Taiwan Corporate Governance Association
Board Performance Evaluation Report

Company Evaluated: Ta Ya Electric Wire & Cable Co., Ltd.

Report Date: March 24, 2026

I. Introduction

The Taiwan Corporate Governance Association (the "Association") is a professional and independent institution providing corporate governance system assessments, evaluations, and board performance evaluations.

Since 2005, the Association has developed and introduced corporate governance system assessment and evaluation services with reference to the OECD Principles of Corporate Governance, while taking into account Taiwan's corporate governance ecosystem, including its legal and regulatory environment as well as social and industry characteristics. In 2016, the Association became a pioneer in the market by introducing third-party board performance evaluation services. To date, it has provided services to more than 600 public utilities, listed and over-the-counter companies, public companies, and private companies.

In addition to annual self-assessments of board performance, periodic external evaluations of board performance can assist boards in reviewing their effectiveness and identifying opportunities for further improvement. Such evaluations also enable companies to demonstrate to stakeholders their commitment to accountability, high ethical standards, and continual improvement.

The Association's board performance evaluation service is conducted by an independent and professional external team. Taking into account the development stage and circumstances of each company, the evaluation includes a documentary review of board operations and on-site interactions with board members. The process assists companies in periodically examining the effectiveness of their boards and jointly identifying opportunities for improvement that reflect the company's culture and characteristics while supporting its development objectives at the relevant stage.

The Association defines the current scope of its Board Performance Evaluation Service as comprising the following five dimensions:

I. Board Composition and Division of Responsibilities.

II. Board Direction and Oversight.

III. Board Delegation and Risk Management.

IV. Board Communication and Collaboration.

V. Board Self-Discipline and Continuous Improvement.

II. Company Overview and Governance Characteristics

The Company's predecessor, Ta Ya Industrial Co., was established in 1955. In 1967, it was renamed Ta Ya Electric Wire & Cable Co., Ltd., engaging in the manufacture of high-voltage rubber-insulated wires and cables and enameled wire. The Company's shares were listed on the Taiwan Stock Exchange on December 12, 1988.

The Company most recently re-elected its Board of Directors on May 31, 2024. The Board consists of nine directors, including four independent directors and two female directors. Board members possess knowledge and experience in electrical engineering, business administration, energy, investment, biomedical sciences, law, and other fields, providing the decision-making and oversight capabilities required for the Company's operations.

With a focus on value creation, the Chairperson has invited independent directors to participate in the formation and operation of the Board and, through Board agenda discussions, expects independent directors to exercise oversight over the management team's formulation and execution of strategies.

The Company's independent directors actively perform their functions and participate in discussions regarding strategy, risk, and other matters. Communication among the independent directors, other Board members, management, and employees is effective. In addition to using Team+, a communication platform with strong confidentiality features, as a direct communication channel, pre-meetings are arranged before each Board meeting to enhance directors' understanding of material Company matters. Directors also gain insight into employee views through participation in public-interest activities.

The Company has clearly defined medium- and long-term development strategies covering energy transmission, generation, and storage management. These strategic directions are incorporated into Board operations and reflected in the Company's purpose, mission, vision, and sustainable development objectives, and also influence the appointment of Board members.

The Company designs and establishes functional committees based on its own governance needs. Risk management functions have been incorporated into the Audit Committee, forming the Audit and Risk Committee. The Company has also proactively established a Sustainable Development Committee, Intellectual Property Committee, Ethical Corporate Management Committee, and Information Security Committee to support Board operations and corporate development.

On March 15, 2018, the Board approved the establishment of the Corporate Social Responsibility Committee. On April 25, 2022, the Board approved its renaming as the

Sustainable Development Committee. The Committee consists of four members, including three independent directors. Its responsibilities include:

I. Reviewing and determining sustainable development policies, strategic plans, annual plans, and project plans.

II. Overseeing the implementation of sustainable development strategies, annual plans, and project plans and evaluating implementation results.

III. Reviewing and approving the Sustainability Report.

IV. Reporting annual sustainable development performance to the Board of Directors.

During the evaluation period, the Company convened:

I. 7 Board meetings;

II. 6 Audit and Risk Committee meetings;

III. 4 Remuneration Committee meetings;

IV. 3 Sustainable Development Committee meetings;

V. 1 Ethical Corporate Management Committee meeting;

VI. 1 Intellectual Property Committee meeting; and

VII. 1 Information Security Committee meeting.

The Company has established comprehensive training and succession planning arrangements, including a learning passport program and job rotation system, providing a solid foundation for succession and workforce planning.

Each year, based on business strategies, management directions, and forward-looking development needs, the Company develops comprehensive career development and education and training plans for managers and employees at all levels, demonstrating its emphasis on talent attraction and retention.

On March 21, 2019, the Board approved the appointment of a Corporate Governance Officer, a role currently held concurrently by the Associate Vice President of Finance. The primary responsibilities include:

I. Handling matters relating to Board and shareholders' meetings in accordance with applicable laws and regulations.

II. Preparing minutes of Board and shareholders' meetings.

III. Assisting directors with onboarding and continuing education.

IV. Providing directors with information required to perform their duties.

V. Assisting directors in complying with applicable laws and regulations.

VI. Handling other matters stipulated by the Articles of Incorporation or applicable laws and regulations.

The Company provides comprehensive disclosure of corporate governance information. Various procedures, policies, and descriptions of implementation status are disclosed individually on the Company's website. The annual report also describes the operations of each functional committee, Board performance evaluation results, and the content of external evaluations.

To enhance Board effectiveness and implement sound corporate governance, the Company has established the Board Performance Evaluation Rules. An internal Board performance evaluation is conducted at least annually and is carried out at the end of each year. An external evaluation is conducted at least once every three years by an independent external professional institution or a team of external experts and scholars.

For the most recent internal evaluation, the Company submitted the evaluation results, recommendations for areas requiring enhancement, and corresponding improvement measures to the Board of Directors on March 6, 2025.

Since the sixth Corporate Governance Evaluation, the Company's evaluation results have generally remained within the top 6%–20% range. As part of its ongoing efforts to improve governance practices, the Company again commissioned the Association to conduct a Board performance evaluation this year, reflecting the Company's continued focus on enhancing Board effectiveness.

III. Evaluation Recommendations

1. Link Senior Executive Remuneration to ESG Performance Evaluation

The Company places importance on sustainable development and has adopted the vision of "Driving a Better Environment and a Beautiful Home." It has also established a Sustainable Development Committee at the Board level, responsible for strategy formulation, implementation oversight, and related matters.

When establishing KPIs and incentive programs for senior executives, the Company is advised to incorporate indicators relating to the promotion and implementation of ESG initiatives in order to facilitate the achievement of relevant objectives and plans.

2. Plan for Independent Director Succession at an Appropriate Time

The Company's independent directors diligently perform their responsibilities and maintain effective communication with the Company, demonstrating the value of the independent director system.

Given that certain independent directors have already served three consecutive terms, and with reference to the market requirement effective from 2027 that all independent directors shall not serve more than three consecutive terms, the Company is advised to begin considering the future composition and succession of its independent directors at an early stage in order to maintain Board stability.

3. Standardize the Reporting Mechanism for Material Unexpected Events

Currently, material unexpected events, such as information security incidents, are communicated to Board members through instant messaging applications.

To enhance the clarity of this practice and support consistent implementation over time, the Company is encouraged to establish explicit reporting requirements for material unexpected events, including the types of information to be reported, reporting timelines, reporting methods, and reporting levels, thereby ensuring that all Board members are able to obtain timely information regarding material developments affecting the Company.

IV. Appendix

(I) Key Considerations for the Five Evaluation Dimensions

1. Board Composition and Division of Responsibilities

The Board oversees corporate operations through collective deliberation. Accordingly, the composition of the Board should meet the Company's operational and development needs, and the processes for selecting, nominating, and electing Board members should be formal and rigorous.

To facilitate diverse perspectives and enhance the quality of Board discussions, the Board should, to the extent practicable, comprise an appropriate mix of backgrounds and competencies to maximize its collective effectiveness.

The Board should periodically review the composition, division of responsibilities, and operating performance of the Board and its functional committees, continuously seek improvement, and adapt to changing circumstances. This helps ensure a diverse, open leadership and deliberative culture.

Companies pursuing sustainable development should also proactively plan for Board succession and development.

2. Board Direction and Oversight

As the center of corporate decision-making, the Board should consider the external business environment and assess the Company's strengths and resources when establishing and adjusting its vision, objectives, and strategies. The Board should also effectively oversee management's execution of strategies to ensure the achievement of corporate objectives.

In guiding the Company toward the achievement of its vision and objectives, the Board should provide direction on major strategies and action plans, evaluate and oversee the performance of key executives, and exercise effective leadership.

In addition, overseeing legal and regulatory compliance in Company operations, supervising the development and succession of senior executives, and overseeing the implementation of the Company's ESG vision are important responsibilities through which the Board supports sound operations and reduces corporate risks.

3. Board Delegation and Risk Management

In performing its key functions, the Board should ensure that, within the Company's risk management framework, adequate resources are available to address material risks, such as digital security risks, tax management and tax compliance risks, supply chain risks, environmental compliance risks, and geopolitical risks, thereby strengthening corporate resilience and sustainability.

The Board should identify material risks, define risk tolerance, oversee the Company's risk management mechanisms, and establish sound internal control systems to provide reasonable assurance regarding operational outcomes.

Based on the Company's objectives, strategies, and organizational structure, the Board should determine which material operating matters—including, but not limited to, financial, business, and human resources matters—should remain subject to Board approval and which matters may be delegated to the Chairperson and key executives. Such allocation of authority should be periodically reviewed to ensure its completeness and appropriateness.

The Board should also appoint independent internal audit personnel, engage external professional accountants, and establish appropriate functional committees to assist the Board in obtaining reasonable assurance that the Company operates in accordance with established policies, systems, objectives, and strategies.

Through the Remuneration Committee, the Board also oversees senior executive performance evaluations and the design of remuneration systems to provide appropriate incentives to senior management.

4. Board Communication and Collaboration

Effective communication is a core competency of the Board in modern corporate leadership and management.

The Board's ability to provide direction and oversight, as well as the effective implementation of delegation and division of responsibilities, depends on a sound foundation and mechanisms for communication.

The Board's communication counterparts include its own members, management, shareholders, and other stakeholders. The Board should also pay attention to the subjects of communication, communication and feedback mechanisms, and the culture of Board deliberations.

A professional and sound Board support system can enhance Board effectiveness. Key elements include clearly defined and periodically reviewed responsibilities of corporate governance personnel, agenda and meeting planning, timely provision of information, meeting minutes and post-meeting follow-up, orientation for newly appointed directors, and continuing education for directors.

5. Board Self-Discipline and Continuous Improvement

The Board guides the Company's business direction, and its actions have a significant impact on the Company's success and long-term development. It is therefore important for the Board to maintain a high degree of self-discipline, lead by example, and perform its responsibilities in accordance with high ethical standards.

Such ethical standards help strengthen stakeholder trust in the Company and support the development of a corporate culture founded on integrity.

The Board should periodically evaluate and thoroughly review the effectiveness of its functions and operating performance.

Directors should pursue continuing education to strengthen their understanding of the Company's industry, management team, and Board responsibilities. Directors should also continually develop their listening skills and their understanding of group decision-making and conflict resolution, together with other relevant interpersonal competencies, to enhance their positive contribution to the Company.

(II) Evaluation Period

January 1, 2025 to December 31, 2025

(III) Statement of Independence

The evaluation committee members and responsible personnel of the Taiwan Corporate Governance Association who conducted the Board performance evaluation of Ta Ya Electric Wire & Cable Co., Ltd. performed their duties in a fair, objective, and ethical manner and were free from any circumstances that could impair their independence.

All such personnel have signed confidentiality statements as well as declarations of independence and integrity.