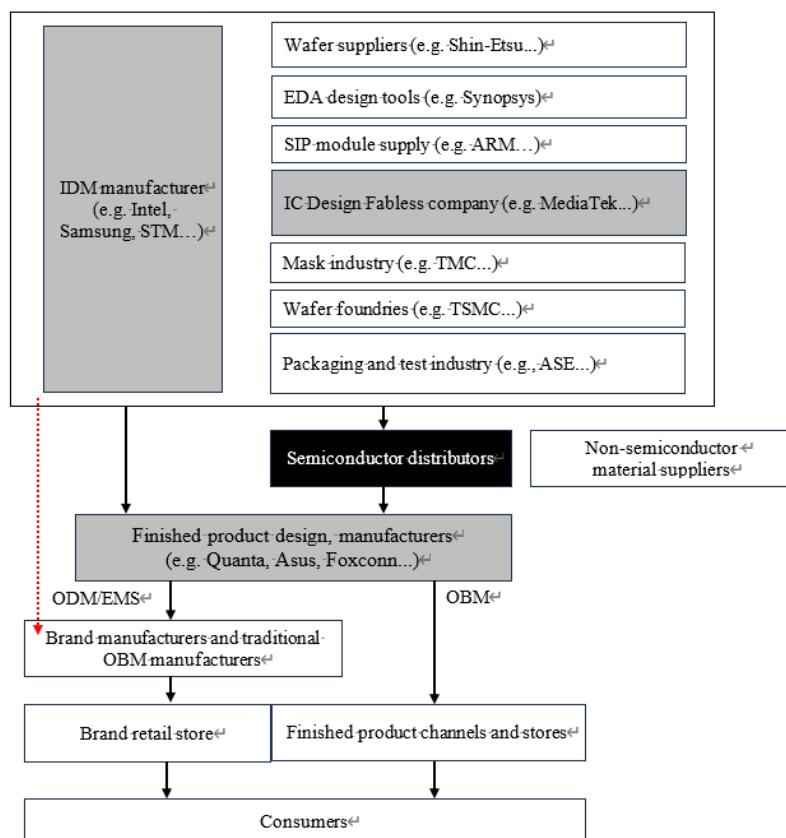
In 2023 and 2024, the semiconductor industry underwent significant transformation, driven primarily by artificial intelligence (AI). The rise of large language models (LLMs), including DeepSeek, led to an exponential increase in demand for high-performance computing (HPC) chips, which in turn accelerated the development of high-bandwidth memory (HBM) and advanced packaging technologies. At the same time, geopolitical tensions, particularly the US-China tech war, have prompted a reorganization of the global semiconductor supply chain. Countries worldwide are stepping up support for their domestic semiconductor industries, and a “China+1” strategy for industrial relocation has emerged. In addition, after the inventory adjustment period in early 2023, market demand gradually recovered in 2024, which, combined with technological innovations in advanced process nodes and hardware-software co-optimization, shaped the current industry landscape.

Looking ahead to 2025 and the next five years, artificial intelligence (AI) will continue to drive the growth of the semiconductor industry. Its applications will expand into areas such as autonomous driving, smart manufacturing, and healthcare. These will drive the demand for high-performance and energy-efficient chips. As chip complexity continues to rise, advanced packaging technologies are becoming ever more critical. Meanwhile, AI applications are expanding from cloud-based training to edge inference, driving the development of a wide range of AI chips. However, geopolitical risks and supply chain resilience remain key challenges for the industry.

In terms of products and applications, AI chips (GPUs and NPUs), high-bandwidth memory (HBM), automotive semiconductors, and edge AI chips are poised to become the primary drivers of market growth. Advanced packaging technologies are playing a pivotal role in chip integration. Overall, the semiconductor industry is evolving toward AI-driven development, technological innovation, and diversified applications. At the same time, it needs to actively address supply chain changes caused by geopolitical tensions.

- Relationships among Upstream, Midstream, and Downstream Entities in the Industry: The figure below (Figure 2) is a simplified representation of the relationships among upstream, midstream, and downstream entities in the supply chain of the semiconductor industry. The correlation of these relationships is analyzed as follows:

Figure 2 Semiconductor Supply Chain Analysis



## I. Basic Structure of the Semiconductor Supply Chain

### i. Upstream Semiconductor Component Suppliers

Upstream semiconductor component suppliers can be broadly divided into two categories. The first category is integrated design manufacture (IDM), which has the strong capability of vertical integration and has relatively complete portfolios.

The second category is Fabless IC design houses with no foundry. This category is classified as high industrial specialization. Fabless IC design houses focus on specific applications of semiconductor components.

These two categories of semiconductor component suppliers are the upstream suppliers in the semiconductor distribution industry. Semiconductor component distributors mostly secure the franchises through a distribution or agency model.

ii. Semiconductor Distributors

Semiconductor distributors have no manufacturing plants themselves. They mainly distribute or act as agents for the semiconductor components of IDM or Fabless IC design houses. With their own value-added services, semiconductor distributors sell franchised semiconductor components to downstream electronics manufacturers including EMS, ODM and OBM. According to the scale and scope of business, semiconductor distributors can be divided into three categories: international and regional agents/distributors, and local distributors/trading companies.

iii. Downstream Product Manufacturers

Downstream product manufacturers can be divided into three categories.

The first category is original equipment manufacturers (OEM) or electronics manufacturing services providers (EMS). Such manufacturers mainly focus on production and manufacturing, supported by the capabilities of global logistics management, information system transparency, and product diversification.

The second category is the original design manufacturer (ODM). In addition to manufacturing capability, such manufacturers also accept design orders. Compared with EMSs, ODMs pay more attention to R&D investments and have a relatively higher degree of control over electronics specifications and components used.

The third category is own brand manufacturer (OBM). In addition to design and manufacturing capability, such manufacturers are able to market their own brands. They pay more attention to product marketing strategies and market segmentation.

These three categories of product manufacturers are the most important customers in the semiconductor distribution industry.

iv. Brand and Direct Sell Stores

The representatives of this category include global-leading electronics brands such as Apple, Dell, HP, Acer, Asus, etc. The common ground of such vendors lies in most of them outsourcing product manufacturing and design operations to EMSs or ODMs, and focus on high value-added work such as brand

management, product specifications design, marketing strategy planning, global logistics management, and online/offline sales channel management.

v. Product Distributors

In addition to acting as agents or distributors for internationally renowned information product brands, channel distributors also distribute products from emerging OBM manufacturers. In recent years, they have further collaborated with ODMs to launch proprietary information products under their own channel brands, supplying these products to IT product retail showrooms, corporate clients, and directly operated stores.

II. The Role and Relevance of Semiconductor Distributors:



For upstream semiconductor suppliers, the role of semiconductor distributors is to support suppliers' sales of semiconductor components; for downstream product manufacturers, the main function of semiconductor distributors is to assist customers in purchasing semiconductor components that are indispensable to manufacturing. In addition to dealing with various semiconductor components with complex specifications that are irreplaceable, the supplementary value-added services provided cover an even more extensive range that includes financial services, material management, logistics, technical support, etc. The analysis of the seven major aspects is as follows:

i. Product Promotion

To deliver semiconductor components to a large number of customers in the shortest possible time, upstream suppliers must cooperate with professional regional distributors. As the transactions involve specialized semiconductor products and professional buyers, distributors often have to recruit sales representatives and technicians who are familiar with the suppliers' products

in order to provide suitable products and technical support and respond to customer needs instantly.

ii. **Inventory Management**

Due to the requirement of semiconductor manufacturing, the standard delivery time for upstream semiconductor suppliers or manufacturers averages around 12 weeks. Yet, for most of the customers, it is difficult to predict the exact demand 12 weeks beforehand. In recent years, due to fierce competition in the electronic information industry, customers have predicted shorter and more varied demand. The reason lies that brands have been making greater changes in demand forecasts for product manufacturers (EMSs and ODMs) as well. Usually, demand is only confirmed for one to two weeks. Amidst the 10-week demand gap, distributors play a pivotal role in coordinating and preparing appropriate safety stock to narrow the huge difference, thus maintaining the normal operation of the overall supply chain.

As a result, the more intense the competition of the information industry is and the more uncertain future demand is, the more important semiconductor distributors' roles play.

iii. **Order Management**

Due to the limited resources, upstream suppliers usually only provide direct services to a few large customers. Orders from many other small and medium customers thus need to be handled through distributors for efficient and instant services. After collecting the actual demand and demand forecast from many small and medium customers, distributors place orders collectively to suppliers for batch production. This greatly relieves the suppliers' stress on order management, and also helps suppliers maintain the stability and efficiency of their semiconductor manufacturers, ensuring that customers receive the agreed semiconductor components on the specified delivery dates in a predetermined quantity.

iv. **Sales Management**

Except for a few large-scale product manufacturers, most small and medium customers do not have enough orders to negotiate prices with semiconductor suppliers. This is where distributors weigh in. Through centralized orders, distributors can manage to lower the prices for small and medium-scale customers; for suppliers, price is maintained through distributors, thus achieving the purpose of sales management.

v. **Logistic Management**

Suppliers only have to deliver products to distributors' designated warehouses in batches according to distributors' orders, which reduces the complexity of

batch delivery operations, while distributors are responsible for delivering the products in packaging (including labeling operations) requested, along with documents requested to locations specified by each small and medium scale customer in order to complete the logistic operation of semiconductor components. Distributors significantly save suppliers' time and costs on logistics management as well as downstream customers' human resources and space needs.

vi. Financial Management

In order to purchase semiconductor components directly from semiconductor suppliers, besides meeting considerable purchase quantities, buyers must have a certain level of credit rating and collateral, and also the ability to bear shorter payment terms. However, not all customers have the ability or willingness to pay such a price to complete the purchase of semiconductor components.

As a result, distributors play the critical role of financiers. Distributors usually grant a certain line of credit to customers according to many objective conditions such as customers' history of bank transactions, credibility, business operations, person in charge's character, and usual transaction records, and payment terms better than those granted by suppliers to help customers obtain suppliers' products and services at a lower financing cost.

Through distributors, suppliers also familiarize themselves with the financing operations in the local market, so as to avoid financial risks and secure market share and business opportunities at the same time. The role the distributors play in financial and risk management is especially important in the Asia market.

vii. Information Management

Semiconductor suppliers' core competencies lie in semiconductor component research and development, manufacturing, and industry standards. Professional sales representatives and technicians are required to help collect market information and integrate customer needs to assist them in maintaining the core competencies. In this regard, distributors play an indispensable role in consolidating suppliers' specialties with sufficient local professionals. For customers, they can voice their needs collectively through distributors so that suppliers can provide more suitable products to help customers design and manufacture electronics products.

The underlying role of semiconductor distributors is to serve as a bridge between suppliers and customers. In addition to standing on the front line for suppliers, distributors serve as suppliers for customers to jointly tackle the challenges in the ever-changing markets. In addition to these two roles,

distributors have to stay cautious with their own operations and profits, so as to maintain long-term viability in the ever-changing electronics industry.

### III. Sales and Competition in the Global Semiconductor Industry:

There is a clear substitute relationship between electronic component manufacturers (original manufacturers) and electronic component distributors (distributors) in terms of sales of electronic components. When electronic component manufacturers think it is more advantageous to sell products through their own marketing department, they are likely to withdraw the franchises. If electronic component manufacturers think it is more advantageous to sell products through electronic component distributors, they will transfer the original territories or customers to the distributors. As a result, these two channels (direct sales and franchises) mutually substitute.

According to Gartner analysis, as shown in Table 4, it can be clearly seen that in the global semiconductor component sales structure, upstream semiconductor manufacturers directly sell to downstream finished product manufacturers or brand manufacturers accounted for as high as 67.0%; the remaining 33.0% was sold through distributors. The original factory's dominance is self-evident.

Figure 4 Structural Analysis of Sales of Global Semiconductor Components Distributors

No	W/W Semiconductor Distributor (W/W Semiconductor Distributor)	2024 Revenue (US\$ million)	W/W Distributor Share (%)	W/W Semiconductor Industry Share (%)
1	WT Microelectronics	28,792	14.0 %	4.6 %
2	WPG Holdings	25,477	12.3 %	4.1 %
3	Avnet	17,576	8.5 %	2.8 %
4	Arrow Electronics	17,086	8.3 %	2.7 %
5	Supreme Electronics	6,884	3.3 %	1.1 %
6	CECport	6,197	3.0 %	1.0 %
7	Macnica Fuji Electronics Holdings	5,678	2.8 %	0.9 %
8	NEXTY Electronics	4,725	2.3 %	0.8 %
9	S.A.S. Dragon	3,676	1.8 %	0.6 %
10	Edom	3,524	1.7 %	0.6 %
	Others Distributors/Traders	86,708	42.0 %	13.8 %
W/W Semiconductor Industry - Distributors - Total Revenue (sell-through model)		206,323		33.0%
W/W Semiconductor Industry - Non-Distributors - Total Revenue (direct sales model)		419,677		67.0%
W/W Semiconductor Industry - Total Revenue		626,000		100%

Source: Gartner (compiled by WPG)

We can learn from the table that whether it is the reality of the market regarding the sales of electronic components, or from the outlook of the IDM/fabless and customers, the two channels (direct sales and distributor/agency sales) have a close

interchanging relationship. Over and above that, the long-term competition remains in the international, regional, and local distributors in the semiconductor sales market. Adopting an industrial holding business model, WPG focuses on international-scale operations and local flexibility. With the vision of "To Become the First Choice of Industry; To Become the Benchmark of Distribution", WPG Holdings promotes the core values of "Teamwork, Integrity, Professionalism and Effectiveness." We continuously provide value-adding supply chain management services, helping customers develop and invest in future markets, aiming to create win-win outcomes with our vendors, customers and strategic investment partners. Under the industrial holding model, we continue to expand our investment scope, and establish the production control ecosystem, to achieve the goals of resource integration and diversified management, enhancing international competitiveness and leading the enterprise to a new milestone. In alignment with the Group's strategic goals and long-term planning, we empower our clients through smart warehousing services and strive for shared growth and prosperity with the industry.

#### 4.1.3 Technology and R&D Overview

##### 1. WPG Holdings Ltd.:

The Company is a holding company. Technology and R&D is conducted by each Group under WPG Holdings

##### 2. WPG Group:

I. As a semiconductor components distributor, WPG supports product design and provides value-added services for customers. The R&D expenses in the most recent two years and as of the most recent quarter of the date of publication of this annual report are shown in the following table.

Unit : NT\$ thousands; %

Item \ Year	112	113	As of the Date of Publication
R&D Expenses	23,821	24,126	5,993
Percentage of R&D Expenses to Revenue (%)	0.004	0.003	0.002

##### II. Proportion of Expected Future R&D Expenses to Revenue (%):

WPG Group will continue to support product design and provide value-added services for customers in 2025. The proportion of expected future R&D expenses to revenue is estimated to be maintained at 0.001 to 0.01%.

##### III. R&D Accomplishments in the Most Recent Year and as of the Date of this Annual Report:

In response to digital transformation, WPG launched the "WPGDADATONG" solution content platform in December 2019. After several years of development, "WPGDADATONG" has now evolved into a community platform for technical

sharing and communication aimed at engineers. The group continues to provide the latest solutions from manufacturers in various product application categories, continuously releasing new-generation product solutions in the fields of "Internet of Things," "Automotive," "Power Supply Zone," and "More Application Solutions," following the development of technology.

The solutions proposed in 2024 are summarized below:

Category	Application	Solutions
Internet of Things (IoT)	AIoT, smart home, smart city, wearable devices, smart medical treatment, industrial IoT, etc.	Intelligent solutions, including advanced Smart Kanban, real-time image analysis, smart security monitoring, logistics smart management, and 5G-based efficient data transmission systems.
Automotive	Vehicle-to-Everything (V2X), smart cabin, advanced driver-assistance systems (ADAS), autonomous driving vehicle platform	Advanced OBC monitoring, next-generation ADAS, efficient and intelligent LED lighting drivers, along with the addition of smart traffic condition interaction systems and intelligent transportation solutions
Power	New energy power supply, green lighting, industrial power supply, automotive and communication power supply, medical power supply	More efficient PFC power supply, innovative zero-energy consumption backup and energy storage systems, support for smart grid applications, and power supply designs that can be deeply integrated with the Internet of Things.
More	AI computers and peripherals, industrial communication, consumer electronics, smart home, intelligent security, virtual reality (VR), and augmented reality (AR).	AI-enhanced e-sports vision, next-generation seamless wireless technology, broadcast-grade wireless audio equipment, future mobility tools, and next-generation communication devices supporting WiFi 7

#### IV. Technologies or Products Planned to Develop in the Future

Category	Application
Internet of Things (IoT)	AIoT, smart home, smart city, wearable device, smart medical treatment, Industrial IoT etc.
Automotive	Internet of Vehicles (IoV), autonomous driving system, future transportation system, in-vehicle safety, in-vehicle and external smart connectivity, etc.
Power	Green new energy, consumer and industrial power systems, in-vehicle smart power systems, medical communication power solutions, etc.
More	AI computing devices, future industrial applications, next-generation communication technologies, unmanned AI devices, next-generation smart grids, and large-scale energy storage battery technologies.

#### 4.1.4 Long-Term and Short-Term Business Development Plans

##### 1. Short and Mid-Term Plans

- I. In light of global economic adjustments, advancements in AI technology, and supply chain competition, the Company will strategically position itself for the future at a steady pace, continuously focus on long-term competitiveness, and explore emerging markets and high-value business models. Regarding global services and digital transformation, the Company is strengthening its market positioning, deepening the application of AI and data, and increasing productivity and service efficiency, thereby establishing a solid foundation for stable long-term growth. The management team will focus on improving return on working capital and profit margins to optimize financial performance. In terms of operational management, the Company will continue to optimize its product portfolio, negotiate more favorable payment terms through enhanced communication with suppliers, strengthen accounts receivable and collateral management to reduce bad debt risks, and improve cost control efficiency. Each business group will strengthen inventory management and communication with suppliers, while accelerating cash inflows through accounts receivable factoring. On the financial strategy front, the Company aims to reduce reliance on financial leverage by strictly controlling the ratio of interest-bearing debt to assets and managing financial expenditures.
- II. Optimizing the product mix and channel deployment to enhance market competitiveness,
  - i. Expanding the product portfolio to enhance overall revenue performance.  
In response to the rapid growth of applications such as 5G, AI, cloud computing, automotive electronics, low Earth orbit satellites, and smart IoT, WPG Holdings represents semiconductor product lines from more than half of Gartner's top 25 suppliers, including AMD, Broadcom, Infineon, Intel, Kioxia, MediaTek, Microchip, Micron, Novatek, NXP, onsemi, Qualcomm, Realtek, Samsung, STMicroelectronics, and Western Digital. In the future, the Company will continue to enhance both the depth and breadth of its product portfolio, actively introduce new product lines, and increase its business presence in sectors such as information technology, communications, industrial, and consumer electronics.
  - ii. Expanding global marketing locations and building a flexible supply chain network  
To meet customers' needs for relocating production bases and expanding internationally, the Company has built a comprehensive semiconductor component distribution network across Taiwan, Mainland China, Southeast Asia, India, North America, and Europe. In the future, the Company will

strengthen its global presence through establishing subsidiaries and joint ventures, and conducting local acquisitions to enhance supply chain resilience and localized service capabilities.

- iii. Expanding distribution areas and product licensing to accelerate business scale expansion.  
Leveraging its achievements and experience in the Greater China market, the Company will actively seek authorizations from the original manufacturer, and expand its product sales coverage from the Asia-Pacific region to Japan, South Korea, India, the Americas, and Europe, thereby increasing its overall market share.
- iv. Strengthening technical services and FAE support to enhance value-added offerings  
We provide customers with full support from R&D design and technical presentations to system integration. By working closely with system design houses, we enhance technical support and patent collaboration, helping build long-term technology partnerships with our customers.
- v. Offering customized logistics solutions to reduce costs and improve efficiency.  
The Company offers customized logistics solutions through the "Logistics as a Service" (LaaS) model to reduce costs, improve efficiency, and help customers focus on their core business. The LaaS model integrates vertical specialization and multi-warehouse management to rapidly launch services at new plant locations and leverage data analytics to optimize the supply chain. At the same time, it continues to focus on operational optimization and cost control to ensure flexibility in responding to market demands.

## 2. Long-term Plans

- I. Through the industrial holding model, WPG focuses on international operational scale and local flexibility, and fully implements the core values of "teamwork, integrity, professionalism and effectiveness efficiency" with the vision "To Become the First Choice of Industry. To Become the Benchmark of Distribution". Our company continues to provide value-added supply chain management services, assisting customers in developing and investing in future markets while aiming to achieve "Co-Creation and Win Together" with our suppliers, customers, and strategic investment partners. Under the industrial holding model, we continue to expand our investment scope, and establish the Industrial holding production control ecosystem, to achieve the goals of resource integration and diversified management, enhancing international competitiveness and leading the enterprise to a new milestone. In alignment with the Group's strategic objectives and the

requirements of long-term planning, we achieve customer success through smart warehousing services and "Grow Together and Strive Together" with the industry.

i. Establishing long-term competitiveness with forward-looking insights

The Company focuses not only on short-term performance but also strives for a stable growth trajectory in the ever-changing market environment to drive long-term value growth.

ii. Optimizing resources and pursuing both quality and quantity

Adhering to the six major strategic policies of "Globalization, Greatness, Empowerment, Effectiveness, Succession, Happiness," the Company focuses precisely on the effective utilization of resources and is committed to driving growth in per capita operating profit.

iii. Enhancing digital transformation to drive efficiency growth

AI technology and data insights have become the core drivers of industry transformation. By leveraging the "Data Insights as a Service (DIaaS)" data tool, the Company optimizes decision-making and supply chain operations to further enhance resource allocation efficiency and continuously improve capacity and service effectiveness.

iv. Strengthening the talent foundation to build a sustainable future

We are committed to creating a happy enterprise by providing a platform for career development and value realization for our employees, ensuring that personal growth is closely aligned with the company's goals, and fostering a future of shared prosperity and mutual success.

II. Deepening core business strengths and enhancing operational resilience to expand global influence.

i. Continuously expanding the semiconductor distribution foundation and building a comprehensive marketing network

Leveraging over 40 years of well-established relationships with customers and suppliers, WPG will continue to deepen its marketing channels and logistics center deployment, expand the coverage of electronic application products, and secure key agency authorizations, thereby strengthening its leadership position in the distribution sector.

ii. Implementing knowledge management to foster a sharing culture and build a core team

Establishing cross-regional organizational values and culture, strengthening internal knowledge transfer and sharing, and continuously optimizing personnel structure and operational organization to enhance the Group's overall resilience and long-term competitiveness.'

## 4.2 Market and Sales Overview

### 4.2.1 WPG Holdings Ltd.: N/A

### 4.2.2 WPG Group:

#### 1. Market Analysis

##### I. Sales Region of Main Products (Services)

Unit : NT\$ thousands; %

Region /Year	112		113	
	Net Sales	Percentage	Net Sales	Percentage
Taiwan	98,239,449	14.62	115,673,377	13.14
Mainland China	508,445,730	75.67	660,212,443	74.98
Others	65,202,952	9.71	104,666,515	11.88
Total	671,888,131	100.00	880,552,335	100.00

##### II. Market Share

According to the sales statistics of Gartner in 2024, WPG is the second-largest semiconductor distributor both globally and in Asia, accounting for approximately 4.1% of the global semiconductor market sales.

##### III. Future Market Supply/Demand and Growth

###### i. Supply

In 2023 and 2024, the semiconductor industry underwent significant transformation, driven primarily by artificial intelligence (AI). The rise of large language models (LLMs), including DeepSeek, led to an exponential increase in demand for high-performance computing (HPC) chips, which in turn accelerated the development of high-bandwidth memory (HBM) and advanced packaging technologies, becoming a booster for the weak demand in the end-market electronics products. The shortage of TSMC's advanced wafer processes and CoWoS packaging capacity severely impacted the production of semiconductors related to AI GPUs, HBM, and high-speed networking interface chips, but this is expected to gradually ease in 2025.

###### ii. Demand

For details regarding future demand conditions and development trends in major application markets, please refer to Section IV "Business Overview" of this annual report under Main Application Markets and Development Trends for details.

###### iii. Growth

Geopolitics, the Sino-US technology war will not stop in the short term. Out of China (OoC) and China+1, Out of Taiwan (OoT), promote Taiwan and mainland companies to accelerate the transfer of production bases to Vietnam, India, Thailand and Mexico in addition to the local market demand in China.

WPG has been deeply engaged in the South Asian and Indian markets for many years with a wide presence, and actively cooperates with and assists Taiwan and mainland companies to achieve seamless integration of global layout production goals. In recent years, each group of WPG has actively laid out the Edge AI and Device AI accelerators for automotive electronic electrification, networking, self-driving, and generative AI-related applications to cope with future growth.

#### IV. Competitive Niche

##### i. Professional image

WPG has managed the distribution of semiconductor components for over three decades, with its professional image highly recognized in the industry. In 2024, the Company maintained its ranking in the top 5% of all listed companies in the corporate governance evaluation, and continued to improve its ESG initiatives. In 2024, it once again demonstrated outstanding sustainable business results, winning two honors at the TCSA Taiwan Corporate Sustainability Awards for the sixth consecutive year: the "Taiwan Top 100 Sustainability Model Company Award" and the "Sustainability Report Gold Award." Additionally, being awarded the highest honor, the "Platinum Level", for our sustainability report for the first time demonstrates our long-term commitment to sustainable development and our continuous efforts to enhance the transparency of sustainability information, which have been highly recognized by professional judges.

The results of these evaluations indicate that the technology industry is moving toward a new era of software and applied services. The value-added services the Company provides in the semiconductor supply chain are not only recognized by our customers and suppliers, but the reflected business performance is also highly recognized by professional investors.

##### ii. Complete product lines

WPG has evolved into a professional semiconductor components distributor with years of marketing experience and accumulated acute judgment on market trends. Our franchised products include a central processing unit (CPU), chipset, logic IC, linear IC, memory, distributed-element circuit, and application-specific IC, covering all segments of semiconductor components. The Company also adds PEMCO to our portfolio in order to offer the convenience of one-stop-shopping to our customers.

###### (A) Expansion of application scope

Besides distributing product lines that cover the well-known 3C (Computer & Peripheral, Communications, and Consumer) applications,

Smart Living, Artificial Intelligence in Manufacturing, 5G Infrastructure and Construction for Enterprise Networks, Low-Orbit Satellite communication, Metaverse Virtual Reality Hardware, Edge Computing Intelligence, Industrial Internet of Things, Electric Vehicles, ADAS self-driving Vehicles, and Energy Storage Equipment, etc. are also WPG's focus.

(B) Asia-wide operating locations

WPG has approximately 63 operating locations around the world (58 in Asia-Pacific, 4 in Northern America, and 1 in EMEA). The advantages of expanding operating locations lie in the ability to meet customers' component needs in response to downstream clients moving overseas and the flexibility in inventory management. Having various operating locations also gives us more bargaining power when securing new product line franchises with overseas suppliers.

(C) Competent management team

Our management team consists of a group of people with a shared ambition to achieve success in business. They share the same business philosophy and their minds are in sync. Along with years of industry knowledge, our management team consistently deliberate business strategies for semiconductor components distributors and sought to create market value through teamwork. The significant increase in revenue and profit in recent years has proved the competency of the management team.

(D) Complete information management systems

WPG actively develops and uses information technology such as ERP, EDI, and Internet Services to improve sales and management efficiency. Coupled with the advantages of our franchised products and various footprints, we have also introduced digital processes, automated equipment, and application programming interfaces (API) to support third-party warehousing management, to create a highly efficient smart warehouse. With the highly efficient logistics management system, we are able to transact in the most rapid and accurate way. Our clients can place orders in any Asia-Pacific footprint and have products delivered to any location they designate to save time and transportation costs. This has laid a solid foundation for the e-commerce of semiconductor components distributors in the future.

(E) Value-added services

We provide the following value-added services for our customers as a supplier, consultant, and business partner:

- a. Special delivery
  - i. Provide special delivery per customers' special requirements
  - ii. Provide prompt delivery, cross-border transactions, and other international services for overseas customers
- b. Market information
  - i. Analyze and exchange industrial information
  - ii. Issue "WPG E-paper" biweekly to provide the latest market information, trends, and suggestions
  - iii. Establish a website to satisfy the purchase needs of small and medium-scale businesses and limited quantity purchase
  - iv. Provide the latest product specifications in a timely manner
- c. Technical support
  - i. Field application engineers (FAE) support customers in product testing and design
- d. Technology tools
  - i. Establish an online portal to enable the exchange of information globally
  - ii. Establish an EDI system that connects with upstream and downstream partners and Rosetta Net that connects with suppliers to transmit sales data instantly and accurately
- e. Financial support
  - i. Allow cross-border transactions and payment, and support customer migration
  - ii. Provide credit lines for customers to promote mutual prosperity
  - iii. Enable the BTO model

(F) Distributor value well-recognized by suppliers

WPG has gained an excellent reputation with 30 years of experience in the semiconductor components distribution industry. While some suppliers approach WPG proactively for the franchise, WPG selects suitable products to franchise among suppliers as well. Being highly recognized by suppliers, WPG owns a certain level of bargaining power for favorable deals while continuing to increase the number of franchised products by offering professional marketing and well-established footprints. This has shown that WPG is competent in franchising and has successfully created semiconductor components distributors' value.

V. Advantages and Disadvantages of the Development Prospects and Countermeasures

i. Advantages

(A) Complete franchised brands and components

Our suppliers, including AMD, Broadcom, Infineon, Intel, Kioxia, Mediatek, Microchips, Micron, Novatek, NXP, onsemi, Qualcomm, Realtek, Samsung, ST Micro, Toshiba and Western Digital, are continuously developing new products to create new demand and stay competitive. WPG is positioned as a one-stop-shopping distributor with franchised products ranging over the distributed-element circuits, linear IC, logic IC, basic memory, central processing unit/microprocessors, application-specific IC, and application-specific controller.

(B) Enhanced portfolio management

Our portfolio centers on manufacturers of various types of popular consumer products such as Apple and Amazon, and traditional 3C products. Other key potential markets include industrial applications such as smart manufacturing, smart healthcare, smart home, smart car, and smart transportation derived from big data and IoT, as well as IoT-related applications, renewable energy-based vehicle applications, video surveillance, machine tools, industrial control and instruments, etc. Besides coping with customer strategy development and enhancing our technical support capabilities among new applications to expand demand creation business, we aim to optimize self-management ability, such as inventory control, accounts receivable, etc., to increase overall output value.

In addition, WPG Overseas Business Group continues to develop overseas operations. Facing the possibility of customer supply chain migration, we believe we are capable of responding quickly and providing satisfying services based on our solid foundations.

(C) Industry profession-oriented marketing department

WPG's marketing department specializes in specific industries or areas, including NB, communications/network, consumer electronics, etc., provides professional service, and develops long-term customer relationships. Our operating footprints span across Asia-Pacific including Taiwan, Hong Kong, Singapore, Mainland China, South Korea, Japan, and Southeast Asia.

(D) Wide range of technological applications and design services

WPG has hundreds of technology-related engineers who assist clients complete design faster in order to grasp business opportunities early and secure higher profits and market share.

(E) High value-added supply chain management

We serve high-tech product manufacturers in Asia-Pacific using the connected purchase, sales, and inventory system built on the ERP system and e-commerce, coupled with the existing support, logistics, and warehouse systems.

Aiming to become a data-driven enterprise, WPG adopts a customer-oriented (C2B) approach to meet customers' needs in a flexible and efficient way, address customers' pain points, and provide fast and accurate services. With instant, transparent information, we build a reliable collaborative ecosystem together with our customers. Launched in 2018, WPGDADAWANT currently consists of five sub-platforms that operate under an online-to-offline (O2O) model, strengthening WPG New Distribution philosophy through internal and external promotion, as well as optimization of the Inbound Marketing platform.

ii. Disadvantages and Countermeasures

- (A) Local competitors expanding market share and acquiring foreign competitors/countermeasures:
  - a. Strengthen and develop better relationships with suppliers and customers by emphasizing local partner's flexible services and long-term partnerships.
  - b. Enhance employee training to increase familiarity of franchise products to provide customers the convenience of one-stop shopping, fully showing the value of semiconductor components distributors.
  - c. Strengthen employees' sales management digital skills to improve personal output; introduce incentive policy to motivate sales and to increase competitiveness.
  - d. Establish a resource-sharing platform to integrate local companies
- (B) Short product life cycle/countermeasures:
  - a. Hold sales meetings weekly/monthly to review the purchases/sales of components clients use for production and product development; enhance computer data management system to access accurate inventory aging analysis and develop countermeasures
  - b. Strengthen product/market development; closely observe new trends in products and markets to set directions for WPG and to introduce new franchises and new clients accordingly
  - c. Provide integrated product design based on the needs of the market and clients to assist clients in completing design in a timely manner and thus grasping market opportunities

- d. Continue investing and expanding franchised product region to provide better services and grasp potential business opportunities of those who migrate for a lower production cost or longer product life cycle

2. Important Applications and Manufacturing Process of Main Products

I. Applications of Main Products

Main Product	Product Name and Applications
Core components	AI accelerator, chipset, graphics/audio/video controller, smartphone chip, network/modem chipset, self-driving car control chip, MCU, GPU, CPU/MPU and RISC CPU, etc.
Analog IC and mixed-signal IC	Bipolar, CMOS operational amplifier, comparator, digital/analog converter, power supply controller, audio and video amplifier or controller, etc.
Discrete logic IC	Diode, rectifier, transistor, thyristor, insulated-gate bipolar transistor (IGBT), SiC, GaN, optical transistor, logic IC, etc.
Memory	DRAM, MRAM, SRAM, EPROM, EEPROM, Flash, MCP, etc.
Optical components and	LCD panel module, panel driver IC, panel touch IC, CMOS Sensor, Inertial Sensor, LED, Micro LED, etc.
Passive components,	Resistor, capacitor, inductor, magnetic component, cable, connector, mechanics, electromechanics, circuit protection, material, battery, filter,
Other components	Non-electronic components

II. Manufacturing Process of Main Products: N/A. (WPG Group is not a manufacturing company.)

3. Supply of Raw Materials: N/A. (WPG Group is not a manufacturing company.)

4. A List of Customers in the Most Recent Two Fiscal Years

I. Suppliers that Accounted for at Least 10% of Annual Consolidated Net Purchases in Either of the Most Recent Two Years

Unit: NT\$ thousands; %

Item	2023				2024			
	Name	Amount	As % of Total Net Purchases	Relationship with WPG	Name	Amount	As % of Total Net Purchases	Relationship with WPG
1	A Company	33,369,511	5.23	None	A Company	132,810,059	14.78	None
2	B Company	70,508,624	11.05	None	B Company	128,786,746	14.33	None
3	C Company	99,761,183	15.63	None	C Company	118,843,923	13.23	None
4	Others	434,664,679	68.09	–	Others	518,059,085	57.66	–
	Net Purchases	638,303,997	100.00	–	Net Purchases	638,303,997	100.00	–

Reason for Increase or Decrease: WPG maintains long-term partnership with main suppliers; the source of purchase is stable. Due to a 31.06% increase in revenue for the fiscal year of 2024, the amount of purchases from suppliers increased compared to the fiscal year of 2023.

II. Customers that Accounted for at Least 10% of Annual Consolidated Net Revenue in Either of the Most Recent Two Years

WPG has a wide range of product lines and various customers. No customer was accounted for more than 10% of the net revenue in either of the most recent two years.

## 4.3 Employees

### 4.3.1 WPG Holdings

Year		112	113	As of the Date of Publication
Number of employees	Sales and marketing	—	—	—
	Administration	384	462	477
	Total	384	462	477
Average age		37.9	38.0	38.0
Average year of services		8.8	8.5	8.4
Educational background	Ph.D.	0.30%	0.22%	0.21%
	Master's degree	18.80%	18.4%	19.29%
	Bachelor's degree	79.7%	80.3%	79.45%
	(Vocational) Senior high school	1.00%	0.65%	0.63%
	Below senior high school	0.20%	0.43%	0.42%

### 4.3.2 WPG Group

Year		112	113	As of the Date of Publication
Number of employees	Product sales technology	3,849	3,719	3,712
	Administration support	1,457	1,484	1,491
	Total	5,306	5,203	5,203
Average age		40.7	39.2	41.4
Average year of services		9.7	12.3	10.3
Educational background	Ph.D.	0.06%	0.08%	0.08%
	Master's degree	7.63%	7.96%	8.11%
	Bachelor's degree	84.73%	84.59%	84.53%
	Senior high school	3.83%	4.21%	4.11%
	Below senior high school	3.75%	3.17%	3.17%

### 4.3.3 The Personnel related to Financial Transparency Who Obtain Related License Required by the Competent Authorities:

Three employees of the Internal Auditing Office hold an international internal audit certificate.

## 4.4 Environmental Protection Expenses—Any Losses Suffered by the Company in the Most Recent Fiscal Year and up to the Annual Report Publication Date due to Environmental Pollution Incidents (Including Any

**Compensation Paid and Any Violations of Environmental Protection Laws or Regulations Found in Environmental Inspection, Specifying the Disposition Dates, Disposition Reference Numbers, the Articles of Law Violated, and the Content of the Dispositions), and Disclosing an Estimate of Possible Expenses that Could be Incurred Currently and in the Future and Measures Being or to be Taken. If a Reasonable Estimate Cannot be Made, an Explanation of the Facts of Why It Cannot be Made Shall be Provided: None**

## **4.5 Labor Relations**

4.5.1 Employee Benefit Plans, Continuing Education, Training, Retirement Systems and the Status of Their Implementation, and the Status of Labor-management Agreements and Measures for Preserving Employees' Rights and Interests

Employees are our most valuable asset. When employees devote wholeheartedly to work and create profits for the Company, the Company has the responsibility to take care of them in return. WPG Holdings and WPG Group offer generous employee benefits, including wedding, birth, and funeral subsidies, emergency relief, and club activities. WPG Holdings and WPG Group establish different units to plan recreational activities for employees such as family days, domestic incentive tours, dining events, as well as artistic and cultural activities, in accordance with the employee welfare regulations, so as to build cohesion among employees and increase employees' identification with the organization.

1. In Accordance with the Corporate Culture of Each Member, WPG Holdings and WPG Group Offer Generous Employee Benefits as follows:

- (1) Generous Employee Benefits:

Employee benefits include the Moon Festival bonus, Dragon Boat Festival bonus, year-end bonus, defined contribution pension plan, domestic incentive tours, interest-free auto loans and maintenance allowances, parking allowances, mobile phone bill allowances, and computer subsidies, as well as various club activities such as the bicycle club, study group, golf club, and wine tasting.

- (2) Comprehensive Insurance and Protection:

By government regulations, we provide employees with labor insurance, national health insurance for employees, their families, and retirees, and also provide employees with free group insurance and family group insurance discounts, including term life insurance, critical illness insurance, accidental injury insurance, accidental medical limit insurance, and hospitalization medical insurance, cancer health insurance, etc.

(3) Additional Leaves:  
Employees' leaves and days off are offered in line with the Labor Standards Act, coupled with one-day birthday leave and paid leave for volunteer at a charity project

(4) Wedding and Funeral Subsidies and Emergency Relief:  
Wedding and funeral subsidies, and emergency relief for employees cover weddings, childbirth, retirement, and death of employees or their dependents.

(5) Childcare-friendly Workplace Environment:  
Promoting a child-raising friendly workplace atmosphere, stipulating childcare leave in accordance with relevant laws and regulations, and setting up nursing rooms for childcare employees. The affiliated kindergarten of WPI Group, the subsidiary of WPG, provides a professional and trustworthy childcare environment for WPG employees.

(6) Regular Health Check-ups for Employees:  
WPG provides regular employee health check-ups once every two years for office employees and once every year for warehouse and logistics employees. On-site health consultation services by professional medical personnel are also available in office buildings.

## 2. Continuing Education and Training:

We attach great importance to employees' learning and development. Our employee training is divided into internal training, external training, and knowledge management.

### (1) Internal Training

Internal training in 2024:

Number of Trainees	Number of Training	Training Expenses
59,345 person-times	76,754 hours	NT\$26,499 thousand

Internal training includes orientation, management training, professional training, and other general knowledge type of training activities:

#### a. Orientation:

Orientation covers WPG company overview, business philosophy, HR rules and systems, corporate website, instructions on common system operations, occupational health and safety, and legal affairs.

#### b. Management Training:

The Company holds executive meetings every month and organizes supervisor trainings from time to time to discuss business strategies and directions. The trainings are meant to help participants to develop strategic management competence.

#### c. Professional Training:

Each department conducts professional training from time to time according to job requirements and specialties. For example, offering training for trade

compliance to intensify employees' knowledge of international trade norms, etc. At the same time, internal professional practices are passed down through the lessons learned courses developed by key business units.

d. Other General Knowledge Type of Training:

The Company regularly organizes soft-power lectures within the company and promotes proactive learning by providing employees with access to the Common Wealth Leader Campus learning platform to watch online learning courses according to their own needs.

(2) External Training

Employees may apply for external training according to the job requirements and personal development plans or per supervisors' requests. External training in 2024:

Number of Trainees	Number of Training	Training Expenses
82 person-times	1,006 hours	NT\$550 thousand

The details of external professional training courses in 2024:

Course Title
Practical Seminar on the “Digital Transformation of Internal Audit”
“Policy Analysis on Sustainability Information Disclosure” and Key Discussions
Key Discussions Internal Control and Internal Audit on “Compliance with Laws
Common Deficiencies in “Financial Statement Review” and Key Internal
The “Establishment of Facts for the Crimes of Breach of Trust and Special Breach of Trust by Directors and Supervisors (Including Independent Directors)
2024 Corporate Sustainability Elite Training Course -Basic
2024 Corporate Sustainability Elite Training Course -Advanced
2024 Martech Conference Beyond AI
2024 National Conference on Technology Law
2024 TIPS (Level A) & Corporate Governance - Smart Property Compliance
2024 Personal Information Manager (III)
2024 The 28th National Conference on Technology Law
2024 Phase II of Mergers and Acquisitions Masterclass
Advanced Certified ScrumMaster (A-CSM) Class
AEO High-quality Corporate Supply Chain Specialist
ESG Sustainability Courses (Low-Carbon Transition Pathway Planning-SBTi and PAS 2060, Climate Change Resilience Adaptation Pathway Planning, Low-
GRI Standards Certification Training Course
ISO 14067 Service and Product Carbon Footprint Lead Verifier
ISO 14067 Carbon Footprint Lead Verifier Course (Taipei Class)
ISO 14068-1Carbon Neutrality Lead Verifier Training Course
PIMS Professional Certification Course
Scrum Master (CSM) Certification Course
Analysis of Liability for Dishonest Business Operations and Illegal Securities

Course Title		
Refresher Course of Fire Prevention Managers Association of the Republic of		
Practical Audit Management of “Information Security” for Internal Auditors		
Practical Cases of Corporate Material Information Disclosure and Asset		
Sustainability Risk Management – Emerging Trends in Risk Governance		
Professional Ethics and Fraud Prevention Strategies for Corporate Auditors: Cases of		
Task Force on Nature-Related Financial Disclosure (TNFD)		
Refresher Course for Fire Prevention Manager		
Entertainment Law and Intellectual Property Course		
Fraud Prevention Measures and Problem Solving in Financial Process		
Practical Course on Trademark Application and Registration		
Trademark Law Course		
Practical Course on Trademark Disputes		
International Trademark Standards and Regulations Course		
Trademark Search and Analysis Course		
Patent Analysis Course		
Patent Procedure Examination and Patent Rights Management Course		
Patent Specification and Claims Writing Practice Course		
Patent Specification Writing Fundamentals, Techniques, and Practical		
Patent Examination Standards and Practice Course		
Payroll and Personnel Cycle and the Labor Procedure Act in the Context of		
In-Depth Analysis of the Latest Global Internal Audit Standards		
Specialized Safety and Health Training for Operators of Forklifts with a Load		
Intellectual Property Fundamentals Course		
The Latest “Guidelines for Handling International Control Systems”		
Leadership Courses: Situational Coaching® Situational Leadership		
Data Analysis Methods and Practice		
Internal Audit Key Points for Sales and Collection Cycle and Compliance with		
Practical Examples of Using Machine Learning and AI Applications in Auditing		
High-quality Corporate Supply Chain Safety Specialist Training Class		
Trade Secret Protection, Non-Compete and Personal Data Security Internal		
Performance Feedback: Did You Do It Right? Enhance Supervisor Performance		
In-service Training for Occupational Safety and Health Affairs Managers		

Managers participated in corporate governance-related further education and training in 2024:

List of Trained Managers	Course Title	Hours of Courses
Mike Chang (CEO)	ChatGPT Triggers AI Boom Industry Opportunities	3 hours
	Breaking Out of Organizational Framework - Organizational Strategy and Critical Talent Development	3 hours

List of Trained Managers	Course Title	Hours of Courses
Cliff Yuan (Financial Supervisor, Accounting Supervisor)	Fraud Prevention Measures and Problem Solving in Financial Process Management	6 hours
	Practical Cases of Corporate Material Information Disclosure and Asset Misappropriation	6 hours
	2024 Phase II of Mergers and Acquisitions Masterclass	16 hours
Mei Yin CHENG (Internal Audit Supervisor)	Policy on "Preparation of Financial Report" and "Sustainability Report"	6 hours
	Digital Transformation of Internal Audit and Application of Emerging Technologies	6 hours
	Practical Examples of Using Machine Learning and AI Applications in Auditing	6 hours

(3) Knowledge Management

The Company established a knowledge management platform in which learning resources and standard operating procedures of every department are properly categorized, managed, and shared for employees to use at work.

3. Retirement System:

(1) Monthly Contribution to Pension:

The Company applies the pension provisions of the Labor Standards Act. The Company and its domestic subsidiaries stipulate employee retirement measures in accordance with the Labor Standards Act, which are defined benefit plans. The monthly labor pensions are based on the old system of seniority, where 2% of the total salary of seniority employees is allocated to the retirement reserve. This reserve is supervised by the Labor Pension Preparation Supervisory Committee and the fund is deposited in its name in a special account at the Bank of Taiwan. The committee is responsible for receiving, disbursing, keeping, and using the fund.

(2) Qualifications and Payment Standards for Applying for Retirement

a. Self-applied retirement:

Workers can apply for retirement under one of the following circumstances: (for those who choose to apply the Labor Pension Regulations, they shall be handled in accordance with the provisions of the same regulations)

(a) Those who have worked for more than 15 years and have reached the age of 55.

(b) Those who have worked for more than 25 years.

(c) Those who have worked for more than 10 years and have reached the age of 60.

b. Mandatory retirement:

The company shall not force employees to retire if they are not in one of the following circumstances:

(a) Those who are 65 years old or older.

(b) Loss of mind or physical disability is incapable of being a qualified worker.

For the age specified in the first paragraph of the preceding paragraph, the company may report to the central competent authority for approval and adjustment for workers with special characteristics such as dangerous and strong physical strength. However, the employee may not be less than 55 years old.

c. The standard for giving employee pensions is as follows:

For employees who choose to continue to apply the old system and the retained service years before applying the new system, their pension payment standards are as follows:

- (a) Two bases will be given for each full year according to their years of service, but one base will be given every full year after 15 years of service is 30 bases, and the maximum total is limited to 45 bases. Those who are less than half a year will be counted as half a year; those who have been half a year will be counted as one year.
- (b) For employees who are forced to retire in accordance with Subparagraph 2, Paragraph 1, Article 6 of these Measures, if their loss of mind or physical disability is caused by the performance of their duties, 20% shall be added in accordance with the provisions of the preceding paragraph.
- (c) The standard of pension base refers to the average monthly salary at the time of retirement approval.
- (d) The calculation of average monthly salary is calculated by dividing the total salary of the six months prior to the effective date of retirement by the total number of days in that period.

(3) Personal Labor Pension Account

The company applies the Labor Pension Act pension system. According to the regulations, the company shall bear a labor pension contribution rate of not less than 6% per month in accordance with the Labor Pension Act. The company and its domestic subsidiaries stipulate employee retirement measures in accordance with the regulations, which are defined contribution plans, and withdraw 6% according to the monthly salary grading table approved by the Executive Yuan and deposited in the employee's pension accounts at the Labor Insurance Bureau.

(4) Appropriation Situation

As of December 31, 2024, the Group's defined benefit plans are expected to allocate NT\$18,146 thousand in the next year, and the weighted average duration of the retirement plan is 5 to 11 years

4. Employee Stock Ownership Trust

In order to make up for the lack of social insurance-related labor retirement protection for Taiwanese employees and encourage employees to plan for retirement as soon as possible, in 2020, the Taiwanese Employee Stock Ownership Association was

established and delivered to the trust. Employees who have worked for more than one year can freely apply to enter the trust. A fixed amount is deducted each month to purchase company shares, and the Company relatively allocates incentives to serve as additional benefits. This ESOT is aimed to not only assist employees in creating better retirement plans, but also provide a diversified profit-sharing mechanism to attract and retain talents. The company aims to encourage employees to work together with the company for a win-win situation. In 2024, the coverage rate increased to 88.9%, its net assets were NT\$965,010 thousand, and the cumulative rate of return was 30.67%.

5. The Company does not have a Union. The rights and benefits of the employees follow the Labor Standards Act.
6. Protective Measures for the Work Environment and Employees' Personal Safety  
WPG Holdings and WPG Group establish dedicated safety and health management units to continuously improve safety and health measures in order to build a quality workplace. We also organize safety awareness training and health promotion activities to effectively strengthen our employees' ability to protect their safety and health at work.  
To fulfill corporate social responsibility and protect employees' safety, we view building a safe, healthy, and comfortable work environment as our top priority and promote health and safety management to develop accurate health concepts and mindsets. We take the following health and safety measures:
  - I. Maintain and clean central air-conditioning in the office twice a year and disinfect the office from time to time.
  - II. Inspect office environment such as water quality on a regular basis.
  - III. Sanitize meeting entrances/exits daily and provide hand sanitizers at sinks to prevent epidemic diseases and maintain employee healthiness.
  - IV. Require new recruits to participate in orientation to familiarize work environment and work safety.
  - V. Organize health education from time to time to reduce the occurrence of accidents.
  - VI. Conduct regular health examinations for employees and follow up on their health conditions.
  - VII. Organize health promotion activities such as mountain climbing, ball games, and hiking to encourage exercise habits.
  - VIII. Prohibit smoking in the office to ensure a non-smoking work environment.
  - IX. Promote energy-saving and environmental protection initiatives in the office.
  - X. Purchase liability insurance for employees on their way to work/home to ensure a safe work environment.
  - XI. Install and regularly maintain firefighting facilities and equipment in line with firefighting regulations.

XII. Implement the Act of Gender Equality in Employment and regulations regarding the prevention of sexual harassment in the office.

7. Evaluation of Employee Code of Conduct:

The Company places great importance on the Employee Code of Conduct. We appointed four independent directors and established the Audit Committee, composed of all independent directors, to supervise our management team and executives to set good examples with their own conduct. We also take the following measures:

I. Promote and Carry Out the Core Values of WPG:

Our vision is “To Become the First Choice of Industry; To Become the Benchmark of Distribution”. Upholding the shared values of “Teamwork, Integrity, Professionalism and Effectiveness,” we have the Employee Code of Conduct in place to guide employees' conduct in business activities and build cohesion among employees. Annual activities are also organized to promote the shared values of WPG, allowing employees to experience their true meanings in daily life and work. WPG's shared values are described as follows:

- i. Teamwork:

The interests of WPG Holdings are always the first to consider. Should there be a conflict of interests, groups' benefits take priority over personal bias, prejudice and motivation. We accelerate the integration of the same function teams among companies and regions. No prejudices in nationalities or regions but balanced interests and fairness shall prevail.
- ii. Integrity:

We take an attitude toward upright and law-abiding operation, along with enthusiastic services. We make no light promises and always walk the talk. Our employees are committed to transparent operations and have the courage to admit mistakes and make corrections in time.
- iii. Professionalism:

We aim to become the first choice of stakeholders, including clients, vendors and shareholders, to construct a learning environment where individuals and groups continually enhance skills, and focus on core operations and implement the assigned tasks strictly.
- iv. Effectiveness:

Our highlights are output, the quantity of capacity, and the balance of both. Our employees set quantifiable objectives, are strict on details, and accurately execute and fulfill key tasks. We also set standard operating procedures to avoid the same mistakes.

In order to allow employees to understand and feel the core values of the company, WPG Holdings and its affiliated groups have arranged for the

company to post core value posters on the walls of executive offices, meeting rooms, and other important junctures to demonstrate the shared values to employees; to deepen the employees' impression and experience of the core values, expect to observe it together.

The work rules for the employees of WPG Holdings and WPG Group also specify the regulations regarding attendance, performance evaluation, rewards and punishments, and promotion that are handled in line with WPG's shared values.

**II. Strictly Implement the Audit System:**

An Auditing Office is set up under the Board of Directors to conduct comprehensive audits on every department and every group member and region according to our policies and regulations. By doing this, we are able to keep track of how every department follows and implements the policies and regulations while preventing and curbing potential malpractice.

**III. Implement the promotion of the Employee Code of Conduct:**

Based on the Company's core values and human rights policy, WPG stipulates the "Employee Code of Conduct" to practice the creed of integrity: "Self-discipline and others to seek the public welfare" from top to bottom, promote the principles of honest behavior, establish standards in employees' daily life in the office, and create a diverse and inclusive environment in the workplace.

**4.5.2 Any Losses Suffered by the Company in the Most Recent Fiscal Year and up to the Annual Report Publication Date due to Labor Disputes (Including Any Violations of the Labor Standards Act Found In Labor Inspection, Specifying the Disposition Dates, Disposition Reference Numbers, the Articles of Law Violated, the Substance of the Legal Violations, and the Content of the Dispositions), and Disclosing an Estimate of Possible Expenses that could be Incurred Currently and in the Future and Measures Being or to be Taken. If a Reasonable Estimate Cannot be Made, an Explanation of the Facts of Why It Cannot be Made Shall be Provided:**

1. There was neither dispute nor agreement between the employees and the employers in the most recent year and up to the date of this annual report.
2. Current and future countermeasures for strengthening the labor-management relations:
  - I. Reinforce the corporate philosophy of treating every WPG employee as a family member to enable mutual growth and success.
  - II. Build interactive communication and complaint channels for supervisors to take care of employees more proactively.
  - III. Fully comply with the labor laws and make supervisors and employees understand their respective rights and obligations.
  - IV. Increase employee benefits where the Company's operations permit.

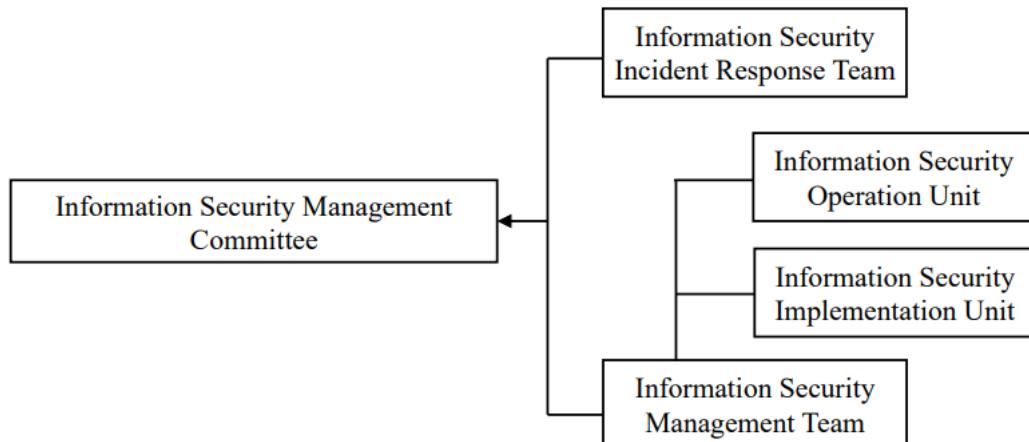
3. Possible losses at present and in the future: None.

## 4.6 Cyber Security Management

- 4.6.1 Cyber security risk management framework, cyber security policies, concrete management programs, and investments in resources cyber security management

1. Cyber Security Management Framework

The Company has established an Information Security Management Committee, led by the Chief Information Officer who concurrently serves as the Chief Executive Officer. The Information Security Management Team, with the Information Security Implementation Unit and Information Security Operation Unit (including an information security implementation unit and an information security operations unit) being responsible for planning and auditing the Company's information security and physical security, as well as facilitating the operation of this committee. Through annual management review meetings, the committee reviews the results of information security risk analysis and the corresponding protective measures and strategies implemented by the Company, ensuring the confidentiality, integrity, and availability of the information security management system.



2. Cyber Security Policy

The Information Security Policy of the Company aims to ensure compliance and provide guidance to all employees in order to safeguard the security of all information assets, thereby achieving the information security objectives of the Company. Appropriate protective and preventive measures are implemented to safeguard the storage, processing, and transmission of information, preventing unauthorized access, use, control, disclosure, destruction, alteration, or other infringements of information systems and their associated information. This policy ensures the proper protection of information assets and reduces risks. All matters related to information security management within the

Company are subject to this policy, and all personnel, including employees on a permanent, contractual, or temporary basis, as well as external visitors and vendors, must comply with this policy. Violations of this policy will result in disciplinary action in accordance with the Company's relevant regulations. Individuals who violate applicable laws, including but not limited to the Trade Secrets Act, Copyright Act, Personal Data Protection Act, may be subject to legal consequences based on the circumstances.

### 3. Specific Management Plan

In order to achieve the objectives and policies of information security, comprehensive information security protection measures and specific management plans are established as follows:

- a. Enhancing information security defense capability: Conduct regular system vulnerability scans annually to identify and address vulnerabilities, thereby reducing information security risks. Perform annual risk assessments and implement reinforcement and improvement measures based on the risk level. Additionally, conduct annual information security incident response drills.
- b. Enhancement of Information Security Management Procedures: In addition to continuously strengthening information security defense capabilities, equal emphasis must be placed on management procedures and awareness. Employees are required to comply with information security regulations and adhere to standard operating procedures (SOP), while continuously engaging in the PDCA cycle for continuous improvement.
- c. Enhancing Security of Networks, Endpoints, and Application Systems: Implementing Security: Information and Event Management system to consolidate and filter security events and logs from network protection systems (such as firewalls and intrusion detection systems) and critical systems. This enables the detection and identification of network security threats and attacks, with real-time notification based on predefined rules. Additionally, optimizing the overall information system network security segregation is conducted. Furthermore, apart from requiring multi-factor authentication for remote logins by employees, separate authorization is necessary for privileged account logins to important hosts. The abnormal detection and protection capability of endpoint devices is also enhanced.
- d. Compliance with Laws and Adoption of International Information Security Certification Standards: In order to enhance the information security management and personal data protection mechanisms of our company, as well as to ensure compliance with relevant legal requirements, our company obtained the UKAS (United Kingdom Accreditation Service) ISO/IEC 27001:2013 information security certification in 2021. We have continued to enhance our internal information security governance capabilities. In addition to engaging professional external

consultants to strengthen our internal information security governance and technical testing capabilities, we remain committed to continuous improvement. We obtained ISO 27017 international certification by 2023 to enhance the security controls of our cloud services. Our company will continue to strengthen the security protection of information infrastructure and application systems and implement mechanisms for data security and personal data protection.

- e. Risk Management: Our company employs a systematic risk management approach, as provided by ISO 27001 and ISO 27017, to identify, assess, and manage information security and personal data protection risks faced by the organization. These standards emphasize comprehensive risk assessment of information assets and personal data, and the formulation of corresponding risk management measures based on the assessment results. Additionally, our company collaborates with international consulting firms to conduct comprehensive security assessments, utilizing their professional services to obtain objective results from independent third-party verification. Our company is also a member of TWCERT (Taiwan Computer Emergency Response Team Coordination Center) and regularly collects information on cybersecurity threats to implement appropriate preventive measures and mitigate potential risks to our organization.
- f. Strengthening Employee Information Security Awareness: In order to enhance the information security awareness of employees, in addition to conducting annual information security awareness training for global staff, our company also conducts phishing email drills and promotes phishing email recognition among employees. Furthermore, the results of the drills are analyzed to continuously improve the effectiveness of the exercises.

4. Allocation of Resources for Cyber Security Management

Information Security has become an important operational concern for the company. The following are the corresponding resource allocation and management measures for information security:

- a. Dedicated Personnel: Establish a dedicated information security management team (including an information security implementation unit and an information security operations unit) and an information security incident response team responsible for the planning of information security, operation of security systems, implementation of technical measures, and related audit matters. Regular meetings are held to maintain and continually strengthen information security.
- b. Education and Training: All new employees are required to complete information security education and training courses upon joining the company and sign an information security declaration. Additionally, all employees worldwide are required to complete annual information security education and training, and pass

the corresponding assessments. In the year 2024, a total of 4,320 employees completed the annual information security education and training. To enhance awareness of phishing emails among employees, an annual social engineering exercise is conducted for global staff.

4.6.2 The losses suffered as a result of major information security incidents in the most recent fiscal year up to the publication date of this Annual Report, possible impacts and the corresponding countermeasures. If it cannot be reasonably estimated, facts of which estimation cannot be made shall be explained: No major incidents regarding cyber security occurred in this year.

## 4.7 Material Contracts

Nature of Contract	Counterparty	Commencement and Expiration Date	Major Content	Restriction
Insurance contract	AIG Asia Pacific Insurance Pte. Ltd., Taiwan Branch Insurance Company of North America, Taiwan Branch	Period: 2024.01.01 ~ 2025.01.01	Corporate Liability Insurance for Directors, supervisors and managers Corporate Liability Insurance	The cumulative liability for all indemnifications within the coverage is limited to US\$15,000,000

## 5. Analysis and Risk Items of Financial Status and Financial Performance

### 5.1 Financial Status

#### 5.1.1 Consolidated Financial Status Comparison and Analysis

Unit: NT\$ thousands

Item \ Year	113	112	Difference	
			Amount	%
Current assets	359,544,929	273,029,161	86,515,768	31.69
Cash and cash equivalents	22,688,320	21,796,345	891,975	4.09
Notes and accounts receivable	166,283,394	130,914,967	35,368,427	27.02
Other receivables	11,345,709	11,825,409	(479,700)	(4.06)
Inventory	152,788,754	103,538,637	49,250,117	47.57
Other current assets (Note 1)	6,438,752	4,953,803	1,484,949	29.98
Non-current assets	46,447,876	41,341,446	5,106,430	12.35
Financial assets at fair value through profit or loss - non-current	2,595,561	3,343,573	(748,012)	(22.37)
Financial assets measured at fair value through other comprehensive income - non-current	5,233,086	3,434,477	1,798,609	52.37
Investments accounted for using the equity method	16,219,240	11,923,531	4,295,709	36.03
Property, plant and equipment	11,799,184	11,978,731	(179,547)	(1.50)
Other non-current assets (Note 2)	10,600,805	10,661,134	(60,329)	(0.57)
Total assets	405,992,805	314,370,607	91,622,198	29.14
Current liabilities	281,407,240	205,283,594	76,123,646	37.08
Bank loan (including short-term notes and bills payable and corporate bonds)	110,336,423	90,826,107	19,510,316	21.48
Notes payable and accounts payable	134,412,955	86,011,650	48,401,305	56.27
Long-term liabilities due within one year or one operating cycle	15,624,687	11,052,679	4,572,008	41.37
Other current liabilities (Note 3)	21,033,175	17,393,158	3,640,017	20.93
Non-current liabilities	40,214,906	24,443,049	15,771,857	64.52
Long-term borrowings	31,288,120	20,369,472	10,918,648	53.60
Other non-current liabilities (Note 4)	8,926,786	4,073,577	4,853,209	119.14
Total liabilities	321,622,146	229,726,643	91,895,503	40.00
Share capital	16,790,568	18,790,568	(2,000,000)	(10.64)
Total equity	84,370,659	84,643,964	(273,305)	(0.32)

Note: The financial statements above have been duly audited by independent auditor.

Note 1: Other current assets include financial assets at fair value through profit or loss – current, financial assets at amortized cost – current, current income tax assets, prepayment, and other current assets.

Note 2: Other non-current assets include right-of-use assets, net investment properties, intangible assets, deferred tax assets, prepaid investment amounts, and other non-current assets – others.

Note 3: Other current liabilities include financial liabilities at fair value through profit or loss – current, other payables, current tax liabilities, lease liabilities – current, and other current liabilities.

Note 4: Other non-current liabilities include bonds payable, deferred tax liabilities, lease liabilities – non-current, and other non-current liabilities.

5.1.2 Major Reasons, Impacts and Future Plans about Significant Changes in Consolidated Assets, Liabilities, and Equity in the Most Recent Two Years

1. Accounts Receivable, Notes Receivable, and Inventories: The revenue increase in the fourth quarter of 2024 was mainly due to higher market demand and increased inventory stocking by customers.
2. Financial assets at fair value through profit or loss -non-current: mainly due to disposals and valuation adjustments in 2024.
3. Financial assets measured at fair value through other comprehensive income - non-current: mainly due to acquisitions and valuation adjustments in 2024.
4. Investments accounted for using the equity method: mainly due to participation in WT Microelectronics's cash capital increase in proportion to the original shareholders' shareholding ratios in 2024.
5. Bank loan (including short-term notes and bills payable and corporate bonds), long-term liabilities due within one year or one operating cycle, and long-term borrowings: mainly due to revenue growth in the fourth quarter of 2024, which led to increased working capital requirements.
6. Notes and accounts payable: mainly due to year-over-year revenue growth in the fourth quarter of 2024, resulting in a corresponding increase in notes payable and accounts payable.
7. Other non-current liabilities: mainly due to the issuance of unsecured convertible corporate bonds in the fourth quarter of 2024.

5.1.3 Individual Financial Status Comparison and Analysis

Unit: NT\$ thousands

Item \ Year	113	112	Difference	
			Amount	%
Current assets	1,081,471	3,193,546	(2,112,075)	(66.14)
Investments accounted for using the equity method	99,511,166	86,177,073	13,334,093	15.47
Property, plant and equipment	6,401,460	6,546,483	(145,023)	(2.22)
Other non-current assets (Note 1)	6,608,177	5,244,111	1,364,066	26.01
Total assets	113,602,274	101,161,213	12,441,061	12.30
Bank loan (including short-term notes and bills payable and corporate bonds)	10,639,081	5,279,538	5,359,543	101.52
Long-term borrowings	10,520,212	10,520,908	(696)	(0.01)
Other liabilities (Note 2)	9,222,446	1,716,227	7,506,219	437.37
Total liabilities	30,381,739	17,516,673	12,865,066	73.44
Share capital	16,790,568	18,790,568	(2,000,000)	(10.64)
Total equity	83,220,535	83,644,540	(424,005)	(0.51)

Note: The financial statements above have been duly audited by independent auditor.

Note 1: Other non-current assets include financial assets at fair value through profit or loss-non-current; financial assets at fair value through other comprehensive income-non-current; right-of-use assets, net investment properties, intangible assets, deferred tax assets, and non-current assets-others.

Note 2: Other liabilities include notes payable; other payables (including related parties); current income tax liabilities; lease liabilities; other current liabilities; bonds payable; deferred tax liabilities; and other non-current liabilities.

#### 5.1.4 Major Reasons, Impacts and Future Plans for Significant Changes in Parent Company-Only Assets, Liabilities, and Equity in the Most Recent Two Years

1. Current assets: The decrease in 2024 compared to the same period last year was primarily due to the disposal of equity-method investments in 2023 increase more cashflow.
2. Other non-current assets: mainly due to the acquisition of financial assets measured at fair value through other comprehensive income in 2024.
3. Bank loans (including short-term notes and bills payable and corporate bonds): mainly due to the redemption of Preferred Shares A in 2024.
4. Other liabilities: mainly due to the issuance of unsecured convertible corporate bonds in the fourth quarter of 2024.

## 5.2 Financial Performance

### 5.2.1 Consolidated Statement - Financial Performance Comparison and Analysis

Unit: NT\$ thousands

Item \ Year	113	112	Difference	
			Amount	%
Operating revenue	880,552,335	671,888,131	208,664,204	31.06
Operating costs	(849,249,696)	(646,502,451)	(202,747,245)	31.36
Net gross profit	31,302,639	25,385,680	5,916,959	23.31
Operating expenses	(16,602,126)	(14,990,972)	(1,611,154)	10.75
Operating profit	14,700,513	10,394,708	4,305,805	41.42
Non-operating income and	(5,466,694)	(112,500)	(5,354,194)	4,759.28
Income before income tax	9,233,819	10,282,208	(1,048,389)	(10.20)
Income tax expenses	(1,818,083)	(2,084,471)	266,388	(12.78)
Net income	7,415,736	8,197,737	(782,001)	(9.54)

Note: The financial statements above have been duly audited by independent auditor.

### 5.2.2 Major Reasons and Impacts for Significant Changes in Consolidated Operating Income, Net Operating Profit and Pre-tax Income in the Most Recent Two Years:

1. Operating revenue, operating costs, gross profit, and operating profit: mainly due to revenue growth resulting from the overall increase in market demand.
2. Non-operating income and expenses: mainly due to the increase in disposal gains from equity-method investments in 2023, resulting in higher non-operating expenses in 2024 compared to the same period last year.

### 5.2.3 Individual Statement - Financial Performance Comparison and Analysis

Unit: NT\$ thousands

Item \ Year	113	112	Difference	
			Amount	%
Operating revenue	9,250,327	7,654,341	1,595,986	20.85
Operating costs	(1,547,576)	(1,582,962)	35,386	(2.24)
Gross profit	7,702,751	6,071,379	1,631,372	26.87
Non-operating income and	(107,841)	2,412,171	(2,520,012)	(104.47)
Income before income tax	7,594,910	8,483,550	(888,640)	(10.47)
Income tax (expenses)	(349,737)	(374,143)	24,406	(6.52)
Net income	7,245,173	8,109,407	(864,234)	(10.66)

Note: The financial statements above have been duly audited by independent auditor.

### 5.2.4 Major Reasons and Impacts for Significant Changes in Parent Company-Only Operating Income, Net Operating Profit and Pre-tax Income in the Most Recent Two Years:

1. Operating revenue and gross profit: mainly due to the increase in the share of profit or loss of associates and joint ventures recognized under the equity method in 2024.
2. Non-operating income and expenses: mainly due to the increase in disposal gains from equity-method investments in 2023, resulting in higher non-operating expenses in 2024 compared to the same period last year.

### 5.2.5 Expected sales volume for the upcoming fiscal year and its impact on the Company's financial operations, along with corresponding strategies:

For details on the Industry Overview and Business Development Plans please refer to Section IV, “Operational Highlights” of this annual report.

In light of global economic adjustments, advancements in AI technology, and supply chain competition, the Company will strategically position itself for the future at a steady pace, focus on long-term competitiveness, and explore emerging markets and high-value business models. Regarding global services and digital transformation, the Company is strengthening its market positioning, deepening the application of AI and data, and increasing productivity and service efficiency, thereby establishing a solid foundation for stable long-term growth.

The management team will focus on improving return on working capital and profit margins to optimize financial performance. In terms of operational management, the Company will continue to optimize its product portfolio, negotiate more favorable payment terms through enhanced communication with suppliers, strengthen accounts receivable and collateral management to reduce bad debt risks, and improve cost control efficiency. Each business group will strengthen inventory management and communication with suppliers, while accelerating cash inflows through accounts receivable factoring. On the financial strategy

front, the Company aims to reduce reliance on financial leverage by strictly controlling the ratio of interest-bearing debt to assets and managing financial expenditures.

### 5.3 Cash Flow

#### 5.3.1 Analysis of Consolidated Cash Flow Changes in the Most Recent Year

Unit: NT\$ thousands

Cash Balance at Beginning of Year	Net Cash Inflow (Outflow) from Operating Activities	Cash Inflow (Outflow) in the Year	Cash Balance at End of Year	Remedial Measures for Cash Inadequacy	
				Investment	Financial
21,796,345	(25,230,991)	891,975	22,688,320	—	—

1. Net cash outflow from operating activities was approximately NT\$25,230,991 thousand: mainly due to the increase in accounts receivable resulting from revenue growth in the fourth quarter of 2024 compared to the same period in 2023, which led to a decrease in cash inflows.
2. Net cash outflow from investing activities was approximately NT\$3,007,543 thousand: mainly due to the acquisition of financial assets measured at fair value through other comprehensive income and investments accounted for using the equity method.
3. Net cash inflow from financing activities was approximately NT\$23,877,467 thousand: mainly due to revenue growth, increased working capital requirements, additional borrowings, the redemption of Preferred Shares A, and dividend distributions.

#### 5.3.2 Analysis of Parent Company-Only Cash Flow Changes in the Most Recent Year

Unit: NT\$ thousands

Cash Balance at Beginning of Year	Net Cash Inflow (Outflow) from Operating Activities	Cash Inflow (Outflow) in the Year	Cash Balance at End of Year	Remedial Measures for Cash Inadequacy	
				Investment	Financial
2,736,046	3,660,330	(2,677,187)	58,859	—	—

1. The net cash inflow from operating activities was approximately \$3,660,330 thousand: mainly generated from operating profits.
2. Net cash outflow from investing activities was approximately NT\$3,717,708 thousand, mainly due to the acquisition of financial assets measured at fair value through other comprehensive income and investments accounted for using the equity method.
3. Net cash outflow from financing activities was approximately NT\$2,619,809 thousand: mainly due to the issuance of corporate bonds and bank borrowings for the redemption of Type A preferred shares and the distribution of dividends.

#### 5.3.3 Improvement Plan for Lack of Liquidity: There is no lack of liquidity for WPG Holdings Limited and WPG Group.

#### 5.3.4 Analysis of the Consolidated Cash Liquidity for the Upcoming Year

Unit: NT\$ thousands

Cash Balance at Beginning of Year	Net Cash Inflow (Outflow) from Operating Activities in	Cash Inflow (Outflow) in the Year	Cash Balance at End of Year	Remedial Measures for Cash Inadequacy	
				Investment	Financial
22,688,320	906,859	(4,422,787)	18,265,533	—	—

1. The net cash inflow from operating activities: Primarily generated from operating profits.
2. The net cash outflow from other activities: The net cash outflow from investment and financing activities is primarily attributed to the increase in borrowing to fulfill the growing funding requirements and the payment of dividends.

### 5.3.5 Analysis of the Parent Company-Only Cash Liquidity for the Upcoming Year

Unit: NT\$ thousands

Cash Balance at Beginning of Year	Net Cash Inflow (Outflow) from Operating Activities in	Cash Inflow (Outflow) in the Year	Cash Balance at End of Year	Remedial Measures for Cash Inadequacy	
				Investment	Financial
58,859	4,853,625	141,894	200,753	—	—

1. The net cash inflow from operating activities: Primarily generated from operating profits.
2. The net cash outflow from other activities: The net cash outflow from investment and financing activities is primarily attributed to the payment of dividends.

## 5.4 Major Capital Expenditures and Impact on Financial and Business in the Most Recent Year: None.

## 5.5 Reinvestment Policy for the Most Recent Fiscal Year, Main Reasons for Profits/Losses and Improvement Plans for the Most Recent Fiscal Year, and Investment Plans for the Coming Year

### 5.5.1 Reinvestment Analysis

December 31, 2024 / Unit: NT\$ thousands

Item/Description	Ending Balance of Long-term Investment	Business Activities	Profit (loss) for 2024 Amount	Main Reasons for Profit or Loss	Improvement Plan	Other Future Investment Plan
World Peace Industrial Co., Ltd.	34,735,543	Agent and sales of electronic/electrical components	3,044,470	Increased investment income due to investees' continued profitability	—	—
Silicon Application Corp.	9,038,710	Sales of computer software, hardware and electronic products	83,244	"	—	—
Asian Information Technology Inc.	8,673,620	Sales of electronic/electrical components	1,461,109	"	—	—
Yosun Industrial Corp.	13,848,897	Sales of electronic/electrical components	421,508	"	—	—
WPG Electronics Limited	335,622	Warehousing	(2,612)	Investment loss caused by the loss of the invested business	—	—
WPG Korea Co., Limited	552,794	Agent and sales of electronic/electrical components	(76,542)	"	—	—

WPG Investment Co., Ltd.	2,529,564	Investment company	180,143	Increased investment income due to investees' continued profitability	—	—
WPG Int'l (CI) Limited	9,518,700	Holding company	358,717	"	—	—
Trigold Holdings Limited	1,422,352	Holding company	244,602	"	—	—
WT Microelectronics Co., Ltd.	15,284,372	Trading company	9,112,156	"	—	—
WPG ELECTRONICS (HK) LIMITED	1,109,049	Agent and sales of electronic/electrical components	537,225	"	—	—
WPG South Asia Pte. Ltd.	2,423,540	Sales of electronic/electrical components	154,679	"	—	—
WPG EMEA B.V.	38,403	Sales of electronic/electrical components	(73,171)	Investment loss caused by the loss of the invested business	—	—

### 5.5.2 Reinvestment Policy for the Most Recent Fiscal Year and Investment Plans for the Coming Year

Adopting an industrial holding business model, WPG focuses on international-scale operations and local flexibility, based on Semiconductor industry Supply-chain Resource integration service, we continuously provide value-adding supply chain management services, helping customers develop and invest in future markets, aiming to create win-win outcomes with our vendors, customers and strategic investment partners. Under the industrial holding model, we continue to expand our investment scope, and establish the production control ecosystem, to achieve the goals of resource integration and diversified management to enhance international competitiveness.

### 5.6 Risk Assessment in the Most Recent Year and up to the Date of this Annual Report:

Regarding risk management, WPG Holdings aims to focus on integrated risk management. Considering the enterprise as a whole, all levels of risk management units shall integrate risk management into regular operation management procedures through systematic risk identification, risk assessment, and risk response and monitoring to achieve organizational goals. All risk management units should also actively engage in various businesses, improve the quality and quantity of revenue, achieve resource allocation optimization, and ensure that appropriate risk awareness and culture are established and maintained throughout the organization at an acceptable level of risk.

#### 5.6.1 Impact of Interest Rate, Exchange Rate, and Inflation on the Company's Profit and Loss and Countermeasures:

##### ■ Interest Rate Changes

The Company's financial cost in 2024 was NT\$8,654,790 thousand, an increase of NT\$1,974,333 thousand from 2023, increased by 29.55%. The Company continuously

mitigates the impact of interest rate fluctuations by regularly assessing interest rate trends, utilizing both short- and long-term financing instruments, and managing its working capital efficiently.

■ Exchange Rate Changes

The Company operates internationally, and the main exchange rate risks come from USD and RMB. Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities and net investments in foreign operations. WPG policies require companies in the Group to manage the exchange rate risks of their corresponding functional currencies. The companies in the Group are required to hedge their entire foreign exchange risk exposure via the finance department. In order to manage the exchange rate risk from future commercial transactions and the recognized assets and liabilities, the companies in the Group use forward foreign exchange contracts through the finance department to reduce the impact of exchange rate changes on the Company's gain and loss. The profit on exchange for 2024 was NT\$670,005 thousand, accounting for 9.03% of the net profit for the period.

■ Inflation

The main products distributed by the Company are semiconductor components. The characteristics and prices of the products sold by the Company mostly reflect the market supply and demand status and technological progress, which are updated quickly. In 2024, inflation or deflation in the various countries has no significant impact on the Company's annual operating results.

5.6.2 Policy regarding High-risk Investments, Highly Leveraged Investments, Loans to Other Endorsements/Guarantees, and Derivatives Transactions, Main Reasons for the Profit (Loss) Generated Thereby, and Response Measures to Be Taken in the Future:

The Company is not engaged in high-risk and high-leveraged investment; and the Company's related procedures for loans to others, endorsement and guarantee and financial derivative transactions are based on the policies and countermeasures specified in the Company's Operational Procedures for Acquisition and Disposal of Assets, Procedures for Lending Funds to Other Parties and Procedures for Endorsements and Guarantees.

■ Credit Risk

At present, in order to improve the performance of credit risk monitoring, the Company and its subsidiaries will continue to optimize the management process of credit risk control to achieve the purpose of reducing risk and protecting creditors' rights. The main focuses of credit management are 1. Customer management 2. Credit management 3. Accounts receivable management 4. Risk management. Early warning of customer risks, mastery of customer operating status, reconciliation of accounts receivable, payment and write-off operations are all management priorities.

- Quality Risks of Financial Statement Expression

Establish financial statistics analysis and inspection mechanisms, regularly educate and train accounting personnel to strengthen their understanding of the laws, accounting and taxation, and regularly review internal control mechanisms and operating procedures.

- Risks of Capital Structure and Capital Acquisition Restrictions

Set goals for ratios of capital utilization and strengthen working capital management, etc.

#### 5.6.3 Future Plans and Expected Investments for R&D:

The Company's subsidiaries establish FAE roles to support customers in product testing and design and provide or update optimal solutions for different categories of product applications from time to time to help customers reduce manufacturing costs and improve product efficiency. The research and development expenses as of the first quarter of the current year are 5,993NT\$ thousand.

#### 5.6.4 Impact of Important Domestic and Foreign Policies and Laws Changes on the Company's Financial and Business, and Countermeasures:

In response to the amendments of corporate governance, the Company Act and related policies by the competent authority, the Company will pay attention to the changes of the relevant laws and regulations continuously and comply with them.

#### 5.6.5 Impact of Technological (including the Risk of Cyber Security) and Market Changes on the Company's Financial and Business, and Countermeasures:

The company operates in the midstream of the semiconductor component supply chain and adopts strategies such as expanding the product line and increasing customer coverage across various types to respond to the ever-changing semiconductor component supply and demand dynamics driven by rapid technological advancements. We continuously provide value-adding supply chain management services, helping customers develop and invest in future markets, aiming to create win-win outcomes with our vendors, customers and strategic investment partners;

Given the intense competition in the industry and the continuous acquisition activities undertaken by domestic and international counterparts to ensure market competitiveness, the company will continue to pursue industry investment holdings and seek strategic alliance partnerships to achieve the goals of resource integration and diversified management to enhance international competitiveness.

In order to achieve the objectives and policies of cyber security, comprehensive cyber security protection measures and specific management plans are established as follows. For further details, please refer to "IV. Operational Highlights" "Cyber Security Management" in this annual report.

Enhancing cyber security defense capability

Enhancing cyber security management procedures

Enhancing the security of networks, endpoints, and application systems

Compliance with laws and adoption of international cyber security certification standards

Risk Management

Strengthening employee cyber security awareness

**5.6.6 Impact of the Company's Corporate Image Change on Corporate Crisis Management and Countermeasures:**

The Company adheres to the principles of professionalism, integrity, and sustainable management, and attaches great importance to corporate image and risk control. There is no major foreseeable crisis.

**5.6.7 Expected Benefits, Possible Risks, and Countermeasures for Mergers and Acquisitions:**

The tender offer NT\$25 per share in cash for the tender offer of Fortune Information Systems Corporation's common shares totaling 33,348,481 shares (approximately 47.67% of Fortune Information Systems Corporation's total issued and outstanding common shares). Fortune Information Systems Corporation is a leading provider of comprehensive information integration services, committed to meeting the diverse needs of customers across various industries. The Company has been deeply involved in the semiconductor industry chain for a long time, committed to providing customers with the highest quality supply chain management services. This acquisition mainly aims to increase strategic alliance partners to extend the scope of services in the information and communication supply chain, hoping to create synergy and bring positive benefits to the financial, business, and shareholder interests of both companies.

**5.6.8 Expected Benefits, Possible Risks, and Countermeasures for Plants Expansion:**

The Company and its subsidiaries are not manufacturers; not applicable.

**5.6.9 Risks associated with any Consolidation of Sales or Purchasing Operations and Countermeasures taken:**

The Company's customers are extremely dispersed and distributed throughout the Asia-Pacific region. The products produced covered the computer peripherals, communications, consumer electronics, and automotive electronics markets. In the most recent year and the first quarter of this year, the sales amount of a single customer did not exceed 10% of the consolidated revenue; there is no risk of concentrated sales. The Company maintains good long-term relationships with suppliers; sources of supply are stable and normal.

- 5.6.10 Effect upon and Risk to the Company in the Event a Major Quantity of Shares Belonging to a Director, Supervisor, or Shareholder Holding Greater than a 10 Percent Stake in the Company has been Transferred or has otherwise Changed Hands, and Mitigation Measures being or to be Taken: None.
- 5.6.11 Effect upon and Risk to Company Associated with Any Change in Governance Personnel or Top Management, and Mitigation Measures being or to be Taken: None.
- 5.6.12 For Any Litigious or Non-litigious Matters, the Company and Its Directors, Supervisors, General Managers, Persons with Actual Responsibility in the Company, and Major Shareholders Holding More than 10% of the Company's Shares Shall Be Disclosed. If There Has Been Any Substantial Impact upon Shareholders' Equity or Prices for the Company's Securities as a Result of Any Litigation, Non-litigious Proceeding, or Administrative Dispute Involving the Company that Has Been Finalized or Has Remained Pending: None.

#### 5.6.13 Other Important Risks and Countermeasures:

There is no other important risk for WPG Holdings Ltd. in 2024 and as of the date of the annual report.

### 5.7 Other Material Matters:

#### Measurement and Assumption for Asset and Liability Valuation

##### 5.7.1 Policy for Expected credit losses - Account Receivable:

For financial assets at amortized cost, including accounts and notes receivable, the Group recognizes an impairment provision for 12-month expected credit losses if there has not been a significant increase in credit risk since initial recognition. Alternatively, if such credit risk has increased since initial recognition, the Group recognizes an impairment provision for lifetime expected credit losses (ECLs), taking into consideration all reasonable and verifiable information, including forecasts. On the other hand, for accounts receivable that do not contain a significant financing component, the Group recognizes an impairment provision for lifetime ECLs.

##### 5.7.2 Policy for Provision for Inventory:

Inventories are stated at the lower of cost and net realizable value. Cost is determined using the weighted-average method. The item-by-item approach is used in applying the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

## 6. Special Disclosure

**6.1 Subsidiaries Information:** The information has been disclosed on the information reporting website designated by the Financial Supervisory Commission. Relevant details can be accessed through the Market Observation Post System:MOPS>Company>Electronic Document Download>Affiliated Enterprises Three Documents Section ([https://mopsov.twse.com.tw/mops/web/t57sb01\\_q10](https://mopsov.twse.com.tw/mops/web/t57sb01_q10)).

**6.2 Private Placement Securities in the Most Recent Year and as of the Date of this Annual Report:** None.

**6.3 Other necessary additional explanations:** None.

**6.4 In the most recent fiscal year up to the date of publication of this annual report, matters that have a significant impact on shareholders' equity or securities prices as stipulated in Paragraph 3, subparagraph 2 of Article 36 of the Securities and Exchange Act:**

Major resolutions adopted by the Shareholders' Meeting and the Board of Directors in the most recent fiscal year up to the publication date of this annual report, please refer to Pages 69 to 70.



*To Cultivate Lasting Partnership For  
Sustainable Success*



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