

Ta Ya Electric Wire & Cable Co., Ltd.

2022 Annual General Shareholders' Meeting Minutes

Meeting Time: 9:00 AM on June 10 (Friday), 2022

Meeting Location: No.27,Zhengyi St.,Guanmiao Dist.,Tainan City,Taiwan
(Guanmiao Shanxi Temple Activity Center)

Attendance: The total number of shares issued by the Company was 645,895,402 shares.

The total number of outstanding voting shares was 645,895,402 shares.

The total number of shares attended was 352,134,538 shares.

The total number of represented by shareholders present in person was 346,452,171 shares. (88,800,788 shares from E-Voting)

Percentage of shares held: 54.51%

Directors in Attendance: Shen Shang Hung , Shen San Yi , Shen Shang Pang , Shen Shang Tao ,
Horng Lan Horng

Independent Directors in Attendance: Wei Chun Hsien(Live webcast), Ho Chun-Huei ,
Yu Kuang Hsun

Independent Directors present: Ho Chun-Huei , Wei Chun Hsien(Live webcast) ,
Yu Kuang Hsun

Attendants as guest: Sung-yu Liu(CPA) 、 Su-wen pin (Lawyer)

Chairperson : Chairman Shen Shang Hung

Secretary: Chen Chung Kuang

Call the meeting to order: The aggregate shareholding of the shareholders present in person or proxy constituted a quorum. The Chairperson called the meeting to order.

I. Chairman's Address: Omitted.

II. Reports Items

(1) 2021 Business Report (Handbook pages 3-5)

(2) 2021 Inspection Report Of Audit Committee (Handbook pages 6-7)

(3) Report of Endorsement and Guarantee (Handbook page 8-9)

(4) Report of 2021 Remuneration to employees and directors (Handbook page 9)

(5) Report of 2021 issuance of unsecured convertible corporate bond (Handbook page 9-10)

(6) Distribution of 2021 cash dividends from profits (Handbook page 11)

(7) Amendment to the Corporate Governance Best Practice Principles (Handbook page 11)

(8) Amendment to the Procedures for Ethical Management and Guidelines for Conduct
(Handbook page 11)

(9) Amendment to the Corporate Social Responsibility Best Practice Principles
(Handbook page 11)

(Please visit the Market Observation Post System and select the electronic books of the Appendix to the Handbook; website: <http://mops.twse.com.tw>)

III. Approval Items

Proposal 1: Proposed by the board of directors

Ratification of Business Report and Financial Statements for 2021

Explanatory note:

i. The Company entrusted certified public accountants Sung-yu Liu and

Zi-Yu Chen with Solomon & Co., CPAs to audit and certify the Business Report and Financial Statements (includes Consolidated Financial Statements) for 2021.

- ii. Please see pages 3-5 (On Handbook) for the business report and pages 15-36 (On Handbook) for the Auditors' Report and the Financial Statements.

Voting Results : Shares represented at the time of voting : 346,452,171

Result after voting	% of the voting rights of shareholders attended
Approval votes: 335,597,549 rights (including electronic voting: 78,265,655 rights)	96.86%
Disapproval votes: 113,484 rights (including electronic voting : 113,484 rights)	0.03%
Invalid votes : 0 rights	0%
Abstention votes/no votes : 10,741,138 rights (including electronic voting : 10,421,649 rights)	3.10%

Resolved, that the above proposal was accepted as proposed

Proposal 2:Proposed by the board of directors

Distribution of 2021 profits

Explanatory note:

- i. The net income was NT\$1,408,767,773. The Company proposed to distribute cash dividend of NT\$226,063,391, which is NT\$0.35 per share. The Company proposed to transferred 2021 earning, NT\$387,537,240 to common stocks, which is NT\$0.60 per share. The total amount of cash dividends less than NT\$1 was adjusted from greatest to smallest in accordance with the total amount of cash dividend. The rounding difference would be recognized as other income. The distribution of earning is on Handbook page 37.
- ii. The distribution was based on the outstanding common share 645,895,402. The proposal to authorize the Chairman to determine the payout ratio in case the outstanding share change from the Company repurchases its shares or other facts.
- iii. The proposal to authorize the Chairman to determine the ex-dividend date and adjust the payout ratio based on actual conditions.

Voting Results : Shares represented at the time of voting : 346,452,171

Result after voting	% of the voting rights of shareholders attended
Approval votes: 336,313,510 rights (including electronic voting: 78,981,616 rights)	97.07%
Disapproval votes: 117,251 rights (including electronic voting: 117,251 rights)	0.03%
Invalid votes : 0 rights	0%
Abstention votes/no votes : 10,021,410 rights (including electronic voting: 9,701,921 rights)	2.89%

Resolved, that the above proposal was accepted as proposed

IV. Discussion and Voting

Proposal 1 : Proposed by the board of directors

Proposal for 2021 earning transferred to common stocks.

- i. The Company proposed to transfer 2021 earning NT\$387,537,240 to issue new shares 38,753,724 as stock dividend with face value of NT\$10 per share. It is proposed that stock dividends be calculated on the basis of outstanding shares, i.e., 60 shares for each 1,000 shares held. Regarding any amount less than one share, the shareholder may register with the Company's stock agency to request to combine as one share 5 days after the record date of dividends. After the combination request, the amount is still less than one share, the dividends will be distributed in cash with minimum calculation unit of one NT dollar according to Company Law Article 240. The Chairman of the Board will be authorized to approach specific persons of the purchase of these shares based on the face value.
- ii. The distribution of the earning is based on the outstanding common share of 645,895,402. It is therefore proposed that the Board of Directors has full authority to adjust the ratio of shares for above mentioned amount and shares if the number of outstanding shares is affected by transfer or cancellation of treasury stocks or other issues.
- iii. The rights and obligations of the new shares are identical to those of the existing shares.
- iv. Upon the approval of 2022 Annual General Shareholders' Meeting and the Competent Authority, the Board Meeting is authorized to determine the distribution record date and the issuance process.
- v. It is proposed to authorize the board of directors to handle any revision from the authority or any change due to the response to the business environment.

Voting Results :

Shares represented at the time of voting : 346,452,171

Result after voting	% of the voting rights of shareholders attended
Approval votes: 336,295,170 rights (including electronic voting: 78,963,276 rights)	97.06%
Disapproval votes: 122,086 rights (including electronic voting: 122,086 rights)	0.03%
Invalid votes : 0 rights	0%
Abstention votes/no votes : 10,034,915 rights (including electronic voting: 9,715,426 rights)	2.89%

Resolved, that the above proposal was accepted as proposed

Proposal 2 : Proposed by the board of directors

To approve the Amendment to "Articles of Incorporation"

The proposed Amendments "Articles of Incorporation" are attached hereto as Appendix (Handbook pages 38-41).

Voting Results :

Shares represented at the time of voting : 346,452,171

Result after voting	% of the voting rights of shareholders attended
Approval votes: 336,340,982rights (including electronic voting: 79,009,088 rights)	97.08%
Disapproval votes: 73,795 rights (including electronic voting: 73,795 rights)	0.02%
Invalid votes : 0 rights	0%
Abstention votes/no votes : 10,037,394 rights (including electronic voting:9,717,905rights)	2.89%

Resolved, that the above proposal was accepted as proposed

Proposal 3 : Proposed by the board of directors

To approve the Amendment to “Rules of Governing Shareholders’Meeting”

The proposed “Rules of Governing Shareholders’Meeting”are attached hereto as Appendix (Handbook Page42-61).

Voting Results : Shares represented at the time of voting : 346,452,171

Result after voting	% of the voting rights of shareholders attended
Approval votes: 336,288,625 rights (including electronic voting: 78,956,731 rights)	97.06%
Disapproval votes: 117,902 rights (including electronic voting: 117,902 rights)	0.03%
Invalid votes : 0 rights	0%
Abstention votes/no votes : 10,045,644 rights (including electronic voting: 9,726,155 rights)	2.89%

Resolved, that the above proposal was accepted as proposed

Proposal 4 : Proposed by the board of directors

To approve the Amendment to“Procedures for the Acquisition and Disposal of Asses fo the Company”

The proposed “Procedures for Endorsement and Guarantee” are attached hereto as Appendix (Hand book pages 62-76).

Voting Results : Shares represented at the time of voting : 346,452,171

Result after voting	% of the voting rights of shareholders attended
Approval votes: 326,266,036 rights (including electronic voting: 68,934,142 rights)	94.17%
Disapproval votes: 10,154,058 rights (including electronic voting: 10,154,058 rights)	2.93%

Invalid votes : 0 rights	0%
Abstention votes/no votes : 10,032,077 rights (including electronic voting: 9,712,588 rights)	2.89%

Resolved, that the above proposal was accepted as proposed

V. Extraordinary Motions

There being no other business and special motion, upon a motion duly made and seconded, the meeting was adjourned.

VI. Meeting Adjourned : 09:35AM

(This meeting minutes were only recorded the summary of the essential issues during the meeting. The detail of the proceeding, procedure and Shareholder's Statement shall be governed by and subject to the audio and video recording materials.)

Reports

1. 2021 Business Report

Unit : NT\$ thousand

(1) 2021 business report is as follows:

Items	2021	2020	Difference	Difference%
Net Revenue	27,457,879	18,300,805	9,157,074	50.04%
Income After tax	1,408,768	850,045	558,723	65.73%
Profit Rate	5.13%	4.64%	-	-

(2) Report of revenue and cost/expenditure

I. Report of Revenue

- a. In 2021, the net revenue was NT\$27,457,879 thousand, which was increased by NT\$9,157,074 thousand from 2020.
- b. In 2021 non-operating income was NT\$796,837 thousand which accounted for 2.90% of sales revenue.

II. Report of Cost/Expenditure

- a. In 2021, the cost was NT\$24,656,077 thousand, which accounted for 89.80% of sales revenue.
- b. In 2021, the expenditure was NT\$1,294,011 thousand, which accounted for 4.71% of sales revenue.
- c. In 2021 non-operating loss was NT\$303,973 thousand which accounted for 1.11% of sales revenue.

III. Report of Profit

The income after tax was NT\$1,408,768 thousand which increased by NT\$558,723 thousand from 2020.

(3) Financial performance and profitability in 2021

1. financial income and expenditure

Unit : NT\$ Thousand

Item	Amount
Sales Revenue	27,457,879
Gross Margin	2,801,802
Operating Income(Loss)	1,507,198
Non-Operating income	796,837
Non-Operating Loss	(303,973)
Income before Income Tax	2,000,062
Net Income	1,408,768
Earning Per share	2.30

2. Analysis of Profitability

Item	Ratio	
Return On Asset	6.34%	
Return on shareholders' equity	16.01%	
To capital(%)	operating profit margin	23.34%
	Pre-tax income	30.96%
Profit Margin	6.02%	
Earning Per share (NT\$)	2.30	

3. Business Plan and R&D Report:

- (1) To accommodate Government's policy to expand domestic demand, the Group will endeavour to provide what the country need for economy 、 transportation development by supplying the best quality products and service of power cables and telecommunication wires.

- (2) With the group total support, the Group will consolidate domestic and overseas resource and strength to increase business performance.
- (3) To enhance market competitiveness, the Group will develop new market and satisfy the needs of market, launching new product and developing new products.
- (4) The Group ensures product's performance 、safty and deliverable and free of toxic material to meet customer's requirements.
- (5) To promote the solar power generator system, the Group develop cable for solar power generator system, satisfying the requirements of green power environment.

Chairperson of the Board: Shen,Shang-Hung Manager: Shen,San-Yi Chief Accountant: Hung, hung-Ming

2. Report on Audit Committee's audit report of 2021

(1) Inspection Report of Audit Committee

Ta Ya Electric Wire & Cable Co., Ltd.

Inspection Report of Audit Committee

The Audit Committee has duly inspected and approved the financial statements for 2021, the business report and financial statements proposed by the Board of Directors, with the financial statements having been audited and certified by Sung-yu Liu and Zi-Yu Chen, CPAs of Solomon & Co., , hereby submit this report pursuant to Article 14 of Securities and Exchange Act and Article 219 of the Company Act.

To

General Shareholders Meeting 2022

Ta Ya Electric Wire & Cable Co., Ltd.

Audit Committee Convener : Chun-Huei Ho

Date: March 8, 2022

(2) Proposed profit distribution Inspection Report of Audit Committee

Ta Ya Electric Wire & Cable Co., Ltd.

Inspection Report of Audit Committee

The Audit Committee has duly inspected and approved the profit distribution plan prepared and proposed by the Board of Directors and hereby submit this report pursuant to Article 14 of Securities and Exchange Act and Article 219 of the Company Act.

To

General Shareholders Meeting 2022

Ta Ya Electric Wire & Cable Co., Ltd.

Audit Committee Convener : Chun-Huei Ho

Date: April 25, 2022

3. Endorsement and Guarantee

- i. The endorsement and guarantee by the Company till the end of March, 2022 is as follows:

Unit : NT\$ Thousand

Guarantor	Guarantee	Endorsement and Guarantee Balance till end of 2021	The utilized amount	The limits to single company
TA YA	TA YA (CHINA) Holding LTD.	1,717,200	858,600	4,048,542
TA YA	HENG YA ELECTRIC LTD.	1,087,560	0	4,048,542
TA YA	HENG YA ELECTRIC (KUNSHAN) LTD.	1,113,890	562,432	4,048,542
TA YA	HENG YA ELECTRIC (DONGGUAN) LTD.	1,397,515	1,025,276	4,048,542
TA YA	UNION STORAGE ENERGY SYSTEM LTD.	50,500	7,068	3,036,407
CUPRIME MATERIAL CO., LTD.	CUGREEN METAL TECH CO., LTD.	50,000	12,000	326,523
TA YI PLASTIC (H.K)	DONGGUAN HUI CHANG PLASTIC CO., LTD	118,803	91,030	160,859
HENG YA ELECTRIC LTD.	HENG YA ELECTRIC (DONGGUAN) LTD.	137,640	0	404,005
HENG YA ELECTRIC LTD.	HENG YA ELECTRIC (KUNSHAN) LTD.	137,640	0	404,005
TA YA GREEN ENERGY	SIN JHONG SOLAR POWER CO., LTD.	800,000	800,000	3,834,715
TA YA GREEN ENERGY	Jhuh-Guang Energy Co., LTD.	484,500	484,500	3,834,715
	Total	7,095,248	3,840,906	

- ii. 2. Based on the Company's "Procedures for Endorsement and Guarantee", the total amount of the endorsement and guarantee should not exceed 60% of the Company's net worth (NT\$6,072,813 thousand). the total amount of the endorsement and guarantee should not exceed 100% of the Company and subsidiaries' net worth (NT\$10,121,356 thousand).

4. Report of 2021 Remuneration to employees and directors

Explanatory note:

- i. The remuneration distribution was conducted pursuant to the Company's Article 26 of the Article of Incorporation which is 1% of profits earned of that year to the employees and no more than 3% for directors
- ii. In 2021, the remuneration for employees of the Company was 1% of profits, NT\$15,945,972, and 3%, NT\$ 47,837,915, for directors. The distribution amount was proposed by Payroll Committee and approved by the Board of Directors.

5. Report of 2021 issuance of unsecured convertible corporate bond

In order to reinvest in subsidiaries and repay bank loans, the company issued the fourth domestic unsecured corporate bonds on November 22, 2021. The main issuance conditions and related matters are as follows:

Type of Corporate Bonds	The fourth domestic unsecured convertible corporate bonds
Issuance date	November 22, 2021
Total	NT\$1.2 billion
Period	5-year period, maturity date: November 22, 2026
Denomination	NT\$100,000
Number of shares issued	12,000
Issue Price	Issued at 108.31% of face value
Interest rate	0%
Conversion price at issue	NY\$28.80
Tenors	Five-year maturity date: November 22, 2026
Conversion period	February23, 2022- November22, 2026
Reimbursement method	The company will do one-time repayment in cash according to the denomination of the bond.
Converted general shares	None

6. Distribution of 2021 cash dividends from profits

Explanatory note:

- i. The Board of Directors is authorized to decide the distribution of cash dividend and report the decision to the shareholders meeting in accordance with Article 26-1 of the Articles of Incorporation.
- ii. We plan to distribute NT\$226,063,391 of cash dividends, NT\$0.35 per share, to a dollar. The total amount of cash dividends less than NT\$1 was adjusted from greatest to smallest in accordance with the total amount of cash dividend.
- iii. The Board will be authorized to determine the ex-dividend date and adjust the payout ratio based on actual conditions. We hereby propose for acknowledgement to authorize the Chairman of the board to determine the payout ratio in case the number of share outstanding change.

7. Amendments to the Corporate Governance Best Practice Principles

Note: Please refer to Appendix VII for the revised "Corporate Governance Best Practice Principles" (pages 97-116)

8. Amendments to the Procedures for Ethical Management and Guidelines for Conduct

Note: Please refer to Appendix VII for the revised "Procedures for Ethical Management and Guidelines for Conduct" (pages 117-124)

9. Amendments to the Corporate Social Responsibility Code of Practice

Note: Please refer to Appendix VII for the revised "Corporate Social Responsibility Code of Practice" (pages 125-132)

INDEPENDENT AUDITORS' REPORT

English Translation of a Report Originally Issued in Chinese

he Board of Directors and Shareholders

TA YA ELECTRIC WIRE & CABLE CO., LTD.

Opinion

We have audited the accompanying consolidated financial statements of Ta Ya Electric Wire & Cable Co., Ltd and its subsidiaries (the Group), which comprise the consolidated financial balance sheets as of December 31, 2021 and 2020, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the related notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the reports of other auditors (refer to the Other Matter section of this report), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2021 and 2020, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audit of the financial statement as of and for the year ended December 31, 2021 and 2020 in accordance with the "Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants", and the auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in

accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2021. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters for the Company's consolidated financial statements for the year ended December 31, 2021 are stated as follows:

Loss allowance of accounts receivable

The recognition of the loss allowance of accounts receivable is based on the customer's credit quality, situation of collecting payments, and future economic conditions. Since the expected credit loss ratio involves subjective judgments and significant estimates of managements, the loss allowance of accounts receivable is identified as a key audit matter. The book value of accounts receivable please refer to Notes 10 to the consolidated financial statements.

Our audit procedures consisted of obtaining the management's assessment information of expected credit loss ratio and assess that whether such assumptions are reasonable; recalculating the appropriateness of the recognition of expected credit loss of accounts receivable based on the above expected credit loss ratio; and inspecting specific customers which amount is significant and the reason for not receiving payment. We use above procedures to confirm whether the expected credit loss of accounts receivable have recognized sufficiently.

Inventory evaluation

The Group assesses impairment of material based on lower of cost or net realizable value evaluation, and valuation of the inventory is mainly affected by the international copper price, but the international copper market price fluctuations frequently. Since inventory evaluation involves the management's significant judgment, inventory evaluation its assessment is identified as a key audit matter.

The book value of Inventories please refer to Notes 11 to the consolidated financial statements.

Our audit procedures in response to the abovementioned key audit matter were obtaining information pertaining to the lower of cost or net realizable value (LCNRV), sampling projected pricing information and the most recent sales record to assess the reasonableness of the judgment on the LCNRV, and comparing the year-end quantity of inventory items with the inventory count reports to confirm the existence and completeness of the inventory. Moreover, by attending year-end inventory counting, we assessed the condition of inventory and evaluated the adequacy of inventory provisions for obsolete goods.

Other Matter

Certain investments which were accounted for under the equity method based on the financial statements of the investees were audited by other independent accountants. Our audit, insofar as it related to these companies' total assets were NT 3,142,619 thousands and NT 2,686,935 thousands, which represented 9.16% and 10.66% of the total consolidated assets as of December 31, 2021 and 2020, the related shares of net operating revenue from the associates in the amount of NT 3,340,441 thousands and NT 2,811,886 thousands, which represented 12.17% and 15.36% of the total consolidated net operating revenue for the years ended December 31, 2021 and 2020; The investments accounted for under the equity method balance of NT 969,271 thousands and NT 831,370 thousands, which represented 2.82% and 3.30% of the total consolidated assets as of December 31, 2021 and 2020, the related shares of profit of associates and joint ventures accounted for using equity method in the amount of NT 96,541 thousands and NT 124,108 thousands, which represented 5.82% and 11.93% of the consolidated total comprehensive income (loss) for the years ended December 31, 2021 and 2020.

Responsibilities of Management and Those Charged with Governance for the consolidated Financial Statements

Management is responsible for preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for financial statements that are free from material misstatement, whether

due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including supervisors, are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting

estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2020 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in report because the adverse consequences of doing so would reasonably be expected to outweigh the

public interest benefits of such communication.

March 30, 2022

Notice to Readers

For the convenience of readers, the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the R.O.C. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language consolidated financial statements shall prevail.

TA YA ELECTRIC WIRE & CABLE CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Expressed in Thousands of New Taiwan Dollars)

ASSETS	December 31,2021		December 31,2020	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (notes 4 and 6)	\$ 4,999,261	14.6	\$ 2,906,624	11.5
Financial assets at fair value through profit or loss (notes 4, 7 and 36)	1,130,877	3.3	590,344	2.3
Financial assets at fair value through other comprehensive income (Notes 4 and 8)	30,531	0.1	26,065	0.1
Financial assets at amortized cost(notes 9)	385,821	1.1	333,031	1.3
Contract assets	58,869	0.2	49,772	0.2
Notes receivable, net (notes 4, 10 and 37)	309,510	0.9	156,484	0.7
Accounts receivable, net (notes 4, 10 and 37)	4,090,404	11.9	3,448,935	13.7
Other receivables	52,903	0.1	51,430	0.2
Income tax receivable	3,719	—	438	—
Inventories, net (notes 4 and 11)	4,567,901	13.3	2,935,739	11.6
Inventories (Construction),net (notes 4 and 11)	92,402	0.3	225,370	0.9
Prepayments	362,878	1.1	202,583	0.9
Other current assets (notes 38)	91,982	0.3	105,891	0.4
Total current assets	<u>16,177,058</u>	<u>47.2</u>	<u>11,032,706</u>	<u>43.8</u>
NONCURRENT ASSETS				
Financial assets at fair value through profit or loss (notes 4, 7 and 36)	2,860,700	8.3	2,232,668	8.9
Financial assets at fair value through other comprehensive income (notes 4, 8 and 38)	1,012,124	2.9	920,106	3.7
Investments accounted for using equity method (notes 4, 12 and 38)	1,019,736	3.0	884,224	3.5
Property, plant and equipment (notes 4, 13 and 38)	9,990,898	29.1	7,543,746	29.9
Right-of-use assets (notes 4, 14 and 38)	1,041,702	3.0	487,434	1.9
Investment Property, net (notes 4, 15 and 38)	1,352,215	3.9	1,150,406	4.6
Intangible assets(notes 16)	122	—	325	—
Deferred income tax assets (notes 2 and 26)	122,640	0.4	149,720	0.6
Prepayments for equipment	108,381	0.3	49,058	0.2
Refundable deposits (note 38)	88,750	0.3	101,659	0.4
Net defined benefit asset	19,230	0.1	6,227	—
Other non-current assets (notes 37 and 38)	522,984	1.5	645,924	2.5
Total noncurrent assets	<u>18,139,482</u>	<u>52.8</u>	<u>14,171,497</u>	<u>56.2</u>
TOTAL	<u>\$ 34,316,540</u>	<u>100.0</u>	<u>\$ 25,204,203</u>	<u>100.0</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term loans (note17)	\$ 6,724,135	19.6	\$ 4,522,706	17.9
Short-term notes and bills payable (note18)	829,831	2.4	454,930	1.8
Financial liabilities at fair value through profit or loss (notes 4, 7 and 36)	14,926	—	127,753	0.5
Contract liabilities	215,067	0.6	141,319	0.6
Notes payable (note 37)	93,069	0.3	85,919	0.3
Accounts payable (note 37)	626,636	1.8	581,544	2.3
Other payables (note 37)	710,797	2.1	725,608	2.9
Income tax payable (note 26)	157,752	0.5	91,081	0.4
Provisions (note 21)	100,000	0.3	100,000	0.4
Lease liabilities (notes 4 and 14)	34,457	0.1	19,302	0.1
Receipts in advance	2,742	—	923	—
Current portion of long-term loans (notes 19 and 20)	1,871,524	5.5	1,157,986	4.6
Other current liabilities	54,291	0.2	29,444	0.1
Total current liabilities	<u>11,435,227</u>	<u>33.4</u>	<u>8,038,515</u>	<u>31.9</u>
NONCURRENT LIABILITIES				
Bonds payable (note 19)	2,628,394	7.7	1,500,000	6.0
Long-term loans (note 20)	7,272,032	21.2	5,891,656	23.4
Provisions (note 21)	35,351	0.1	35,841	0.1
Deferred income tax liabilities (note 26)	354,481	1.0	268,665	1.1
Lease liabilities (notes 4 and 14)	765,730	2.2	242,796	1.0
Net defined benefit liability (note 22)	23,283	0.1	27,325	0.1
Guarantee deposits	79,150	0.2	29,785	0.1
Other noncurrent liabilities	199,541	0.6	39,576	0.1
Total noncurrent liabilities	<u>11,357,962</u>	<u>33.1</u>	<u>8,035,644</u>	<u>31.9</u>
Total liabilities	<u>22,793,189</u>	<u>66.5</u>	<u>16,074,159</u>	<u>63.8</u>
EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT (note 23)				
Share capital	6,458,954	18.8	5,950,680	23.6
Capital surplus	1,136,808	3.3	602,220	2.4
Retained earnings				
Appropriated as legal capital reserve	213,846	0.6	137,749	0.5
Appropriated as special capital reserve	147,555	0.4	147,555	0.6
Unappropriated earnings (accumulated deficits)	1,999,744	5.8	1,088,298	4.3
Total retained earnings	<u>2,361,145</u>	<u>6.8</u>	<u>1,373,602</u>	<u>5.4</u>
Others	(110,704)	(0.3)	(125,666)	(0.5)
Treasury stock (notes 4 and 24)	(35,565)	(0.1)	(34,925)	(0.1)
Total equity attributable to owners of the parent	<u>9,810,638</u>	<u>28.5</u>	<u>7,765,911</u>	<u>30.8</u>
NON-CONTROLLING INTERESTS (notes 23)	<u>1,712,713</u>	<u>5.0</u>	<u>1,364,133</u>	<u>5.4</u>
Total equity	<u>11,523,351</u>	<u>33.5</u>	<u>9,130,044</u>	<u>36.2</u>
TOTAL	<u>\$ 34,316,540</u>	<u>100.0</u>	<u>\$ 25,204,203</u>	<u>100.0</u>

*The accompanying notes are an integral part of the consolidated financial statements
(With Solomon & Co., audit report dated March 30, 2022)*

TA YA ELECTRIC WIRE & CABLE CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Share)

	<u>2021</u>		<u>2020</u>	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
NET REVENUE (notes 28)	\$ 27,457,879	100.0	\$ 18,300,805	100.0
COST OF REVENUE (notes 11, 22, 30 and 37)	24,656,077	89.8	16,699,808	91.3
GROSS PROFIT	2,801,802	10.2	1,600,997	8.7
UNREALIZED GAIN ON THE TRANSACTIONS WITH ASSOCIATES	593	—	—	—
REALIZED GROSS PROFIT	2,801,209	10.2	1,600,997	8.7
OPERATING EXPENSES (notes 22, 25, 30 and 37)				
Sales and marketing	286,577	1.0	257,837	1.4
General and administrative	955,354	3.5	824,790	4.5
Research and development	42,445	0.1	67,013	0.4
Expected credit loss (gains)	9,635	—	23,085	0.1
Total Operating Expenses	1,294,011	4.6	1,172,725	6.4
INCOME FROM OPERATIONS	1,507,198	5.6	428,272	2.3
NON-OPERATING INCOME AND EXPENSES				
Interest income (note 31 and 37)	15,546	0.1	31,553	0.2
Other income (note 32 and 37)	218,740	0.8	219,407	1.2
Other gains and losses (note 33 and 37)	456,341	1.7	627,589	3.4
Finance costs (note 34)	(291,973)	(1.1)	(216,303)	(1.2)
Share of profit associates (note 12)	106,210	0.4	128,511	0.7
Impairment loss	(12,000)	—	(361)	—
Total non-operating Income and expenses	492,864	1.9	790,396	4.3
INCOME BEFORE INCOME TAX	2,000,062	7.5	1,218,668	6.6
INCOME TAX EXPENSE (notes 26)	(345,887)	(1.3)	(184,948)	(1.0)
NET INCOME	1,654,175	6.2	1,033,720	5.6
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (note 22)	(14,640)	(0.1)	(5,997)	—
Unrealized gain on investments in equity instruments at fair value through other comprehensive income	46,612	0.2	85,297	0.4
Share of other comprehensive income (loss) of associates	(406)	—	(295)	—
Income tax relating to items that will not be reclassified subsequently to profit or loss (notes 26)	(8,695)	—	(7,123)	—
	22,871	0.1	71,882	0.4
Items that may be reclassified subsequently to profit or loss:				
Exchange differences arising on translation of foreign operations	(24,047)	(0.1)	(74,417)	(0.4)
Share of the other comprehensive income of associates accounted for using the equity method	761	—	(901)	—
Income tax benefit related to items that will not be reclassified subsequently (notes 26)	3,852	—	9,711	0.1
	(19,434)	(0.1)	(65,607)	(0.3)
Other comprehensive income (loss) for the year, net of income tax	3,437	—	6,275	0.1
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR	<u>\$ 1,657,612</u>	<u>6.0</u>	<u>\$ 1,039,995</u>	<u>5.7</u>
NET PROFIT ATTRIBUTABLE TO:				
Owners of the parent	\$ 1,408,768	5.1	\$ 850,045	4.6
Non-controlling interests	245,407	0.9	183,675	1.0
	<u>\$ 1,654,175</u>	<u>6.0</u>	<u>\$ 1,033,720</u>	<u>5.6</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the parent	\$ 1,420,966	5.1	\$ 879,256	4.8
Non-controlling interests	236,646	0.9	160,739	0.9
	<u>\$ 1,657,612</u>	<u>6.0</u>	<u>\$ 1,039,995</u>	<u>5.7</u>
EARNINGS PER SHARE (NT\$,notes 27)				
Basic	<u>\$ 2.30</u>		<u>\$ 1.41</u>	
Diluted	<u>\$ 2.29</u>		<u>\$ 1.41</u>	

The accompanying notes are an integral part of the consolidated financial statements
(With Solomon & Co., audit report dated March 30, 2022)

TA YA ELECTRIC WIRE & CABLE CO., LTD. AND SUBSIDIARIES
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
(Expressed in Thousands of New Taiwan Dollars, Except for Share Data)

	<u>Capital Stock — Common Stock</u>		<u>Retained Earnings</u>			<u>Others</u>					<u>Total Equity</u>
	<u>Shares</u>	<u>Amount</u>	<u>Capital Surplus</u>	<u>Legal Reserve</u>	<u>Special Reserve</u>	<u>Unappropriated Earnings (Accumulated Deficit)</u>	<u>Foreign Currency Translation Reserve</u>	<u>Unrealized Gain (Loss) on Assets at Fair Value Through Other Comprehensive Income</u>	<u>Treasury Stock</u>	<u>Non-controlling Interests</u>	
BALANCE AT JANUARY 1, 2020 RESTATED	595,068,022	\$ 5,950,680	\$ 531,117	\$ 87,245	\$ 147,555	\$ 556,359	\$ (183,063)	\$ 36,775	\$ (30,872)	\$ 1,298,386	\$ 8,394,182
Appropriation of prior year's earnings:											
Legal and Special reserve used to offset accumulated deficit	—	—	—	50,504	—	(50,504)	—	—	—	—	—
Cash dividends to shareholders	—	—	—	—	—	(178,521)	—	—	—	—	(178,521)
Adjustments to share of changes in equity of subsidiaries and associates	—	—	90	—	—	(500)	—	—	—	—	(410)
Net income in 2020	—	—	—	—	—	850,045	—	—	—	183,675	1,033,720
Other comprehensive income in 2020, net of income tax	—	—	—	—	—	(10,956)	(30,961)	71,128	—	(22,936)	6,275
Treasury stock repurchase	—	—	—	—	—	—	—	—	(54,141)	—	(54,141)
Disposal of the Company's shares held by subsidiaries	—	—	2,625	—	—	—	—	—	1,557	—	4,182
Adjustments for dividends subsidiaries received from parent company	—	—	2,404	—	—	—	—	—	—	—	2,404
The difference between the fair value of the consideration paid from acquiring subsidiaries and the carrying amounts of the subsidiaries	—	—	—	—	—	(97,100)	—	—	—	97,100	—
Changes in subsidiaries ownership	—	—	10,269	—	—	3,141	—	(3,211)	—	(6,429)	3,770
Share-based payments	—	—	55,715	—	—	—	—	—	54,141	—	109,856
Changes in non-controlling interests	—	—	—	—	—	—	—	—	—	(195,394)	(195,394)
Disposal of investments in equity instruments at fair value through other comprehensive income	—	—	—	—	—	16,334	—	(16,334)	—	—	—
Others	—	—	—	—	—	—	—	—	(5,610)	9,731	4,121
Balance at December 31, 2020	595,068,022	5,950,680	602,220	137,749	147,555	1,088,298	(214,024)	88,358	(34,925)	1,364,133	9,130,044
Appropriation of 2020 earnings											
Legal and Special reserve used to offset accumulated deficit	—	—	—	76,097	—	(76,097)	—	—	—	—	—
Cash dividends to shareholders	—	—	—	—	—	(208,274)	—	—	—	—	(208,274)
Stock dividends	20,827,380	208,274	—	—	—	(208,274)	—	—	—	—	—
Capital surplus used to offset accumulated deficits	—	—	163,671	—	—	—	—	—	—	—	163,671
Share of changes in net assets of associates accounted for using equity method	—	—	226	—	—	(1,890)	—	—	—	—	(1,664)
Net income in 2021	—	—	—	—	—	1,408,768	—	—	—	245,407	1,654,175
Other comprehensive income in 2021, net of income tax	—	—	—	—	—	(19,182)	(11,374)	42,754	—	(8,761)	3,437
Issuance of ordinary shares for cash	30,000,000	300,000	330,000	—	—	—	—	—	—	—	630,000
Purchase of the Corporation's shares by subsidiaries	—	—	—	—	—	—	—	—	(2,965)	(2,525)	(5,490)
Disposal of the Company's shares held by subsidiaries	—	—	7,121	—	—	—	—	—	2,325	—	9,446
Adjustments for dividends subsidiaries received from parent company	—	—	2,463	—	—	—	—	—	—	—	2,463
Changes in subsidiaries ownership	—	—	(618)	—	—	(23)	—	—	—	637	(4)
Share-based payments	—	—	31,725	—	—	—	—	—	—	—	31,725
Changes in non-controlling interests	—	—	—	—	—	—	—	—	—	111,843	111,843
Disposal of investments in equity instruments at fair value through other comprehensive income	—	—	—	—	—	16,418	—	(16,418)	—	—	—
Others	—	—	—	—	—	—	—	—	—	1,979	1,979
Balance at December 31, 2021	645,895,402	\$ 6,458,954	\$ 1,136,808	\$ 213,846	\$ 147,555	\$ 1,999,744	\$ (225,398)	\$ 114,694	\$ (35,565)	\$ 1,712,713	\$ 11,523,351

*The accompanying notes are an integral part of the consolidated financial statements
(With Solomon & Co., audit report dated March 30, 2022)*

TA YA ELECTRIC WIRE & CABLE CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Thousands of New Taiwan Dollars)

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 2,000,062	\$ 1,218,668
Adjustments for :		
Depreciation expense	614,952	357,942
Amortization expense	200	408
Expected credit loss	9,635	23,085
Net gain of financial assets and liabilities at fair value through profit or loss	(724,333)	(547,337)
Finance costs	291,973	216,303
Interest income	(15,546)	(31,553)
Dividend income	(119,361)	(107,594)
Shared-based payment expenses recognized	31,725	55,681
Share of profits of associates	(106,210)	(128,511)
Gain on disposal of property, plant and equipment	(1,138)	(3,352)
Property, plant and equipment transferred to expenses	12,615	4,733
Gain on disposal of investment property	—	(301)
Gain on disposal of investments	(116,168)	(202,330)
Unrealized gain on the transactions with associates	593	—
Gains on disposal of associates	—	(2,155)
Impairment loss on financial assets	12,000	—
Impairment loss on non-financial assets	—	361
Income and expense adjustments	<u>(109,063)</u>	<u>(364,620)</u>
Changes in operating assets and liabilities:		
Financial assets and liabilities at fair value through profit or loss	(454,104)	(75,941)
Contract assets	(9,097)	123,114
Notes receivable	(153,026)	(3,818)
Accounts receivable	(649,711)	(585,567)
Other receivables	(1,406)	32,739
Inventories	(1,499,194)	416,324
Prepayments	(139,646)	(110,430)
Other current assets	86,746	(29,096)
Contract liabilities	73,748	44,095
Notes payable	7,150	16,763
Accounts payable	45,092	45,294
Other payables	(16,492)	195,938
Provisions	(966)	(6,189)
Advance receipts	1,819	(7,517)
Other current liabilities	24,847	(2,064)
Net defined benefit liability	<u>(31,684)</u>	<u>(47,379)</u>
Total changes in operating assets and liabilities	<u>(2,715,924)</u>	<u>6,266</u>
Total adjustments	<u>(2,824,987)</u>	<u>(358,354)</u>
Cash (used in) generated from operations	(824,925)	860,314
Interest received	15,544	31,551
Interest paid	(289,427)	(215,396)
Income tax paid	<u>(175,693)</u>	<u>(88,976)</u>
Net cash (used in) generated from operating activities	<u>(1,274,501)</u>	<u>587,493</u>

(Continued)

TA YA ELECTRIC WIRE & CABLE CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Thousands of New Taiwan Dollars)

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial asset at fair value through other comprehensive income	(94,794)	(101,149)
Proceeds from disposal of financial asset at fair value through other comprehensive income	28,900	69,426
The capital reduction on financial asset at fair value through other comprehensive income	14,043	15,551
Financial assets at amortized cost	(52,790)	(80,098)
Purchase of associates under the equity method	(88,564)	—
Proceeds from disposal of associates under the equity method	—	4,570
Net cash flow from acquisition of subsidiaries (exclude cash obtained)	(419,024)	—
Acquisition of property, plant and equipment (including prepayments for equipment)	(2,546,126)	(2,955,053)
Proceeds from disposal of property, plant and equipment	28,176	7,632
Decrease in refundable deposits	12,909	15,952
Acquisition of intangible assets	—	(56)
Payments for right-of-use assets	(16,527)	(19,374)
Acquisition of investment properties	(110,467)	(52,242)
Proceeds from disposal of investment properties	—	1,000
Increase in other non-current assets	(9,382)	(82,845)
Dividend received	163,481	135,798
Decrease (increase) in mortgage demand deposits	(37,680)	14,498
Net cash used in investing activities	<u>(3,127,845)</u>	<u>(3,026,390)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term loans	2,201,429	972,288
Increase (decrease) in short-term notes and bills payable	374,901	(299,811)
Issuance of bonds payable	1,296,071	1,000,000
Proceeds from long-term bank loans	6,399,338	5,145,305
Repayment of long-term bank loans	(4,284,088)	(3,442,141)
Increase (decrease) in guarantee deposits	49,365	(12,286)
Repayment of principal of lease liabilities	(55,926)	(20,941)
Decrease in other noncurrent liabilities	—	(3,206)
Cash dividends	(205,811)	(176,117)
Issuance of ordinary shares for cash	630,000	—
Increase in treasury stock	(5,490)	(54,141)
Proceeds from disposal of treasury shares	9,446	1,557
Treasury stock sold to employees	—	54,175
Increase (decrease) in non-controlling interests	113,822	(191,273)
Net cash generated from financing activities	<u>6,523,057</u>	<u>2,973,409</u>
EFFECT OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS	<u>(28,074)</u>	<u>(80,758)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	2,092,637	453,754
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>2,906,624</u>	<u>2,452,870</u>
CASH AND CASH EQUIVALENTS, ENDING OF YEAR	<u>\$ 4,999,261</u>	<u>\$ 2,906,624</u>

(Concluded)

The accompanying notes are an integral part of the consolidated financial statements
(With Solomon & Co., audit report dated March 30, 2022)

INDEPENDENT AUDITORS' REPORT

English Translation of a Report Originally Issued in Chinese

The Board of Directors and Shareholders

TA YA ELECTRIC WIRE & CABLE CO., LTD.

Opinion

We have audited the accompanying parent company only financial statements of Ta Ya Electric Wire & Cable Co., Ltd (the Company), which comprise the parent company only balance sheets as of December 31, 2021 and 2020, and the parent company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the reports of other auditors (as set out in the Other Matter section of our report), the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Company as of December 31, 2021 and 2020, and its parent company only financial performance and its parent company only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audit of the financial statement as of and for the year ended December 31, 2021 and 2020 in accordance with the "Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants", and the auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of Parent Company Only Financial Statements section of our report. We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have

obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements for the year ended December 31, 2021. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters for the Company's parent company only financial statements for the year ended December 31, 2021 are stated as follows:

Loss allowance of accounts receivable

The recognition of the loss allowance of accounts receivable is based on the customer's credit quality, situation of collecting payments, and future economic conditions. Since the expected credit loss ratio involves subjective judgments and significant estimates of managements, the loss allowance of accounts receivable is identified as a key audit matter.

The book value of accounts receivable please refer to Notes 9 to the parent company's financial statements.

Our audit procedures consisted of obtaining the management's assessment information of expected credit loss ratio and assess that whether such assumptions is reasonable; recalculating the appropriateness of the recognition of expected credit loss of accounts receivable based on the above expected credit loss ratio; and inspecting specific customers which amount is significant and the reason for not receiving payment. We use above procedures to confirm whether the expected credit loss of accounts receivable have recognized sufficiently.

Inventory evaluation

The company assesses impairment of material based on lower of cost or net realizable value evaluation, and valuation of the inventory is mainly affected by the international copper price, but the international copper market price fluctuations frequently. Since inventory evaluation involves the management's significant judgment, inventory evaluation its assessment is identified as a key

audit matter.

The book value of Inventories please refer to Notes 10 to the parent company's financial statements.

Our audit procedures in response to the abovementioned key audit matter were obtaining information pertaining to the lower of cost or net realizable value (LCNRV), sampling projected pricing information and the most recent sales record to assess the reasonableness of the judgment on the LCNRV, and comparing the year-end quantity of inventory items with the inventory count reports to confirm the existence and completeness of the inventory. Moreover, by attending year-end inventory counting, we assessed the condition of inventory and evaluated the adequacy of inventory provisions for obsolete goods.

Other Matter

We did not audit the financial statements of certain investments accounted for under the equity method that are included in the parent company only financial statements. Those financial statements were audited by other independent accountants whose reports thereon have been furnished to us, and our opinion expressed herein, insofar as it relates to the amounts included in the parent company only financial statements and the information, is based solely on the audit reports of other independent accountants. Total assets of these subsidiaries and investments amounted to NT\$1,991,966 thousand and NT\$1,895,740 thousand, representing 9.67% and 12.15% of the related totals, as of December 31, 2021 and 2020, respectively, and total operating revenues of NT\$ 210,472 thousand and NT\$261,128 thousand, constituting 14.81 % and 29.70% of the related totals for the years then ended, respectively.

Responsibilities of Management and Those Charged with Governance for the Parent Company

Only Financial Statements

Management is responsible for preparation and fair presentation of the parent company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company only financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those charged with governance, including supervisors, are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company only financial statements.

As part of an audit in accordance with the auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements for the year ended December 31, 2021 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

March 30,2022

Notice to Readers

For the convenience of readers, the accompanying parent company only financial statements have been translated into English from the original Chinese version prepared and used in the R.O.C. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language parent company only financial statements shall prevail.

TA YA ELECTRIC WIRE & CABLE CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
(Expressed in Thousands of New Taiwan Dollars)

<u>ASSETS</u>	<u>December 31, 2021</u>		<u>December 31, 2020</u>	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
CURRENT ASSETS				
Cash and cash equivalents (notes 4 and 6)	\$ 2,044,752	9.9	\$ 1,257,156	8.1
Financial assets at fair value through profit or loss (notes 4, 7 and 32)	1,111,282	5.4	577,080	3.7
Contract assets	33,432	0.2	42,718	0.3
Notes receivable, net (notes 4, 9 and 33)	182,504	0.9	84,351	0.5
Accounts receivable, net (notes 4, 9 and 33)	1,517,704	7.4	1,131,949	7.3
Other receivables (note 33)	61,792	0.3	120,216	0.8
Inventories, net (notes 4 and 10)	2,474,769	12.0	1,777,040	11.4
Inventories (Construction), net (notes 4 and 10)	92,402	0.4	225,370	1.4
Prepayments (note 33)	110,328	0.5	25,417	0.2
Other current assets (note 33 and 34)	4,062	—	3,787	—
Total current assets	<u>7,633,027</u>	<u>37.0</u>	<u>5,245,084</u>	<u>33.7</u>
NONCURRENT ASSETS				
Financial assets at fair value through profit or loss (notes 4, 7 and 32)	614,838	3.0	405,378	2.6
Financial assets at fair value through other comprehensive income (notes 4, 8, 32 and 34)	911,981	4.4	811,528	5.2
Investments accounted for using equity method (notes 4, 11 and 34)	7,893,770	38.3	5,844,166	37.4
Property, plant and equipment (notes 4, 12 and 34)	2,271,680	11.0	2,285,519	14.6
Right-of-use assets (notes 4 and 13)	19,871	0.1	13,454	0.1
Investment Property, net (notes 4, 14 and 34)	897,287	4.4	899,918	5.8
Deferred income tax assets (notes 2 and 23)	—	—	7,562	—
Prepayments for equipment	76,562	0.4	9,292	0.1
Refundable deposits (note 34)	32,182	0.2	29,175	0.2
Net defined benefit asset (note 19)	19,230	0.1	4,921	—
Other non-current assets (note 34)	225,465	1.1	50,004	0.3
Total noncurrent assets	<u>12,962,866</u>	<u>63.0</u>	<u>10,360,917</u>	<u>66.3</u>
TOTAL	<u>\$ 20,595,893</u>	<u>100.0</u>	<u>\$ 15,606,001</u>	<u>100.0</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term loans (note 15)	\$ 2,113,116	10.3	\$ 1,579,287	10.1
Short-term notes and bills payable (note 16)	500,000	2.4	400,000	2.6
Financial liabilities at fair value through profit or loss (notes 4 and 7)	9,545	—	112,388	0.7
Contract liabilities (note 33)	190,242	0.9	125,358	0.8
Notes payable	7,072	—	1,354	—
Accounts payable (note 33)	469,673	2.3	486,054	3.1
Other payables (note 33)	409,429	2.0	303,349	2.0
Income tax payable (note 23)	41,350	0.2	18,038	0.1
Lease liabilities (notes 4 and 12)	7,288	—	6,067	—
Receipts in advance (note 33)	2,187	—	1,110	—
Current portion of long-term loans (notes 17 and 18)	900,000	4.4	636,667	4.1
Other current liabilities	47,817	0.2	23,967	0.2
Total current liabilities	<u>4,697,719</u>	<u>22.7</u>	<u>3,693,639</u>	<u>23.7</u>
NONCURRENT LIABILITIES				
Bonds payable (note 17)	2,628,394	12.8	1,500,000	9.6
Long-term loans (note 18)	3,035,000	14.7	2,346,667	15.0
Deferred income tax liabilities (note 23)	353,669	1.7	264,486	1.7
Lease liabilities (notes 4 and 12)	12,657	0.1	7,323	—
Guarantee deposits (note 33)	57,173	0.3	27,310	0.2
Other noncurrent liabilities	643	—	665	—
Total noncurrent liabilities	<u>6,087,536</u>	<u>29.6</u>	<u>4,146,451</u>	<u>26.5</u>
Total liabilities	<u>10,785,255</u>	<u>52.3</u>	<u>7,840,090</u>	<u>50.2</u>
EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT (note 20)				
Share capital	6,458,954	31.5	5,950,680	38.1
Capital surplus	1,136,808	5.5	602,220	3.9
Retained earnings				
Appropriated as legal capital reserve	213,846	1.0	137,749	0.9
Appropriated as special capital reserve	147,555	0.7	147,555	0.9
Unappropriated earnings (accumulated deficits)	1,999,744	9.7	1,088,298	7.0
Total retained earnings	<u>2,361,145</u>	<u>11.4</u>	<u>1,373,602</u>	<u>8.8</u>
Others	(110,704)	(0.5)	(125,666)	(0.8)
Treasury stock (notes 4 and 21)	(35,565)	(0.2)	(34,925)	(0.2)
Total equity	<u>9,810,638</u>	<u>47.7</u>	<u>7,765,911</u>	<u>49.8</u>
TOTAL	<u>\$ 20,595,893</u>	<u>100.0</u>	<u>\$ 15,606,001</u>	<u>100.0</u>

*The accompanying notes are an integral part of the parent company only financial statements
(With Solomon & Co., audit report dated March 30, 2022)*

TA YA ELECTRIC WIRE & CABLE CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Share)

	<u>2021</u>		<u>2020</u>	
	<i>Amount</i>	<i>%</i>	<i>Amount</i>	<i>%</i>
NET REVENUE (notes 25)	\$ 13,419,090	100.0	\$ 8,940,088	100.0
COST OF REVENUE (notes 10, 19, 26, and 33)	12,314,789	91.8	8,359,802	93.5
GROSS PROFIT	1,104,301	8.2	580,286	6.5
UNREALIZED GAIN ON THE TRANSACTIONS WITH SUBSIDIARIES AND ASSOCIATES	24,269	0.1	30,761	0.4
REALIZED GAIN ON THE TRANSACTIONS WITH SUBSIDIARIES	2,480	—	—	—
REALIZED GROSS PROFIT	1,082,512	8.1	549,525	6.1
OPERATING EXPENSES (notes 19, 26, and 33)				
Sales and marketing	142,300	1.1	117,605	1.3
General and administrative	523,710	3.9	409,960	4.6
Research and development	42,445	0.3	67,013	0.7
Expected credit loss (gains)	10,000	0.1	7,732	0.1
Total Operating Expenses	718,455	5.4	602,310	6.7
INCOME FROM OPERATIONS	364,057	2.7	(52,785)	(0.6)
NON-OPERATING INCOME AND EXPENSES				
Interest income (note 27 and 33)	1,897	—	2,212	—
Other income (note 28 and 33)	194,372	1.4	190,359	2.1
Other gains and losses (note 29 and 33)	171,949	1.3	249,192	2.8
Finance costs (note 30)	(93,799)	(0.7)	(73,796)	(0.8)
Share of profit associates (note 11)	892,337	6.7	610,611	6.8
Total non-operating Income and expenses	1,166,756	8.7	978,578	10.9
INCOME BEFORE INCOME TAX	1,530,813	11.4	925,793	10.3
INCOME TAX EXPENSE (notes 23)	(122,045)	(0.9)	(75,748)	(0.8)
NET INCOME	\$ 1,408,768	10.5	\$ 850,045	9.5
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (note 19)	(6,800)	(0.1)	2,469	—
Unrealized gain on investments in equity instruments at fair value through other comprehensive income	34,803	0.3	68,417	0.7
Share of other comprehensive income (loss) of associates	1,949	—	(1,703)	—
Income tax relating to items that will not be reclassified subsequently to profit or loss (notes 23)	(6,380)	—	(9,011)	(0.1)
	23,572	0.2	60,172	0.6
Items that may be reclassified subsequently to profit or loss:				
Exchange differences arising on translation of foreign operations	(10,223)	(0.1)	(28,490)	(0.3)
Share of the other comprehensive income of associates accounted for using the equity method	(3,195)	—	(8,169)	(0.1)
Income tax benefit related to items that will not be reclassified subsequently (notes 23)	2,044	—	5,698	0.1
	(11,374)	(0.1)	(30,961)	(0.3)
Other comprehensive income (loss) for the year, net of income tax	12,198	0.1	29,211	0.3
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR	\$ 1,420,966	10.6	\$ 879,256	9.8
EARNINGS PER SHARE (NT\$,notes 24)				
Basic	\$ 2.30		\$ 1.41	
Diluted	\$ 2.29		\$ 1.41	

*The accompanying notes are an integral part of the parent company only financial statements
(With Solomon & Co., audit report dated March 30, 2022)*

TA YA ELECTRIC WIRE & CABLE CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
(Expressed in Thousands of New Taiwan Dollars, Except for Share Data)

	<u>Capital Stock — Common Stock</u>		<u>Retained Earnings</u>				<u>Others</u>			<u>Total Equity</u>
	<u>Shares</u>	<u>Amount</u>	<u>Capital Surplus</u>	<u>Legal Reserve</u>	<u>Special Reserve</u>	<u>Unappropriated Earnings (Accumulated Deficit)</u>	<u>Foreign Currency Translation Reserve</u>	<u>Unrealized Gain (Loss) on Assets at Fair Value Through Other Comprehensive Income</u>	<u>Treasury Stock</u>	
Balance at January 1, 2020	595,068,022	\$ 5,950,680	\$ 531,117	\$ 87,245	\$ 147,555	\$ 556,359	\$ (183,063)	\$ 36,775	\$ (30,872)	\$ 7,095,796
Appropriation of 2020 earnings										
Legal reserve used to offset accumulated deficit	—	—	—	50,504	—	(50,504)	—	—	—	—
Cash dividends to shareholders	—	—	—	—	—	(178,521)	—	—	—	(178,521)
Share of changes in net assets of associates accounted for using equity method	—	—	90	—	—	(500)	—	—	—	(410)
Net income in 2020	—	—	—	—	—	850,045	—	—	—	850,045
Other comprehensive income in 2020, net of income tax	—	—	—	—	—	(10,956)	(30,961)	71,128	—	29,211
Treasury stock repurchase	—	—	—	—	—	—	—	—	(54,141)	(54,141)
Disposal of the Company's shares held by subsidiaries	—	—	2,625	—	—	—	—	—	1,557	4,182
Adjustments for dividends subsidiaries received from parent company	—	—	2,404	—	—	—	—	—	—	2,404
The difference between the fair value of the consideration paid from acquiring subsidiaries and the carrying amounts of the subsidiaries	—	—	—	—	—	(97,100)	—	—	—	(97,100)
Changes in subsidiaries ownership	—	—	10,269	—	—	3,141	—	(3,211)	—	10,199
Share-based payments	—	—	55,715	—	—	—	—	—	54,141	109,856
Disposal of investments in equity instruments at fair value through other comprehensive income	—	—	—	—	—	16,334	—	(16,334)	—	—
Others	—	—	—	—	—	—	—	—	(5,610)	(5,610)
Balance at December 31, 2020	595,068,022	5,950,680	602,220	137,749	147,555	1,088,298	(214,024)	88,358	(34,925)	7,765,911
Appropriation of 2021 earnings										
Legal reserve used to offset accumulated deficit	—	—	—	76,097	—	(76,097)	—	—	—	—
Cash dividends to shareholders	—	—	—	—	—	(208,274)	—	—	—	(208,274)
Stock dividends	20,827,380	208,274	—	—	—	(208,274)	—	—	—	—
Capital surplus used to offset accumulated deficits	—	—	163,671	—	—	—	—	—	—	163,671
Share of changes in net assets of associates accounted for using equity method	—	—	226	—	—	(1,890)	—	—	—	(1,664)
Net income in 2021	—	—	—	—	—	1,408,768	—	—	—	1,408,768
Other comprehensive income in 2021, net of income tax	—	—	—	—	—	(19,182)	(11,374)	42,754	—	12,198
Issuance of ordinary shares for cash	30,000,000	300,000	330,000	—	—	—	—	—	—	630,000
Purchase of the Corporation's shares by subsidiaries	—	—	—	—	—	—	—	—	(2,965)	(2,965)
Disposal of the Company's shares held by subsidiaries	—	—	7,121	—	—	—	—	—	2,325	9,446
Adjustments for dividends subsidiaries received from parent company	—	—	2,463	—	—	—	—	—	—	2,463
Changes in subsidiaries ownership	—	—	(618)	—	—	(23)	—	—	—	(641)
Share-based payments	—	—	31,725	—	—	—	—	—	—	31,725
Disposal of investments in equity instruments at fair value through other comprehensive income	—	—	—	—	—	16,418	—	(16,418)	—	—
Balance at December 31, 2021	645,895,402	\$ 6,458,954	\$ 1,136,808	\$ 213,846	\$ 147,555	\$ 1,999,744	\$ (225,398)	\$ 114,694	\$ (35,565)	\$ 9,810,638

The accompanying notes are an integral part of the parent company only financial statements
(With Solomon & Co., audit report dated March 30, 2022)

TA YA ELECTRIC WIRE & CABLE CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
(Expressed in Thousands of New Taiwan Dollars)

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 1,530,813	\$ 925,793
Adjustments for :		
Depreciation expense	123,896	119,319
Expected credit loss	10,000	7,732
Net gain of financial assets and liabilities at fair value through profit or loss	(437,712)	(416,657)
Finance costs	93,799	73,796
Interest income	(1,897)	(2,212)
Dividend income	(78,400)	(77,550)
Shared-based payment expenses recognized	31,725	37,442
Share of profits of associates	(892,337)	(610,611)
Gain on disposal of property, plant and equipment	(1,486)	(925)
Property, plant and equipment transferred to expenses	3,731	3,749
Gain on disposal of investment property	—	(301)
Gain on disposal of investments	(113,365)	(9,385)
Unrealized gain on the transactions with subsidiaries and associates	24,269	30,761
Realized gain on the transactions with subsidiaries	(2,480)	—
Income and expense adjustments	<u>(1,240,257)</u>	<u>(844,842)</u>
Changes in operating assets and liabilities:		
Financial assets and liabilities at fair value through profit or loss	(300,948)	(31,691)
Contract assets	9,286	123,586
Notes receivable	(98,153)	13,895
Accounts receivable	(395,755)	(60,431)
Other receivables	(11,954)	7,108
Inventories	(564,761)	53,866
Prepayments	(83,698)	3,888
Other current assets	(507)	(1,911)
Contract liabilities	64,884	88,447
Notes payable	5,718	(8,428)
Accounts payable	(16,381)	91,854
Other payables	105,524	69,836
Advance receipts	1,077	(2,795)
Other current liabilities	23,850	(5,684)
Net defined benefit liability	(21,109)	(39,673)
Total changes in operating assets and liabilities	<u>(1,282,927)</u>	<u>301,867</u>
Total adjustments	<u>(2,523,184)</u>	<u>(542,975)</u>
Cash (used in) generated from operations	(992,371)	382,818
Interest received	2,340	1,944
Interest paid	(91,729)	(73,337)
Income tax paid	<u>(5,736)</u>	<u>(25,220)</u>
Net cash (used in) generated from operating activities	<u>(1,087,496)</u>	<u>286,205</u>

(Continued)

TA YA ELECTRIC WIRE & CABLE CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
(Expressed in Thousands of New Taiwan Dollars)

	<i>2021</i>	<i>2020</i>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial asset at fair value through other comprehensive income	(94,550)	(83,535)
Proceeds from disposal of financial asset at fair value through other comprehensive income	28,900	47,895
Purchase of associates under the equity method	(88,564)	—
Acquisition of property, plant and equipment (including prepayments for equipment)	(174,384)	(95,022)
Proceeds from disposal of property, plant and equipment	3,781	1,416
Decrease (increase) in refundable deposits	(3,007)	(380)
Decrease (increase) in other receivables	70,000	(80,000)
Proceeds from disposal of investment property	—	1,000
Dividend received	221,756	203,632
Increase in mortgage demand deposits	(175,817)	(50,004)
Net cash used in investing activities	(211,885)	(54,998)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term loans	533,829	614,395
Increase (decrease) in short-term notes and bills payable	100,000	(200,000)
Issuance of bonds payable	1,296,071	1,000,000
Proceeds from long-term bank loans	2,100,000	1,100,000
Repayment of long-term bank loans	(1,148,334)	(1,346,666)
Increase (decrease) in guarantee deposits	29,863	(13,860)
Repayment of principal of lease liabilities	(7,413)	(6,336)
Decrease in other noncurrent liabilities	—	(331)
Cash dividends	(208,274)	(178,521)
Issuance of ordinary shares for cash	630,000	—
Payments for buy-back of ordinary shares	—	(54,141)
Treasury stock sold to employees	—	54,175
Acquisition of subsidiaries	(1,238,765)	(709,770)
Net cash generated from financing activities	2,086,977	258,945
NET INCREASE IN CASH AND CASH EQUIVALENTS	787,596	490,152
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	1,257,156	767,004
CASH AND CASH EQUIVALENTS, ENDING OF YEAR	\$ 2,044,752	\$ 1,257,156

(Concluded)

*The accompanying notes are an integral part of the parent company only financial statements
(With Solomon & Co., audit report dated March 30, 2022)*

Ta Ya Electric Wire & Cable Co., Ltd.

Earnings Distribution Proposal for 2021

Unit: NTD

Beginning of Period Retained Earnings		\$ 595,653,867
Net Income	1,408,767,773	
Retained Earnings Adjusted Due to Adoption of Equity Method in Investments	(1,913,307)	
Remeasurements of Defined Benefit Plans Recognized in Retained Earnings	(19,182,107)	
Cumulative Gains or Losses Directly Transferred to Retained Earnings by Disposal of Investments in Equity Instruments Measured at Fair Value through Other Comprehensive Income	<u>16,418,345</u>	
After-tax net income for the period and other profit items adjusted to the current year's undistributed earnings other than after-tax net income for the period		1,404,090,704
Less: Legal Reserve		<u>(140,409,070) (Note 1)</u>
Retained earnings available for distribution as of 2020		1,859,335,501
Distribution item:		
1.Cash dividend (NT\$0.35/share)	(226,063,391)	(Note 2)
2.Stock dividends (NT\$0.60/share)	<u>(387,537,240)</u>	(Note 2)
Total Distribution		<u>(613,600,631)</u>
End of Period Retained Earnings		<u><u>\$1,245,734,870</u></u>

NOTE : 1、In accordance with the Company's Articles of Incorporation.
2、The distribution of earnings was for the year 2021.

Chairperson of the Board: Shen,Shang-Hung Manager: Shen,San-Yi Chief Accountant: Hung, Chung-Ming

Taya Electric Wire & Cable Co., Ltd.

The Comparison Table of the Amended Articles of the Articles of Incorporation

After Amendment	Current Article	Notes
<p>Article 10: The company may convene regular and extraordinary shareholders meetings :</p> <p style="padding-left: 40px;">(a) Regular shareholders meetings shall be convened by the board within 6 months after the end of fiscal years.</p> <p style="padding-left: 40px;">(b) Extraordinary shareholders meetings may be convened as required in accordance with relevant laws.</p> <p><u>The meetings can be held by video conference or other methods announced by the competent authority.</u></p>	<p>Article 10: The company may convene regular and extraordinary shareholders meetings :</p> <p style="padding-left: 40px;">(a) Regular shareholders meetings shall be convened by the board within 6 months after the end of fiscal years.</p> <p style="padding-left: 40px;">(b) Extraordinary shareholders meetings may be convened as required in accordance with relevant laws.</p>	<p>In response to regulation revision, added item 2.</p>
<p>Article 26: Where the Company earns an annual profit, 1% shall be allocated as employee compensation and no more than 3% shall be allocated as director compensation. Where the Company has accumulated losses, an amount sufficient to make up losses shall be retained prior to allocation of compensations. Employee dividend or cash compensation shall be approved by two thirds of the Board of Directors</p>	<p>Article 26: Where the Company earns an annual profit, 1% shall be allocated as employee compensation and no more than 3% shall be allocated as director compensation. Where the Company has accumulated losses, an amount sufficient to make up losses shall be retained prior to allocation of compensations. Employee dividend or cash compensation shall be approved by two thirds of the Board of Directors</p>	<p>Revised text of item 3 in cooperate with business operation.</p>

<p>attendance and over one and half of such attendance to agree upon the compensation. The compensation shall be Reported to the shareholders ' meeting.</p> <p>The above mentioned compensation shall be provided to the employees in afflicted companies with specified conditions. (Employees may have compensation from parent company and its affiliates)</p> <p><u>Qualification requirements of employees, including the employees of parents or subsidiaries of the company meeting certain specific requirements, entitled to receive the transfer of company treasury stocks, share subscription warrant, new bought stocks and issued restricted stocks for employees, the relevant conditions or distribution method shall be authorized by the board of directors to determine.</u></p>	<p>attendance and over one and half of such attendance to agree upon the compensation. The compensation shall be Reported to the shareholders ' meeting.</p> <p>The above mentioned compensation shall be provided to the employees in afflicted companies with specified conditions. (Employees may have compensation from parent company and its affiliates)</p>	
<p>Article 30: They were first amended on May 27, 1966 and subsequently amended on December 15, 1966 (2nd amendment), May 1, 1967 (3rd amendment), February 20, 1968 (4th amendment), August 2, 1968 (5th amendment), December 12, 1970 (6th amendment), December 4, 1971 (7th amendment),</p>	<p>Article 30: They were first amended on May 27, 1966 and subsequently amended on December 15, 1966 (2nd amendment), May 1, 1967 (3rd amendment), February 20, 1968 (4th amendment), August 2, 1968 (5th amendment), December 12, 1970 (6th amendment), December 4, 1971 (7th amendment),</p>	<p>To list the date of current amendment</p>

<p>December 31, 1972 (8th amendment), December 27, 1973 (9th amendment), October 19, 1974 (10th amendment), October 18, 1975 (11th amendment), October 22, 1976 (12th amendment), October 31, 1977 (13th amendment), November 17, 1979 (14th amendment), June 22, 1980 (15th amendment), January 20, 1981 (16th amendment), February 20, 1982 (17th amendment), May 20, 1984 (18th amendment), April 12, 1986 (19th amendment), May 14, 1986 (20th amendment), March 15, 1987 (21st amendment), June 15, 1987 (22nd amendment), November 7, 1987 (23rd amendment), May 2, 1988 (24th amendment), July 3, 1988 (25th amendment), May 20, 1989 (26th amendment), May 31, 1990 (27th amendment), May 31, 1991 (28th amendment), May 23, 1992 (29th amendment), June 4, 1993 (30th amendment), May 12, 1994 (31st amendment), May 25, 1995 (32nd amendment), May 23, 1996 (33rd amendment), June 3, 1997 (34th amendment), May 31st, 2000 (35th amendment), June 5, 2001 (36th amendment), June 14, 2002 (37th amendment), June 5, 2003 (38th amendment), June 9, 2006 (39th</p>	<p>December 31, 1972 (8th amendment), December 27, 1973 (9th amendment), October 19, 1974 (10th amendment), October 18, 1975 (11th amendment), October 22, 1976 (12th amendment), October 31, 1977 (13th amendment), November 17, 1979 (14th amendment), June 22, 1980 (15th amendment), January 20, 1981 (16th amendment), February 20, 1982 (17th amendment), May 20, 1984 (18th amendment), April 12, 1986 (19th amendment), May 14, 1986 (20th amendment), March 15, 1987 (21st amendment), June 15, 1987 (22nd amendment), November 7, 1987 (23rd amendment), May 2, 1988 (24th amendment), July 3, 1988 (25th amendment), May 20, 1989 (26th amendment), May 31, 1990 (27th amendment), May 31, 1991 (28th amendment), May 23, 1992 (29th amendment), June 4, 1993 (30th amendment), May 12, 1994 (31st amendment), May 25, 1995 (32nd amendment), May 23, 1996 (33rd amendment), June 3, 1997 (34th amendment), May 31st, 2000 (35th amendment), June 5, 2001 (36th amendment), June 14, 2002 (37th amendment), June 5, 2003 (38th amendment), June 9, 2006 (39th</p>	
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<p>amendment), October 26, 2006 (40th amendment), June 13, 2007 (41st amendment), June 9, 2010 (42nd amendment), June 9, 2011 (43rd amendment), June 6, 2012 (44th amendment), June 6, 2014 (45th amendment), June 8, 2016 (46th amendment), June 5, 2018 (47th amendment) June 12, 2019 (48th amendment) ,June 11, 2020 (49th amendment) , June 10, 2021 (50th amendment) ,June 10, 2022 (51th amendment)implemented subject to resolutions by shareholders' meetings.</p>	<p>amendment), October 26, 2006 (40th amendment), June 13, 2007 (41st amendment), June 9, 2010 (42nd amendment), June 9, 2011 (43rd amendment), June 6, 2012 (44th amendment), June 6, 2014 (45th amendment), June 8, 2016 (46th amendment), June 5, 2018 (47th amendment) June 12, 2019 (48th amendment) ,June 11, 2020 (49th amendment) , June 10, 2021 (50th amendment) implemented subject to resolutions by shareholders' meetings.</p>	
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Taya Electric Wire & Cable Co., Ltd.
Rules of Governing Shareholders' Meeting

After Amendment	Current Article	Notes
<p>Article 3: (Convening shareholders meetings and shareholders meeting notices) Unless otherwise provided by law or regulation, this Corporation's shareholders meetings shall be convened by the board of directors.</p> <p><u>Changes to how this Corporation convenes its shareholders meeting shall be resolved by the board of directors, and shall be made no later than mailing of the shareholders meeting notice.</u></p> <p>Omitted</p>	<p>Article 3: (Convening shareholders meetings and shareholders meeting notices) Unless otherwise provided by law or regulation, this Corporation's shareholders meetings shall be convened by the board of directors.</p> <p>Omitted</p>	<p>1. In accordance with the provisions of the Company Act, virtual shareholder meetings are allowed, added Item 2.</p> <p>2. Items 1, 3 to 10 have not been amended.</p>
<p>Article 4: (Attendance by proxy and authorization)</p> <p>For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the power of attorney issued by this Corporation and stating the scope of the proxy's authorization.</p> <p>A shareholder may issue only one power of attorney and appoint only one proxy for any given shareholders meeting, and shall deliver the power of attorney to this Corporation at least 5 days before the date of the shareholders meeting.</p> <p>When duplicate powers of attorney are delivered, the one received</p>	<p>Article 4: (Attendance by proxy and authorization)</p> <p>For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the power of attorney issued by this Corporation and stating the scope of the proxy's authorization.</p> <p>A shareholder may issue only one power of attorney and appoint only one proxy for any given shareholders meeting, and shall deliver the power of attorney to this Corporation at least 5 days before the date of the shareholders meeting.</p> <p>When duplicate powers of attorney are delivered, the one received</p>	<p>1 Items 1 to 3 have not been amended.</p> <p>2. Added item 4. Clearly identified that if the shareholder intends to attend the shareholders' meeting through video conference, a written notice of proxy cancellation shall be submitted to this Corporation at least 2 days before the meeting date.</p>

<p>earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.</p> <p><u>After a power of attorney has been delivered to this Corporation, if the shareholder intends to attend the shareholders' meeting through video conference, a written notice of proxy cancellation shall be submitted to this Corporation at least 2 days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.</u></p>	<p>earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.</p> <p>After a power of attorney has been delivered to this Corporation, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to this Corporation at least 2 days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.</p>	
<p>Article 5: (Principles determining the time and place of a shareholders meeting)</p> <p>The venue for a shareholders meeting shall be the premises of this Corporation, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.</p> <p><u>The restrictions on the place of the meeting shall not apply when the Company convenes a virtual shareholders meeting.</u></p>	<p>Article 5: (Principles determining the time and place of a shareholders meeting)</p> <p>The venue for a shareholders meeting shall be the premises of this Corporation, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.</p> <p><u>The restrictions on the place of the meeting shall not apply when the Company convenes a virtual shareholders meeting.</u></p>	<p>In accordance with the provisions of the Company Act, virtual shareholder meetings are allowed, added Item 2. Clearly identified that the restrictions on the place of the meeting shall not apply when the Company convenes a virtual shareholders meeting.</p>
<p>Article 6: (Preparation of documents such as</p>	<p>Article 6: (Preparation of documents such as</p>	<p>1. To enable the shareholders to</p>

<p>the attendance book)</p> <p>The company shall specify in its shareholders meeting notices the time during which attendance registrations for shareholders, <u>solicitors and proxies (collectively "shareholders")</u> will be accepted, the place to register for attendance, and other matters for attention. If the shareholders' meeting is held by video conference, the following shall be recorded: How shareholders attend the virtual meeting and exercise their rights, actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to force majeure events, the date and other matters needing attention to which the meeting is postponed or on which the meeting will resume. To convene a virtual-only shareholders meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online shall be specified.</p> <p>The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable</p>	<p>the attendance book)</p> <p>This Corporation shall specify in its shareholders meeting notices the time during which shareholder attendance registrations will be accepted, the place to register for attendance, and other matters for attention.</p> <p>The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel shall be assigned to handle the registrations.</p> <p>Shareholders shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. This Corporation may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors of powers of attorney shall also bring identification documents for verification.</p> <p>This Corporation shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand</p>	<p>know the operating procedures and related matters of the video conference platform, item 1 is amended.</p> <p>2.To ensure the time and procedure for registration of shareholders who intend to attend the virtual meeting , item 2 is amended.</p> <p>3. Items 3 to 6 have not been amended.</p> <p>4. In the event of a virtual shareholders meeting, shareholders wishing to attend the meeting online shall register with the company at least 2 days before the meeting date. Item 7 is amended.</p> <p>5. Item 8 is amended in order to enable shareholders attending by video conference to read</p>
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<p>personnel assigned to handle the registrations. <u>For virtual shareholders meetings, shareholders may begin to register on the virtual meeting platform 30 minutes before the meeting starts. Shareholders completing registration will be deemed as attend the shareholders meeting in person.</u></p> <p>Shareholders shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. This Corporation may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors of powers of attorney shall also bring identification documents for verification.</p> <p>This Corporation shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in. This Corporation shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors, pre-printed ballots shall also be furnished.</p> <p>Where the shareholder is the government or a juristic person, it</p>	<p>in a sign-in card in lieu of signing in. This Corporation shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors, pre-printed ballots shall also be furnished.</p> <p>Where the shareholder is the government or a juristic person, it may be represented by more than one representative at a shareholders meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.</p>	<p>relevant materials such as the meeting agenda book and annual report, the company shall upload the meeting materials to the virtual meeting platform.</p>
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<p>may be represented by more than one representative at a shareholders meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.</p> <p><u>In the event of a virtual shareholders meeting, shareholders wishing to attend the meeting online shall register with the company two days before the meeting date.</u></p> <p><u>In the event of a virtual shareholders meeting, the company shall upload the meeting agenda book, annual report and other meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.</u></p>		
<p>Article 8: (Documentation of a shareholders meeting by audio or video)</p> <p>This Corporation, beginning from the time it accepts shareholder attendance registrations, shall create an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures.</p> <p>The recorded materials of the preceding paragraph shall be retained for at least 1 year. If, however, a shareholder files a</p>	<p>Article 8: (Documentation of a shareholders meeting by audio or video)</p> <p>This Corporation, beginning from the time it accepts shareholder attendance registrations, shall create an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures.</p> <p>The recorded materials of the preceding paragraph shall be retained for at least 1 year. If, however, a shareholder files a</p>	<p>1. Items 1 and 2 have not been amended.</p> <p>2. Item 3 and 2 have been amended in order to clearly define the company shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by the</p>

<p>lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.</p> <p><u>Where a shareholders meeting is held online, the company shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by the company, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end.</u></p> <p><u>The information and audio and video recording in the preceding paragraph shall be properly kept by the company during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.</u></p>	<p>lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.</p>	<p>company, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end. And the information and audio and video record shall be properly kept by the company during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.</p>
<p>Article 9 (Calculation of shares in attendance and meeting conditions)</p> <p>Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in, <u>and the shares checked in on the virtual meeting platform</u>, plus the number of shares whose voting rights are</p>	<p>Article 9 (Calculation of shares in attendance and meeting conditions)</p> <p>Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in, plus the number of shares whose voting rights are exercised by correspondence or electronically.</p>	<p>1.Item 1 has been amended in order to ensure that in the event of a virtual shareholders meeting, the number of shares in attendance shall be calculated according to the shares indicated by the shares checked</p>

<p>exercised by correspondence or electronically.</p> <p>The chair shall call the meeting to order at the appointed meeting time and announce the shares of non-voting shares and the shares of attendance.</p> <p>However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than 1 hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned. <u>In the event of a virtual shareholders meeting, the company shall also declare the meeting adjourned at the virtual meeting platform.</u></p> <p>If the quorum is not met after two postponements as stipulated in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the</p>	<p>The chair shall call the meeting to order at the appointed meeting time and announce the shares of non-voting shares and the shares of attendance.</p> <p>However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than 1 hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned.</p> <p>If the quorum is not met after two postponements as stipulated in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within 1 month.</p> <p>Where, prior to conclusion of the meeting, the attending</p>	<p>in on the virtual meeting platform.</p> <p>2. Item 3 has been amended in order to ensure that in the event of a virtual shareholders meeting, when the chair declare the meeting adjourned, the company shall also declare the meeting adjourned at the virtual meeting platform to keep shareholders informed in time.</p> <p>3. Item 4 has been amended in order to ensure that if the tentative resolution and another shareholders meeting will be convened in other time, shareholders intending to attend the meeting online shall re-register to the company.</p> <p>4. Items 2 and 5 have not been amended.</p>
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<p>tentative resolution and another shareholders meeting shall be convened within 1 month. <u>In the event of a virtual shareholders meeting, shareholders intending to attend the meeting online shall re-register to the company in accordance with Article 6.</u></p> <p>Where, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.</p>	<p>shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.</p>	
<p>Article 11 (Shareholder speech)</p> <p>Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak shall be determined by the chair.</p> <p>A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.</p> <p>Except with the consent of the chair, a shareholder may not speak more</p>	<p>Article 11 (Shareholder speech)</p> <p>Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak shall be determined by the chair.</p> <p>A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.</p> <p>Except with the consent of the chair, a shareholder may not speak more</p>	<p>1. Items 1 to 6 have not been amended.</p> <p>2. Item 7 is amended in order to clearly define the way, percedure and limitation of asking question in the event of a virtual shareholders meeting.</p> <p>3. Item 8 is amended in order to help other shareholders understand the content of the questions asked by the shareholders.</p>

<p>than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.</p> <p>Where an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.</p> <p>When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.</p> <p>After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.</p> <p><u>Where a virtual shareholders meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in paragraphs 1 to 5 do not apply.</u></p> <p><u>As long as questions so raised in accordance with the preceding</u></p>	<p>than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.</p> <p>Where an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.</p> <p>When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.</p> <p>After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.</p>	<p>The company can only filter the questions unrelated to the issues of the shareholders meeting. It is advisable other questions be disclosed to the public at the virtual meeting platform.</p>
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<p><u>paragraph are not in violation of the regulations or beyond the scope of a proposal, it is advisable the questions be disclosed to the public at the virtual meeting platform.</u></p>		
<p>Article 13 (Voting procedures, monitoring, and vote counting) A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act. Where this Corporation holds a shareholders meeting, it may allow the shareholders to exercise voting rights by correspondence or electronic means. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that this Corporation avoid the submission of extraordinary motions and amendments to original proposals. A shareholder intending to exercise</p>	<p>Article 13 (Voting procedures, monitoring, and vote counting) A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act. Where this Corporation holds a shareholders meeting, it may allow the shareholders to exercise voting rights by correspondence or electronic means. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that this Corporation avoid the submission of extraordinary motions and amendments to original proposals. A shareholder intending to exercise</p>	<p>1. Items 1 to 3 and 5 to 8 have not been amended. 2.Item 4 is amended in order to clearly define that if shareholders have exercised voting rights by correspondence or electronic means, but intend to attend the shareholders meeting online, shall retract by the same means by which the voting rights were exercised. 3.Item 9 is amended in order to allow shareholders participating a virtual shareholders meeting have more time to vote, from the time when the chairman announces the</p>

<p>voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to this Corporation before 2 days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.</p> <p>After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person <u>or online</u>, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to this Corporation, by the same means by which the voting rights were exercised, at least 2 days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.</p> <p>Except as otherwise provided in the</p>	<p>voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to this Corporation before 2 days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.</p> <p>After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to this Corporation, by the same means by which the voting rights were exercised, at least 2 days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.</p> <p>Except as otherwise provided in the</p>	<p>start of the meeting to the voting session ends, all the original proposals can be voted. Votes shall be counted at once. It can cooperate with the voting time of shareholders online.</p> <p>4.Item 10 is amended in order to define that when the company convenes a hybrid shareholders meeting, if shareholders who have registered to attend the meeting online in accordance with Article 6 decide to attend the physical shareholders meeting in person, they shall revoke their registration two days before the shareholders meeting in the same manner as they registered. If their registration is not revoked within the time limit, they</p>
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<p>Company Act and in this Corporation's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.</p> <p>When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected and no further voting shall be required. Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of this Corporation.</p> <p>Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place</p>	<p>Company Act and in this Corporation's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.</p> <p>When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected and no further voting shall be required. Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of this Corporation.</p> <p>Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place</p>	<p>may only attend the shareholders meeting online.</p> <p>5.Item 11 is amended in order to clearly define that when shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders meeting online, they still can attend online, but except for extraordinary motions, they will not exercise voting rights on the original proposals or make any amendments to the original proposals or exercise voting rights on amendments to the original proposal.</p>
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of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

In the event of a virtual shareholders meeting, votes shall be counted at once after the chair announces the voting session ends, and results of votes and elections shall be announced immediately.

When the company convenes a hybrid shareholders meeting, if shareholders who have registered to attend the meeting online in accordance with Article 6 decide to attend the physical shareholders meeting in person, they shall revoke their registration two days before the shareholders meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders meeting online.

When shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders meeting online, except for extraordinary motions, they will not exercise voting rights on the original proposals or make any

of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

<p><u>amendments to the original proposals or exercise voting rights on amendments to the original proposal.</u></p>		
<p>Article 15 (Meeting minutes and signature procedures) Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form. This Corporation may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS. The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their results, and shall be retained for the duration of the existence of this Corporation. <u>Where a virtual shareholders meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders</u></p>	<p>Article 15 (Meeting minutes and signature procedures) Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form. This Corporation may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS. The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their results, and shall be retained for the duration of the existence of this Corporation.</p>	<p>1.Item 1 to 3 have not been amended. 2.Item 4 is amended in order to facilitate shareholders' understanding of the results of the video conference, and the handling methods of the disconnection and digital divide, the company is required to prepare the minutes of the shareholders' meeting, in addition to the matters that shall be recorded in accordance with the 3rd item, the meeting minutes shall also record the start time and end time of the shareholders meeting, how the meeting is convened, the</p>

<p><u>meeting, how the meeting is convened, the chair's and secretary's name, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to force majeure events, and how issues are dealt with shall also be included in the minutes.</u></p>		<p>chair's and secretary's name, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to force majeure events, and how issues are dealt with.</p>
<p>Article 16 (Public disclosure) On the day of a shareholders meeting, this Corporation shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies, and <u>the number of shares represented by shareholders attending the meeting by correspondence or electronic means</u>, and shall make an express disclosure of the same at the place of the shareholders meeting. <u>In the event a virtual shareholders meeting, the company shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.</u> <u>During the company's virtual shareholders meeting, when the</u></p>	<p>Article 16 (Public disclosure) On the day of a shareholders meeting, this Corporation shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies, and, and shall make an express disclosure of the same at the place of the shareholders meeting. If matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation regulations, this Corporation shall upload the content of such resolution to the MOPS within the prescribed time period.</p>	<p>1.Item 1 is amended in order to let shareholders know that of the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies and the number of shares represented by shareholders attending the meeting by correspondence or electronic means, the company shall make an express disclosure of the same at the place of the shareholders meeting. . In the event a virtual</p>

meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the meeting.

If matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation regulations, this Corporation shall upload the content of such resolution to the MOPS within the prescribed time period.

shareholders meeting, the company shall upload the above information to the virtual meeting platform.

2. Item 2 is amended in order to enable the shareholders participating in the virtual shareholders meeting to know at the same time whether the shareholders' attendance rights meet the threshold of the meeting, and clearly define the company shall disclose the total number of shares represented at the meeting on the virtual meeting platform when the meeting is called to order. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the

		meeting.
<p>Article 19 (Disclosure of information at virtual meetings)</p> <p>In the event of a virtual shareholders meeting, the company shall disclose real-time results of votes and election immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this disclosure shall continue at least 15 minutes after the chair has announced the meeting adjourned.</p>		<p>1. New added article.</p> <p>2. Amended this article to ensure the shareholders who attend the virtual shareholder meeting are able to get the information and results of votes and election immediately, standardize sufficient information disclosure time.</p>
<p>Article 20 <u>(Location of the chair and secretary of virtual-only shareholders meeting)</u></p> <p><u>When the company convenes a virtual-only shareholders meeting, both the chair and secretary shall be in the same location, and the chair shall declare the address of their location when the meeting is called to order.</u></p>		<p>1. New added article.</p> <p>2. Added this article in order to ensure that when the shareholders' meeting is held virtually and there is no physical meeting place, the chairman shall host the meeting within the territory of the country. In addition, in order to let shareholders know the location of the chairman, the chairman shall announce his location at the time</p>

		of the meeting.
<p>Article 21 <u>(Handling of disconnection and digital divide)</u> <u>In the event of a virtual shareholders meeting, this Corporation may offer a simple connection test to shareholders prior to the meeting, and provide relevant real-time services before and during the meeting to help resolve communication technical issues.</u> <u>In the event of a virtual shareholders meeting, when declaring the meeting open, the chair shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.</u> <u>During a postponed or resumed session of a shareholders meeting</u></p>		New added article, in response to regulation revision.

held under the previous paragraph, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors and supervisors.

When postponing or resuming a meeting according to the second paragraph, this Corporation shall handle the preparatory work based on the date of the original shareholders meeting in accordance with the requirements listed under Article 44-20, paragraph 4 of the Regulations Governing the Administration of Shareholder Services of Public Companies, and shareholders who are listed on the register of shareholders whose transfer of ownership was originally scheduled to be closed at the shareholders' meeting shall have the right to attend the shareholders' meeting.

For dates or period set forth under Article 12, second half, and Article 13, paragraph 3 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and Article 44-5, paragraph 2, Article 44-15, and Article 44-17, paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, this Corporations hall handle the matter based on the date of the

<p><u>shareholders meeting that is postponed or resumed under the second paragraph.</u></p> <p><u>When the company convenes a hybrid shareholders meeting, and the virtual meeting cannot continue as described in second paragraph, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, still meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue, and not postponement or resumption thereof under the second paragraph is required.</u></p> <p><u>When convening a virtual-only shareholders meeting, the company shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online.</u></p>		
<p>Article 22</p> <p>These rules and all amendments thereof shall take effect upon ratification by a shareholders meeting. These rules were formulated on May 31, 1990. Six amendments were made on May 25, 1995, June 2, 1998, June 9, 2006, June 6, 2012, June 11, 2015, and June 5, 2018, and <u>June 10, 2022, respectively.</u></p>	<p>Article 22</p> <p>These rules and all amendments thereof shall take effect upon ratification by a shareholders meeting. These rules were formulated on May 31, 1990. Six amendments were made on May 25, 1995, June 2, 1998, June 9, 2006, June 6, 2012, June 11, 2015, and June 5, 2018, respectively.</p>	<p>To list the date of current amendment.</p>

Taya Electric Wire & Cable Co., Ltd.

Comparison Table of the Amended Articles of the Regulations Governing the Acquisition and Disposal of Assets

After Amendment	Current Article	Notes
<p>Article 6</p> <p>Decision-making Authority</p> <p>1. For the purchase and sale of long-term and short-term securities investments of the company, the organizer shall get the approval or authorization of the purpose or use of the transaction, the reference basis for determining the price and the transaction method from the general manager and chairman of the company before the transaction. If the transaction amount exceeds NT\$300 million (inclusive), it shall be submitted to the Audit Committee and the board of director for approval. 2. The organizer shall get the approval or authorization of the purpose or use of the transaction, the reference basis for determining the price and the transaction method of the Real property, Equipment and Right-of-use assets from the general manager and chairman of the company before the transaction.</p>	<p>Article 6</p> <p>Decision-making Authority</p> <p>1. For the purchase and sale of long-term and short-term securities investments of the company, the organizer shall get the approval or authorization of the purpose or use of the transaction, the reference basis for determining the price and the transaction method from the general manager and chairman of the company before the transaction. If the transaction amount <u>exceeds NT\$100 million</u>,the transaction shall be approved by the board of directors.</p> <p>2. The organizer shall get the approval or authorization of the purpose or use of the transaction, the reference basis for determining the price and the transaction method of the Real property, Equipment and Right-of-use assets from the general manager and chairman of the company before the transaction. If the transaction amount <u>exceeds NT\$300 million</u>,the transaction shall be approved by the board of directors.</p> <p><u>If the transaction amount is less than NT\$300 million but more</u></p>	<p>Revised in cooperate with business operation</p>

	<p><u>than NT\$100 million, it shall be reported to the board of directors afterwards.</u></p>	
<p>Article 8 Criteria for notification and reporting Under any of the following circumstances, the company acquiring or disposing of assets shall publicly announce and report the relevant information on the FSC's designated website in the appropriate format as prescribed by regulations within 2 days counting inclusively from the date of occurrence of the event:</p> <ol style="list-style-type: none"> 1. Acquisition or disposal of real property or right-of-use assets thereof from or to a related party, or acquisition or disposal of assets other than real property or right-of-use assets thereof from or to a related party where the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT\$300 million or more; provided, this shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises. 2. Merger, demerger, acquisition, or transfer of shares. 3. Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the procedures adopted by the company. 	<p>Article 8 Criteria for notification and reporting Under any of the following circumstances, the company acquiring or disposing of assets shall publicly announce and report the relevant information on the FSC's designated website in the appropriate format as prescribed by regulations within 2 days counting inclusively from the date of occurrence of the event:</p> <ol style="list-style-type: none"> 1. Acquisition or disposal of real property or right-of-use assets thereof from or to a related party, or acquisition or disposal of assets other than real property or right-of-use assets thereof from or to a related party where the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT\$300 million or more; provided, this shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises. 2. Merger, demerger, acquisition, or transfer of shares. 3. Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the procedures adopted by the company. 4. Where equipment or right-of-use assets thereof for business use are acquired or disposed of, and 	<p>In response to regulation revision</p>

<p>4. Where equipment or right-of-use assets thereof for business use are acquired or disposed of, and furthermore the transaction counterparty is not a related party, and the transaction amount meets any of the following criteria:</p> <p>A. For a public company whose paid-in capital is less than NT\$10 billion, the transaction amount reaches NT\$500 million or more.</p> <p>B. For a public company whose paid-in capital is NT\$10 billion or more, the transaction amount reaches NT\$1 billion or more.</p> <p>5. Acquisition or disposal by a public company in the construction business of real property or right-of-use assets thereof for construction use, and furthermore the transaction counterparty is not a related party, and the transaction amount reaches NT\$500 million; among such cases, if the public company has paid-in capital of NT\$10 billion or more, and it is disposing of real property from a completed construction project that it constructed itself, and furthermore the transaction counterparty is not a related party, then the threshold shall be a transaction amount reaching NT\$1 billion or more.</p> <p>6. Where land is acquired under an arrangement on engaging others to build on the company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and furthermore the transaction counterparty is not a related party, and the amount the company</p>	<p>furthermore the transaction counterparty is not a related party, and the transaction amount meets any of the following criteria:</p> <p>A. For a public company whose paid-in capital is less than NT\$10 billion, the transaction amount reaches NT\$500 million or more.</p> <p>B. For a public company whose paid-in capital is NT\$10 billion or more, the transaction amount reaches NT\$1 billion or more.</p> <p>5. Acquisition or disposal by a public company in the construction business of real property or right-of-use assets thereof for construction use, and furthermore the transaction counterparty is not a related party, and the transaction amount reaches NT\$500 million; among such cases, if the public company has paid-in capital of NT\$10 billion or more, and it is disposing of real property from a completed construction project that it constructed itself, and furthermore the transaction counterparty is not a related party, then the threshold shall be a transaction amount reaching NT\$1 billion or more.</p> <p>6. Where land is acquired under an arrangement on engaging others to build on the company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and furthermore the transaction counterparty is not a related party, and the amount the company expects to invest in the transaction reaches NT\$500 million.</p> <p>7. Where an asset transaction other than any of those referred to in the</p>	
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<p>expects to invest in the transaction reaches NT\$500 million.</p> <p>7. Where an asset transaction other than any of those referred to in the preceding six subparagraphs, a disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20 percent or more of paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances:</p> <p>A. Trading of domestic government bonds or foreign government bonds with a rating that is not lower than the sovereign rating of Taiwan.</p> <p>B. Where done by professional investors—securities trading on securities exchanges or OTC markets, or subscription of foreign government bonds, or of ordinary corporate bonds or general bank debentures without equity characteristics (excluding subordinated debt) that are offered and issued in the primary market, or subscription or redemption of securities investment trust funds or futures trust funds, or subscription or redemption of exchange traded notes, or subscription by a securities firm of securities as necessitated by its undertaking business or as an advisory recommending securities firm for an emerging stock company, in accordance with the rules of the Taipei Exchange.</p> <p>C. Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic</p>	<p>preceding six subparagraphs, a disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20 percent or more of paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances:</p> <p>A. Trading of domestic government bonds.</p> <p>B. Where done by professional investors—securities trading on securities exchanges or OTC markets, or subscription of foreign government bonds, or of ordinary corporate bonds or general bank debentures without equity characteristics (excluding subordinated debt) that are offered and issued in the primary market, or subscription or redemption of securities investment trust funds or futures trust funds, or subscription by a securities firm of securities as necessitated by its undertaking business or as an advisory recommending securities firm for an emerging stock company, in accordance with the rules of the Taipei Exchange.</p> <p>C. Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</p> <p>The amount of transactions above shall be calculated as follows:</p> <ol style="list-style-type: none"> 1. The amount of any individual transaction. 2. The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same transaction counterparty within the preceding year. 	
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<p>securities investment trust enterprises.</p> <p>The amount of transactions above shall be calculated as follows:</p> <ol style="list-style-type: none"> 1. The amount of any individual transaction. 2. The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same transaction counterparty within the preceding year. 3. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of real property or right-of-use assets thereof within the same development project within the preceding year. 4. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year. <p>"Within the preceding year" as used in the preceding paragraph refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with these Regulations need not be counted toward the transaction amount.</p> <p>A public company shall compile monthly reports on the status of derivatives trading engaged in up to the end of the preceding month by the company and any subsidiaries that are not domestic public companies and enter the information in the prescribed format into the information reporting website designated by the FSC by the 10th day of each month.</p>	<ol style="list-style-type: none"> 3. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of real property or right-of-use assets thereof within the same development project within the preceding year. 4. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year. <p>"Within the preceding year" as used in the preceding paragraph refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with these Regulations need not be counted toward the transaction amount.</p> <p>A public company shall compile monthly reports on the status of derivatives trading engaged in up to the end of the preceding month by the company and any subsidiaries that are not domestic public companies and enter the information in the prescribed format into the information reporting website designated by the FSC by the 10th day of each month.</p> <p>When a public company at the time of public announcement makes an error or omission in an item required by regulations to be publicly announced and so is required to correct it, all the items shall be again publicly announced and reported in their entirety within two days counting inclusively from the date of knowing of such error or omission.</p> <p>A public company acquiring or disposing of assets shall keep all</p>	
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<p>When a public company at the time of public announcement makes an error or omission in an item required by regulations to be publicly announced and so is required to correct it, all the items shall be again publicly announced and reported in their entirety within two days counting inclusively from the date of knowing of such error or omission. A public company acquiring or disposing of assets shall keep all relevant contracts, meeting minutes, log books, appraisal reports and CPA, attorney, and securities underwriter opinions at the company, where they shall be retained for 5 years except where another act provides otherwise.</p>	<p>relevant contracts, meeting minutes, log books, appraisal reports and CPA, attorney, and securities underwriter opinions at the company, where they shall be retained for 5 years except where another act provides otherwise.</p>	
<p>Article 10 In acquiring or disposing of real property, equipment, or right-of-use assets thereof where the transaction amount reaches 20 percent of the company's paid-in capital or NT\$300 million or more, the company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets thereof held for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions: 1. Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction</p>	<p>Article 10 In acquiring or disposing of real property, equipment, or right-of-use assets thereof where the transaction amount reaches 20 percent of the company's paid-in capital or NT\$300 million or more, the company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets thereof held for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions: 1. Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the board</p>	<p>In response to regulation revision</p>

<p>shall be submitted for approval in advance by the board of directors; the same procedure shall also be followed whenever there is any subsequent change to the terms and conditions of the transaction.</p> <p>2. Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained.</p> <p>3. Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price in accordance with the provisions of the Bulletin No. 20 on Statement of Auditing Standard issued by the Accounting Research and Development Foundation:</p> <p>A. The discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount.</p> <p>B. The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount.</p> <p>4. No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the</p>	<p>of directors; the same procedure shall also be followed whenever there is any subsequent change to the terms and conditions of the transaction.</p> <p>2. Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained.</p> <p>3. Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price in accordance with the provisions of the Bulletin No. 20 on Statement of Auditing Standard issued by the Accounting Research and Development Foundation:</p> <p>A. The discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount.</p> <p>B. The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount.</p> <p>4. No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided, where the publicly announced current value for the same period is used and not more than 6</p>	
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<p>contract execution date; provided, where the publicly announced current value for the same period is used and not more than 6 months have elapsed, an opinion may still be issued by the original professional appraiser. Except where a limited price, specified price, or special price is employed by a construction enterprise as the reference basis for the transaction price, if an appraisal report cannot be obtained in time and there is a legitimate reason for the delay, the appraisal report shall be obtained within 2 weeks counting inclusively from the date of occurrence, and the certified public accountant's opinion under subparagraph 3 of the preceding paragraph shall be obtained within 2 weeks counting inclusively from the day the appraisal report is obtained.</p>	<p>months have elapsed, an opinion may still be issued by the original professional appraiser. Except where a limited price, specified price, or special price is employed by a construction enterprise as the reference basis for the transaction price, if an appraisal report cannot be obtained in time and there is a legitimate reason for the delay, the appraisal report shall be obtained within 2 weeks counting inclusively from the date of occurrence, and the certified public accountant's opinion under subparagraph 3 of the preceding paragraph shall be obtained within 2 weeks counting inclusively from the day the appraisal report is obtained.</p>	
<p>Article 11 The company acquiring or disposing of securities shall, prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, certified or reviewed by a certified public accountant, for reference in appraising the transaction price, and if the dollar amount of the transaction of the company acquiring or disposing of securities is 20 percent of the company's paid-in capital or NT\$300 million or more, the company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction</p>	<p>Article 11 The company acquiring or disposing of securities shall, prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, certified or reviewed by a certified public accountant, for reference in appraising the transaction price, and if the dollar amount of the transaction of the company acquiring or disposing of securities is 20 percent of the company's paid-in capital or NT\$300 million or more, the company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. If the accountant needs to</p>	

<p>price. If the accountant needs to use an expert reporter, shall handle in accordance with the provisions of the Bulletin No. 20 on Statement of Auditing Standard issued by the Accounting Research and Development Foundation. This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC).</p>	<p>use an expert reporter, shall handle in accordance with the provisions of the Bulletin No. 20 on Statement of Auditing Standard issued by the Accounting Research and Development Foundation. This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC)</p>	
<p>Article 12 Where the company acquires or disposes of intangible assets or right-of-use assets thereof or memberships and the transaction amount reaches 20 percent or more of paid-in capital or NT\$300 million or more, except in transactions with a domestic government agency, the company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price. And the accountant shall handle in accordance with the provisions of the Bulletin No. 20 on Statement of Auditing Standard issued by the Accounting Research and Development Foundation.</p>	<p>Article 12 Where the company acquires or disposes of intangible assets or right-of-use assets thereof or memberships and the transaction amount reaches 20 percent or more of paid-in capital or NT\$300 million or more, except in transactions with a domestic government agency, the company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price. And the accountant shall handle in accordance with the provisions of the Bulletin No. 20 on Statement of Auditing Standard issued by the Accounting Research and Development Foundation.</p>	<p>In response to regulation revision</p>
<p>Article 15 Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide public companies with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements:</p>	<p>Article 15 Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide public companies with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements:</p>	<p>In response to ation revision</p>

<p>1. May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Act, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received.</p> <p>2. May not be a related party or de facto related party of any party to the transaction.</p> <p>3. If the company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto related parties of each other.</p> <p>When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the self-regulatory rules of the industry associations to which they belong and with the following provisions:</p> <p>1. Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.</p> <p>2. When conducting a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report</p>	<p>1. May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Act, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received.</p> <p>2. May not be a related party or de facto related party of any party to the transaction.</p> <p>3. If the company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto related parties of each other. When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the following provisions:</p> <p>1. Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.</p> <p>2. When checking a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be</p>	
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<p>or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers.</p> <p>3. They shall undertake an item-by-item evaluation of the appropriateness and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.</p> <p>4. They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is appropriate and reasonable, and that they have complied with applicable laws and regulations.</p>	<p>fully and accurately specified in the case working papers.</p> <p>3. They shall undertake an item-by-item evaluation of the completeness, correctness and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.</p> <p>4. They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is reasonable and correct, and that they have complied with applicable laws and regulations.</p>	
<p>Article 17</p> <p>When the company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets thereof from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the company may not proceed to enter into a transaction contract or make a</p>	<p>Article 17</p> <p>When the company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets thereof from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the company may not proceed to enter into a transaction contract or make a</p>	<p>In response to regulation revision and adjusted the order of the article</p>

<p>payment until the following matters have been submitted to the audit committee and get the approval and then approved by the board of directors:</p> <ol style="list-style-type: none"> 1. The purpose, necessity and anticipated benefit of the acquisition or disposal of assets. 2. The reason for choosing the related party as a transaction counterparty. 3. With respect to the acquisition of real property or right-of-use assets thereof from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with Article 18 and Article 19. 4. The date and price at which the related party originally acquired the real property, the original transaction counterparty, and that transaction counterparty's relationship to the company and the related party. 5. Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization. 6. An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with the preceding article. 7. Restrictive covenants and other important stipulations associated with the transaction. <p>With respect to the types of transactions listed below, when to be conducted between the company and its subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or</p>	<p>payment until the following matters have been accepted by the audit committee and then get the approval and then approved by the board of directors:</p> <ol style="list-style-type: none"> 1. The purpose, necessity and anticipated benefit of the acquisition or disposal of assets. 2. The reason for choosing the related party as a transaction counterparty. 3. With respect to the acquisition of real property or right-of-use assets thereof from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with Article 18 and Article 19. 4. The date and price at which the related party originally acquired the real property, the original transaction counterparty, and that transaction counterparty's relationship to the company and the related party. 5. Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization. 6. An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with the preceding article. 7. Restrictive covenants and other important stipulations associated with the transaction. <p>The calculation of the transaction amounts referred to in item 1 and the preceding paragraph shall be made in accordance with Article 8, item 2 herein, and "within the preceding year" as used herein refers to the year preceding the</p>	
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<p>authorized capital, the company's board of directors may pursuant to Article 6, item 2 delegate the board chairman to decide such matters when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the next board of directors meeting:</p> <ol style="list-style-type: none"> 1. Acquisition or disposal of equipment or right-of-use assets thereof held for business use. 2. Acquisition or disposal of real property right-of-use assets held for business use. <p>Where the position of independent director has been created in accordance with the provisions of the Act, when a matter is submitted for discussion by the board of directors pursuant to item 1, the board of directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board of directors meeting.</p> <p>Where an audit committee has been established in accordance with the provisions of the Act, shall first be approved by one-half or more of all audit committee members and then submitted to the board of directors for a resolution.</p> <p>If the company or its subsidiary thereof that is not a domestic public company will have a transaction set out in item 1 and the transaction amount will reach 10 percent or more of the public company's total assets, the public company shall submit the materials in all the subparagraphs</p>	<p>date of occurrence of the current transaction. Items that have been approved by the shareholders meeting or board of directors need not be counted toward the transaction amount.</p> <p>With respect to the types of transactions listed below, when to be conducted between the company and its subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, the company's board of directors may pursuant to Article 6, item 2 delegate the board chairman to decide such matters when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the next board of directors meeting:</p> <ol style="list-style-type: none"> 1. Acquisition or disposal of equipment or right-of-use assets thereof held for business use. 2. Acquisition or disposal of real property right-of-use assets held for business use. <p>Where the position of independent director has been created in accordance with the provisions of the Act, when a matter is submitted for discussion by the board of directors pursuant to item 1, the board of directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board of directors meeting.</p>	
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<p>of paragraph 1 to the shareholders meeting for approval before the transaction contract may be entered into and any payment made. However, this restriction does not apply to transactions between the public company and its parent company or subsidiaries or between its subsidiaries.</p> <p>The calculation of the transaction amounts referred to in item 1 and the preceding paragraph shall be made in accordance with Article 8, item 2 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the shareholders meeting or board of directors and accepted by the audit committee need not be counted toward the</p>		
<p>Article 33 Effective date These Procedures shall be approved by the audit committee members and then approved by the Board of Directors. After approved by the Board of Directors, these procedures shall be submitted to the shareholders' meeting for approval, so as amendment. They were first amended on May 22, 1995 and subsequently amended on November 29, 1999 (2nd amendment), March 17, 2003 (3rd amendment), March 28, 2007 (4th amendment), March 19, 2012 (5th amendment), December 20, 2012 (6th amendment),</p>	<p>Article 33 Effective date These Procedures shall be approved by the audit committee members and then approved by the Board of Directors. After approved by the Board of Directors, these procedures shall be submitted to the shareholders' meeting for approval, so as amendment. They were first amended on May 22, 1995 and subsequently amended on November 29, 1999 (2nd amendment), March 17, 2003 (3rd amendment), March 28, 2007 (4th amendment), March 19, 2012 (5th amendment), December 20, 2012 (6th amendment), March 11, 2014 (7th amendment), March 9, 2017 (8th amendment), March 15, 2018 (9th amendment), December 26, 2018</p>	<p>To list the date of current amendment.</p>

March 11, 2014 (7th amendment), March 9, 2017 (8th amendment), March 15, 2018 (9th amendment), December 26, 2018 (10th amendment), March 8, 2022 (11th amendment).	(10th amendment)	
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Taya Electric Wire & Cable Co., Ltd.

Corporate Governance Best Practice Principles

2022.4.25 approved by the board of directors

Chapter 1 General

Article 1 (Purpose)

To establish sound corporate governance systems and improve the Company's management, the Company is advised to formulate its own corporate governance principles with reference to Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and relevant legal regulations, and to establish an effective corporate governance framework and disclose them through the Market Observation Post System (MOPS).

Article 2 (Corporate Governance Principle)

When setting up the corporate governance system, in addition to complying with relevant laws, regulations, articles of incorporation, contracts signed with the TWSE or GTSM, and other relevant regulations, the Company shall follow the following principles:

1. Protect the rights and interests of shareholders.
2. Strengthen the powers of the board of directors.
3. Fulfill the function of supervisors.
4. Respect the rights and interests of stakeholders.
5. Enhance information transparency.

Article 3 (Establishment of Internal Control Procedures and Policy)

The Company shall follow the Criteria Governing Establishment of Internal Control Systems by Public Reporting Companies and take into consideration the overall operational activities of itself and its subsidiaries to design and fully implement an internal control system, and shall conduct continuing reviews of the system, in order to ensure the continued effectiveness of its design and implementation in light of changes in the company's internal and external environment.

The Company shall perform full self-assessments of its internal control system.

Its board of directors and management shall review the results of the self-assessments by each department at least annually and the reports of the internal audit department on a quarterly basis. The audit committee or supervisors shall also attend to and supervise these matters. The Company is advised to establish channels and mechanisms of communication between its independent directors, audit committees or supervisors, and chief internal auditors. Directors and supervisors shall periodically hold discussions with its internal auditors about reviews of internal control system deficiencies. A record of the discussions shall be kept, and the discussions shall be followed up, improvements implemented, and a report submitted to the board of directors and the convener of the audit committee shall report the communications between members of the audit committees and chief

internal auditors at the shareholders' meeting.

The management of the Company shall pay special attention to the internal audit department and its personnel, fully empower them and urge them to conduct audits effectively, to evaluate problems of the internal control system and assess the efficiency of its operations to ensure that the system can operate effectively on an on-going basis, and to assist the board of directors and the management to perform their duties effectively so as to ensure a sound corporate governance system.

Appointment, dismissal, evaluation and review, salary and compensation of internal auditors of the Company shall be reported to the board of directors or shall be submitted by the chief auditor to the board chairperson for approval.

Article 3-1 (Personnel responsible for corporate governance affairs)

The company is advised to have an adequate number of corporate governance personnel with appropriate qualifications based on the size of the company, business situations and management needs, and shall appoint in accordance with the requirements of the competent authorities, TWSE or TPEX a chief corporate governance officer as the most senior officer to be in charge of corporate governance affairs. Said officer shall be a qualified, practice-eligible lawyer or accountant or have been in a managerial position for at least three years in a securities, financial, or futures related institution or a public company in handling legal affairs, legal compliance, internal audit, financial affairs, stock affairs, or corporate governance affairs.

It is required that the corporate governance affairs mentioned in the preceding paragraph include at least the following items:

1. Handling matters relating to board meetings and shareholders meetings according to laws.
2. Producing minutes of board meetings and shareholders meetings.
3. Assisting in onboarding and continuous development of directors and supervisors.
4. Furnishing information required for business execution by directors and supervisors.
5. Assisting directors and supervisors with legal compliance.
6. Other matters set out in the articles or corporation or contracts.

Chapter 2 Protection of Shareholders' Rights and Interests

Section 1 Encouraging Shareholders to Participate in Corporate Governance

Article 4 (Taking the protection of shareholders' rights and interests as its foremost goal)

When implementing the corporate governance system, the Company shall take the protection of shareholders' rights and interests and treat all shareholders fairly.

The Company shall establish a corporate governance system which ensures shareholders' rights of being fully informed of, participating in and making decisions over important matters of the company.

Article 5 (Convening shareholders meetings and relevant laws and regulations)

The Company shall convene shareholders meetings in accordance with the Company Act and relevant laws and regulations, and provide comprehensive rules for such meetings. The Company shall faithfully implement resolutions

adopted by shareholders meetings in accordance with the rules for the meetings.

Resolutions adopted by shareholders meetings of the Company shall comply with laws, regulations and articles of incorporation.

Article 6 (The board of directors shall properly arrange the agenda items and procedures for shareholders meetings)

The board of directors of the company shall properly arrange the agenda items and procedures for shareholders meetings, and formulate the principles and procedures for shareholder nominations of directors and submissions of shareholder proposals. The board shall also properly handle the proposals duly submitted by shareholders. Arrangements shall be made to hold shareholders meetings at a convenient location and shall be supplemented by video conference, with sufficient time allowed and sufficient numbers of suitable personnel assigned to handle attendance registrations. No arbitrary requirements shall be imposed on shareholders to provide additional evidentiary documents beyond those showing eligibility to attend. Shareholders shall be granted reasonable time to deliberate each proposal and an appropriate opportunity to make statements.

For a shareholders meeting called by the board of directors, it is advisable that the board chairperson chair the meeting, that a majority of the directors (and at least one supervisor), the convener of the audit committee attend in person, and that at least one member of each functional committee attend as representative. Attendance details should be recorded in the shareholders meeting minutes.

Article 7 (Encouraging its shareholders to actively participate in corporate governance)

The Company shall encourage its shareholders to actively participate in corporate governance. It is advisable that the Company engage a professional shareholder services agent to handle shareholders meeting matters, so that shareholders meetings can proceed on a legal, effective and secure basis. The Company shall seek all ways and means, including fully exploiting technologies for information disclosure, to upload annual reports, annual financial statements, notices, agendas and supplementary information of shareholders meetings in both Chinese and English concurrently, and shall adopt electronic voting, to enhance shareholders' attendance rates at shareholders meetings and ensure their exercise of rights at such meetings in accordance with law.

The Company is advised to avoid raising extraordinary motions and amendments to original proposals.

The Company is advised to arrange for its shareholders to vote on each separate proposal in the shareholders meeting agenda, and following conclusion of the meeting, to enter the voting results the same day, namely the numbers of votes cast for and against and the number of abstentions, through the Market Observation Post System.

Article 8 (Minutes of shareholders' meeting)

The Company, in accordance with the Company Act and other applicable laws and regulations, shall record in the shareholders meeting minutes the date and place of the meeting, the name of the chairperson, the method of adopting resolutions, and a summary of the essential points of the

proceedings and the results of the meeting. With respect to the election of directors, the meeting minutes shall record the method of voting adopted therefore and the total number of votes for the elected directors.

The shareholders meeting minutes shall be properly and perpetually kept by the Company during its legal existence, and should be sufficiently disclosed on the Company's website.

Article 9 (The chairperson of the shareholders meetings shall be fully familiar and comply with the rules governing the proceedings of the shareholders meetings established by the Company)

The chairperson of the shareholders meetings shall be fully familiar and comply with the rules governing the proceedings of the shareholders meetings established by the Company. The chairperson shall ensure the proper progress of the proceedings of the meetings and may not adjourn the meetings at will.

In order to protect the interests of most shareholders, if the chairperson declares the adjournment of the meeting in a manner in violation of rules governing the proceedings of the shareholders meetings, it is advisable for the members of the board of directors other than the chairperson of the shareholders meeting to promptly assist the attending shareholders at the shareholders meeting in electing a new chairperson of the shareholders meeting to continue the proceedings of the meeting, by a resolution to be adopted by a majority of the votes represented by the shareholders attending the said meeting in accordance with the legal procedures.

Article 10 (Shall place high importance on the shareholder right to know, and prevent insider trading)

The Company shall place high importance on the shareholder right to know, and shall faithfully comply with applicable regulations regarding information disclosure in order to provide shareholders with regular and timely information on company financial conditions and operations, insider shareholdings, and corporate governance status through the MOPS or the website established by the Company.

To treat all shareholders equally, it is advisable that the Company concurrently disclose the information under the preceding paragraph in English.

To protect its shareholders' rights and interests and ensure their equal treatment, a TWSE/TPEX listed company shall adopt internal rules prohibiting company insiders from trading securities using information not disclosed to the market.

It is advisable that the rules mentioned in the preceding paragraph include stock trading control measures from the date insiders of the company become aware of the contents of the company's financial reports or relevant results, including (but not limited to) directors shall not trade their shares during the 30 days before the announcement of the annual financial reports and the closed period of 15 days before the announcement of the quarterly financial reports.

Article 10-1 (Report the remuneration of the directors at general shareholders' Article meeting)

The company shall report the remuneration received by directors at the general meeting of shareholders, including the policy of remuneration, the content of the individual remuneration, amount and the correlation with the performance evaluation results.

Article 11 (The shareholders shall be entitled to profit distributions by the Company)

The shareholders shall be entitled to profit distributions by the Company. In order to ensure the investment interests of shareholders, the shareholders meeting may, pursuant to Article 184 of the Company Act, examine the statements and books prepared and submitted by the board of directors and the reports submitted by the audit committee or supervisors, and may decide profit distributions and deficit off-setting plans by resolution. In order to proceed with the above examination, the shareholders meeting may appoint an inspector.

The shareholders may, pursuant to Article 245 of the Company Act, apply with the court to select an inspector in examining the accounting records and assets of the Company.

The board of directors, audit committee or supervisors, and managers of the Company shall fully cooperate in the examination conducted by the inspectors in the aforesaid two paragraphs without any obstruction, rejection or circumvention.

Article 12 (Material financial and business transactions shall be approved by the shareholders meeting)

In entering into material financial and business transactions such as acquisition or disposal of assets, lending funds, and making endorsements or providing guarantees, the Company shall proceed in accordance with the applicable laws and/or regulations and establish operating procedures in relation to these material financial and business transactions which shall be reported to and approved by the shareholders meeting so as to protect the interests of the shareholders.

When the Company is involved in a merger, acquisition or public tender offer, in addition to proceeding in accordance with the applicable laws and/or regulations, it shall not only pay attention to the fairness, rationality, etc. of the plan and transaction of the merger, acquisition or public tender offer, , but information disclosure and the soundness of the company's financial structure thereafter. The relevant personnel of the Company handling the matters in the preceding paragraph shall pay attention to the occurrence of any conflicts of interest and the need for recusal.

Section 2 Establishing a Mechanism for Interaction with Shareholders

Article 13 (it is advisable that the Company designate personnel exclusively dedicated to handling shareholder proposals)

In order to protect the interests of the shareholders, it is advisable that the Company designate personnel exclusively dedicated to handling shareholder proposals, inquiries, and disputes.

The Company shall properly deal with any legal action duly instituted by shareholders in which it is claimed that shareholder rights and interests were damaged by a resolution adopted at a shareholders meeting or a board of directors meeting in violation of applicable laws, regulations, or the Company's articles of incorporation, or that such damage was caused by a

breach of applicable laws, regulations or the Company's articles of incorporation by any directors, supervisors or managers in performing their duties.

It is advisable that the Company adopts internal procedures for appropriate handling of matters referred to in the preceding two paragraphs, and that it keep relevant written records for future reference and incorporate the procedures in its internal control system for management purposes.

Article 13-1 (The board of directors is responsible for establishing a mechanism for interaction with shareholders)

The board of directors of the Company is responsible for establishing a mechanism for interaction with shareholders to enhance mutual understanding of the development of company's objectives.

Article 13-2 (Efficient communication with shareholders to gain their support)

In addition to communicating with shareholders through shareholders meetings and encouraging shareholders to participate in such meetings, the board of directors of the Company together with officers and independent directors shall engage with shareholders in an efficient manner to ascertain shareholders' views and concerns, and expound company policies explicitly, in order to gain shareholders' support.

Section 3 Corporate Governance Relationships Between the Company and Its Affiliated Enterprises

Article 14 (Establishing firewalls)

The Company shall clearly identify the objectives and the division of authority and responsibility between it and its affiliated enterprises with respect to management of personnel, assets, and financial matters, and shall properly carry out risk assessments and establish appropriate firewalls.

Article 15 (A manager of the company may not serve as a manager of its affiliated enterprises)

Unless otherwise provided by the laws and regulations, a manager of the company may not serve as a manager of its affiliated enterprises. A director who engages in any transaction for himself or on behalf of another person that is within the scope of the Company's operations shall explain the major content of such actions to the shareholders meeting and obtain its consent.

Article 16 (Establishing sound objectives and systems for management of finance, operations, and accounting)

The Company shall establish sound objectives and systems for management of finance, operations, and accounting in accordance with applicable laws and regulations. It shall further, together with its affiliated enterprises, properly conduct an overall risk assessment of major banks they deal with and customers and suppliers, and implement the necessary control mechanisms to reduce credit risk.

Article 17 (When the Company and its affiliated enterprises enter into inter-company business transactions shall be in accordance with the principle of fair dealing and reasonableness)

When the Company and its affiliated enterprises enter into inter-company business transactions, a written agreement governing the relevant financial and business operations between them shall be made in accordance with the principle of fair dealing and reasonableness. Price and payment terms shall be definitively stipulated when contracts are signed, and non-arm's length transactions shall be prohibited.

All transactions or contracts made by and between the Company and its affiliated persons and shareholders shall follow the principles set forth in the preceding paragraph, and improper channeling of profits is strictly prohibited.

Article 18 (A corporate shareholder having controlling power over the Company shall comply with the provisions)

A corporate shareholder having controlling power over the Company shall comply with the following provisions:

1. It shall bear a duty of good faith to other shareholders and shall not directly or indirectly cause the company to conduct any business which is contrary to normal business practice or not profitable.

2. Its representative shall follow the rules implemented by its company with

respect to the exercise of rights and participation of resolution, so that at a shareholders meeting, the representative shall exercise his/her voting right in good faith and for the best interest of all shareholders and shall exercise the fiduciary duty and duty of care of a director or supervisor.

3. It shall comply with relevant laws, regulations and the articles of incorporation of the company in nominating directors or supervisors and shall not act beyond the authority granted by the shareholders meeting or board meeting.

4. It shall not improperly intervene in corporate policy making or obstruct corporate management activities.

5. It shall not restrict or impede the management or production of the company by methods of unfair competition such as monopolizing corporate procurement or foreclosing sales channels.

6. The representative that is designated when a corporate shareholder has been elected as a director shall meet the company's requirements for professional qualifications. Arbitrary replacement of the corporate shareholder's representative is inappropriate.

Article 19 (Retaining a register of major shareholders and the persons with ultimate control over those major shareholders)

The Company shall retain at all times a register of major shareholders who own a relatively high percentage of shares and have controlling power, and of the persons with ultimate control over those major shareholders.

The Company shall disclose periodically important information about its shareholders holding more than 10 percent of the outstanding shares of the company relating to the pledge, increase or decrease of share ownership, or other matters that may possibly trigger a change in the ownership of their shares.

Chapter 3 Enhancing the Function of Board of Directors

Section 1 Structure of Board of Directors

Article 20 (The abilities of the board of directors shall possess)

The board of directors of the Company shall guide the company strateg, supervise management and be responsible to the Company and shareholders. The various procedures and arrangements of its corporate governance system shall ensure that, in exercising its authority, the board of directors complies with laws, regulations, its articles of incorporation, and the resolutions of its shareholders meetings.

The structure of the Company's board of directors shall be determined by choosing an appropriate number of board members, not less than five, in consideration of its business scale, the shareholdings of its major shareholders, and practical operational needs.

The composition of the board of directors shall be determined by taking diversity into consideration, except for directors who are also managers of the company shall not exceed one third of the number of directors, and formulating an appropriate policy on diversity based on the company's business operations, operating dynamics, and development needs. It is advisable that the policy include, without being limited to, the following two general standards:

1. Basic requirements and values: Gender, age, nationality, and culture, etc. The ratio of female directors shall reach one-third of the board of directors.
2. Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experience.

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

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

Article 21 (The Company shall establish a fair, just, and open procedure for the election of directors)

The Company shall establish a fair, just, and open procedure for the election of directors to encourage its shareholders to actively participate for taking the protection of shareholders' rights and interests and treating all shareholders fairly, and shall adopt the cumulative voting mechanism pursuant to the Company Act in order to fully reflect shareholders' views. Unless the competent authority otherwise grants an approval, a spousal relationship or a familial relationship within the second degree of kinship may not exist among more than half of the directors of the Company.

When the number of directors falls below five due to the discharge of a director for any reason, the Company shall hold a by-election for director at

the following shareholders meeting. When the number of directors falls short by one-third of the total number prescribed by the articles of incorporation, the company shall convene a special shareholders meeting within 60 days of the occurrence of that fact for a by-election for director(s).

The aggregate shareholding percentage of all of the directors of the Company shall comply with the laws and regulations. Restrictions on the share transfer of each director and the creation, release, or changes of any pledges over the shares held by each director shall be subject to the relevant laws and regulations, and the relevant information shall be fully disclosed.

Article 22 (The Company adopts the candidate nomination system for elections of directors pursuant to the Company Act.)

The Company shall specify in its articles of incorporation in accordance with the laws and regulations of the competent authorities that it adopts the candidate nomination system for elections of directors, carefully review the qualifications of a nominated candidate and the existence of any other matters set forth in Article 30 of the Company Act, and act in accordance with Article 192-1 of the Company Act.

Article 23 (The board of directors shall draw clear distinctions of the authorities and responsibilities of the functional committees, chairperson of the board and general manager)

Clear distinctions shall be drawn between the responsibilities and duties of the chairperson of the board of the Company and those of its general manager.

It is inappropriate for the chairperson to also act as the general manager.

The company with a functional committee shall clearly define the responsibilities and duties of the committee.

Section 2 Independent Director System

Article 24 (The Company shall appoint independent directors in accordance with its articles of incorporation)

The company shall appoint independent directors in accordance with its articles of incorporation. They shall be not less than two in number and not less than one-third of the total number of directors and the consecutive term of independent directors shall not exceed three terms.

Independent directors shall possess professional knowledge and there shall be restrictions on their shareholdings and the positions they may concurrently hold. Applicable laws and regulations shall be observed and, in addition, it is not advisable for an independent director to hold office concurrently as a director (including independent director) or supervisor of more than five other TWSE/TPEX listed companies. Independent directors shall also maintain independence within the scope of their directorial duties, and may not have any direct or indirect interest in the company.

If the Company and its group enterprises and organizations, and another company and its group enterprises and organizations nominate for each other any director, supervisor or managerial officer as a candidate for an independent director of the other, the Company shall, at the time it receives the nominations for independent directors, disclose the fact and explain the suitability of the candidate for independent director. If the candidate is elected as an independent director, the Company shall disclose the number

of votes cast in favor of the elected independent director.

The "group enterprises and organizations" in the preceding paragraph comprise the subsidiaries of the Company, any foundation to which the Company's cumulative direct or indirect contribution of funds exceeds 50 percent of its endowment, and other institutions or juristic persons that are effectively controlled by the company.

Change of status between independent directors and non-independent directors during their term of office is prohibited.

The professional qualifications, restrictions on both shareholding and concurrent positions held, determination of independence, method of nomination and other requirements with regard to the independent directors shall be set forth in accordance with the Securities and Exchange Act, the Regulations Governing Appointment of Independent Directors and Compliance Matter for Public Companies, and the rules and regulations of the Taiwan Stock Exchange or Taipei Exchange.

Article 25 (The matters of the Company shall submit to the board of directors for approval by resolution)

The company shall submit the following matters to the board of directors for approval by resolution as provided in the Securities and Exchange Act. When an independent director has a dissenting opinion or qualified opinion, it shall be noted in the minutes of the directors meeting:

1. Adoption or amendment of the internal control system pursuant to Article 14-1 of the Securities and Exchange Act.
2. 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.
3. A matter bearing on the personal interest of a director or a supervisor.
4. A material asset or derivatives transaction.
5. A material monetary loan, endorsement, or provision of guarantee.
6. The offering, issuance, or private placement of any equity-type securities.
7. The hiring, discharge, or compensation of an attesting CPA.
8. The appointment or discharge of a financial, accounting, or internal auditing officer.
9. Any other material matter so required by the competent authority.

Article 26 (The Company shall stipulate the scope of duties of the independent directors)

The Company shall stipulate the scope of duties of the independent directors and empower them with manpower and physical support related to the exercise of their power. The company or other board members shall not obstruct, reject or circumvent the performance of duties by the independent directors.

The Company shall stipulate the remuneration of the directors according to applicable laws and regulations under its articles of incorporation, or by resolution of its shareholders meeting. The remuneration of the directors shall fully reflect the personal performance and the long-term management performance of the company, and shall also take the overall operational risks

of the company into consideration. Different but reasonable remuneration from that of other directors may be set forth for the independent directors.

Section 3 Audit Committee and Other Functional Committees

Article 27 (Setting up functional committees)

For the purpose of developing supervisory functions and strengthening management mechanisms, the board of directors of the Company, in consideration of the company's scale and type of operations and the number of its board members, may set up functional committees for auditing, remuneration, nomination, risk management or any other functions, and based on concepts of corporate social responsibility and sustainable operation, may set up environmental protection, corporate social responsibility, or other committees, and expressly provide for them in the articles of incorporation.

Functional committees shall be responsible to the board of directors and submit their proposals to the board of directors for approval, provided that the performance of supervisor's duties by the audit committee pursuant to Article 14-4, paragraph 4 of the Securities and Exchange Act shall be excluded.

Functional committees shall adopt an organizational charter to be approved by the board of directors. The organizational charter shall contain the numbers, terms of office, and powers of committee members, as well as the meeting rules and resources to be provided by the company for exercise of power by the committee.

Article 28 (The Company shall establish an audit committee)

The Company establishes an audit committee.

The audit committee shall be composed of the entire number of independent directors. It shall not be fewer than three persons in number, one of whom shall be convener, and at least one of whom shall have accounting or financial expertise.

The exercise of power by audit committee and independent directors and related matters shall be set forth in accordance with the Securities and Exchange Act, the Regulations Governing the Exercise of Powers by Audit Committees of Public Companies, and the rules and regulations of the TWSE or TPEX.

Article 28-1 (The Company shall establish a remuneration committee)

1 The Company establishes a remuneration committee, and it is advisable that more than half of the committee members be independent directors. The professional qualifications for the committee members, the exercise of their powers of office, the adoption of the organizational charter, and related matters shall be handled pursuant to the Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Stock Exchange or Traded Over the Counter.

Article 28-2 (The Company is advised to establish a nomination committee)

The Company is advised to establish a nomination committee and its articles of association. It is advisable that a majority of the members of said committee be independent directors and an independent director be its chairperson.

Article 28-3 (A whistleblowing system)

The Company is advised to establish and announce channels for internal and external whistleblowers and have whistleblower protection mechanisms in place. The unit that handles whistleblowers' reporting shall be independent, provide encrypted protection for the files furnished by whistleblowers, and appropriately restrict access to such files. It shall also formulate internal procedures and incorporate those procedures into the company's internal control system for management purposes.

Article 29 (Enhancing and improving the quality of financial reports)

To improve the quality of its financial reports, the Company shall establish the position of deputy to its principal accounting officer.

To enhance the professional abilities of the deputy accounting officer of the preceding paragraph, the deputy's continuing education shall proceed following the schedule of the principal accounting officer.

Accounting personnel handling the preparation of financial reports shall also participate in relevant professional development courses for 6 hours or more each year. Those courses may be company internal training activities or may be professional courses offered by professional development institutions for principal accounting officers.

The Company shall select as its external auditor a professional, responsible, and independent attesting CPA, who shall perform regular reviews of the financial conditions and internal control measures of the company. With regard to any irregularity or deficiency discovered and disclosed in a timely manner by the auditor during the review, and concrete measures for improvement or prevention suggested by the auditor, the company shall faithfully implement improvement actions. It is advisable that the company establish channels and mechanisms of communication between the independent directors, the audit committee, and the attesting CPA, and to incorporate procedures for that purpose into the company's internal control system for management purposes.

The Company shall evaluate the independence and suitability of the CPA engaged by the company regularly, and no less frequently than once annually. In the event that the company engages the same CPA without replacement for 7 years consecutively, or if the CPA is subject to disciplinary action or other circumstances prejudicial to the CPA's independence, the company shall evaluate the necessity of replacing the CPA and submit its conclusion to the board of directors.

Article 30 (Providing adequate legal services to the company)

It is advisable that the Company engage a professional and competent legal counsel to provide adequate legal consultation services to the company, or to assist the directors and the management to improve their knowledge of the law, for the purposes of preventing any infraction of laws or regulations by the company or its staff and ensuring that corporate governance matters proceed pursuant to the relevant legal framework and the prescribed procedures.

When, as a result of performing their lawful duties, directors or the management are involved in litigation or a dispute with shareholders, the company shall retain a legal counsel to provide assistance as circumstances require.

The audit committee or an independent director may retain the service of legal counsel, CPA, or other professionals on behalf of the company to conduct a necessary audit or provide consultation on matters in relation to the exercise of their power, at the expense of the company.

Section 4 Rules for the Proceedings and Decision-Making Procedures of Board Meetings

Article 31 (Convening the board of directors)

The board of directors of the Company shall meet at least once every quarter, or convene at any time in case of emergency. To convene a board meeting, a meeting notice which specifies the purposes of the meeting shall be sent to each director no later than 7 days before the scheduled date. Sufficient meeting materials shall also be prepared and enclosed in the meeting notice. If the meeting materials are deemed inadequate, a director may ask the unit in charge to provide more information or request a postponement of the meeting with the consent of the board of directors. The Company shall adopt rules of procedure for board meetings, which shall follow the Regulations Governing Procedure for Board of Directors Meetings of Public Companies with regard to the content of deliberations, procedures, matters to be recorded in the meeting minutes, public announcements, and other matters for compliance.

Article 32 (Directors shall exercise a high degree of self-discipline)

The Company directors shall exercise a high degree of self-discipline. If a director or a juristic person represented by the director is an interested party with respect to any proposal for a board meeting, the director shall state the important aspects of the interested party relationship at the meeting. When the relationship is likely to prejudice the interests of the company, the director may not participate in discussion or voting on that proposal and shall enter recusal during the discussion and voting. The director also may not act as another director's proxy to exercise voting rights on that matter. Matters requiring the voluntary recusal of a director shall be clearly set forth in the rules of procedure for board meetings.

Article 33 (Independent director and the board of directors)

When a board meeting is convened to consider any matter submitted to it pursuant to Article 14-3 of the Securities and Exchange Act, an independent director of the Company shall attend the board meeting in person, and may not be represented by a non-independent director via proxy. When an independent director has a dissenting or qualified opinion, it shall be noted in the minutes of the board of directors meeting; if the independent director cannot attend the board meeting in person to voice his or her dissenting or qualified opinion, he or she should provide a written opinion before the board meeting unless there are justifiable reasons for failure to do so, and the opinion shall be noted in the minutes of the board of directors meeting. In any of the following circumstances, decisions made by the board of directors shall be noted in the meeting minutes, and in addition, publicly announced and filed on the MOPS two hours before the beginning of trading hours on the first business day after the date of the board meeting:

1. An independent director has a dissenting or qualified opinion which is on record or stated in a written statement.
2. The matter was not approved by the audit committee (if the company has

set up an audit committee), but had the consent of more than two-thirds of all directors.

During a board meeting, managers from relevant departments who are not directors may, in view of the meeting agenda, sit in at the meetings, make reports on the current business conditions of the company and respond to inquiries raised by the directors. Where necessary, a CPA, legal counsel, or other professional may be invited to sit in at the meetings to assist the directors in understanding the conditions of the company for the purpose of adopting an appropriate resolution, provided that they shall leave the meeting when deliberation or voting takes place.

Article 34 (The minutes of the board of directors meetings)

Staff personnel of the Company attending board meetings shall collect and correctly record the meeting minutes in detail, as well as a summary, the method of resolution, and voting results of all the proposals submitted to the board meeting in accordance with relevant regulations.

The minutes of the board of directors meetings shall be signed by the chairperson and secretary of the meeting and sent to each director and supervisor within 20 days after the meeting. The director attendance records shall be made part of the meeting minutes, treated as important corporate records, and kept safe permanently during the life of the company.

Meeting minutes may be produced, distributed, and preserved by electronic means.

A company shall record on audio or video tape the entire proceedings of a board of directors meeting and preserve the recordings for at least 5 years, in electronic form or otherwise.

If before the end of the preservation period referred to in the preceding paragraph a lawsuit arises with respect to a resolution of a board of directors meeting, the relevant audio or video recordings shall be preserved for a further period, in which case the preceding paragraph does not apply.

Where a board of directors meeting is held via teleconference or video conference, the audio or video recordings of the meeting form a part of the meeting minutes and shall be preserved permanently.

When a resolution of the board of directors violates laws, regulations, the articles of incorporation, or resolutions adopted in the shareholders meeting, and thus causes an injury to the company, dissenting directors whose dissent can be proven by minutes or written statements will not be liable for damages.

Article 35 (The matters of the Company shall submit to its board of directors for discussion)

The Company shall submit the following matters to its board of directors for discussion:

1. Corporate business plans.
2. Annual and semi-annual financial reports, with the exception of semi-annual financial reports which, under relevant laws and regulations, need not be CPA audited and attested.
3. Adoption or amendment to an internal control system pursuant to Article 14-1 of the Securities and Exchange Act, and evaluation of effectiveness of an internal control system.

4. Adoption or amendment, pursuant to Article 36-1 of the Securities and Exchange Act, to the 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, and endorsements or guarantees for others.
5. The offering, issuance, or private placement of any equity-type securities.
6. The performance assessment and the standard of remuneration of the managerial officers.
7. The structure and system of director's remuneration.
8. The appointment or discharge of a financial, accounting, or internal audit officer.
9. A donation to a related party or a major donation to a non-related party, provided that a public-interest donation of disaster relief for a major natural disaster may be submitted to the next board meeting for retroactive recognition.
10. Any matter required by Article 14-3 of the Securities and Exchange Act or any other law, regulation, or bylaw to be approved by resolution at a shareholders meeting or to be approved by resolution at a meeting of the board of directors, or any such significant matter as may be prescribed by the competent authority.

Except for matters that must be submitted to the board of directors for discussion under the preceding paragraph, when the board of directors is in recess, it may delegate the exercise of its power to others in accordance with law, regulations, or its articles of incorporation. However, the level of delegation or the content or matters to be delegated shall be clearly specified, and general authorization is not permitted.

- Article 36 (The Company shall ask the appropriate corporate department or personnel to execute matters pursuant to board of directors' resolutions)
The company shall ask the appropriate corporate department or personnel to execute matters pursuant to board of directors' resolutions in a manner consistent with the planned schedule and objectives. It shall also follow up on those matters and faithfully review their implementation.
The board of directors shall remain informed of the progress of implementation and receive reports in subsequent meetings to ensure the actual implementation of the board's management decisions.

Section 5 Fiduciary Duty, Duty of Care and Responsibility of Directors

- Article 37 (Members of the board of directors shall faithfully conduct corporate affairs and perform the duty of care of a good administrator)
Members of the board of directors shall faithfully conduct corporate affairs and perform the duty of care of a good administrator. In conducting the affairs of the company, they shall exercise their powers with a high level of self-discipline and prudence. Unless matters are otherwise reserved by law for approval in shareholders meetings or in the articles of incorporation, they shall ensure that all matters are handled according to the resolutions of board of directors.
It is advisable that the Company formulate rules and procedures for board of directors performance assessments. Each year, in respect of the board of

directors and individual directors, it shall conduct regularly scheduled performance assessments through self-assessments or peer-to-peer assessments, and may also do so through outside professional institutions or in any other appropriate manner. A performance assessment of the board of directors shall include the following aspects, and appropriate assessment indicators shall be developed in consideration of the company's needs:

1. The degree of participation in the company's operations.
2. Improvement in the quality of decision making by the board of directors.
3. The composition and structure of the board of directors.
4. The election of the directors and their continuing professional education.
5. Internal controls.

The performance assessments of board members (self-assessments or peer-to-peer assessments) shall include the following aspects, with appropriate adjustments made on the basis of the company's needs:

1. Their grasp of the company's goals and missions.
2. Their recognition of director's duties.
3. Their degree of participation in the company's operations.
4. Their management of internal relationships and communication.
5. Their professionalism and continuing professional education.
6. Internal controls.

It is advisable that the Company conduct performance assessments of a functional committee, covering the following aspects, with appropriate adjustments made on the basis of the company's needs:

1. The degree of participation in the company's operations.
2. Their recognition of the duties of the functional committee.
3. Improvement in the quality of decision making by the functional committee.
4. The composition of the functional committee, and election and appointment of committee members.
5. Internal controls.

The Company is advised to submit the results of performance assessments to the board of directors and use them as reference in determining compensation for individual directors, their nomination and additional office term.

Article 37-1 (Establishment a succession plan for the management)

It is advisable for the Company to establish a succession plan for the management. The development and implementation of such plan shall be periodically evaluated by the board of directors to ensure sustainable operation.

Article 37-2 (Establishment of an intellectual property regulatory system)

The board of directors is advised to evaluate and monitor the following aspects of the Company's direction of operation and performance in connection with intellectual properties, to ensure the company develops an intellectual property regulatory system in accordance with the Plan-Do-Check-Act cycle:

1. Formulate intellectual property regulatory policies, objectives and systems that are slightly associated with the operational strategies.

2. Develop, implement and maintain on the basis of scale and form its regulatory systems governing the procurement, protection, maintenance and utilization of intellectual properties.
3. Identify and provide the necessary resources sufficient to ensure effective implementation and maintenance of the intellectual property regulatory system.
4. Observe internally and externally the risks and opportunities that intellectual property regulation may present and adopt corresponding measures.
5. Plan for and implement a continuous improvement mechanism to ensure the operation and effects of the intellectual property regulatory regime meet the company's expectations.

Article 38 (The request of shareholders or independent director to discontinue the implementation of the resolution)

If a resolution of the board of directors violates law, regulations or the Company's articles of incorporation, then at the request of shareholders holding shares continuously for a year or an independent director to discontinue the implementation of the resolution, members of the board shall take appropriate measures or discontinue the implementation of such resolution as soon as possible.

Upon discovering a likelihood that the company would suffer material injury, members of the board of directors shall immediately report to the audit committee, an independent director member of the audit committee in accordance with the foregoing paragraph.

Article 39 (Directors liability insurance)

The Company shall take out directors liability insurance with respect to liabilities resulting from exercising their duties during their terms of occupancy so as to reduce and spread the risk of material harm to the company and shareholders arising from the wrongdoings or negligence of a director.

The Company shall report the insured amount, coverage, premium rate, and other major contents of the liability insurance it has taken out or renewed for directors, at the next board meeting.

Article 40 (Members of the board of directors participating in training courses)

Members of the board of directors are advised to participate in training courses on finance, risk management, business, commerce, accounting, law or corporate social responsibility offered by institutions designated in the Rules Governing Implementation of Continuing Education for Directors and Supervisors of TWSE/TPEX Listed Companies, which cover subjects relating to corporate governance upon becoming directors and throughout their terms of occupancy. They shall also ensure that company employees at all levels will enhance their professionalism and knowledge of the law.

Chapter 4 Respecting Stakeholders' Rights

Article 41 (The company shall maintain communication with stakeholders and safeguard their rights and interests)

The Company shall maintain channels of communication with its banks, other creditors, employees, consumers, suppliers, community, or other stakeholders of the company, respect and safeguard their legal rights and interests, and designate a stakeholders section on its website.

When any of a stakeholder's legal rights or interests is harmed, the company shall handle the matter in a proper manner and in good faith.

Article 42 (The company shall provide sufficient information to banks and its other creditors)

The Company shall provide sufficient information to banks and its other creditors to facilitate their evaluation of the operational and financial conditions of the company and its decision-making process. When any of their legal rights or interest is harmed, the company shall respond with a responsible attitude and assist creditors in obtaining compensation through proper means.

Article 43 (Establishing channels of communication with employees)

The Company shall establish channels of communication with employees and encourage employees to communicate directly with the management and directors, so as to reflect employees' opinions about the management, financial conditions, and material decisions of the company concerning employee welfare.

Article 44 (The company's social responsibility)

In developing its normal business and maximizing the shareholders' interest, the Company shall pay attention to consumers' interests, environmental protection of the community, and public interest issues, and shall give serious regard to the company's social responsibility.

Chapter 5 Improving Information Transparency

Section 1 Enhancing Information Disclosure

Article 45 (Internet-based reporting system for public information)

The Company shall establish an Internet-based reporting system for public information, appoint personnel responsible for gathering and disclosing the information, and establish a spokesperson system in accordance with the relevant laws and the related TWSE and TPEX rules, so as to ensure the proper and timely disclosure of information about policies that might affect the decisions of shareholders and stakeholders.

The Company is advised to publish and report its annual financial report within two months after the end of a fiscal year, and publish and report its financial reports for the first, second and third quarters as well as its operating status for each month before the specified deadline.

Article 46 (Appointing the spokesperson)

In order to enhance the accuracy and timeliness of the material information disclosed, the Company shall appoint a spokesperson and acting spokesperson(s) who understand thoroughly the company's financial and business conditions and who are capable of coordinating among

departments for gathering relevant information and representing the company in making statements independently.

The Company shall appoint one or more acting spokespersons who shall represent the company, when the spokesperson cannot perform his/her duties, in making statements independently, provided that the order of authority is established to avoid any confusion.

In order to implement the spokesperson system, the Company shall unify the process of making external statements. It shall require the management and employees to maintain the confidentiality of financial and operational secrets and prohibit their disclosure of any such information at will.

The company shall disclose the relevant information immediately whenever there is any change to the position of a spokesperson or acting spokesperson.

Article 47 (Setting up the corporate governance website)

In order to keep shareholders and stakeholders fully informed, the Company shall utilize the convenience of the Internet and set up a website containing the information regarding the company's finances, operations, and corporate governance. It is also advisable for the company to furnish the financial, corporate governance, and other relevant information in English. To avoid misleading information, the aforesaid website shall be maintained by specified personnel, and the recorded information shall be accurate, detailed and updated on a timely basis.

Article 48 (The method of holding the investor conference)

The Company shall hold an investor conference in compliance with the regulations of the TWSE, and shall keep an audio or video record of the meeting. The financial and business information disclosed in the investor conference shall be disclosed on the Market Observation Post System and provided for inquiry through the website established by the company, or through other channels, in accordance with the TWSE rules.

Section 2 Disclosure of Information on Corporate Governance

Article 49 (Disclosing the information regarding corporate governance)

The company website shall set up a special area to disclose and update from time to time the following information regarding corporate governance.

1. The board of directors: The CVs of board members and their responsibilities, the diversity policy of board members, and the implementation, etc.
2. The functional committees: The CVs of committees members and their responsibilities, etc.
3. Rules and regulations of corporate governance: The company's articles of association, the procedures of the board of directors and organizational regulations of the functional committees and other corporate governance related regulations.
4. Important information related to corporate governance: The info of the supervisor of setting up corporate governance, etc.

Chapter 6 Supplementary Provisions

Article 50 (Monitoring domestic and international developments)

The Company shall at all times monitor domestic and international

developments in corporate governance as a basis for review and improvement of the company's own corporate governance mechanisms, so as to enhance their effectiveness.

Article 51 (Enforcement)

The Corporate Governance Best Practice Principles of the Company shall be implemented after the board of directors grants the approval. The same procedure shall be followed when the principles have been amended.

These principles were formulated on December 16, 2014. They were first amended on November 10, 2015 and subsequently amended on March 15, 2018 (2nd amendment), March 21, 2019 (3rd amendment), March 12, 2020 (4th amendment) , March 08, 2022 (5th amendment) , Apr 25, 2022 (6th amendment).

Taya Electric Wire & Cable Co., Ltd.

Procedures for Ethical Management and Guidelines for Conduct

Article 1 Purpose of adoption and scope of application

The Company engages in commercial activities following the principles of fairness, honesty, faithfulness, and transparency, and in order to fully implement a policy of ethical management and actively prevent unethical conduct, these Procedures for Ethical Management and Guidelines for Conduct are adopted pursuant to the provisions of the Ethical Corporate Management Best Practice Principles for Ta Ya Electric Wire & Cable Co., Ltd. and the applicable laws and regulations of the places where the Company and its business groups and organizations operate, with a view to providing all personnel of the Company with clear directions for the performance of their duties. The scope of application of these Procedures and Guidelines includes the subsidiaries of the Company, any incorporated foundation in which the Company's accumulated contributions, direct or indirect, exceed 50 percent of the total funds of the foundation, and other group enterprises and organizations, such as institutions or juristic persons, substantially controlled by the Company.

Article 2 Applicable subjects

For the purposes of these Procedures and Guidelines, the term "personnel of the Company" refers to any director, supervisor, managerial officer, employee, mandatary or person having substantial control, of the Company or its group enterprises and organizations. Any provision, promise, request, acceptance of any money, gratuity, gift, commission, position, service, preferential treatment, rebate, facilitating payment, entertainment, dining, or any other benefits by any personnel of the Company through a third party will be presumed to be an act by the personnel of the Company.

Article 3 Unethical conduct

For the purposes of these Procedures and Guidelines, "unethical conduct" means that any personnel of the Company, in the course of their duties, directly or indirectly provides, promises, requests, or accepts improper benefits or commits a breach of ethics, unlawful act, or breach of fiduciary duty for purposes of acquiring or maintaining benefits. The counterparties of the unethical conduct under the preceding paragraph include public officials, political candidates, political parties or their staffs, and government-owned or private-owned enterprises or institutions and their directors, supervisors, managerial officers, employees, persons having substantial control, or other interested parties.

Article 4 Types of benefits

For the purposes of these Procedures and Guidelines, the term "benefits" means any money, gratuity, gift, commission, position, service, preferential treatment, rebate, facilitating payment, entertainment, dining, or any other

item of value in whatever form or name. Benefits received or given occasionally in accordance with accepted social customs and that do not adversely affect specific rights and obligations shall be excluded. The benefits received or given in accordance with accepted social customs in the preceding paragraph, are handled in accordance with Article 6 of the provisions of these procedures and guidelines for conduct.

Article 5 Responsible unit

The Company designates the Human Resources Department as the solely responsible unit (hereinafter, "responsible unit") to be in charge of the amendment with respect to these Procedures and Guidelines, supervised by the audit office and also submit regular reports to the board of directors.

Article 6 Prohibition against providing or accepting improper benefits

Except under one of the following circumstances, when providing, accepting, promising, or requesting money, gratuity, service, preferential treatment, entertainment, dining, or any other benefits, directly or indirectly, the conduct of the given personnel of the Company shall comply with the provisions of the Ethical Corporate Management Best Practice Principles for the Company and these Procedures and Guidelines, and the relevant procedures shall have been carried out:

1. In compliance with the laws and regulations of the country where the Company is doing business.
2. The conduct is undertaken to meet business needs and is in accordance with local courtesy, convention, or custom during domestic (or foreign) visits, reception of guests, promotion of business, and communication and coordination.
3. The conduct has its basis in ordinary social activities that are attended or others are invited to hold in line with accepted social custom, commercial purposes, or developing relationships.
4. Invitations to guests or attendance at commercial activities or factory visits in relation to business needs, when the method of fee payment, number of participants, class of accommodations, and the time period for the event or visit have been specified in advance.
5. Attendance at folk festivals that are open to and invite the attendance of the general public.
6. Rewards, emergency assistance, condolence payments, or honorariums from the management.
7. Property with a market value of NT\$100 thousand or less received due to engagement, marriage, maternity, relocation, assumption of a position, promotion or transfer, retirement, resignation, or severance, or the injury, illness, or death of the recipient or the recipient's spouse or lineal relative.
8. Other conduct that complies with the rules of The Company.

Article 7 Procedures for handling the acceptance of improper benefits

Except under any of the circumstances set forth in the preceding article, when any personnel of the Company are provided with or are promised, either directly or indirectly, any money, gratuity, service, preferential treatment, entertainment, dining, or any other benefits by a third party, the matter shall be handled in accordance with the following procedures:

1. If there is no relationship of interest between the party providing or offering

the benefit and the official duties of the Company's personnel, the personnel shall report to their immediate supervisor, top director of business group, and notify the Company's audit office within 3 days from the acceptance of the benefit, and the responsible unit shall be notified if necessary.

2. If a relationship of interest does exist between the party providing or offering the benefit and the official duties of the Company's personnel, the personnel shall return or refuse the benefit, and shall report to his or her immediate supervisor, top director of business group, and notify the Company's audit office, and the responsible unit shall be notified if necessary.

"A relationship of interest between the party providing or offering the benefit and the official duties of the Company's personnel," as referred to in the preceding paragraph, refers to one of the following circumstances:

1. When the two parties have commercial dealings, a relationship of direction and supervision, or subsidies (or rewards) for expenses.

2. When a contracting, trading, or other contractual relationship is being sought, is in progress, or has been established.

3. Other circumstances in which a decision regarding the Company's business, or the execution or non-execution of business, will result in a beneficial or adverse impact.

When the Company encounters the first paragraph situation, the responsible unit of the Company shall make a proposal, based on the nature and value of the benefit, that it be returned, accepted on payment, given to the public, donated to charity, or handled in another appropriate manner. The proposal shall be implemented after being reported and approved, and the company's audit office shall be notified at the same time, and the responsible unit shall be notified if necessary.

Article 8 Prohibition of and handling procedure for facilitating payments

The Company shall neither provide nor promise any facilitating payment. If any personnel of the Company provide or promises a facilitating payment under threat or intimidation, they shall submit a report to their immediate supervisor stating the facts and shall notify the responsible unit.

Upon receipt of the report under the preceding paragraph, the responsible unit shall take immediate action and undertake a review of relevant matters in order to minimize the risk of recurrence. In a case involving alleged illegality, the responsible unit shall also immediately report to the relevant judicial agency.

Article 9 Procedures for handling political contributions

The Company shall neither provide nor promise any political contributions.

Article 10 Procedures for handling donations or sponsorships

The total amount of donations or sponsorships of the Company throughout the year is capped at 0.2% of the total operating revenue, and be provided in

accordance with the following provisions. The revision of the annual total amount shall be implemented after the approval of the board of directors. When the total annual amount exceeds the upper limit, except for public welfare donations for emergency relief due to major natural disasters, which can be ratified by the next board of directors, the rest shall be provided only after it has been submitted for adoption by the board of directors:

1. It shall be ascertained that the donation or sponsorship is in compliance with the laws and regulations of the country where the Company is doing business.
2. The returns received as a result of any sponsorship shall be specific and reasonable, and the subject of the sponsorship may not be a counterparty of the Company's commercial dealings or a party with which any personnel of the Company has a relationship of interest
3. After a donation or sponsorship has been given, it shall be ascertained that the destination to which the money flows is consistent with the purpose of the contribution.

Article 11 Recusal

When a director, officer or other stakeholder of this Corporation attending or present at a board meeting, or the juristic person represented thereby, has a stake in a matter under discussion in the meeting, that director, officer or stakeholder shall state the important aspects of the stake in the meeting and, where there is a likelihood that the interests of this Corporation would be prejudiced, may not participate in the discussion or vote on that proposal, shall recuse himself or herself from any discussion and voting, and may not exercise voting rights as proxy on behalf of another director. The directors shall exercise discipline among themselves, and may not support each other in an inappropriate manner.

Where the spouse, a blood relative within the second degree of kinship of a director, or any company which has a controlling or subordinate relation with a director has interests in the matters under discussion in the meeting of the preceding paragraph, such director shall be deemed to have a personal interest in the matter.

Article 12 Special unit in charge of confidentiality regime and its responsibilities

The Company sets up a business information protection committee to convene relevant departments to review and amend the business information protection mechanism in response to regulations, technology, current affairs and internal audit findings irregularly.

All personnel of the Company shall faithfully follow the Codes of Ethical Conduct, and observe the Personal Data Protection Act, Trade Secrets Act, and other relevant laws and regulations when using.

Article 13 Prohibition of disclosing trade secrets

All personnel of this Corporation shall faithfully follow the operational directions pertaining to trade secrets and may not disclose to any other party any trade secrets, nor may they inquire about or collect any trade secrets of the Company unrelated to their individual duties.

Article 14 Prohibition against insider trading

All personnel of the Company shall adhere to the provisions of the Securities and Exchange Act, and may not take advantage of undisclosed information of which they have learned to engage in insider trading. Personnel are also prohibited from divulging undisclosed information to any other party, in order to prevent other party from using such information to engage in insider trading.

Article 15 Non-disclosure agreement

Any organization or person outside of the Company that is involved in any merger, demerger, acquisition and share transfer, major memorandum of understanding, strategic alliance, other business partnership plan, or the signing of a major contract by the Company shall be required to sign a non-disclosure agreement in which they undertake not to disclose to any other party any trade secret or other material information of the Company acquired as a result, and that they may not use such information without the prior consent of the Company.

Article 16 Announcement of policy of ethical management

The Company shall disclose its policy of ethical management in its internal rules, annual reports, on the Company's websites, and in other promotional materials, and shall make timely announcements of the policy in events held for outside parties such as product launches and investor press conferences, in order to make its suppliers, customers, and other business-related institutions and personnel fully aware of its principles and rules with respect to ethical management.

Article 17 Ethical management evaluation prior to development of commercial relationships

Before developing a commercial relationship with another party, such as an agent, supplier, customer, or other counterparty in commercial dealings, the Company shall evaluate the legality and ethical management policy of the party and ascertain whether the party has a record of involvement in unethical conduct, in order to ensure that the party conducts business in a fair and transparent manner and will not request, offer, or take bribes.

When the Company carries out the evaluation under the preceding paragraph, it may adopt appropriate audit procedures for a review of the counterparty with which it will have commercial dealings with respect to the following matters, in order to gain a comprehensive knowledge of its ethical management:

1. The enterprise's nationality, location of business operations, organizational

structure, and management policy, and place where it will make payment.

2. Whether the enterprise has adopted an ethical management policy, and the status of its implementation.

3. Whether enterprise's business operations are located in a country with a high risk of corruption.

4. Whether the business operated by the enterprise is in an industry with a high risk of bribery.

5. The long-term business condition and degree of goodwill of the enterprise.

6. Consultation with the enterprise's business partners on their opinion of the enterprise.

7. Whether the enterprise has a record of involvement in unethical conduct such as bribery or illegal political contributions.

Article 18 Statement of ethical management policy to counterparties in commercial dealings

Any personnel of The Company, when engaging in commercial activities, shall make a statement to the trading counterparty about The Company's ethical management policy and related rules, and shall clearly refuse to provide, promise, request, or accept, directly or indirectly, any improper benefit in whatever form or name, including rebates, commissions, facilitation payments, or providing or receiving improper benefits through other channels.

Article 19 Avoidance of commercial dealings with unethical operators

All personnel of the Company shall avoid business transactions with an agent, supplier, customer, or other counterparty in commercial interactions that is involved in unethical conduct. When the counterparty or partner in cooperation is found to have engaged in unethical conduct, the personnel shall immediately cease dealing with the counterparty and blacklist it for any further business interaction in order to effectively implement the Company's ethical management policy.

Article 20 Stipulation of terms of ethical management in contracts

Before entering into a contract with another party, The Company shall gain a thorough knowledge of the status of the other party's ethical management, and shall make observance of the ethical management policy of The Company part of the terms and conditions of the contract, stipulating at the least the following matters:

1. Where a party is discovered to be engaged in unethical conduct in its commercial activities, the other party may terminate or rescind the contract unconditionally at any time.

2. Specific and reasonable payment terms, including the place and method of payment and the requirement for compliance with related tax laws and regulations.

Article 21 Handling of unethical conduct by personnel of The Company

When the Company discovers or receives reports of untrustworthy conduct by the Company's personnel, it shall immediately investigate the relevant facts. If it is confirmed that there is a violation of relevant laws or the Company's integrity management policies and regulations, the perpetrator should immediately be required to stop the relevant behavior and deal with it appropriately, and if necessary, request damages through legal procedures to protect the reputation and rights of the Company.

The time limit for handling a reported case is one month in principle. Those who fail to complete the case within the time limit may extend the time limit by one month only once.

With respect to a confirmed information, the Company shall charge relevant units with the task of reviewing the internal control system and relevant procedures and proposing corrective measures to prevent recurrence.

The audit office of the Company shall report to the board of directors a follow-up report on dishonest behaviors, handling methods of each unit, and follow-up review and improvement measures.

Article 22 Actions upon event of unethical conduct by others towards The Company

If any personnel of the Company discover that another party has engaged in unethical conduct towards The Company, and such unethical conduct involves alleged illegality, The Company shall report the relevant facts to the judicial and prosecutorial authorities; where a public service agency or public official is involved, The Company shall additionally notify the governmental anticorruption agency.

Article 23 Establishment of a system for rewards, penalties, and complaints, and related disciplinary measures

The Company shall link ethical management to employee performance evaluations and human resources policy, and establish clear and effective systems for rewards, penalties, and complaints.

If any personnel of the Company seriously violate ethical conduct, the Company shall dismiss the personnel from his or her position or terminate his or her employment in accordance with applicable laws and regulations or the personnel policy and procedures of The Company.

The Company shall disclose on its intranet information the name and title of the violator, the date and details of the violation, and the actions taken in response.

Article 24 Enforcement

These Procedures and Guidelines, and any amendments hereto, shall be approved by the audit committee, be implemented after adoption by resolution of the board of directors, and reported to the shareholders meeting.

The procedures and guidelines for conduct was established on December 18, 2019, and was first revised on March 8, 2022.

Taya Electric Wire & Cable Co., Ltd.

Sustainable Development Best Practice Principles

2022.4.25 approved by the board of directors

Chapter 1 General Principles

Article 1 In order to fulfill Corporate Social Responsibility initiatives and to promote economic, environmental, and social advancement for purposes of sustainable development, the Company hereby adopted the Principles to be followed.

Article 2 The Principles apply to the entire operations of the Company and its business group.

The Principles encourage the Company to actively fulfill its Corporate Social Responsibility in the course of its business operations so as to follow international development trends and to contribute to the economic development of the country, to improve the quality of life of employees, the community and society by acting as responsible corporate citizens, and to enhance competitive edges built on Sustainable Development.

Article 3 In fulfilling Sustainable Development initiatives, the Company shall, in its corporate management guidelines and business operations, give due consideration to the rights and interests of stakeholders and, while pursuing sustainable operations and profits, also give due consideration to the environment, society and corporate governance.

The Company shall, in accordance with the materiality principle, conduct risk assessments of environmental, social and corporate governance issues pertaining to company operations and establish the relevant risk management policy or strategy.

Article 4 To implement Sustainable Development initiatives, the Company is advised to follow the principles below:

1. Exercise corporate governance.
2. Foster a sustainable environment.
3. Preserve public welfare.
4. Enhance disclosure of Sustainable Development information.

Article 5 The company shall take into consideration the correlation between the development of domestic and international Sustainable Development principles and corporate core business operations, and the effect of the operation of individual companies and of their respective business groups as a whole on stakeholders, in establishing their policies, systems or relevant management guidelines, and concrete promotion plans for Sustainable Development programs, which shall be approved by the board of directors and then reported to the

shareholders meeting.

When a shareholder proposes a motion involving Sustainable Development, the company's board of directors is advised to review and consider including it in the shareholders meeting agenda.

Chapter 2 Exercising Corporate Governance

Article 6 The Company is advised to follow the Corporate Governance Best Practice Principles, the Ethical Corporate Management Best Practice Principles, and the Code of Ethical Conduct to establish effective corporate governance frameworks and relevant ethical standards so as to enhance corporate governance.

Article 7 The directors of the Company shall exercise the due care of good administrators to urge the company to perform its Sustainable Development initiatives, examine the results of the implementation thereof from time to time and continually make adjustments so as to ensure the thorough implementation of its Sustainable Development policies.

The board of directors of the company is advised to give full consideration to the interests of stakeholders, including the following matters, in the company's performance of its Sustainable Development initiatives:

1. Identifying the company's Sustainable Development mission or vision, and declaring its Sustainable Development policy, systems or relevant management guidelines;
2. Making Sustainable Development the guiding principle of the company's operations and development, and ratifying concrete promotional plans for Sustainable Development initiatives; and
3. Enhancing the timeliness and accuracy of the disclosure of Sustainable Development information.

The board of directors shall appoint executive-level positions with responsibility for economic, environmental, and social issues resulting from the business operations of the Company, and to report the status of the handling to the board of directors. The handling procedures and the responsible person for each relevant issue shall be concrete and clear.

Article 8 The Company is advised to, on a regular basis, organize education and training on the implementation of Sustainable Development initiatives, including promotion of the matters prescribed in paragraph 2 of the preceding article.

Article 9 For the purpose of managing Sustainable Development initiatives, the Company is advised to establish a governance structure to promote sustainable development, an exclusively (or concurrently) dedicated unit to be in charge of proposing and enforcing the Sustainable Development policies, systems, or relevant management guidelines, and concrete promotional plans and to report on the same to the board of directors on a periodic basis.

The Company is advised to adopt reasonable remuneration policies, to ensure that remuneration arrangements support the strategic aims of the

organization, and align with the interests of stakeholders.

It is advised that the employee performance evaluation system be combined with Sustainable Development policies, and that a clear and effective incentive and discipline system be established.

Article 10 The Company shall, based on respect for the rights and interests of stakeholders, identify stakeholders of the company, and establish a designated section for stakeholders on the company website; understand the reasonable expectations and demands of stakeholders through proper communication with them, and adequately respond to the important Sustainable Development issues which they are concerned about.

Chapter 3 Fostering a Sustainable Environment

Article 11 The Company shall follow relevant environmental laws, regulations and international standards to properly protect the environment and shall endeavor to promote a sustainable environment when engaging in business operations and internal management.

Article 12 The Company endeavors to utilize energy more efficiently and use renewable materials which have a low impact on the environment to improve sustainability of natural resources.

Article 13 The Company establishes proper environment management systems based on the characteristics of their industries. Such systems shall include the following tasks:

1. Collecting sufficient and up-to-date information to evaluate the impact of the company's business operations on the natural environment.
2. Establishing measurable goals for environmental sustainability, and examining whether the development of such goals should be maintained and whether it is still relevant on a regular basis.
3. Adopting enforcement measures such as concrete plans or action plans, and examining the results of their operation on a regular basis.

Article 14 The Company establishes a dedicated unit or assign dedicated personnel for drafting, promoting, and maintaining relevant environment management systems and concrete action plans, and should hold environment education courses for their managerial officers and other employees on a periodic basis.

Article 15 The Company takes into account the effect of business operations on ecological efficiency, promote and advocate the concept of sustainable consumption, and conduct research and development, procurement, production, operations, and services in accordance with the following principles to reduce the impact on the natural environment and human beings from their business operations:

1. Reduce resource and energy consumption of their products and services.
2. Reduce emission of pollutants, toxins and waste, and dispose of waste properly.
3. Improve recyclability and reusability of raw materials or products.

4. Maximize the sustainability of renewable resources.
5. Enhance the durability of products.
6. Improve efficiency of products and services.

Article 16 To improve water use efficiency, the Company shall properly and sustainably use water resources and establish relevant management measures.

The Company shall construct and improve environmental protection treatment facilities to avoid polluting water, air and land, and use their best efforts to reduce adverse impact on human health and the environment by adopting the best practical pollution prevention and control measures.

Article 17 The Company is advised to assess the current and future potential risks and opportunities that climate change may present to enterprises and to adopt climate related measures.

The Company is advised to adopt standards or guidelines generally used in Taiwan and abroad to enforce corporate greenhouse gas inventory and to make disclosures thereof, the scope of which shall include the following:

1. Direct greenhouse gas emissions: emissions from operations that are owned or controlled by the company.
2. Indirect greenhouse gas emissions: emissions resulting from the generation of externally purchased or acquired electricity, heating, or steam.
3. Indirect emission: The emission generated from the company's activities, are not the indirect emission from energies, but the emission sources owned or controlled by other companies.

The Company is advised to compile statistics on greenhouse gas emissions, volume of water consumption and total weight of waste and to establish policies for energy conservation, carbon and greenhouse gas reduction, reduction of water consumption or management of other wastes. The company's carbon reduction strategies should include obtaining carbon credits and be promoted accordingly to minimize the impact of their business operations on climate change.

Chapter 4 Preserving Public Welfare

Article 18 The Company shall comply with relevant laws and regulations, and the International Bill of Human Rights, with respect to rights such as gender equality, the right to work, and prohibition of discrimination.

The Company, to fulfill its responsibility to protect human rights, shall adopt relevant management policies and processes, including:

1. Presenting a corporate policy or statement on human rights.
2. Evaluating the impact of the company's business operations and internal management on human rights, and adopting corresponding handling processes.
3. Reviewing on a regular basis the effectiveness of the corporate policy or statement on human rights.
4. In the event of any infringement of human rights, the company shall disclose

the processes for handling of the matter with respect to the stakeholders involved. The Company shall comply with the internationally recognized human rights of labor, including the freedom of association, the right of collective bargaining, caring for vulnerable groups, prohibiting the use of child labor, eliminating all forms of forced labor, eliminating recruitment and employment discrimination, and shall ensure that their human resource policies do not contain differential treatments based on gender, race, socioeconomic status, age, or marital and family status, so as to achieve equality and fairness in employment, hiring conditions, remuneration, benefits, training, evaluation, and promotion opportunities.

The Company shall provide an effective and appropriate grievance mechanism with respect to matters adversely impacting the rights and interests of the labor force, in order to ensure equality and transparency of the grievance process. Channels through which a grievance may be raised shall be clear, convenient, and unobstructed. A company shall respond to any employee's grievance in an appropriate manner.

Article 19 The Company shall provide information for their employees so that the employees have knowledge of the labor laws and the rights they enjoy in the countries where the company has business operations.

Article 20 The Company provides safe and healthful work environments for their employees, including necessary health and first-aid facilities and shall endeavor to curb dangers to employees' safety and health and to prevent occupational accidents.

The Company organizes training on safety and health for its employees on a regular basis.

Article 21 The Company creates an environment conducive to the development of its employees' careers and establish effective training programs to foster career skills.

The Company shall establish and implement reasonable employee welfare measures (including remuneration, leave and other welfare etc.) and appropriately reflect the business performance or achievements in the employee remuneration, to ensure the recruitment, retention, and motivation of human resources, and achieve the objective of sustainable operations.

Article 22 The Company shall establish a platform to facilitate regular two-way communication between the management and the employees for the employees to obtain relevant information on and express their opinions on the company's operations, management and decisions.

The Company shall respect the employee representatives' rights to bargain for the working conditions, and shall provide the employees with necessary information and hardware equipment, in order to improve the negotiation and cooperation among employers, employees and employee representatives.

The Company shall, by reasonable means, inform employees of

operation changes that might have material impacts.

Article 22-1 The Company is advised to treat customers or consumers of its products or services in a fair and reasonable manner, including according to the following principles: fairness and good faith in contracting, duty of care and fiduciary duty, truthfulness in advertising and soliciting, fitness of products or services, notification and disclosure, commensuration between compensation and performance, protection of the right to complain, professionalism of salespersons etc. Said company shall also develop the relevant strategies and specific measures for implementation.

Article 23 The Company shall take responsibility for its products and services, and take marketing ethics seriously. In the process of research and development, procurement, production, operations, and services, the company shall ensure the transparency and safety of its products and services. It further shall establish and disclose policies on consumer rights and interests, and enforce them in the course of business operations, in order to prevent the products or services from adversely impacting the rights, interests, health, or safety of consumers.

Article 24 The Company shall ensure the quality of its products and services by following the laws and regulations of the government and relevant standards of its industries.

The Company shall follow relevant laws, regulations and international guidelines in regard to customer health and safety and customer privacy involved in, and marketing and labeling of, their products and services and shall not deceive, mislead, commit fraud or engage in any other acts which would betray consumers' trust or damage consumers' rights or interests.

Article 25 The Company evaluates and manage all types of risks that could cause interruptions in operations, so as to reduce the impact on consumers and society.

The Company provides a clear and effective procedure for accepting consumer complaints to fairly and timely handle consumer complaints, shall comply with laws and regulations related to the Personal Information Protection Act for respecting consumers' rights of privacy and shall protect personal data provided by consumers.

Article 26 The Company assesses the impact its procurement has on society as well as the environment of the community that they are procuring from, and shall cooperate with its suppliers to jointly implement the Corporate Social Responsibility initiative.

The Company is advised to establish supplier management policies and request suppliers to comply with rules governing issues such as environmental protection, occupational safety and health or labor rights. Prior to engaging in commercial dealings, The Company is advised to assess whether there is any record of a supplier's impact on the environment and society, and avoid conducting transactions with those against Corporate Social Responsibility policy.

When the Company enters into a contract with any of their major suppliers, the content should include terms stipulating mutual compliance with

Corporate Social Responsibility policy, and that the contract may be terminated or rescinded any time if the supplier has violated such policy and has caused significant negative.

Article 27 The Company shall evaluate the impact of their business operations on the community, and adequately employ personnel from the location of the business operations, to enhance community acceptance.

The Company is advised to, through equity investment, commercial activities, endowments, volunteering service or other charitable professional services etc., dedicate resources to organizations that commercially resolve social or environmental issues, participate in events held by citizen organizations, charities and local government agencies relating to community development and community education to promote community development.

Chapter 5 Enhancing Disclosure of Sustainable Development Information

Article 28 The Company shall disclose information according to relevant laws, regulations and the Corporate Governance Best Practice Principles and shall fully disclose relevant and reliable information relating to their Sustainable Development initiatives to improve information transparency.

Relevant information relating to Sustainable Development which the Company shall disclose includes:

1. The policy, systems or relevant management guidelines, and concrete promotion plans for Sustainable Development initiatives, as resolved by the board of directors.
2. The risks and the impact on the corporate operations and financial condition arising from exercising corporate governance, fostering a sustainable environment and preserving social public welfare.
3. Goals and measures for realizing the Sustainable Development initiatives established by the company, and performance in implementation.
4. Major stakeholders and their concerns.
5. Disclosure of information on major suppliers' management and performance with respect to major environmental and social issues.
6. Other information relating to Sustainable Development initiatives.

Article 29 The Company shall adopt internationally widely recognized standards or guidelines when producing Sustainable Development reports, to disclose the status of its implementation of the Sustainable Development policy. It also is advisable to obtain a third-party assurance or verification for reports to enhance the reliability of the information in the reports. The reports are advised to include:

1. The policy, system, or relevant management guidelines and concrete promotion plans for implementing Sustainable Development initiatives.
2. Major stakeholders and their concerns.
3. Results and a review of the exercising of corporate governance, fostering of a sustainable environment, preservation of public welfare and promotion of

economic development.

4. Future improvements and goals.

Chapter 6 Supplementary Provisions

Article 30 The Company shall at all times monitor the development of domestic and foreign Sustainable Development standards and the change of business environment so as to examine and improve its established Sustainable Development framework and to obtain better results from the implementation of the Sustainable Development policy.

Article 31 The principles shall be implemented after the board of directors grants the approval. The same procedure shall be followed when the principles have been amended.

These principles were formulated on August 11, 2015. They were first amended on March 15, 2018 and second amended on March 12, 2020, third amended on April 25, 2022.