

Stock Code : 6279

Hu Lane Associate Inc.

Annual Report

2024



Bound for Excellence

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- V. Name of the exchanges where the Company's overseas securities are traded: None
Method of inquiring about the overseas securities information: None
- VI. Company website: <http://www.hulane.com>

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One. Statement to Shareholders

Dear Shareholders,

Hu Lane is about to enter its 49th year of operation. With the continued support of our shareholders, the Company remains firmly rooted in its core values of integrity, unity, sustainability, agility, innovation, and excellence. Guided by our commitment to mutual prosperity with all stakeholders, we are moving forward with a strategic vision: to stand on equal footing with world-class automakers, participate in innovative connection system solutions, and pursue revenue growth and cost efficiency. We are focused on developing green, intelligent control system products and services for new energy vehicles, delivering comprehensive vehicle connectivity solutions, and continually enhancing our technological capabilities. Our goal is to become a high-performance enterprise that embodies our six core values and serves as the preferred partner for customers seeking operational excellence.

In 2024, with China's auto market growing by 5.8%—a key driver of global new car demand—and with the U.S. and European markets recovering, the global automotive industry recorded an overall growth of approximately 2.1%. In this environment, Hu Lane maintained stable profitability. In 2024, the Company's consolidated revenue was NT\$8,800,219 thousand with an increase of 20.00% compared to 2023. In terms of profitability, the consolidated net revenue was NT\$1,774,493 thousand in 2024, with the consolidated earnings per share of NT\$12.79, which was a decrease of 47.31% and 41.80% respectively from the previous year.

In 2024, as Hu Lane's products continued to move toward intelligentization, our R&D team actively pursued innovation and technical improvement, resulting in the acquisition of 21 new patent certificates. To date, the Company has accumulated a total of 235 domestic and international patents. In 2024, we completed the development of various commonly used connectors for traditional cars and motorcycles, and also advanced the development of electronic control systems applied in electric vehicles, smart cars, and automotive electronics. These include high-speed, high-frequency connectors, high-voltage connectors, PCB fuse boxes, and a fully dedicated smart power distribution system, all forming part of a structured product platform.

Looking ahead, governments around the world are accelerating the development of the electric vehicle industry through policies such as supporting EV supply chains and encouraging investment in EV infrastructure. Global automobile sales are expected to continue growing in 2025. According to the latest TrendForce estimates, global new car sales will reach 90.6 million units, with a year-over-year growth rate of 2.4%, led by China with a projected growth of 29%. In addition, DIGITIMES estimates that global new energy vehicle sales will reach 20.47 million units, with a year-over-year growth rate of 18.8%. China is expected to continue dominating the global EV market with projected sales of 14.25 million units and a market penetration rate of up to 54.6%. The Hu Lane management team is confident in its ability to continue launching high-quality, innovative, and competitive products. We will continue investing in innovative brand development to enhance customer recognition and brand visibility, thereby expanding our global operational scale and market penetration.

Looking to the future, Hu Lane Group will continue its sustainability efforts in the area of greenhouse gas emissions. In 2025, the Group aims for green energy to account for 10% of total energy use and will begin conducting climate risk and opportunity identification using the TCFD risk matrix approach to address future risks and opportunities. At the same time, the Group will work with suppliers to establish a supplier sustainability assessment and management platform, moving together toward green energy savings and carbon reduction. These actions aim to fulfill the Group's goals of sustainable responsible procurement and green product innovation. Hu Lane Group is committed to implementing key sustainability actions under the themes of "sustainable responsible procurement," "green product innovation," "circular economy," "low-carbon manufacturing transformation," "realizing employee potential," and "a fulfilling workplace." These actions will be continually reviewed and advanced by the Sustainability Development Committee.

We will insist on continuous innovation and breakthroughs to become a world class leading brand. This is the long-term goal of Hu Lane's sequential development. We thank our team for their tireless efforts, and we express our sincere gratitude to all shareholders for their trust and support of the Hu Lane team. Looking ahead, Hu Lane and its team will continue to face uncertain risks, such as industry mergers and acquisitions and regionally protective tariff policies. With the support of our shareholders, we will face these challenges with our six core values and corporate resilience.

Best wishes to all shareholders, ladies and gentlemen

Good health and all the best

Chairman: Chang Tzu-Hsiung



Two. Corporate Governance Report

I. Directors, President, Vice Presidents, Assistant Vice-Presidents and Heads of Departments and Branches

(I) Information of Directors

As of April 28, 2025

Job title	Nationality or place of registration	Name	Gender and age	Election (inauguration) date	Term of office	Date of initial election	Shares Held at the Time of Election		Current holdings		Shares currently held by spouses and minors		Shares held in someone else's name		Major (academic) experience	Positions held concurrently in the Company and other companies	Other supervisors, directors, or supervisors that are a spouse or within the second degree of kinship			Remarks
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Job title	Name	Relationship	
Chairman	Republic of China	Chang Tzu-Hsiung	Male 71— Age 80	June 19, 2023	3 years	May 28, 1977	4,001,173	4.01%	4,104,382	3.62%	1,288,135	1.14%	0	0.00%	Academic background Kai Ming Senior Technical and Commercial Vocational School Experience Hu Lane Electronics (Vietnam) - Chairman Hu Lane Electronics (Nanjing) - Executive Director Dongguan Hu Lane Electronic Technology Co., Ltd. - Director Dongguan Hu Lane Puguang Trading Co., Ltd. - Executive Director Chang Yi Investment Co., Ltd. - Director Investment DirectForexLLC - Director CUB ELECPARTS INC. - Director JUNDA ENTERTAINMENT CO., LTD. - Director	Hu Lane Electronics (Vietnam) Hu Lane Electronics (Nanjing) Dongguan Hu Lane Electronic Technology Co., Ltd. - Director Dongguan Hu Lane Puguang Trading Co., Ltd. - Executive Director Chang Yi Investment Co., Ltd. - Director Investment DirectForexLLC - Director CUB ELECPARTS INC. - Director JUNDA ENTERTAINMENT CO., LTD. - Director	CEO concurrently serving as Head of the Global R&D Center Director PT. HULANE TECH MANUFAC TURING Chairman (and President)	Chang Tzu-Chieh Chang Ping-Chun	Brother Father and son	None
Director	Republic of China	Hu Sheng-Ching	Male 71— Age 80	June 19, 2023	3 years	May 28, 1977	5,775,315	5.79%	5,919,697	5.22%	2,154,937	1.90%	0	0.00%	Academic background Jiaoxi Junior High School Experience Hu Lane Associate Inc. - President Dongguan Hu Lane Electronic Technology Co., Ltd. - Chairman FORTUNE MASTER DEVELOPMENT LIMITED - Director	Hu Lane Associate Inc. - President Dongguan Hu Lane Electronic Technology Co., Ltd. - Chairman FORTUNE MASTER DEVELOPMENT LIMITED - Director	Director	Hu Shao-Ju	Father and daughter	None

Job title	Nationality or place of registration	Name	Gender and age	Election (inauguration) date	Term of office	Date of initial election	Shares Held at the Time of Election		Current holdings		Shares currently held by spouses and minors		Shares held in someone else's name		Major (academic) experience	Positions held concurrently in the Company and other companies	Other supervisors, directors, or supervisors that are a spouse or within the second degree of kinship			Remarks
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Job title	Name	Relationship	
Director	Republic of China	Chang Ping-Chun	Male 41—Age 50	June 19, 2023	3 years	June 18, 2014	1,936,163	1.94%	1,984,567	1.75%	336,199	0.30%	0	0.00%	Academic background Institute of Industrial Engineering Georgia Institute of Technology Experience Engineer of HannStar Board Hu Lane Associate Inc. - Deputy Manager of QC Division - Deputy Manager of Production Dept., Taipei Production and Business Division - Deputy Manager of R&D Center PT. HULANE TECH MANUFACTURING-Chairman (and President), Asia Pacific Sales Assistant Vice President Shanghe Industrial Co., Ltd. - Director	PT. HULANE TECH MANUFACTURING -Chairman (and President) Hu Lane Associate Inc. -Executive Vice President of Global Manufacturing Business Group	Chairman	Chang Tzu-Hsiung	Father and son	None
Director	Republic of China	Hu Shao-Ju	Female 41—Age 50	June 19, 2023	3 years	June 18, 2014	2,439,251	2.44%	2,500,232	2.21%	0	0.00%	0	0.00%	Academic background Department of Banking and Finance Chinese Culture University Experience Shanghe Industrial Co., Ltd. - Director Jiaying Shang Ho Industry Co., Ltd. - Director Yintong Investment Co., Ltd. - Supervisor Fuyin Investment Co., Ltd. - Supervisor	JIAXING SHANG HO ELECTRICS TECHNOLOGY CO., LTD - Director Yintong Investment Co., Ltd. - Supervisor Fuyin Investment Co., Ltd. - Supervisor	Director President	Hu Sheng-Ching	Father and daughter	None
Director	Republic of China	Liu Chun-Hsiang	Female 71—Age 80	June 19, 2023	3 years	May 28, 1977	4,106,005	4.12%	4,160,655	3.67%	0	0.00%	0	0.00%	Academic background Feng Yuan Commercial High School Experience Armani Apparel Co., Ltd. - Principal	None	None	None	None	None
Director	Republic of China	Lin Yuan-Li	Male 71—Age 80	June 19, 2023	3 years	June 13, 2008	0	0.00%	0	0.00%	8,405	0.01%	0	0.00%	Academic background Taichung Municipal Wufeng Agricultural and Industrial High School Experience MEC IMEX INC. - Supervisor	Qiao Lin Industrial Co., Ltd. - Sales Manager	None	None	None	None

Job title	Nationality or place of registration	Name	Gender and age	Election (inauguration) date	Term of office	Date of initial election	Shares Held at the Time of Election		Current holdings		Shares currently held by spouses and minors		Shares held in someone else's name		Major (academic) experience	Positions held concurrently in the Company and other companies	Other supervisors, directors, or supervisors that are a spouse or within the second degree of kinship			Remarks
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Job title	Name	Relationship	
Independent Director	Republic of China	Chang Shyueh-Chih	Male 61 - Age 70	June 19, 2023	3 years	June 19, 2020	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Academic background Department of Accounting, Soochow University Experience Assistant Manager, Finance, China Development Financial Holding Corporation The 13th Chairman of the Kaohsiung Institute of Certified Public Accountants National Federation of Certified Public Accountants of The Republic of China -Vice President	National Federation of Certified Public Accountants of The Republic of China - Supervisor Merger of Moores Rowland CPAs - Accountant	None	None	None	None
Independent Director	Republic of China	Lin, Chan-Lieh	Male Aged 61-70	June 19, 2023	3 years	2014.06.18	10,125	0.01%	10,378	0.01%	0	0.00%	0	0.00%	Academic background National Tainan Institute of Technology Experience APAQ TECHNOLOGY CO., LTD. - Supervisor Wanshih Electronics Co., Ltd. - Director Taisol Electronics Co., Ltd. - Chief Operating Officer Taisol (Japan, Suzhou, Siyang) - Director - Legal representative	Taisol Electronics Co., Ltd. - Director MEC IMEX INC. -Consultant	None	None	None	None
Independent Director	Republic of China	Tai Chia-Wei	Male Aged 61-70	June 19, 2023	3 years	June 19, 2023	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Academic background Fu Jen Catholic University, Department of Business Administration Experience Investment Banking Division, SinoPac Securities Co., Ltd. Vice President SinoPac Securities Co., Ltd. - Vice President SinoPac Venture Capital Corp. - Director Tomoji Venture Capital Corp. - Director TAIHAN PRECISION TECHNOLOGY CO., LTD. - Director Everlit Biomedical Co., Ltd. - Director	SIS Technology Co., Ltd. - Independent Director	None	None	None	None

Note: 1. The shareholding ratio is calculated with the 113,348,320 outstanding shares as of April 28, 2025.

Disclosure of professional qualifications and independence of independent directors:

Condition Name of Director	Professional qualifications and experience (Note 1)	Independence (Note 2)	Number of other companies serving as Independent Directors
Chairman Chang Tzu-Hsiung	Possess at least 5 years of working experience required for the Company's business operations. Currently, he is the Chairman of the Company. Does not meet any of the conditions specified in Article 30 of the Company Act.	(1) Directors, supervisors, or employees of other companies not holding more than half of the company's directors and voting shares are controlled by the same person. However, this does not apply to the fact that the independent directors of the company or its parent company, subsidiaries or subsidiaries belonging to the same parent company are established in accordance with this Act or the laws of the local country to serve concurrently with each other. (2) Not a professional, sole-proprietorship, partnership, company, or institution owner, partners, directors, supervisors, managers and their spouses that provide audits or commercial, legal, financial, or accounting-related services for the Company or any of its affiliated companies for less than NT\$500,000 in remuneration in the last two years. The members of the Remuneration Committee, Public Acquisition Review Committee, or M&A Special Committee who perform their functions and powers in accordance with the Securities and Exchange Act or the Business Mergers and Acquisitions Act are not subject to this restriction. (3) Not elected according to Article 27 of the Company Act is a government, institution, or its representative.	0
Director Hu Sheng-Ching	Possess at least 5 years of working experience required for the Company's business operations. He currently serves as the Company's Director and President. Does not meet any of the conditions specified in Article 30 of the Company Act.	(1) Directors, supervisors, or employees of other companies not holding more than half of the company's directors and voting shares are controlled by the same person. However, this does not apply to the fact that the independent directors of the company or its parent company, subsidiaries or subsidiaries belonging to the same parent company are established in accordance with this Act or the laws of the local country to serve concurrently with each other. (2) Not a professional, sole-proprietorship, partnership, company, or institution owner, partners, directors, supervisors, managers and their spouses that provide audits or commercial, legal, financial, or accounting-related services for the Company or any of its affiliated companies for less than NT\$500,000 in remuneration in the last two years. The members of the Remuneration Committee, Public Acquisition Review Committee, or M&A Special Committee who perform their functions and powers in accordance with the Securities and Exchange Act or the Business Mergers and Acquisitions Act are not subject to this restriction. (3) Not elected according to Article 27 of the Company Act is a government, institution, or its representative.	0
Director Chang Ping-Chun	Possess at least 5 years of working experience required for the Company's business operations. Currently, he is the Executive Vice President of the Company. Does not meet any of the conditions specified in Article 30 of the Company Act.	(1) The director, supervisor, or employee of a corporate shareholder who does not directly hold more than 5% of the total issued shares of the company, or who is one of the top five holders of shares, or who has appointed a representative as a director or supervisor of the company in accordance with Article 27-1 or 2 of the Company Act. However, this does not apply to the fact that the independent directors of the company or its parent company, subsidiaries or subsidiaries belonging to the same parent company are established in accordance with this Act or the laws of the local country to serve concurrently with each other. (2) Directors, supervisors, or employees of other companies not holding more than half of the company's directors and voting shares are controlled by the same person. However, this does not apply to the fact that the independent directors of the company or its parent company, subsidiaries or subsidiaries belonging to the same parent company are established in accordance with this Act or the laws of the local country to serve concurrently with each other. (3) Not a director, supervisor, or employee of any other company or institution where the chairman, general manager, or person holding an equivalent position of the company is the same person or spouse. However, this does not apply to the fact that the independent directors of the company or its parent company, subsidiaries or subsidiaries belonging to the same parent company are established in accordance with this Act or the laws of the local country to serve concurrently with each other. (4) Not a professional, sole-proprietorship, partnership, company, or institution owner, partners, directors, supervisors, managers and their spouses that provide audits or commercial, legal, financial, or accounting-related services for the Company or any of its affiliated companies for less than NT\$500,000 in remuneration in the last two years. The members of the Remuneration Committee, Public Acquisition Review Committee, or M&A Special Committee who perform their functions and powers in accordance with the Securities and Exchange Act or the Business Mergers and Acquisitions Act are not subject to this restriction. (5) Not elected according to Article 27 of the Company Act is a government, institution, or its representative.	0

Director Hu Shao-Ju	Possess at least 5 years of working experience required for the Company's business operations. He currently serves as the director of the Company. Does not meet any of the conditions specified in Article 30 of the Company Act.	(1) Not an employee of the Company or any of its affiliated companies. (2) Not a director or supervisor of the Company or any of its affiliated companies. However, this does not apply to the fact that the independent directors of the company or its parent company, subsidiaries or subsidiaries belonging to the same parent company are established in accordance with this Act or the laws of the local country to serve concurrently with each other. (3) Directors, supervisors, or employees of other companies not holding more than half of the company's directors and voting shares are controlled by the same person. However, this does not apply to the fact that the independent directors of the company or its parent company, subsidiaries or subsidiaries belonging to the same parent company are established in accordance with this Act or the laws of the local country to serve concurrently with each other. (4) Not a director, supervisor, or employee of any other company or institution where the chairman, general manager, or person holding an equivalent position of the company is the same person or spouse. However, this does not apply to the fact that the independent directors of the company or its parent company, subsidiaries or subsidiaries belonging to the same parent company are established in accordance with this Act or the laws of the local country to serve concurrently with each other. (5) Not a director, supervisor, manager, or shareholder holding more than 5% of the shares of any company or institution that has a financial or business relationship with the Company (except for independent directors appointed in accordance with the Act or the laws and regulations of the local country by the Company and its parent company, subsidiaries, or subsidiaries of the same parent company, unless the above circumstances do not exceed 50% but are more than 20%). (6) Not a professional, sole-proprietorship, partnership, company, or institution owner, partners, directors, supervisors, managers and their spouses that provide audits or commercial, legal, financial, or accounting-related services for the Company or any of its affiliated companies for less than NT\$500,000 in remuneration in the last two years. The members of the Remuneration Committee, Public Acquisition Review Committee, or M&A Special Committee who perform their functions and powers in accordance with the Securities and Exchange Act or the Business Mergers and Acquisitions Act are not subject to this restriction. (7) Not elected according to Article 27 of the Company Act is a government, institution, or its representative.	0
Director Liu Chun-Hsiang	Possess at least 5 years of working experience required for the Company's business operations. He currently serves as the director of the Company. Does not meet any of the conditions specified in Article 30 of the Company Act.	(1) Not an employee of the Company or any of its affiliated companies. (2) Not a director or supervisor of the Company or any of its affiliated companies (except in the case of independent directors established by the Company and its parent company, subsidiary company, or subsidiaries of the same parent company in accordance with the Act or the laws and regulations of the local country to hold concurrent positions with each other.) (3) Not one of the managers listed in (1) or the natural person shareholder of (2) who holds 1% or more of the Company's total outstanding shares in the name of his/her spouse, underage children, or in another person's name or is one of the top 10 shareholders by shareholding. The spouse, relatives within the second degree of kinship, or lineal relatives within the third degree of kinship. (4) Not a director, supervisor, or employee of any other company or institution where the chairman, general manager, or person holding an equivalent position of the company is the same person or spouse (However, this does not apply to the fact that the independent directors of the company or its parent company, subsidiaries or subsidiaries belonging to the same parent company are established in accordance with this Act or the laws of the local country to serve concurrently with each other) (5) Not a director, supervisor, manager, or shareholder holding more than 5% of the shares of any company or institution that has a financial or business relationship with the Company (except for independent directors appointed in accordance with the Act or the laws and regulations of the local country by the Company and its parent company, subsidiaries, or subsidiaries of the same parent company, unless the above circumstances do not exceed 50% but are more than 20%). (6) Not a professional, sole-proprietorship, partnership, company, or institution owner, partners, directors, supervisors, managers and their spouses that provide audits or commercial, legal, financial, or accounting-related services for the Company or any of its affiliated companies for less than NT\$500,000 in remuneration in the last two years. The members of the Remuneration Committee, Public Acquisition Review Committee, or M&A Special Committee who perform their functions and powers in accordance with the Securities and Exchange Act or the Business Mergers and Acquisitions Act are not subject to this restriction. (7) Not elected according to Article 27 of the Company Act is a government, institution, or its representative.	0

Director Lin Yuan-Li	Possess at least 5 years of working experience required for the Company's business operations. He currently serves as the director of the Company. Does not meet any of the conditions specified in Article 30 of the Company Act.	(1) Not an employee of the Company or any of its affiliated companies. (2) Not a director or supervisor of the Company or any of its affiliated companies. However, this does not apply to the fact that the independent directors of the company or its parent company, subsidiaries or subsidiaries belonging to the same parent company are established in accordance with this Act or the laws of the local country to serve concurrently with each other. (3) Not a natural-person shareholder who holds 1% or more of the Company's total outstanding shares in the name of his/her spouse, underage children, or in another person's name or is one of the top 10 shareholders by shareholding. (4) Not the spouse, relative of the second degree of kinship, or direct relative of the third degree of kinship within the scope of (1) or any of the personnel (2) or (3). (5) The director, supervisor, or employee of a corporate shareholder who does not directly hold more than 5% of the total issued shares of the company, or who is one of the top five holders of shares, or who has appointed a representative as a director or supervisor of the company in accordance with Article 27-1 or 2 of the Company Act. However, this does not apply to the fact that the independent directors of the company or its parent company, subsidiaries or subsidiaries belonging to the same parent company are established in accordance with this Act or the laws of the local country to serve concurrently with each other. (6) Directors, supervisors, or employees of other companies not holding more than half of the company's directors and voting shares are controlled by the same person. However, this does not apply to the fact that the independent directors of the company or its parent company, subsidiaries or subsidiaries belonging to the same parent company are established in accordance with this Act or the laws of the local country to serve concurrently with each other. (7) Not a director, supervisor, or employee of any other company or institution where the chairman, general manager, or person holding an equivalent position of the company is the same person or spouse. However, this does not apply to the fact that the independent directors of the company or its parent company, subsidiaries or subsidiaries belonging to the same parent company are established in accordance with this Act or the laws of the local country to serve concurrently with each other. (8) Not a director, supervisor, manager, or shareholder holding more than 5% of the shares of any company or institution that has a financial or business relationship with the Company (except for independent directors appointed in accordance with the Act or the laws and regulations of the local country by the Company and its parent company, subsidiaries, or subsidiaries of the same parent company, unless the above circumstances do not exceed 50% but are more than 20%). (9) Not a professional, sole-proprietorship, partnership, company, or institution owner, partners, directors, supervisors, managers and their spouses that provide audits or commercial, legal, financial, or accounting-related services for the Company or any of its affiliated companies for less than NT\$500,000 in remuneration in the last two years. The members of the Remuneration Committee, Public Acquisition Review Committee, or M&A Special Committee who perform their functions and powers in accordance with the Securities and Exchange Act or the Business Mergers and Acquisitions Act are not subject to this restriction. (10) Not a spouse or relative within the second degree of kinship to any other director. (11) Not elected according to Article 27 of the Company Act is a government, institution, or its representative.	0
Independent Director Chang Shyueh-Chih	Possess at least 5 years of working experience required for the Company's business operations. Has passed the examinations required by the state for CPAs or other duties required by the Company's business activities. He currently serves as the director of the Company. Does not meet any of the conditions specified in Article 30 of the Company Act.	(1) Not an employee of the Company or any of its affiliated companies. (2) Not a director or supervisor of the Company or any of its affiliated companies. However, this does not apply to the fact that the independent directors of the company or its parent company, subsidiaries or subsidiaries belonging to the same parent company are established in accordance with this Act or the laws of the local country to serve concurrently with each other. (3) Not a natural-person shareholder who holds 1% or more of the Company's total outstanding shares in the name of his/her spouse, underage children, or in another person's name or is one of the top 10 shareholders by shareholding. (4) Not the spouse, relative of the second degree of kinship, or direct relative of the third degree of kinship within the scope of (1) or any of the personnel (2) or (3). (5) The director, supervisor, or employee of a corporate shareholder who does not directly hold more than 5% of the total issued shares of the company, or who is one of the top five holders of shares, or who has appointed a representative as a director or supervisor of the company in accordance with Article 27-1 or 2 of the Company Act. However, this does not apply to the fact that the independent directors of the company or its parent company, subsidiaries or subsidiaries belonging to the same parent company are established in accordance with this Act or the laws of the local country to serve concurrently with each other. (6) Directors, supervisors, or employees of other companies not holding more than half of the company's directors and voting shares are controlled by the same person. However, this does not apply to the fact that the independent directors of the company or its parent company, subsidiaries or subsidiaries belonging to the same parent company are established in accordance with this Act or the laws of the local country to serve concurrently with each other. (7) Not a director, supervisor, or employee of any other company or institution where the chairman, general manager, or person holding an equivalent position of the company is the same person or spouse. However, this does not apply to the fact that the independent directors of the company or its parent company, subsidiaries or subsidiaries belonging to the same parent company are established in accordance with this Act or the laws of the local country to serve concurrently with each other. (8) Not a director, supervisor, manager, or shareholder holding more than 5% of the shares of any company or institution that has a financial or business relationship with the Company (except for independent directors appointed in accordance with the Act or the laws and regulations of the local country by the Company and its parent company, subsidiaries, or subsidiaries of the same parent company, unless the above circumstances do not exceed 50% but are more than 20%). (9) Not a professional, sole-proprietorship, partnership, company, or institution owner, partners, directors, supervisors, managers and their spouses that provide audits or commercial, legal, financial, or accounting-related services for the Company or any of its affiliated companies for less than NT\$500,000 in remuneration in the last two years. The members of the Remuneration Committee, Public Acquisition Review Committee, or M&A Special Committee who perform their functions and powers in accordance with the Securities and Exchange Act or the Business Mergers and Acquisitions Act are not subject to this restriction. (10) Not a spouse or relative within the second degree of kinship to any other director. (11) Not elected according to Article 27 of the Company Act is a government, institution, or its representative.	0

Independent Director Lin, Chan-Lieh	Possess at least 5 years of working experience required for the Company's business operations. He currently serves as the director of the Company. Does not meet any of the conditions specified in Article 30 of the Company Act.	(1) Not an employee of the Company or any of its affiliated companies. (2) Not a director or supervisor of the Company or any of its affiliated companies (except in the case of independent directors established by the Company and its parent company, subsidiary company, or subsidiaries of the same parent company in accordance with the Act or the laws and regulations of the local country to hold concurrent positions with each other.) (3) Not a natural-person shareholder who holds 1% or more of the Company's total outstanding shares in the name of his/her spouse, underage children, or in another person's name or is one of the top 10 shareholders by shareholding. (4) Not the spouse, relatives within the second degree of kinship, or lineal relatives within the third degree of kinship within any of the manager (1) or the personnel (2) or (3). (5) The director, supervisor, or employee of a corporate shareholder who does not directly hold more than 5% of the total issued shares of the company, or who is one of the top five holders of shares, or who has appointed a representative as a director or supervisor of the company in accordance with Article 27-1 or 2 of the Company Act. However, this does not apply to the fact that the independent directors of the company or its parent company, subsidiaries or subsidiaries belonging to the same parent company are established in accordance with this Act or the laws of the local country to serve concurrently with each other. (6) Directors, supervisors, or employees of other companies not holding more than half of the company's directors and voting shares are controlled by the same person (except for the Company or its parent company, subsidiary, or subsidiary of the same parent and the independent directors established by law or the laws and regulations of the local country concurrently serve concurrently). (7) Not a director, supervisor, or employee of any other company or institution where the chairman, general manager, or person holding an equivalent position of the company is the same person or spouse (However, this does not apply to the fact that the independent directors of the company or its parent company, subsidiaries or subsidiaries belonging to the same parent company are established in accordance with this Act or the laws of the local country to serve concurrently with each other) (8) Not a director, supervisor, manager, or shareholder holding more than 5% of the shares of any company or institution that has a financial or business relationship with the Company (except for independent directors appointed in accordance with the Act or the laws and regulations of the local country by the Company and its parent company, subsidiaries, or subsidiaries of the same parent company, unless the above circumstances do not exceed 50% but are more than 20%). (9) Not a professional, sole-proprietorship, partnership, company, or institution owner, partners, directors, supervisors, managers and their spouses that provide audits or commercial, legal, financial, or accounting-related services for the Company or any of its affiliated companies for less than NT\$500,000 in remuneration in the last two years. The members of the Remuneration Committee, Public Acquisition Review Committee, or M&A Special Committee who perform their functions and powers in accordance with the Securities and Exchange Act or the Business Mergers and Acquisitions Act are not subject to this restriction. (10) Not a spouse or relative within the second degree of kinship to any other director. (11) Not elected according to Article 27 of the Company Act is a government, institution, or its representative.	0
Independent Director Tai Chia-Wei	Possess at least 5 years of working experience required for the Company's business operations. He currently serves as the director of the Company. Does not meet any of the conditions specified in Article 30 of the Company Act.	(1) Not an employee of the Company or any of its affiliated companies. (2) Not a director or supervisor of the Company or any of its affiliated companies. However, this does not apply to the fact that the independent directors of the company or its parent company, subsidiaries or subsidiaries belonging to the same parent company are established in accordance with this Act or the laws of the local country to serve concurrently with each other. (3) Not a natural-person shareholder who holds 1% or more of the Company's total outstanding shares in the name of his/her spouse, underage children, or in another person's name or is one of the top 10 shareholders by shareholding. (4) Not the spouse, relative of the second degree of kinship, or direct relative of the third degree of kinship within the scope of (1) or any of the personnel (2) or (3). (5) The director, supervisor, or employee of a corporate shareholder who does not directly hold more than 5% of the total issued shares of the company, or who is one of the top five holders of shares, or who has appointed a representative as a director or supervisor of the company in accordance with Article 27-1 or 2 of the Company Act. However, this does not apply to the fact that the independent directors of the company or its parent company, subsidiaries or subsidiaries belonging to the same parent company are established in accordance with this Act or the laws of the local country to serve concurrently with each other. (6) Directors, supervisors, or employees of other companies not holding more than half of the company's directors and voting shares are controlled by the same person. However, this does not apply to the fact that the independent directors of the company or its parent company, subsidiaries or subsidiaries belonging to the same parent company are established in accordance with this Act or the laws of the local country to serve concurrently with each other. (7) Not a director, supervisor, or employee of any other company or institution where the chairman, general manager, or person holding an equivalent position of the company is the same person or spouse. However, this does not apply to the fact that the independent directors of the company or its parent company, subsidiaries or subsidiaries belonging to the same parent company are established in accordance with this Act or the laws of the local country to serve concurrently with each other. (8) Not a director, supervisor, manager, or shareholder holding more than 5% of the shares of any company or institution that has a financial or business relationship with the Company (except for independent directors appointed in accordance with the Act or the laws and regulations of the local country by the Company and its parent company, subsidiaries, or subsidiaries of the same parent company, unless the above circumstances do not exceed 50% but are more than 20%). (9) Not a professional, sole-proprietorship, partnership, company, or institution owner, partners, directors, supervisors, managers and their spouses that provide audits or commercial, legal, financial, or accounting-related services for the Company or any of its affiliated companies for less than NT\$500,000 in remuneration in the last two years. The members of the Remuneration Committee, Public Acquisition Review Committee, or M&A Special Committee who perform their functions and powers in accordance with the Securities and Exchange Act or the Business Mergers and Acquisitions Act are not subject to this restriction. (10) Not a spouse or relative within the second degree of kinship to any other director. (11) Not elected according to Article 27 of the Company Act is a government, institution, or its representative.	1

Disclosure of professional qualifications and independence of independent directors:

The Company's Board of Directors currently consists of 9 directors. The specific management goals and accomplishments of the Board diversity policy are as follows:

Management Objectives	Status of Achievement
The number of directors concurrently serving as a managerial officer of the Company shall not exceed one-third of the total number of directors	Achieved
Sufficient and diversified professional knowledge and skills	Achieved

The implementation of the diversity policy of the board of directors is as follows:

Diversification Core	Basic composition						Professional background				Professional knowledge and skills							Number of other public companies in which there is service concurrently as an Independent Director	
	Name of Director	Nationality	Gender	has employee status	Independent directors with years of service under 9 years	Age			Industry	Finance and Accounting	Professional service and marketing	Information security	Operational judgment	Business management ability	Leadership decision-making ability	Risk management and crisis management	Industry knowledge		International market perspective
						Aged 41 -50	Aged 51-60	Aged 61-70											
Republic of China	Chairman Chang Tzu-Hsiung	Male	V				V	V	V	V		V	V	V	V	V	V	V	0
	Director Hu Sheng-Ching	Male	V				V	V	V	V		V	V	V	V	V	V	V	0
	Director Chang Ping-Chun	Male	V		V			V		V		V	V	V	V	V	V	V	0
	Director Hu Shao-Ju	Female			V			V		V		V	V	V	V	V	V	V	0
	Director Liu Chun-Hsiang	Female					V	V		V		V	V	V	V	V	V	V	0
	Director Lin Yuan-Li	Male					V	V	V	V		V	V	V	V	V	V	V	0
	Independent Director Chang Shyueh-Chih	Male		V			V	V	V	V		V	V	V	V	V	V	V	0
	Independent Director Lin, Chan-Lieh	Male					V	V	V	V		V	V	V	V	V	V	V	0
	Independent Director Tai Chia-Wei	Male		V			V	V	V	V		V	V	V	V	V	V	V	1

Diversity and independence of the board of directors:

(1) Diversity of the board of directors:

The Company advocates and respects the policy of diversity of directors to strengthen corporate governance and promote the sound development of the composition and structure of the board of directors. We believe that the policy of diversity will help improve the overall performance of the Company. The members of the board of directors are elected according to the principle of talents, who have diversified and complementary abilities across industries, including basic composition (e.g. age, gender, nationality, etc), industry experience and related skills (e.g., finance, accounting, legal and financial, and public service), as well as business judgment, management, leadership, and crisis management skills.

(2) Independence of the board of directors:

The Company has 22% of the directors who are also employees, 33% of the independent directors, and 22% of the female directors. More than half of the independent directors have a tenure of 9 years or less, and 7 of the directors are over 61-70 years old, and 2 are over 41-50 years old. The company attaches great importance to gender equality in the composition of the board of directors and to accounting and financial professionals. The ratio of female directors maintains a target of more than 20%, and the target of independent directors reaches more than 30%. Two independent directors with professional backgrounds in accounting and finance have been added to the eighth board of directors to provide supervision and professional advice to achieve the goal of diversification. The Company's director does not have the circumstances described in Paragraph 3 and 4 of Article 26-3 of the Securities and Exchange Act.

(II) Profile of Key Managers

Profile of the President, Vice Presidents, Assistant Vice Presidents, and heads of various departments and branches

Information As of April 28, 2025

Job title	Nationality	Name	Gender and age	Election (inauguration) date	Number of shares held (Note 1)		Shares held by spouse and minor children		Shares held in someone else's name		Main experience (academic)	Positions held in other companies	Managers related to a spouse or second degree of kinship			Note
					Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Job title	Name	Relationship	
President	Republic of China	Hu Sheng-Ching	Male Age 71-80	1977.06.06	5,919,697	5.22%	2,154,937	1.90%	0	0.00%	Jiaoxi Junior High School President of Hu Lane Associate Inc.	Chairman of Dongguan Hu Lane Electronic Technology Co., Ltd. Director of FORTUNE MASTER DEVELOPMENT LIMITED	None	None	None	None
CEO	Republic of China	Chang Tzu-Chieh	Male 61-70 61-70	January 1, 2022	1,240,881	1.09%	369,663	0.33%	0	0.00%	Department of Mechanical Engineering, Feng Chia University CEO concurrently serving as Head of the Global R&D Center of Hu Lane Associate Inc.	Vice Chairman of Yangzhou Lear & Hu Lane Automotive Parts Trading Co., Ltd. Supervisor of Dongguan Hu Lane Puguang Trading Co., Ltd. Supervisor of Dongguan Hu Lane Electronic Technology Co., Ltd. Director of PT. HULANE TECH MANUFACTURING Director of FORTUNE MASTER DEVELOPMENT LIMITED	Chairman Assistant Manager	Chang Tzu-Hsiung Chang Chung-I	Brother Father and son	None
Vice President	Republic of China	Chang Ping-Chun	Male 41-50 61-70	February 15, 2022	1,984,567	1.75%	336,199	0.30%	0	0.00%	Georgia Institute of Technology Master of Science in Industrial Engineering Engineer of HannStar Board Executive Deputy General Manager, Global Manufacturing Group, Hu Lane Associate Inc.	Chairman and President of Hu Lane Technology Manufacturing Co., Ltd.	Chairman Executive Vice President Accounting Officer	Chang Tzu-Hsiung Chang Shao-Chien Chang Chia-Chi	Father and son Brother Siblings	None

Job title	Nationality	Name	Gender and age	Election (inauguration) date	Number of shares held (Note 1)		Shares held by spouse and minor children		Shares held in someone else's name		Main experience (academic)	Positions held in other companies	Managers related to a spouse or second degree of kinship			Note
					Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Job title	Name	Relationship	
Vice President	Republic of China	Chang Shao-Chien	Male Age 31-40	February 15, 2022	2,008,910	1.77%	315,187	0.28%	0	0.00%	Master of Project Management, Northeastern University Executive Vice President, Global Sales & Marketing Group and Head of International Marketing Division of Hu Lane Associate Inc.	Director of Yangzhou Lear & Huliaan Automotive Parts Trading Co., Ltd.	Chairman Executive Vice President Accounting Officer	Chang Tzu-Hsiung Chang Ping-Chun Chang Chia-Chi	Father and son Brother Siblings	None
Vice President Sustainable Development Officer Corporate Governance Officer	Republic of China	Pan Su-Chiu	Female Aged 51-60	February 15, 2022	23,113	0.02%	2,101	0.00%	0	0.00%	Master of Economics and Management, Chung Hua University Assistant Manager of Finance, An Feng Group Deputy Manager, Underwriting Department, Jinghua Securities Co., Ltd. Assistant Manager of CPA Consulting Group, Deloitte Taiwan Vice President of Sustainable Development Department, and Corporate Governance Officer, Hu Lane Associate Inc. Chief Sustainability Officer of Sustainability Committee, Hu Lane Associate Inc.	Supervisor of Yangzhou Lear & Hu Lane Automotive Parts Trading Co., Ltd. Supervisor of PT. HULANE TECH MANUFACTURING Supervisor of Jiaying Shangho Electronic Technology Co., Ltd.	None	None	None	None
Assistant Manager	Republic of China	Chang Chung-I	Male Age 31-40	February 15, 2022	153,703	0.14%	0	0.00%	0	0.00%	University of Strathclyde Master of Science in International Human Resource Management Next Animation Studio HR Human Resources Manager of Startronics Assistant Vice President, Group Human Resources Division and Group Information Division	None	CEO	Chang Tzu-Chieh	Father and son	None
Vice President	Republic of China	Li Ying-Te	Male Aged 51-60	April 1, 2022	10,250	0.01%	0	0.00%	0	0.00%	Ph.D., Department of Mechanical Engineering, National Sun Yat-Sen University Project Management Manager of Liu Ho, Ford Manager of Automotive Division, Foxconn Director of Amphenol Chief Technology Officer of Xuande Technology Vice President, R&D Department, Hu Lane Associate Inc.	None	None	None	None	None
Vice Chief Engineer	Republic of China	Wang Chih-Hsin	Male Aged 51-60	February 15, 2022	16,480	0.01%	0	0.00%	0	0.00%	Yung Chun High School Mold Engineer, MRT Corporation Person in charge of Shunxin Precision Co., Ltd. Vice Chief Engineer, Engineering Department, Hu Lane Associate Inc.	None	None	None	None	None

Job title	Nationality	Name	Gender and age	Election (inauguration) date	Number of shares held (Note 1)		Shares held by spouse and minor children		Shares held in someone else's name		Main experience (academic)	Positions held in other companies	Managers related to a spouse or second degree of kinship			Note
					Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Job title	Name	Relationship	
Vice President	Republic of China	Chao Ching-Shan	Male Aged 51-60	February 15, 2022	57,594	0.05%	0	0.00%	0	0.00%	Master of Industrial Engineering, National Taiwan University Vice President of Taipei Production Division, Hu Lane Associate Inc.	None	None	None	None	None
Vice President	Republic of China	Fang Kai-Ping	Male Aged 51-60	February 15, 2022	33,093	0.03%	0	0.00%	0	0.00%	Master of Industrial Engineering and Management, National Taipei University of Technology Vice President of Quality Assurance Division, Hu Lane Associate Inc.	Dongguan Hu Lane Electronic Technology Co., Ltd. Director of PT. HULANE TECH MANUFACTURING	None	None	None	None
Assigned Vice President	Republic of China	Chen Kei-Chou	Male Age 41-50	January 1, 2015	19,404	0.02%	0	0.00%	0	0.00%	Master of Industrial Engineering and Management, National Taipei University of Technology Vice President of Hu Lane Electronics (Nanjing)	Chairman of Jiaying Shangho Electronic Technology Co., Ltd.	None	None	None	None
Assigned Vice President	Republic of China	Lin Ming-Miao	Male Aged 61-70	April 1, 2017	2,101	0.00%	8,405	0.01%	0	0.00%	Department of Electrical Engineering, National Hsinchu Advanced Industrial Vocational School Assistant Manager, China Electric Terminal Co., Ltd. Vice President of Nantong Great Electric Co., Ltd. Vice President of Dongguan Hu Lane Electronic Technology Co., Ltd.	None	None	None	None	None
External Director	Republic of China	Yu Ching-Fu	Male Aged 51-60	January 1, 2016	12,382	0.01%	3,153	0.00%	0	0.00%	National Ilan University Director of the Sales Division in Mainland China	None	None	None	None	None
Assistant Vice President	Republic of China	Bai Ming	Male 51-60 years old	November 8, 2023	0	0.00%	0	0.00%	0	0.00%	China University of Science and Technology, Dept. of Industrial Engineering and Management Head, China Electric Terminal Co., Ltd. Assistant Manager of PORTABLEBIOS Co., Ltd. Assistant Manager, China Electric Terminal Co., Ltd. Assistant Manager of Jiaying Shangho Electronic Technology Co., Ltd.	None	None	None	None	None

Job title	Nationality	Name	Gender and age	Election (inauguration) date	Number of shares held (Note 1)		Shares held by spouse and minor children		Shares held in someone else's name		Main experience (academic)	Positions held in other companies	Managers related to a spouse or second degree of kinship			Note
					Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Job title	Name	Relationship	
Assistant Manager	Republic of China	Song Dazhi	Male Aged 51-60	March 15, 2024	0	0.00%	0	0.00%	0	0.00%	Department of Vehicle Engineering, National Taipei University of Technology Assistant Manager of AN TEC ELECTRIC SYSTEM CO., LTD. Vice President of Lorom Industrial Co., Ltd. Vice President of Jincheng, Dezhou city of Shandong Province DENSO Co., Ltd. Associate, Wire Harness R&D Division, Hu Lane Associate Inc.	None	None	None	None	None
Assistant Vice President	Republic of China	Chu Hsueh-Ren	Male Aged 51-60	2025.01.01	0	0.00%	0	0.00%	0	0.00%	Department of Industrial Management, Tamshui Vocational College of Business and Management Deputy Director of Production, CTE TECH Plant Manager, NILES CTE ELECTRONIC CO., LTD. Deputy General Manager, Shanghe, Zhengzhou Assistant Vice President, Hu Lane Vietnam / Assistant Vice President, Wire Harness Production Division	None	None	None	None	None
Assistant Vice President	Republic of China	Chang Shih-Wei	Male Aged 41-50	2025.01.01	7,325	0.01%	0	0.00%	0	0.00%	Department of Electronics, National Yunlin University of Science & Technology President, Shang Ho Industrial Co., Ltd. Associate, Hu Lane Indonesia	Director of Jiaxing Shanghe Electronics Technology Co., Ltd.	None	None	None	None
Audit supervisor	Republic of China	Zhang Chao-wei	Male Age 31-40	November 13, 2023	0	0.00%	0	0.00%	0	0.00%	Department of Accounting of Yuan Ze University Officer of KPMG Taiwan Senior Auditor of PWC Taiwan Chief Internal Auditor, Hu Lane	None	None	None	None	None
Chief Financial Officer	Republic of China	Cheng Ya-Ching	Female Age 41-50	2024.08.12	57,685	0.05%	0	0.00%	0	0.00%	Department of Finance, Tamkang University Chief of Finance, Hu Lane Associate Inc.	None	None	None	None	None
Accounting Officer	Republic of China	Chang Chia-Chi	Female Age 41-50	July 15, 2021	2,715,233	2.40%	77,383	0.07%	0	0.00%	California Lutheran University Master of Business Administration Chief Accounting Officer, Hu Lane Associate Inc.	None	Chairman Executive Vice President Executive Vice President	Chang Tzu-Hsiung Chang Ping-Chun Chang Shao-Chien	Father and daughter Siblings	None

Note 1: The shareholding ratio is calculated with the 113,348,320 outstanding shares as of April 28, 2025.

II. Remuneration paid to Directors, supervisors, President, Vice Presidents in the most recent year:

(I) Remuneration to general directors and independent directors

Unit: NTD

Job title	Name	Remuneration to directors								Sum of A, B, C, and D and their percentage in net income after tax		Remuneration for part-time employees								Sum of A, B, C, D, E, F, and G and their percentage in after-tax profit (Note 1)(Note 2)		Remuneration received from invested businesses other than subsidiaries or from the parent company
		Remuneration (A)		Severance pay and pension (B)		Remuneration to directors (C)		Operational expenses (D)				Salaries, bonuses, and special allowances (E)		Resignation and pension (F)		Employee remuneration (G)						
		The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company		All companies included in the financial statements		The Company	All companies included in the financial statements	
																Amount in cash	Amount in shares	Amount in cash	Amount in shares			
Chairman	Chang Tzu-Hsiung	5,160,528	5,160,528	-	-	1,498,888	1,498,888	4,256,519	4,256,519	10,915,935 0.83%	10,915,935 0.83%	-	-	-	-	-	-	-	-	10,915,935 0.83%	10,915,935 0.83%	None
General Director	Hu Sheng-Ching	-	-	-	-	1,498,889	1,498,889	120,000	120,000	1,618,889 0.12%	1,618,889 0.12%	8,559,122	8,559,122	-	-	-	-	-	-	10,178,011 0.77%	10,178,011 0.77%	None
General Director	Liu Chun-Hsiang	-	-	-	-	1,498,889	1,498,889	120,000	120,000	1,618,889 0.12%	1,618,889 0.12%	-	-	-	-	-	-	-	-	1,618,889 0.12%	1,618,889 0.12%	None
General Director	Chang Ping-Chun	-	-	-	-	1,498,889	1,498,889	120,000	120,000	1,618,889 0.12%	1,618,889 0.12%	2,725,196	2,725,196	-	-	1,509,581	-	1,509,581	-	5,853,666 0.44%	5,853,666 0.44%	None
General Director	Hu Shao-Ju	-	-	-	-	1,498,889	1,498,889	120,000	120,000	1,618,889 0.12%	1,618,889 0.12%	-	-	-	-	-	-	-	-	1,618,889 0.12%	1,618,889 0.12%	None
General Director	Lin Yuan-Li	-	-	-	-	1,498,889	1,498,889	120,000	120,000	1,618,889 0.12%	1,618,889 0.12%	-	-	-	-	-	-	-	-	1,618,889 0.12%	1,618,889 0.12%	None
Independent Director	Tai Chia-Wei	-	-	-	-	1,498,889	1,498,889	155,000	155,000	1,653,889 0.13%	1,653,889 0.13%	-	-	-	-	-	-	-	-	1,653,889 0.13%	1,653,889 0.13%	None
Independent Director	Lin, Chan-Lieh	-	-	-	-	1,498,889	1,498,889	155,000	155,000	1,653,889 0.13%	1,653,889 0.13%	-	-	-	-	-	-	-	-	1,653,889 0.13%	1,653,889 0.13%	None
Independent Director	Chang Shyueh-Chih	-	-	-	-	1,498,889	1,498,889	155,000	155,000	1,653,889 0.13%	1,653,889 0.13%	-	-	-	-	-	-	-	-	1,653,889 0.13%	1,653,889 0.13%	None
Total		5,160,528	5,160,528	-	-	13,490,000	13,490,000	5,321,519	5,321,519	23,972,047 1.83%	23,972,047 1.83%	11,284,318	11,284,318	-	-	1,509,581	-	1,509,581	-	36,765,946 2.81%	36,765,946 2.81%	None

Note 1. The remuneration policy, system, standards, and structure of Hu Lane's directors and independent directors, and the relevance to the amount of remuneration based on the responsibilities, risks, investment time, and other factors:

1. Pursuant to Article 20 of the Company's Articles of Incorporation, the Company shall allocate no more than 1% of the annual profit (the profit before tax is the profit before the distribution of employees' and directors' remuneration), and shall allocate no more than 1% thereof as directors' remuneration.

In addition, in accordance with Article 17 of the Company's Articles of Incorporation, the Company shall pay for the responsibilities, risks, and time investment, and the Functional Committee shall pay for the travel expenses.

2. Pursuant to the Company's "Regulations Governing the Payment of Remuneration to Directors and Functional Committee Members", the principle is as follows: Directors' participation in the Company's operations and the value of their contributions shall be distributed according to the shares given and the weighted results shown below.

1. The basic number of directors is 1. 2. The number of directors who serve as the Chairperson or concurrently serve as the President is 1.5. 3. The basic number of independent directors is 1.2. 4. The number of votes of the functional committee shall be increased by 0.1, and the maximum number of votes shall not exceed 0.3.

5. The payment is paid annually. If the term of office is less than one year, the number of rights is calculated based on the term of office. 6. Remuneration to individual directors: Total remuneration to directors * Total number of directors' rights involved in the distribution/total number of directors' rights.

Since all independent directors serve on the Audit Committee and members of functional committees such as the Remuneration Committee are responsible for participating in discussions and resolutions made during committee meetings, therefore their remuneration is higher than the general directors.

Note 2. In addition to what is disclosed in the above table, the remuneration received by the company's directors for providing services to all companies in the financial report (such as serving as non-employee consultants for the parent company/all companies in the financial report/reinvested enterprises, etc.) in the most recent year: None.

Note 1: The actual amount of retirement pension paid in 2024 was NT\$0. Note 2: The amount of severance pay/pension expense in 2024 was NT\$0 thousand.

(II) Remuneration brackets table for general directors and independent directors

Range of remuneration to directors of the Company	Job title	Name of Director			
		Sum of the first four types of remuneration (A+B+C+D)		Sum of the aforementioned seven categories of remuneration (A+B+C+D+E+F+G)	
		The Company	All companies included in the financial statements	The Company	All companies included in the financial statements
Less than NT\$ 1,000,000		-	-	-	-
NT\$1,000,000 (inclusive)~NT\$2,000,000 (exclusive)	General Director	Hu Sheng-Ching, Liu Chun-Hsiang, Chang Ping-Chun, Hu Shao-Ju, Lin Yuan-Li	Hu Sheng-Ching, Liu Chun-Hsiang, Chang Ping-Chun, Hu Shao-Ju, Lin Yuan-Li	Liu Chun-Hsiang, Hu Shao-Ju, Lin Yuan-Li	Liu Chun-Hsiang, Hu Shao-Ju, Lin Yuan-Li
NT\$1,000,000 (inclusive)~NT\$2,000,000 (exclusive)	Independent Director	Lin, Chan-Lieh, Chang Shyueh-Chih, Tai Chia-Wei	Lin, Chan-Lieh, Chang Shyueh-Chih, Tai Chia-Wei	Lin, Chan-Lieh, Chang Shyueh-Chih, Tai Chia-Wei	Lin, Chan-Lieh, Chang Shyueh-Chih, Tai Chia-Wei
NT\$2,000,000(inclusive)~NT\$3,500,000 (exclusive)		-	-	-	-
NTD 3,500,000 (inclusive) - NTD 5,000,000 (exclusive)		-	-	-	-
NT\$ 5,000,000 (inclusive) - 10,000,000 (exclusive)	General Director	-	-	Chang Ping-Chun	Chang Ping-Chun
NT\$ 10,000,000 (inclusive) - 15,000,000 (exclusive)	General Director	Chang Tzu-Hsiung	Chang Tzu-Hsiung	Chang Tzu-Hsiung, Hu Sheng-Ching	Chang Tzu-Hsiung, Hu Sheng-Ching
NT\$ 15,000,000 (inclusive) - 30,000,000 (exclusive)		-	-	-	-
NT\$ 30,000,000 (inclusive) - 50,000,000 (exclusive)		-	-	-	-
NT\$ 50,000,000 (inclusive) - 100,000,000 (exclusive)		-	-	-	-
Over NTD 100,000,000		-	-	-	-
Total		9	9	9	9

(III) Remuneration to supervisors: No supervisor is in place.

(IV) Remuneration to President and Vice Presidents

Unit: NTD thousands

Job title	Name	Salary (A)		Severance pay and pension (B) (Note 1) (Note 2)		Special expenses, etc. (C)		Employee remuneration (D) (Note 3)				Sum of A, B, C, and D and their percentage in net income after tax		Remuneration received from invested businesses other than subsidiaries or from the parent company
		The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company		All companies included in the financial statements		The Company	All companies included in the financial statements	
								Cash amount	Amount of shares	Cash amount	Amount of shares			
President	Hu Sheng-Ching	19,558	21,262	761	761	14,055	14,055	15,268	0	15,268	0	49,642 3.77%	51,346 3.90%	None
CEO	Chang Tzu-Chieh													
Executive Vice President	Chang Ping-Chun													
Executive Vice President	Chang Shao-Chien													
Vice President	Pan Su-Chiu													
Vice President	Chao Ching-Shan													
Vice President	Fang Kai-Ping													
Vice President	Li Ying-Te													
Assignment Vice President	Lin Ming-Miao													
Assignment Vice President	Chen Kei-Chou													

Note 1: The amount of severance pay/pension expense in 2024 was NT\$761 thousand.

Note 3: The proposed distribution is calculated based on the actual distribution in the last year.

Note 2: The actual amount of retirement pension paid in 2024 was NT\$0.

(V) Remuneration range for the President and Vice-President

Range of remunerations paid to the Company's President and Vice Presidents	Name of President and Vice Presidents	
	The Company	All companies included in the financial statements
Less than NT\$ 1,000,000		
NT\$ 1,000,000 (inclusive) - 2,000,000 (exclusive)		
NT\$ 2,000,000 (inclusive) - 3,500,000 (exclusive)	Pan Su-Chiu	Pan Su-Chiu
NT\$ 3,500,000 (inclusive) - 5,000,000 (exclusive)	Lin Ming-Miao, Chao Ching-Shan, Chang Ping-Chun, Fang Kai-Ping, Li Ying-Te, Chang Shao-Chien, Chen Kei-Chou	Chao Ching-Shan, Chang Ping-Chun, Fang Kai-Ping, Li Ying-Te, Chang Shao-Chien
NT\$ 5,000,000 (inclusive) - 10,000,000 (exclusive)	Hu Sheng-Ching, Chang Tzu-Chieh	Hu Sheng-Ching, Chang Tzu-Chieh, Chen Kei-Chou, Lin Ming-Miao
NT\$ 10,000,000 (inclusive) - 15,000,000 (exclusive)		
NT\$ 15,000,000 (inclusive) - 30,000,000 (exclusive)		
NT\$ 30,000,000 (inclusive) - 50,000,000 (exclusive)		
NT\$ 50,000,000 (inclusive) - 100,000,000 (exclusive)		
Over NTD 100,000,000		
Total	10	10

(VI) A TWSE/TPEX listed company that is under the following circumstances should disclose the remunerations of the top five executives with the highest remuneration individually: Not applicable because of the absence of the following circumstances.

1. The entity or individual financial statements that have incurred after-tax losses in the most recent three years: None.
2. A company listed on the TWSE/TPEX that falls in the last bracket in the corporate governance evaluation of the most recent year: None.

(VII) The name and distribution of the manager who assigns the remuneration of the employee

Unit: NTD thousands

Job title	Name	Amount of shares	Cash amount (Note 1)	Total	Ratio of sum to net income after tax (%)
President	Hu Sheng-Ching	0	22,736	22,736	1.73%
CEO	Chang Tzu-Chieh				
Vice President	Pan Su-Chiu				
Executive Vice President	Chang Ping-Chun				
Vice President	Chao Ching-Shan				
Vice President	Fang Kai-Ping				
Vice President (Expatriate)	Lin Ming-Miao				
Vice President (Expatriate)	Chen Kei-Chou				
Vice President	Li Ying-Te				
Executive Vice President	Chang Shao-Chien				
Director (Expatriate)	Yu Ching-Fu				
Assistant Vice President (Expatriate)	Bai Ming				
Audit supervisor	Zhang Chao-wei				
Vice Chief Engineer	Wang Chih-Hsin				
Assistant Manager	Chang Chung-I				
Assistant Manager	Song Dazhi (Note 2)				
Accounting Officer	Chang Chia-Chi				
Chief Financial Officer	Kao Shih-Hsiang (Note 3)				
Chief Financial Officer	Cheng Ya-Ching (Note 4)				

Note 1: The proposed distribution is calculated based on the actual distribution in the last year.

Note 2: Dispatched on March 15, 2024.

Note 3: Discharged on August 11, 2024.

Note 4: Dispatched on August 12, 2024.

(VIII) Compare the analysis of the total remuneration paid by the Company and all companies to the directors, supervisors, general managers, and deputy general managers of the Company in the last two years to the net profit after tax of the Company or parent company only financial reports, and explain the policy, standards, and combination of remuneration, the procedure for determining remuneration and the correlation with business performance and future risks.

1. Total remuneration paid by the Company and all companies in the consolidated financial statements to the Company's directors, general managers, and vice general managers, as a percentage of after-tax profit in the entity financial report

	Ratio of sum of remuneration to net income after tax in 2023		Ratio of sum of remuneration to net income after tax in 2024	
	The Company	All companies included in the consolidated financial statement	The Company	All companies included in the consolidated financial statement
Director	3.59%	3.59%	2.79%	2.79%
President and Vice Premier	5.11%	5.29%	3.77%	3.90%

2. The remuneration policies, standards, and packages, the procedures for determining remunerations, and its linkage to business performance and future risks:

(1) Remuneration to directors

1. The remuneration to directors of the Company is set in accordance with the Company's Articles of Incorporation: If the Company reports a profit for the year (the term "profit" refers to pre-tax profit before the distribution of employee bonuses and directors' remuneration), it shall allocate 1% to 10% as employee bonuses (of which no less than 15% shall be distributed to junior employees) and no more than 1% as directors' remuneration. However, if the Company still has accumulated deficits (including adjustments to undistributed earnings), it shall first set aside an amount to cover such deficits before allocating the aforementioned proportions as employee bonuses and directors' remuneration.
2. According to the Company's "Regulations Governing the Payment of Remuneration to Directors and Functional Committee Members", the principle is as follows: Directors' involvement in the Company's operations and the value of their contributions shall be distributed according to the weights given below. As all independent directors serve on the Audit Committee and the Remuneration Committee and are responsible for participating in discussions and resolutions made at committee meetings, their remuneration is higher than that of directors. As for "Board of Directors Performance Evaluation Policy", the regular remuneration is evaluated based on the following items: understanding of the Company's goals and missions, awareness of directors' responsibilities, involvement in the Company's operations, management of internal relations and communication, internal control and other items are considered, and the reasonableness of salary and remuneration is regularly evaluated. After evaluation and discussion by the remuneration committee, it is submitted to the board of directors for approval.

(2) Remuneration to managers

The remuneration of managerial officers is determined in accordance with the Company's relevant regulations. In setting remuneration, the process considers not only the overall operational performance of the Company, but also individual performance achievement and ESG (environmentally friendly) performance. ESG indicators are incorporated into senior executives' personal performance evaluations. A designated management officer under the Company's business management plan is responsible for regularly tracking and assessing ESG performance on a monthly basis. Following the annual evaluation, corresponding remuneration is granted. The Remuneration Committee periodically reviews and assesses the reasonableness of the remuneration.

III. Operations of corporate governance

(I) Operation of the board of directors

Term of office of the 8th Board of Directors: June 19, 2023 to June 18, 2026

1. The board of directors held 7 meetings (A) in the most recent year (2024), and the attendance of directors was as follows:

Title	Name	Actual attendance rate (B)	Number of proxy attendances	Actual attendance rate (%) (B / A)	Remarks
Chairman	Chang Tzu-Hsiung	7	0	100%	Re-elected on June 19, 2023
Director	Hu Sheng-Ching	7	0	100%	Re-elected on June 19, 2023
Director	Chang Ping-Chun	7	0	100%	Re-elected on June 19, 2023
Director	Hu Shao-Ju	7	0	100%	Re-elected on June 19, 2023
Director	Liu Chun-Hsiang	7	0	100%	Re-elected on June 19, 2023
Director	Lin Yuan-Li	7	0	100%	The former independent director was re-elected and became the new director on June 19, 2023.
Independent Director	Chang Shyueh-Chih	7	0	100%	Re-elected on June 19, 2023
Independent Director	Lin, Chan-Lieh	7	0	100%	Re-elected on June 19, 2023
Independent Director	Tai Chia-Wei	7	0	100%	Re-elected on June 19, 2023

Other matters to be recorded:

- I. (I) Conditions described in Article 14-3 of the Securities and Exchange Act: The Company has established an Audit Committee, which is not applicable for the information in accordance with Article 14-3 of the Securities and Exchange Act. Please refer to the "Operation of Audit Committee" of this annual report.
- (II) Any other documented objections or qualified opinions of independent directors concerning board resolutions: None.
- II. Status of recusal of directors' remuneration for conflicts of interest: The director recused himself from participating in discussions and voting on his/her remuneration.

Name of Director	Motion content	Reasons for avoidance of conflicting interests	Participation in voting
Hu Sheng-Ching Chang Ping-Chun	2023 Allocation of Remuneration to Managers	Stakeholder of the case	Abstained from voting in accordance with the law

- III. TWSE/TPEX listed companies are required to disclose information such as the interval, duration, scope, method, and content of self-evaluation (or peer evaluation) of the board of directors. Please see 2. Implementation of Board of Directors Evaluation.
- IV. Enhancement of the functions of the board of directors in the current year and the most recent year (e.g. establishment of an Audit Committee, improvement of information transparency, etc) and evaluation of implementation: Please refer to the corporate governance of the Company.
1. Term of office of the 8th Board of Directors: From June 19, 2023 to June 18, 2026. The Company has 9 directors (including 3 independent directors) and has established a Remuneration Committee, Audit Committee, Sustainability Development Committee, and Risk Management Committee to fulfill supervisory responsibilities and achieve the functional objectives of the Board of Directors.
 2. The operation of the board of directors is in accordance with the Company's Rules of Procedure for Board of Directors Meetings, which implements corporate governance and enhances information transparency. The implementation has gone well.
 3. Continuing education for directors: The Company arranges continuing education courses for directors on a regular basis to enable directors to improve themselves and maintain their core values and professional advantages.
 4. The Chairman of the Company does not concurrently serve as a managerial officer of the Company.
 5. To enhance directors' professional competence and implement corporate governance, in 2024 the Company arranged courses based on individual directors' needs, as well as continuing education programs. These included "EU CBAM Carbon Tariffs: Challenges and Opportunities for Enterprises" and "Directors and Supervisors Workshop – Transformation and Opportunities in the Net-Zero New Economy." The status of directors' continuing education has been disclosed on the Market Observation Post System (MOPS) in accordance with relevant regulations.
 6. The Company has purchased "Director and Supervisors Liability Insurance" to diversify directors' legal liability risks and improve corporate governance. This is reported in the Report of the board of directors on June 17, 2024.
 7. Succession planning for members of the Board of Directors and key management personnel: In line with the Company's development direction and goals, succession candidates must not only possess professional competencies but also demonstrate the personal qualities of integrity, unity, sustainability, agility, innovation, and excellence, as well as values aligned with the Company's core philosophy.
- (I) Succession planning for the members of the Board: The Company currently has a total of 9 directors (including 3 independent directors), all of whom possess the necessary expertise in business, financial accounting, or areas relevant to the Company's operations. In the future, the composition and professional background of Board members will be enhanced to strengthen information security capabilities while maintaining the current governance structure. Regarding the succession planning of the board of directors, the Company maintains good communication with the existing institutional shareholders and discusses the selection of the successor from time to time. As for independent directors, they are required by law to have work experience in commerce, legal affairs, finance, accounting or corporate operations. Therefore, they are selected by professionals from academia and industry in Taiwan.
- (II) Management succession planning: The Company regularly reviews and selects potential candidates at all levels to build a talent pool and implements structured training programs. The talent development plan encompasses professional competencies, managerial capabilities, personal development planning, and job rotation:
1. Decision-making skills are cultivated through work practice reports and participation in important meetings such as goals and business management. Regular performance evaluations are also conducted by senior executives to help guide personal development and provide feedback during the process.
 2. Through cross-functional field or cross-plant (department) work rotation, project task planning and execution, concurrent job responsibilities, work agency, or assignment in invested enterprises, the Company cultivates diversified work abilities and visions, and provides them with practical experience.
 3. Participate in internal and external training each year based on individual development needs to cultivate decision-making and judgment ability.
 4. Establish comprehensive training records and review the talent development plan regularly to adjust the development plan according to the needs of organizational operations.

5. The Company encourages mid-level and high-ranking talents to develop creative ideas and self-study and propose further studies, internships, or alternative learning or internship programs. The Company is given the resources to support or adjust job duties in order to make the Company's overall human resources more diverse and resilient.
6. The Group actively nurtures high-potential talents with management and professional skills. It is hoped that through a variety of talent training methods, potential talents can achieve personal career development goals under the consensus of organizational development and strategic consensus, and then demonstrate the performance of teams or individuals to ensure the success of the Group in the future Team formation. To ensure a sufficient supply of key talents, the Company has launched the senior mentor system for 10 people in 2024 to implement diversified talent development and accelerate the training of potential successors to key positions.

2. Board of Directors Evaluation

Evaluation cycle	Evaluation period	Scope of Assessment	Method of evaluation	Content of Assessment
Once a year	January 1, 2024 to December 31, 2024	1. Board of Directors 2. The Directors (Self-Evaluation or Peer-Evaluation) 3. Functional Committee – Remuneration Committee 4. Functional Committee – Audit Committee In 2025, the following items are included in the evaluation: Functional committees -Sustainability Committee Functional committees -Risk Committee	1. Self-evaluation of the Board of Directors 2. Self-Evaluation of the Directors	(I) The "Self-Evaluation Questionnaire for the Performance of the board of directors" was asked by all directors for self-evaluation. The six aspects of the evaluation included: 1. Involvement in the Company's operations 2. Improve decision-making of the board 3. Composition and structure of the board 4. Election and continuing education of directors 5. Internal control 6. Other items (II) The "Self-Evaluation Questionnaire for Director (Self and Peer) Evaluation" is a self-assessment of all directors. The seven aspects of the evaluation include: 1. Understanding of the Company's goals and missions 2. Directors' awareness of directors' responsibilities 3. Involvement in the Company's operations 4. Management of internal relations and communication 5. Directors' professionalism and continuing education 6. Internal control 7. Other items (III) "Functional Committees – Remuneration Committee and Audit Committee Performance Evaluation Self-Evaluation Questionnaire" was evaluated by the convener of each functional committee. The evaluation covers five major aspects: 1. Involvement in the Company's operations 2. The awareness of the responsibilities of the Functional Committees 3. Improve decision-making of the Functional Committees 4. Composition of the board and the election of the directors 5. Internal control The Company's website (https://www.hulane.com.tw/tw/investor/directors) The members of the Board report on revealing the performance results.

The Company completed the performance self-evaluation of the Board of Directors and its members for 2024. The evaluation results were presented to the Remuneration Committee and reported to the Board of Directors on March 12, 2025, as a basis for review and improvement. The internal performance evaluation of Board members, the Board of Directors, the Remuneration Committee, and the Audit Committee was conducted in accordance with the "Regulations Governing Board Performance Evaluation," which was approved by the Board on November 8, 2019. The 8th term of the Board of Directors runs from June 19, 2023 to June 18, 2026.

In addition to four directors from the founding family, the Board includes three independent directors and two external directors, totaling nine members. The composition of the Board aligns with the Company's development needs. In addition to holding quarterly Board meetings, the Company provides timely operational data to assist directors in overseeing the Company's performance. According to statistics from the annual and sixth round of self-evaluation questionnaires, the Board members have shown strong engagement.

The Board of Directors and its members fully support the Company's sustainable growth and continuously promote the importance of environmental, social, and corporate governance (ESG). All directors act and perform their duties in accordance with relevant regulations and fulfill their responsibilities. As a result, the evaluation outcomes exceeded the performance standards.

Improvement Measures: 1. To implement the policy framework for promoting gender equality, and to improve female participation in decision-making while enhancing the structure of the Board of Directors, the Company will continue striving to ensure that each gender accounts for at least one-third of the total number of Board seats. 2. To ensure that independent directors can exercise their duties objectively, the Company will continue to adhere to the principle that independent directors shall not serve more than three consecutive terms. 3. In the future, we will implement appropriate adjustments to the evaluation methods and the content of the self-evaluation questionnaires based on the company's activities, to support the corporate governance and improve the operational efficiency and functions of the board of directors.

(II) Operation of the Audit Committee:

I. The Company's Audit Committee comprises 3 members.

II. Summary of the gravity of work in the year

Key items	January	February	March	April	May	June	July	August	September	October	November	December
Quarterly financial audit of the Group			○		○			○			○	
Review of the nine major operational cycle reports		○				○	○		○	○		○
Review of loans, endorsements, and guarantees			○		○			○			○	
Key audit matters			○	○	○			○			○	

II. The term of office for the 2nd and the current term of the Audit Committee: the term of office for the Board of Directors is the same.

The Audit Committee held 6 meetings (A) in the most recent year (2024). The attendance of members is as follows:

Job title	Name	Number of attendance in person (B)	Number of attendance by proxy	Actual attendance rate (%) (B/A)	Remarks
Convener Independent Director	Chang Shyueh-Chih	6	0	100%	Re-elected on June 19, 2023
Committee members Independent Director	Lin, Chan-Lieh	6	0	100%	Re-elected on June 19, 2023
Committee members Independent Director	Tai Chia-Wei	6	0	100%	Re-elected on June 19, 2023
Other matters to be recorded:					
(I) Conditions described in Article 14-5 of the Securities and Exchange Act:					
Dates of Audit Committee and Board of Directors Meetings	Session of session	Motion content		Independent directors' adverse opinions, qualified opinions, or major recommendations	Resolution of the Audit Committee and the Company's response to the opinions of the Audit Committee
March 12, 2024	the second session The third time the 8th session the fifth time	- Explanation of the 2023 financial statement audit. 2023 employees and directors remuneration. - The Company's 2023 parent company only and consolidated financial statements. - Approval for issuing the "Declaration of Internal Control Systems for 2023". - Replacement of CPAs. - The non-assurance services are pre-approved by the CPAs. - The Investment on the cash capital increase of RAC Electric Vehicles Inc. - The Company's financial derivatives transactions in January 2024. - The Operation Procedure of short-term financial instrument investment. - The Company has provided Citibank with a guarantee for the current financing, foreign exchange, derivative transactions, and/or guarantee obligations between Hu Lane (Vietnam) Co., Ltd., and Citibank (as defined in the guarantee letter).		None	The members of the Audit Committee passed all proposals unanimously, and the board of directors approved all proposals in accordance with the recommendations of the Audit Committee.

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		• EVERVALUE INVESTMENTS LIMITED, loaning to Hu Lane Electronics (Vietnam) Co., Ltd.		
2024.04.12	the second session The forth time the 8th session The sixth time	• The Company's 2023 business report. • Appropriation of the Company's 2023 earnings. • Surplus in 2023 converted into capital to issue new shares by the Company. • Distribution of cash to shareholders from additional paid-in capital.	None	The members of the Audit Committee passed all proposals unanimously, and the board of directors approved all proposals in accordance with the recommendations of the Audit Committee.
2024.05.09	the second session the fifth time the 8th session the seventh time	• Presentation of the Company's consolidated financial statements for the first quarter of 2024. • The Company provided a guarantee to Taipei Fubon Bank for the financing and/or guarantee of debts between Hu Lane Electronic (Vietnam) Co., Ltd., and Taipei Fubon Bank.	None	The members of the Audit Committee passed all proposals unanimously, and the board of directors approved all proposals in accordance with the recommendations of the Audit Committee.
2024.08.08	6th meeting of the 2nd term 9th meeting of the 8th term	• The results of the audit of the Company's 2024 second quarter consolidated financial statements are explained. • Acting as the endorser and guarantor for EVERVALUE INVESTMENTS LIMITED. • The Company provided guarantees for Cathay United Bank (Mainland China) in terms of financing, foreign exchange, derivative transactions and/or guarantees of debt in relation to Dongguan Hu Lane Puguang Trading Co., Ltd., and Cathay United Bank (Mainland China) Limited, Shenzhen Branch (as defined in the letter of guarantee). • The Company provided guarantees to Cathay United Bank (China) Limited Shanghai Branch in connection with the current financing, foreign exchange, derivative transactions and/or guaranteed debts of Hu Lane Electronics (Nanjing) Co., Ltd., and Cathay United Bank (China) Limited Shanghai Branch (as defined in the Letter of Guarantee). • The Company provides a guarantee to the Ho Chi Minh City Branch of Cathay United Bank for the financing, foreign exchange, derivative transactions, and contingent liabilities between Hu Lane Electronic (Vietnam) Co., Ltd. and Cathay United Bank, Ho Chi Minh City Branch, as defined in the guarantee letter. • The Company provides a guarantee to CTBC Bank for the financing, foreign exchange, derivative transactions, and contingent liabilities between PT. HULANE TECH MANUFACTURING and CTBC Bank's Indonesian subsidiary, PT Bank CTBC Indonesia, as stipulated in the guarantee letter. • The Company has provided Citibank with a guarantee for the current financing, foreign exchange, derivative transactions, and/or guarantee obligations between Dongguan Hu	None	The members of the Audit Committee passed all proposals unanimously, and the board of directors approved all proposals in accordance with the recommendations of the Audit Committee.

		Lane Electronic Technology Co., Ltd., and Citibank (as defined in the guarantee letter). • EVERVALUE INVESTMENTS LIMITED, had extended the loan to PT.HULANE TECH MANUFACTURING. • The Company's financial derivatives transactions in June 2024. • The motion of the Company's financial head change.		
2024.11.08	7th meeting of the 2nd term 10th meeting of the 8th term	• Presentation of the Company's consolidated financial statements for the third quarter of 2024. • The Company has provided Citibank with a guarantee for the current financing, foreign exchange, derivative transactions, and/or guarantee obligations of Dongguan Hu Lane Puguang Trading Co., Ltd., and Citibank (as defined in the guarantee letter). • The Company has provided Citibank with a guarantee for the current financing, foreign exchange, derivative transactions, and/or guarantee obligations between Hu Lane Electronic (Vietnam) Co., Ltd., and Citibank (as defined in the guarantee letter). • The Company provides a guarantee to Citibank for the financing, foreign exchange, derivative transactions, and/or contingent liabilities between PT. Hulane Tech Manufacturing and Citibank, as stipulated in the guarantee letter. • Construction of Dongguan Plant Phase 3, Hu Lane Group	None	The members of the Audit Committee passed all proposals unanimously, and the board of directors approved all proposals in accordance with the recommendations of the Audit Committee.
2024.12.20	8th meeting of the 2nd term 11th meeting of the 8th term	• Amendment to the Company's internal audit implementation rules.	None	The members of the Audit Committee passed all proposals unanimously, and the board of directors approved all proposals in accordance with the recommendations of the Audit Committee.
2025.03.12	9th meeting of the 2nd term 12th meeting of the 8th term	• 2024 employees and directors remuneration. • The Company's 2024 parent company only and consolidated financial statements. • Approval for issuing the "Declaration of Internal Control Systems for 2024". • The non-assurance services are pre-approved by the CPAs. • Amendment to the Company's "Internal Control System" and "Internal Audit System". • Proposal for the amendment to partial provisions of the "Articles of Incorporation." • The Company approved an extension of the loan from EVERVALUE INVESTMENTS LIMITED to Hu Lane Electronic (Vietnam) Co., Ltd. • The Company's plan to invest in COMEIN ELECTRONICS CO., LTD.	None	The members of the Audit Committee passed all proposals unanimously, and the board of directors approved all proposals in accordance with the recommendations of the Audit Committee.
(II) Other matters that have not been approved by the Audit Committee but have been approved by more than two-thirds of all directors: None. II. Avoidance of conflicts of interest by independent directors: None. III. Communication between independent directors and the internal audit head or with CPAs (including the material matters, methods, and results of communication on the company's financial and business status):				

- (I) The internal audit officer of the Company communicates the results of the audit report with the members of the Audit Committee on a regular basis, and makes internal audit reports at the quarterly Audit Committee meeting. If there are special circumstances, they will report to the members of the Audit Committee immediately. There were no such special circumstances in 2024. The communication between the Audit Committee and the internal audit officer is good.

Summary of Communication Between Independent Directors (Audit Committee) and the Chief Auditor at Regular Meetings

Date	Conference	Communication focus	Result of communication
March 12, 2024	Audit Committee	Report on the audit of the property, plant, and equipment cycle and other operational procedures for October to December 2023 and January 2024, as well as the improvement status of audit deficiencies identified in 2023 and 2024, along with explanations provided in response to questions raised by the independent directors.	No objection was raised.
2024.05.09	Audit Committee	Reported the audit report from February to March 2024 (production cycle, R&D cycle, and other operating method audits), and the improvement of audit deficiencies in 2023 and 2024, and explained the problems posed to the independent directors.	No objection was raised.
2024.08.08	Audit Committee	Report on the audit for April to June 2024 (including the sales and collection cycle, investment cycle, computerized information system processing, and other operational procedures), the status of improvements on audit deficiencies identified in 2023 and 2024, and responses to questions raised by the independent directors.	No objection was raised.
2024.11.08	Audit Committee	Report on the audit for July to September 2024 (including the procurement and payment cycle, financing cycle, R&D cycle, and other operational procedures), the status of improvements on audit deficiencies identified in 2023 and 2024, and responses to questions raised by the independent directors.	No objection was raised.
2024.12.20	Audit Committee	Report on the October 2024 audit (including the property, plant, and equipment cycle and other operational procedures), the status of improvements on audit deficiencies identified in 2023 and 2024, and responses to questions raised by the independent directors.	No objection was raised.

Result: The above matters have been reviewed or approved by the Audit Committee, and independent directors have no objection.

- (II) The Company's auditors will report the results of the audit or review of the annual and semi-annual financial reports and other matters required by the relevant laws and regulations during the Auditing Committee's meeting. If there are special circumstances, they will immediately report to the Auditing Committee. There was no special situation as referred to above in 2024. The communication between the Audit Committee and the CPAs was good.

Summary of Communication Between Independent Directors (Audit Committee) and CPAs at Regular Meetings

Date	Conference	Communication focus	Result of communication
March 12, 2024	Audit Committee	Explanation of the 2023 financial statement audit. The matters communicated with the governing body are as follows: - Quality Management System of Deloitte Taiwan - Scope and methods of audit - Group audit - Significant risks - Key audit matters - Corrective and adjusted entries - Conclusion of audit The CPAs explained and communicated the issues raised by the members.	No objection was raised.
2024.08.08	Audit Committee	Explanation of conclusions made by CPAs on the financial statements of the second quarter of 2024. Description by the CPAs regarding the planning of audits for 2024: - Scope and methods of audit - Group audit - Assessment of fraud	No objection was raised.

		Management over-control risk review Identification of significant risks Key audit matters Independence The CPAs explained and communicated the issues raised by the members.										
2025 pre-arranged plan of the Audit Committee												
Planned projects	January	February	March	April	May	June	July	August	September	October	November	December
Quarterly financial audit of the Group			◎		◎			◎			◎	
Sales and payment collection, procurement and payment		◎				◎			◎			
Wages cycle and information cycle			◎			◎				◎		
Production cycle and R&D cycle				◎					◎			
Procedures for the investment cycle, property, plant and equipment, and acquisition or disposal of assets							◎			◎		◎
Review of financing cycle, intercompany loans, and endorsements and guarantees		◎		◎			◎			◎		◎
Key audit matters	◎	◎	◎	◎	◎	◎	◎	◎	◎	◎	◎	◎

(III) Corporate governance practices and deviations from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies

Assessment items	Operation status			Deviation and causes of deviation from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary description	
I. Has the Company established and disclosed its corporate governance principles in accordance with the "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies"?	V		The Company's Board of Directors passed the "Corporate Governance Best Practice Principles" on December 27, 2017, with amendments passed by the Board of Directors on March 24, 2023 to protect the rights and interests of shareholders, strengthen the functions of the Board of Directors, and respect the rights and interests of stakeholders. We disclose company information in accordance with the relevant laws and regulations and update it regularly, and the Company's "Corporate Governance Best Practice Principles" can be found on the Company's website: https://www.hulane.com.tw/tw/investor/regulations	None
II. Shareholding structure and shareholders' equity (I) Does the Company have internal operating procedures for handling shareholders' suggestions, concerns, disputes and litigation matters. If yes, have these procedures been implemented accordingly?	V		(I) To protect the rights and interests of shareholders, the Company has established a spokesperson system in the "Material Inside Information Handling and Insider Trading Prevention Management Procedures". The Company has appointed spokespersons and deputy spokespersons to handle related matters, and has also established a dedicated share affairs unit and share affairs agency to handle affairs related to shareholders. Shareholders are given appropriate time to speak and discuss all motions of the shareholders' meeting. The motions are put to a vote on a case-by-case basis, and the results of shareholders' approval, disapproval, invalidation, abstention, and non-voting for each proposal shall be recorded in the meeting minutes.	None
(II) Does the Company possess a list of major shareholders and beneficial owners of these major shareholders?	V		(II) The Company's shareholders are mainly natural persons, and the corporate shareholders do not take up a large proportion of the company's shareholders. The composition of the Company's major shareholders is mainly composed of the Company's directors and top ten shareholders. In accordance with the regulation of the Securities and Exchange Act on insiders, information on the acquisition or transfer of their shares is required to be reported to the Company, so the Company is able to grasp the list of major shareholders who actually control the Company.	None
(III) Has the Company built and executed a risk management system and "firewall" between the Company and its affiliates?	V		(III) 1. The risk control mechanism of the Company and its affiliated companies is implemented in accordance with the relevant internal control procedures. Auditors regularly and intermittently supervise their implementation, and the information is reported to the board of directors for explanation to avoid the risk of the Company arising from the failure of affiliated companies. In addition, in accordance with the "Regulations Governing the Establishment of Internal Control Systems by Public Companies", the "Regulations Governing the Subsidiaries" and "Operating Procedures for Loaning of Funds and Endorsements and Guarantees" have been established to implement the risk control mechanism for subsidiaries. 2. To ensure the risk management of the company's information security, we have established the Group Information Security Management Regulations, Computerized Information System Cycle Processing, and Computer Software and Hardware Management Regulations in accordance with the Guidelines for the Establishment of Internal Control Systems by	None

Assessment items	Operation status			Deviation and causes of deviation from Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Summary description	
			Public Companies. We clearly define and specify various control operations for all information system processors to follow and execute. Strengthen the risk management of information security and establish the information asset emergency response guidelines. Information processors can follow the guidelines to respond to specific incidents to improve processing efficiency. To ensure the safety and security of information communication, the internal audit unit and the external audit vendor formulate annual audit plans based on the risk assessment results and implement them in order to evaluate the Company's internal control system. 3. The Company initiated the Group Information Security Improvement Project in 2023. In response to the requirements of the competent authority's laws and regulations, the Company has gradually established an independent information security management organization, initiated the Group's information security management, and conducted a comprehensive and in-depth review of the entire Group based on the ISO27001 international information security standard, including the current status of information operations, information environment, and information systems at each plant site. They will be analyzed to clarify potential information security risk factors, and to formulate software and hardware improvement plans and medium and long-term information security management strategies to effectively control and reduce information security incidents, strengthen the factory information infrastructure, information security protection framework, and management systems.	
(IV) Has the Company established internal rules prohibiting insider trading on undisclosed information?	V		(IV) The Company has established the "Procedures for Ethical Management and Guidelines for Conduct" and the "Management Procedures for Handling Material Inside Information and Prevention of Insider Trading" to prohibit insiders from utilizing undisclosed information to trade the Company's stock or other equity-type securities, applicable to the Company's directors, managers, and employees, and relevant information is updated and promoted on a regular basis.	None
III. Composition and Responsibilities of the board of directors (I) Does the board of directors have a diversity policy formulated and implemented?	V		(I) The Company has established the "Corporate Governance Best Practice Principles" to screen for director candidates based on the diversity approach in terms of professional background, academic (experience), integrity or relevant professional qualifications, etc. All of them have a wealth of academic experience and diverse composition. Members of the board of directors shall generally possess the necessary knowledge, skills, and competencies to perform their duties. In order to achieve the ideal goal of corporate governance, the board of directors as a whole should be equipped with the abilities of operational judgment, accounting and financial analysis, business management, crisis management, industry knowledge, international market outlook, leadership and decision-making and information security. For the specific management objective that the number of directors who are also managers of the Company does not exceed one-third of the total number of directors, the Company has exercised its	None

Assessment items	Operation status			Deviation and causes of deviation from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary description	
			management decision-making and supervisory functions to implement the diversity of the board of directors. Please refer to pages 8-9 for details.	
(II) In addition to the Remuneration Committee and the Audit Committee established in accordance with law, has the Company voluntarily set up other functional committees?	V		(II) The Company established the Remuneration Committee (established in 2017) and the Audit Committee (established in 2020) according to laws. Sustainability Committee (established in 2022): An independent director serves as a committee member and is responsible for convening meetings and formulating sustainability strategies. It also assigns a chief sustainability officer to advance control and the assignment of tasks, and report on the implementation results and future work plans to the board of directors on a quarterly basis. The Risk Management Committee (established in 2024) is composed of independent directors. It is responsible for convening meetings, formulating risk management policies and procedures, and appointing the CEO to lead the promotion and implementation of risk management tasks. The committee regularly reports to the Board of Directors on its execution results and future work plans. Other functional committees will be set up as needed.	None
(III) Has the Company established its Board Performance Appraisal Measures and the evaluation methods, conducted the performance appraisal regularly every year and provided the results to the board as the reference for directors' remuneration and nomination and renewal?	V		(III) The Company passed the Regulations Governing the Performance Evaluation of the board of directors in 2019. An internal evaluation of the performance of the Board of Directors is conducted annually, and may be performed by an external professional and independent institution or team of experts and scholars if necessary. The results are disclosed on the Company's website and the Market Observation Post System (MOPS) in accordance with regulations. 1. On November 8, 2019, the board of directors passed the "Guidelines for the Evaluation of the Performance of the board of directors", which extended the evaluation to functional committees. 2. The company has completed the self-evaluation of the performance of the Board of Directors in 2024. The evaluation results have been submitted to the Remuneration Committee on March 12, 2025, and to the Board of Directors for review and improvement for the use of the individual directors' remuneration, nomination, and renewal. The evaluation results are available on the Company's website: https://www.hulane.com.tw/tw/investor/diretors	None
(IV) Has the Company regularly evaluated the independence of CPAs?	V		(IV) The Audit Committee conducts an annual evaluation of the independence and competence of the CPAs. The CPAs are required to provide a "Declaration of Independence" and an "Independence Assessment Report," and the evaluation results are reported to the Board of Directors. The latest annual assessment was approved by the Audit Committee on December 20, 2024 after discussion and approval of the "Audit Quality Indicators (AQIs)", and the board of directors resolution on December 20, 2024 approved the assessment of the independence and suitability of accountants. Evaluations are conducted based on the independence assessment items and AQI indicators. It has been confirmed that the accountant and the company have no other financial interests and business relationships other than visa and financial and tax case	None

Assessment items	Operation status			Deviation and causes of deviation from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary description	
			fees, and the accountant's family members have not violated the independence requirements, and with reference to AQI index information, it has been confirmed that the accountant and the firm have better audit experience and training hours than the industry average.	
IV. Does the TWSE/TPEX listed company have the appropriate number of corporate governance personnel in place and has a corporate governance officer been designated to be responsible for corporate governance-related affairs (including but not limited to providing directors and supervisors with the information needed to perform their duties, assisting directors and supervisors in complying with laws and regulations, handling matters related to the board of directors and Shareholders' Meetings, preparation of minutes of the board of directors and Shareholders' Meetings, etc)?	V		The Board of Directors on June 17, 2022 passed a resolution to assign President Pan Su-Chiu as the corporate governance officer to protect the rights and interests of shareholders and strengthen the functions of the Board of Directors. Pan Su-Chiu has served as Special Assistant to the Chairman and Manager of the Finance Department of Hu Lane, Director of the Chairman's Office and Special Assistant to Hulan Precision, and Vice President of the Group's Finance Department and Corporate Governance Officer. He has met the qualification requirements for Corporate Governance Officer. The scope of authority of the Head of Corporate Governance and the implementation of business activities in the current year are as follows: 1. Assist the general directors and independent directors in executing their duties, providing the required documents, and arranging for the directors to undergo further education: (1) According to the latest laws and regulations related to the company's business field and corporate governance, the board members are appointed upon assuming office and are updated regularly. (2) Review the confidential level of relevant information and provide directors with the required company information to maintain smooth communication channels between directors and business managers. (3) Assist in arranging meetings with the internal audit chief or CPAs when an Independent Director needs to understand the Company's financial operations on a case-by-case basis. (4) Assist directors and independent directors in devising annual continuing education plans and arranging courses based on the Company's industry characteristics and director education. 2. Assisting in the procedures and resolutions of legal compliance matters for the Board of Directors and Shareholders' Meetings: (1) Report the status of the Company's corporate governance to the Board of Directors and Independent Directors and ensure that the shareholders' meetings and Board of Directors meetings are in compliance with the applicable laws and the Corporate Governance Best Practice Principles. (2) Assist and remind directors of the laws and regulations that shall be complied with when executing business activities or making formal resolutions of the Board of Directors, and give suggestions when illegal resolutions are about to be made. (3) After the board meeting, review the release of important information of the important resolutions of the board of directors to ensure the legitimacy and correctness of the content to protect the parity of trading information for investors. 3. Prepare the board meeting agenda and inform the directors seven days before the meeting, convene the meeting and provide meeting materials. If the motions require the avoidance	None

Assessment items	Operation status			Deviation and causes of deviation from Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Summary description	
			of conflicting interests, it should be reminded in advance, and the board meeting minutes will be completed within 20 days after the meeting. 4. Organize shareholders' meeting registration in advance according to the laws, prepare meeting notices, meeting handbooks, and minutes within the statutory deadline, and register changes in the case of amendments to the Articles of Incorporation or re-election of directors. 5. Please refer to [Attachment 2] for the continuing education of the Head of Corporate Governance.	
V. Does the Company create channels for communication with stakeholders (including but not limited to shareholders, employees, customers, and suppliers), set up a stakeholder section on the company's website, and respond appropriately to material corporate social responsibility issues of concern to stakeholders?	V		The Stakeholders section has been set up on the Company's website, and a dedicated unit has been set up to respond to issues of concern to stakeholders and respond to important corporate social responsibility issues that are of concern to stakeholders. Please refer to the Company's sustainability report "Stakeholder Communication and Responsibilities" for details. Company website: https://www.hulane.com.tw/tw/investor/csr	None
VI. Has the company appointed a professional stock affairs agency to handle matters for shareholder meetings?	V		The Company has appointed a professional stock registration agent, "Sino Pacific Securities Share Registration Department" to handle the affairs of the Shareholders' Meeting.	None

Assessment items	Operation status			Deviation and causes of deviation from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary description	
VII. Information disclosure (I) Does the Company set up a website to disclose financial, business, and corporate governance information? (II) Has the Company adopted other means of information disclosure (e.g. setting up an English website, appointing dedicated personnel to collect and disclose information about the Company, enacting the spokesperson system, and posting the proceedings of corporate briefing conferences on the Company's website)? (III) Does the company announce and declare the annual financial report within two months after the end of the fiscal year, and announce and declare the first, second, and third quarter financial reports and the monthly operation status earlier than the specified deadline?	V		(I) The Company's financial, business, and corporate governance-related information is disclosed on the Market Observation Post System and on the Company's website (http://www.hulane.com) as required, and is regularly updated by dedicated personnel. (II) For the collection and disclosure of corporate information, each department has designated personnel in charge of the collection and reporting in accordance with the authority of each department. A spokesperson system has also been implemented. In addition to the traditional and simplified Chinese websites, the Company has also established English website to provide relevant information disclosure. Investors can also check the information about the institutional investor conference on the website. (III) The Company expects to announce and declare its annual financial statements within two months after the end of a fiscal year from the next year. The first, second, and third quarter financial statements and the operating conditions of each month are to be announced and declared within the prescribed time limit.	None
VIII. Does the Company have other important information that helps to understand the operation of corporate governance (including but not limited to employee rights, employee care, investor relations, supplier relations, rights of stakeholders, continuing education of directors and supervisors, risk management policies and risk measurement standards, implementation of customer policies, and the purchase of liability insurance for directors and supervisors)?	V		(I) Employee rights: The Company treats its employees with integrity and protects the legitimate rights and interests of employees in accordance with the labor laws and regulations of each operating location. (II) Employee care: Through the welfare system that provides employees with a stable life and diversified education and training systems, the Company has established a good relationship of mutual trust and mutual dependence with employees. Such as: employee health checkups, employee trips, family days, provision of employee dormitories, accommodation for employees' daily life care, employee satisfaction surveys and improvement measures, parking lots and communication channels with the President's mailbox, etc. (III) Investor relations: There is an investor section on the Company's website (http://www.hulane.com) to disclose the Company's financial business and other related information. (IV) Supplier relations: The Company has established the "Supplier Selection and Management Procedures" to ensure that suppliers meet the demand for delivery, quality, and price. In the spirit of sustainable management, the Company is committed to requiring suppliers to comply with environmental protection, industrial safety and human rights standards, and organizing supplier exchange activities regularly to establish good communication and partnership. (V) Continuing education for directors: The Company arranges directors to participate in relevant training courses and seminars on a regular basis. For the continuing education of directors in 2024, please refer to [Attachment 1].	None

Assessment items	Operation status			Deviation and causes of deviation from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary description	
			(VI) Implementation of risk management policies and risk measurement standards: 1. Measurement Standards: In 2024, the Company implemented Key Risk Indicators (KRIs) in accordance with the latest version of the Risk Management Guidelines. These indicators are used to facilitate regular tracking, assessment, and response to key risks. For details, please refer to Attachment 3. 2. Implementation Status: On November 8, 2024, the Board of Directors approved the establishment of the Risk Management Committee, which is composed of three Independent Directors. The CEO acts as the Chief Coordinator, leading the executive team responsible for promoting and executing risk management initiatives. The Committee is tasked with reviewing risk management policies, procedures, and frameworks; regularly evaluating their applicability and effectiveness; determining risk prioritization and risk levels; reviewing the implementation status of risk controls; and providing improvement recommendations. The Committee reports its findings to the Board on a regular basis. For further information on the operation of the Risk Management Committee, please refer to Attachment 4. (VII) Implementation of customer policy: A customer complaint and feedback mechanism has been established to provide good communication channels between customers and the business, and strive to improve customer satisfaction. In addition, a customer satisfaction survey is conducted once a year to maintain good relationships with customers and implement them in daily customer management to create company profits. (VIII) Purchase of liability insurance for directors: The Company has purchased liability insurance for directors, independent directors, and key managers since 2004.	
IX. Please explain improvements that have been made as well as priorities to improve the results of the Corporate Governance Evaluation issued by the Taiwan Stock Exchange Corporate Governance Center. In the 11th term (2024) evaluation of the Company, the Company was rated among the top 6% - 20% of the TPEX-listed companies. Improvements: 1. The regulations governing the performance evaluation of the board of directors are formulated and submitted to the board of directors for approval. Self-evaluation is conducted once a year and the evaluation results are disclosed on the Company's website or in the annual report. 2. The Sustainability Promotion Committee and the ethical corporate management unit of the Company regularly report the execution results and future work plans to the board of directors, and disclose the results on the Company's website and annual report. 3. Disclose these results on the company's website or in the annual report on the implementation of the ethical corporate management policy and the prevention against unethical practices in the current year. In the future, the Company will continue to build effective mechanisms for corporate governance in all aspects of its operations, and implement transparent and clear information disclosure to enhance shareholders' interests.				

[Attachment 1] Continuing education for directors in 2024

Job title	Name	Date	Organizer	Course title	Course hour
Chairman	Chang Tzu-Hsiung	2024.05.09	Importers and Exporters Association of Taipei	Challenges and opportunities for European Union CBAM carbon tariff enterprises	3
Director	Hu Sheng-Ching	2024.05.09	Importers and Exporters Association of Taipei	Challenges and opportunities for European Union CBAM carbon tariff enterprises	3
Director	Chang Ping-Chun	2024.05.09	Importers and Exporters Association of Taipei	Challenges and opportunities for European Union CBAM carbon tariff enterprises	3
Director	Hu Shao-Ju	2024.05.09	Importers and Exporters Association of Taipei	Challenges and opportunities for European Union CBAM carbon tariff enterprises	3
Director	Liu Chun-Hsiang	2024.05.09	Importers and Exporters Association of Taipei	Challenges and opportunities for European Union CBAM carbon tariff enterprises	3
Director	Lin Yuan-Li	2024.05.09	Importers and Exporters Association of Taipei	Challenges and opportunities for European Union CBAM carbon tariff enterprises	3
Independent Director	Chang Shyueh-Chih	2024.05.09	Importers and Exporters Association of Taipei	Challenges and opportunities for European Union CBAM carbon tariff enterprises	3
Independent Director	Lin, Chan-Lieh	2024.05.09	Importers and Exporters Association of Taipei	Challenges and opportunities for European Union CBAM carbon tariff enterprises	3
Independent Director	Tai Chia-Wei	2024.05.09	Importers and Exporters Association of Taipei	Challenges and opportunities for European Union CBAM carbon tariff enterprises	3
Independent Director	Tai Chia-Wei	2024.06.03	Securities and Futures Institute	Forum for investors of machine tools and equipment	3
Chairman	Chang Tzu-Hsiung	2024.08.08	Importers and Exporters Association of Taipei	Transformation and opportunity under the new economy	3
Director	Hu Sheng-Ching	2024.08.08	Importers and Exporters Association of Taipei	Transformation and opportunity under the new economy	3
Director	Chang Ping-Chun	2024.08.08	Importers and Exporters Association of Taipei	Transformation and opportunity under the new economy	3
Director	Hu Shao-Ju	2024.08.08	Importers and Exporters Association of Taipei	Transformation and opportunity under the new economy	3
Director	Liu Chun-Hsiang	2024.08.08	Importers and Exporters Association of Taipei	Transformation and opportunity under the new economy	3
Director	Lin Yuan-Li	2024.08.08	Importers and Exporters Association of Taipei	Transformation and opportunity under the new economy	3
Independent Director	Chang Shyueh-Chih	2024.08.08	Importers and Exporters Association of Taipei	Transformation and opportunity under the new economy	3
Independent Director	Lin, Chan-Lieh	2024.08.08	Importers and Exporters Association of Taipei	Transformation and opportunity under the new economy	3

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Job title	Name	Date	Organizer	Course title	Course hour
Independent Director	Tai Chia-Wei	2024.08.08	Importers and Exporters Association of Taipei	Transformation and opportunity under the new economy	3

[Attachment 2] Continuing education for corporate governance managers in 2024

Name	Date	Organizer	Course title	Course hour
Pan Su-Chiu	2024.04.10	Taiwan Academy of Banking and Finance	Workshop for corporate governance and sustainable operation of enterprises	3
	2024.05.09	Importers and Exporters Association of Taipei	Challenges and opportunities for European Union CBAM carbon tariff enterprises	3
	2024.07.09	Taipei Exchange	AI Strategy and Governance	3
	2024.08.08	Importers and Exporters Association of Taipei	Transformation and opportunity under the new economy	3
	2024.10.07	Chinese National Association of Industry and Commerce, Taiwan	2024 Taishin Net Zero Summit Summit	3
	2024.02.22	Kind Management Consulting Co.	ISO14067:2018 Product Carbon Footprint Internal Certification Training	3
	2024.08.13	Kind Management Consulting Co.	ISO14067:2018 Product Carbon Footprint Internal Certification Training	3
Total				21

[Attachment 3] Key Risk Indicators

External Risk	Risk Style	Index	Update Cycle	Information Update Unit	Data Source		Standard	Observation value	Target/Range	Situation	Countermeasures feedback unit
Economy Situation	Strategic Risk	Gross Domestic Product (GDP)	Monthly_25th~30th	General Manager Office_LIN	Unit Website	1. Projected value: Latest economic forecast released by IHS Markit, Bureau of International Trade, MOEA 2. Performance: IMF & World Bank (quarterly announcements) https://www.imf.org/en/publications/weo	No Standard	Forecast Value & Actual Value	Control: The difference between the forecast growth rate and the previous period was negative from six consecutive months.	Standard: N/A Control: countermeasures	Functional Division
	Strategic Risk	Purchasing Managers' Index (PMI)	Monthly_1st~10th	General Manager Office_LIN	Unit Website	IHS Markit Ltd. https://www.markiteconomics.com/Public/Release/PressReleases	>50	Actual Value	Standard: X $\geq$ 50 (Expansion) Control : six consecutive months $\leq$ 50	Standard: N/A Control: countermeasures	Functional Division
	Operational Risk	Metals 【Copper & Zinc】 Long & Short-term period Purchase Spread	Monthly_1st~10th	Procurement Dept. Wendy Yin	Unit Website	London Metal Exchange (LME) https://www.lme.com/Metals/Non-ferrous#tabIndex=0	No Standard	Forecast Value	Standard: The long-term and short-term interest rate spread continues to rise (Positive) Control : three consecutive months = negative	Standard: N/A Control: countermeasures	Operation and Logistics Department
	Strategic Risk	Consumer Price Index (CPI)	Monthly_20th~30th	General Manager Office_LIN	Unit Website	Trading Economics https://tradingeconomics.com/	<3%	Forecast Value	Standard: Value $\leq$ 3% (Optimism). Control: three consecutive months $\geq$ 5%	Standard: N/A Control: Only observation	Functional Division
	Strategic Risk	Consumer Confidence Index (CCI)	Monthly_20th~30th	General Manager Office_LIN	Unit Website	1. Investment grade economic indicator user guide Stock-ai 2. Macromicro https://www.macromicro.me/	>100	Forecast Value	Standard: X $\geq$ 100 (Optimism). Control: three consecutive months $\leq$ 100	Standard: N/A Control: Only observation	Functional Division

External Risk	Risk Style	Index	Update Cycle	Information Update Unit	Data Source		Standard	Observation value	Target/Range	Situation	Countermeasures feedback unit
International Situation	Financial Risk	Exchange rate									
		USD	Monthly_1st~10th	Group Finance Division_John Kao	Unit	Bank of Taiwan	No Standard	Forecast Value	N/A	Standard: N/A Control: Only observation	Group Finance Division
		CNY									
		EUR									
		YEN			Website	https://rate.bot.com.tw/xrt?Lang=zh-TW					
		IDR									
		VND									
	Financial Risk	HL Exchange rate management	Monthly_20th~30th	Group Finance Division_John Kao	Unit	Group Finance Division	Hu Lane Group - Exchange Rate Management Indicator (OC_19): accumulated consolidated currency exchange loss and gain account for accumulated revenue within - 0.6%	Actual Value	Standard: X ≦ -0.6% Control : accumulated consolidated currency exchange loss and gain account for accumulated revenue within -0.6%	Standard: N/A Control: countermeasures	Group Finance Division
	Financial Risk	HL Accounts receivable days	Monthly_20th~30th	Group Finance Division_Cheng Ya Ching	Unit	Group Finance Division	Hu Lane Group – Annual Financial Indicator (OC_20)_HL Accounts receivable days: 135 days	Actual Value	Standard: X ≦ 135 days Control: six consecutive months over 135 days	Standard: N/A Control: countermeasures	Group Finance Division
Impact of information security incidents on corporate operations	Information Security Risks	Record of abnormal events in network system	quarterly_20th~30th	Group IT Division	Unit	Security Operation Center	Standard value: CVSS 7.5-10	Actual Value	Standard: 0 cases with CVSS > 7.5 Control: Control failure is determined if no correction or improvement plan is made within 3 days after detection	Standard: N/A Control: countermeasures	Group IT Division

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External Risk	Risk Style	Index	Update Cycle	Information Update Unit	Data Source		Standard	Observation value	Target/Range	Situation	Countermeasures feedback unit
		Tracking and review of major external information security incidents	Irregular	Group IT Division	Unit	External Source	N/A	Actual Value	The evaluation includes the following three levels. Confidentiality (C), Integrity (I), and Availability (A): If any of the impact levels for confidentiality, integrity, or availability is rated as "severe," an improvement strategy must be proposed and the objective must be achieved within 3 months.	Standard: N/A Control: countermeasures	Group IT Division
Protection of the rights and interests of the company or its stakeholders	Legal risk	Trade Secret Confidentiality of correspondence	Irregular	Legal Affairs Office_T.C.L	Unit	All contacts, corporate enterprises, government agencies, or other parties that may provide or receive information All contacts, corporate enterprises, government agencies, or other parties that may provide or receive information	N/A	Actual Value	1. Clause content; 2. Special agreement; 3. Penalty for default; 4. Others (any agreement affecting rights and obligations)	Standard: N/A Control: countermeasures	Legal Affairs Office
Timeline of major external environmental impacts in recent years	Hazard Risk	Major environmental changes	Irregular	General Manager Office_LIN	Unit	Network Information	N/A	Actual Value	N/A	Standard: N/A Control: countermeasures	Strategic and flexible team

[Attachment 4] Operational status of the Risk Management Committee

- I. There are three members of the Company's Risk Management Committee.
- II. Current term of office: from November 8, 2024 to June 18, 2026

The Risk Management Committee held two meetings in the most recent year (2024). The attendance of members is as follows:

Job title	Name	Actual attendance rate (B)	Number of proxy attendances	Actual attendance rate (%) (B/A) (Note)	Remarks
Convener	Chang Shyueh-Chih Independent Director	2	0	100%	New appointment on November 8, 2024
Committee members	Lin, Chan-Lieh Independent Director	2	0	100%	New appointment on November 8, 2024
Committee members	Tai Chia-Wei Independent Director	2	0	100%	New appointment on November 8, 2024

The members of the committee are composed of three independent directors, and the CEO is the general commander of the committee. The management team is responsible for the promotion and execution of risk management. Committee members uphold a prudent and rigorous attitude, review various risks they are responsible for supervising, and ensure the implementation of relevant risk management operations. The committee's responsibilities are as follows:

1. Formulate risk management policies, guidelines and procedures, and ensure the implementation and execution of related risk management operations.
2. Supervising the operation of the risk management framework, and adjusting and improving the risk management mechanism in a timely manner.
3. Regularly review risk management strategies and goals, and propose improvement suggestions.
4. Coordinate the risk management work among various departments, and promote the sharing and exchange of risk information.
5. Review and approval of the handling plan for major risks.
6. Regularly report to the Board of Directors on the implementation of risk management.

Convening:

1. The Committee shall convene at least once a year and may convene at any time when necessary.
2. The convening of the Committee shall be stated with the reason for convening and shall be notified to the Committee members seven days in advance. However, this does not apply to emergency events.
3. The Committee shall be convened by one of the three independent directors and chaired by the committee chief.
4. If necessary, the Committee may invite the Directors, managers of related departments, internal auditors, CPAs, legal advisors, or other personnel to attend the meeting and provide the necessary information, but they shall leave the meeting during the discussion and voting.

The Company's main risk management promotion and execution team leaders are:

1. Strategy and operational risk: The CEO and the management committee conduct the annual operational policy risk assessment, and regularly implement performance tracking to ensure that the operational strategy meets the Company's vision and achieves operational goals. (including information security and human risk).
2. Financial risk: The CFO is responsible for assessing, monitoring and assessing financial risks, analyzing the adequacy of the Company's asset allocation and other important financial indicators.
3. Legal compliance risk: The legal officer and related units assess and take relevant countermeasures in accordance with laws, policies and industrial development.

4. Environmental and climate change risks: The risks of hazards and regulatory impacts caused by environmental and climate change are assessed by the sustainable development and operation management committee, and relevant countermeasures are adopted.
(Hazard risk includes this level)

Date	Motion content	Risk Management Committee Resolution	The Company's handling of the opinions of the Risk Management Committee
2024.11.07 The 1st meeting of 1st session	1. Election of the Convener and Chairperson of the first term of the Risk Management Committee	Committee member Tai Chia-Wei proposed to elect Chang Shyueh-Chih as the convener and chairperson of the Risk Management Committee. The proposal was unanimously approved by all committee members present, and Chang Shyueh-Chih was appointed as the convener and chairperson.	The chairperson then inquired whether any of the attending Risk Management Committee members had other opinions or suggestions regarding the proposal. As no objections were raised, the proposal was passed as presented.
	2. Formulation of "Risk Management Policy and Procedures".	The motion was unanimously approved by all attending members and presented to the Board of Directors for resolution.	The chairperson then inquired whether any of the attending Risk Management Committee members had other opinions or suggestions regarding the proposal. As no objections were raised, the proposal was passed as presented.
	3. 2024 Mid-Session Report of TCFD.	The motion was unanimously approved by all attending members and presented to the Board of Directors for resolution.	The chairperson then inquired whether any of the attending Risk Management Committee members had other opinions or suggestions regarding the proposal. As no objections were raised, the proposal was passed as presented.
2024.12.20 The 2nd meeting of the 1st session	1. Progress of TCFD project and other operational risk reports in 2024.	The motion was unanimously approved by all attending members and presented to the Board of Directors for resolution.	The chairperson then inquired whether any of the attending Risk Management Committee members had other opinions or suggestions regarding the proposal. As no objections were raised, the proposal was passed as presented.

Risk Management Committee's 2025 schedule:

Planned projects	January	February	March	April	May	June	July	August	September	October	November	December
Review of the interim performance report of TCFD						◎						
TCFD Project Implementation Progress and Other Operation Risk Review												◎

(IV) If the Company has set up a remuneration committee, composition, professional qualifications and experience, independence, responsibilities, operation status and other records of the committee shall be disclosed.

1. According to the Company's "Organizational Rules for the Remuneration Committee", the chairman of the board of directors submits it to the board of directors for a resolution to appoint three compensation committee members, three of whom are independent directors, for the fourth term of the Compensation Committee from June 19, 2023 to June 18, 2026, the same date as the expiration of the current term of the board of directors.

2. The function of the Remuneration Committee is to evaluate the Company's directors and managers' compensation policies and systems in a professional and objective manner, and make recommendations to the board of directors for reference in its decision-making.

3. Membership of the Remuneration Committee

Separation	Condition Name	Professional qualifications and experience	Independence	Number of concurrent positions as a member of the remuneration committee of other public companies
Convener and Independent Director	Chang Shyueh-Chih	Please refer to the information on directors' professional qualifications and independent director independence.	(1) Not an employee of the company or its affiliated company. (2) Not a director or supervisor of the Company or any of its affiliated companies. Except for the independent director appointed by the company, its parent company, or subsidiary in accordance with the Act or the laws and regulations of the local country (3) Not a natural-person shareholder holding more than 1% of the Company's outstanding shares in the name of his/her spouse, underage children, or someone else in the name of the shareholder. (4) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship who is not a spouse or relative of any of the managers listed in (1) or personnel listed in (2) and (3). (5) The director, supervisor or employee of a corporate shareholder who does not directly hold more than 5% of the total issued shares of the company, or who is one of the top five holders of shares, or who has appointed a representative as a director or supervisor of the company in accordance with Article 27-1 or 2 of the Company Act. However, this does not apply to the fact that the independent directors of the company or its parent company, subsidiaries or subsidiaries belonging to the same parent company are established in accordance with this Act or the laws of the local country to serve concurrently with each other.	0
Independent Director	Lin, Chan-Lieh		(6) Directors, supervisors, or employees of other companies not holding more than half of the company's directors and voting shares are controlled by the same person (except for the Company or its parent company, subsidiary, or subsidiary of the same parent and the independent directors established by law or the laws and regulations of the local country concurrently serve concurrently. (7) Not a director, supervisor, or employee of any other company or institution where the chairman, general manager, or person holding an equivalent position of the company is the same person or spouse (However, this does not apply to the fact that the independent directors of the company or its parent company, subsidiaries or subsidiaries belonging to the same parent company are established in accordance with this Act or the laws of the local country to serve concurrently with each other)	0
Independent Director	Tai Chia-Wei		(8) Not a director, supervisor, manager, or shareholder holding more than 5% of the shares of any company or institution that has a financial or business relationship with the Company (except for independent directors appointed in accordance with the Act or the laws and regulations of the local country by the Company and its parent company, subsidiaries, or subsidiaries of the same parent company, unless the above circumstances do not exceed 50% but are more than 20%). (9) Not a professional, sole-proprietorship, partnership, company, or institution owner, partners, directors, supervisors, managers and their spouses that provides audits or commercial, legal, financial, or accounting-related services and consultation for the Company or any of its affiliated companies for less than NT\$500,000 in remuneration in the last two years. The members of the Remuneration Committee, Public Acquisition Review Committee, or M&A Special Committee who perform their functions and powers in accordance with the Securities and Exchange Act or the Business Mergers and Acquisitions Act are not subject to this restriction. (10) Does not meet any of the conditions specified in Article 30 of the Company Act.	1

4. Information on the operation of the Remuneration Committee

- I. The Company's Remuneration Committee consists of 3 members.
- II. The term of office for the 2nd and the current term of the Remuneration Committee: same as the term of office for the Board of Directors.

The Remuneration Committee held three meetings (A) in the most recent year (2024). The attendance of members is as follows:

Job title	Name	Actual attendance rate (B)	Number of proxy attendances	Actual attendance rate (%) (B/A) (Note)	Remarks
Convener	Chang Shyueh-Chih	3	0	100%	Re-elected on June 19, 2023
Committee members	Lin, Chan-Lieh	3	0	100%	Re-elected on June 19, 2023
Committee members	Tai Chia-Wei	3	0	100%	Re-elected on June 19, 2023

Other matters to be recorded:

- I. If the board of directors does not adopt or amend the Remuneration Committee's proposal, please describe the date and session of the board of directors meeting, details of the agenda, the resolution of the board of directors, and the Company's handling of the Remuneration Committee's opinions (If the remuneration approved by the board of directors is better than the recommendation of the Remuneration Committee, the circumstances and reasons for the discrepancy shall be stated):
 1. Regular review of salary and remuneration
The function of the Remuneration Committee of the Company is to evaluate the remuneration policy and system of the Company's directors and managers in a professional and objective manner. It meets at least twice a year and may call a meeting at any time as needed to make recommendations to the board of directors. for reference in decision-making.
Powers of the Remuneration Committee
 - (1) Review the Company's remuneration policies on a regular basis and propose amendments.
 - (2) Establish on conduct a regular review on the policies, systems, standards and structures for the performance and remuneration of the directors and managers.
 - (3) Regularly evaluate the compensation and remuneration of the Company's directors and managers.
 2. When performing its duties, the Remuneration Committee shall comply with the following standards
 - (1) Salary management shall be consistent with the compensation philosophy of the Company.
 - (2) The performance evaluation and remuneration of directors and managers should be based on the general level of payment in the same industry, and the reasonableness of the connection between individual performance and the company's operating performance and future risks.
 - (3) Directors and managers shall not be induced to engage in behaviors that exceed the Company's risk appetite in pursuit of compensation.
 - (4) The percentage of short-term performance bonus paid to directors and senior managers and the timing of payment of some variable salaries shall be determined in consideration of industry characteristics and the nature of the Company's business.
 - (5) Members of the Committee shall not be allowed to participate in the discussion and voting of their own salary and remuneration.

3. Remuneration Committee Meeting Information

Date	Motion content	Resolution of the Remuneration Committee	The Company's handling of the opinions of the Remuneration Committee
March 12, 2024 2nd meeting of	1. 2023 Performance Evaluation of the board of directors, Directors, the Audit Committee, and the	The motion was unanimously approved by all attending members and presented to the Board of Directors for resolution.	The proposal was passed as proposed by all Remuneration Committee members who had no opinions or suggestions at the meeting.

the 5th term	Remuneration Committee.		
	2. Reviewed the remuneration to employees and directors for 2023.	The motion was unanimously approved by all attending members and presented to the Board of Directors for resolution.	The proposal was passed as proposed by all Remuneration Committee members who had no opinions or suggestions at the meeting.
2024.04.12 3rd meeting of the 5th term	1. Allocation of remuneration to directors in 2023.	The motion was unanimously approved by all attending members and presented to the Board of Directors for resolution.	The proposal was passed as proposed by all Remuneration Committee members who had no opinions or suggestions at the meeting.
2024.05.09 4th meeting of the 5th term	1. Allocation of remuneration to managerial officers and employees of the Company in 2023.	The motion was unanimously approved by all attending members and presented to the Board of Directors for resolution.	The proposal was passed as proposed by all Remuneration Committee members who had no opinions or suggestions at the meeting.
2025.03.12 5th meeting of the 5th term	1. 2024 Performance Evaluation of the board of directors, Directors, the Audit Committee, and the Remuneration Committee.	The motion was unanimously approved by all attending members and presented to the Board of Directors for resolution.	The proposal was passed as proposed by all Remuneration Committee members who had no opinions or suggestions at the meeting.
	2. Reviewed the remuneration to employees and directors for 2024.	The motion was unanimously approved by all attending members and presented to the Board of Directors for resolution.	The proposal was passed as proposed by all Remuneration Committee members who had no opinions or suggestions at the meeting.

- II. If any member of the Remuneration Committee has expressed an objection or reservation regarding a resolution, and such objection or reservation has been recorded or stated in writing, the date of the committee meeting, term, resolution content, opinions of all members, and the handling of such opinions shall be specified:
None.

2025 pre-arranged plan of the Remuneration Committee:

Planned projects	January	February	March	April	May	June	July	August	September	October	November	December
Proposal of employee bonus and remuneration to directors and supervisors			◎									
Review of the distribution of remuneration to managerial officers					◎							
Discussion about the organization of the year												◎

5. Operational Status of Sustainability Committee

- I. The Company's Sustainability Committee consists of 7 members.
- II. The term of office of the current members of the Sustainability Committee is the same as that of the current Board of Directors.

(2024) The Sustainable Development Committee held 4 meetings (A). The attendance of members is as follows:

Job title	Name	Professional qualifications and experience	Number of Actual Attendance (B)	Number of attendance by proxy	Actual attendance rate (%) (B/A)	Remarks
Convener	Chang Shyueh-Chih	Professional qualification information of each committee discloses the relevant contents on page 10 and 17-18.	4	0	100%	First time in office
Committee members	Lin, Chan-Lieh		4	0	100%	First time in office
Committee members	Tai Chia-Wei		4	0	100%	First time in office
Sustainable Development Officer	Pan Su-Chiu		4	0	100%	First time in office
Steering Committee Member	Chang Ping-Chun		3	0	75%	First time in office
Steering Committee Member	Chang Shao-Chien		3	0	75%	First time in office
Steering Committee Member	Chang Chung-I		3	0	75%	First time in office

Sustainability Committee Meeting Information

Date	Motion content	Sustainability Committee Resolution:	The Company's handling of the opinions of the Sustainability Committee Handling of Opinions
March 12, 2024 the second session The second time	1. Amendments to the "Hu Lane Group's 2024-2025 short, medium and long-term strategic development goals on environmental protection" and submit for review.	The motion was approved as proposed by all Sustainability Committee members who had no opinions or suggestions.	The motion was approved as proposed by all members of the board of directors who had no opinions or suggestions.
	2. Establish "Standard Operation Procedure of Carbon Credit Trading" and submit for review.	The proposal was proposed by all Sustainability Committee members who had 1 opinion or suggestion at the meeting. 1. It is recommended that after the Standard Operation Procedure of Carbon Credit Trading is clarified by competent authority or EU regulations, the Company revise the internal provisions and include them in the internal audit process.	The motion was approved as proposed by all members of the board of directors who had no opinions or suggestions.

		Except the above, the proposal was passed as proposed by all committee members who had no opinions or suggestions at the meeting.	
	3. Establish HU LANE ASSOCIATE INC. carbon credit special account and submit for review.	The motion was approved as proposed by all Sustainability Committee members who had no opinions or suggestions.	The motion was approved as proposed by all members of the board of directors who had no opinions or suggestions.
2024.06.17 3rd meeting of the 2nd term	1. ISO 14064-1 Greenhouse Gas Inventory and third-party verification project, mid-year progress report.	The motion was approved as proposed by all Sustainability Committee members who had no opinions or suggestions.	The motion was approved as proposed by all members of the board of directors who had no opinions or suggestions.
	2. ISO 14067 Product Carbon Footprint Inventory and third-party verification project, mid-year progress report.	The motion was approved as proposed by all Sustainability Committee members who had no opinions or suggestions.	The motion was approved as proposed by all members of the board of directors who had no opinions or suggestions.
	3. The ESG Sustainability Report of the Group was confirmed to be completed and reported to the public.	The motion was approved as proposed by all Sustainability Committee members who had no opinions or suggestions.	The motion was approved as proposed by all members of the board of directors who had no opinions or suggestions.
2024.11.08 4th meeting of the 2nd term	1. ESG Execution Effectiveness Report for the first three quarters of 2024 by Hu Lane Group.	The motion was approved as proposed by all Sustainability Committee members who had no opinions or suggestions.	The motion was approved as proposed by all members of the board of directors who had no opinions or suggestions.
2024.12.20 5th meeting of the 2nd term	1. 2024 ESG Execution Items Report of Hu Lane Group.	The motion was approved as proposed by all Sustainability Committee members who had no opinions or suggestions.	The motion was approved as proposed by all members of the board of directors who had no opinions or suggestions.
	2. Amendments to the Hu Lane Group's 4.1 organization chart.	The motion was approved as proposed by all Sustainability Committee members who had no opinions or suggestions.	The motion was approved as proposed by all members of the board of directors who had no opinions or suggestions.
2025.03.12 6th meeting of the 2nd term	1. Proposal for the establishment of the "Sustainable Development Committee Charter"	The motion was approved as proposed by all Sustainability Committee members who had no opinions or suggestions.	The motion was approved as proposed by all members of the board of directors who had no opinions or suggestions.

2025 pre-arranged plan of the Sustainable Development Committee:												
Planned projects	January	February	March	April	May	June	July	August	September	October	November	December
Determination of ESG development goals for the year			◎									
Review of third-party verification report of ISO 14064-1								◎				
Review of the third-party verification report of ISO 14067												◎
ESG Sustainability Reporting Assurance						◎						
Review of ESG implementation items and results of the Group												◎

6. Membership and operation status of the Nomination Committee: Not applicable.

(V) Implementation of sustainable development and deviations from the Sustainable Development Best-Practice Principles for TPEX-Listed Companies and the causes

Promote the project	Status of implementation			Deviation and causes of deviation from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary description	
I. Has the Company established a governance framework for the promotion of sustainable development, and established a dedicated (or part-time) unit to promote sustainable development that is handled by senior management authorized by the board of directors, and supervised by the board of directors?	V		(I) The Company established the "Hu Lane Group Sustainability Development Committee" in 2022 in order to practice sustainable development. It is the highest-level sustainability decision-making center within the Company. Independent directors serve as sustainability committee members, responsible for formulating sustainability strategies, and assign the progress of sustainability control and task allocation. The Group's Finance Department runs a full-time Sustainable Development Committee and forms a sustainable development promotion team with representatives from related units. (II) The sustainability director of the "Sustainability Committee" reports to the board of directors on the achievement of sustainability and future work plans. The meeting was convened three times in 2024. The date and content of the motions are as follows: The operation of the Sustainable Development Committee is detailed as follows: (III) The board of directors listens to reports from the management team (including the ESG report) on a quarterly basis. The management must propose the company's strategies to the board of directors, and the board of directors must evaluate the probability of success of these strategies, and must constantly review the progress of the strategies and urge the management team to make adjustments when necessary	None
II. Does the Company follow the principle of materiality, conduct risk assessments on environmental, social, and corporate governance issues related to corporate operations, and formulate relevant risk management policies or strategies?	V		(I) The Company's Board of Directors approved the "Sustainable Development Best-Practice Principles" on December 23, 2022. We evaluate the development trend of domestic and foreign enterprises' social responsibility and the relevance of their core business, and review the effectiveness of its implementation and continuous improvement at any time to ensure the implementation of CSR policies. (II) To fulfill the corporate social responsibility, and to promote economic, environmental and social progress, in order to achieve the goal of sustainable development. The Company's risk assessment standards and risk management strategies for material issues related to environmental, social and corporate governance will be regularly tracked by the Risk Management Committee, adjusted in a timely manner, reported to the board of directors. For the risk management (TCFD) of material issues, please refer to "Attachment 2". In the future, the Company will review the appropriateness of key risk factors and indicators regularly in accordance with the global policy, and adjust and continue to implement the risk management mechanism.	None
III. Environmental issues				

Promote the project	Status of implementation			Deviation and causes of deviation from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary description	
(I) Has the Company established an appropriate environmental management system based on the characteristics of its industry?	V		(I) In addition to maintaining the original ISO14001 and RoHS management systems, the Company also uses an ISO third-party certification body on a yearly basis to ensure the effectiveness of in-factory environmental management, covering domestic and overseas factories. The Company has introduced ISO 14064-1 greenhouse gas inventory (validation required) starting from 2022 and continue this implementation to 2023 to strengthen the company's requirements for setting greenhouse gas emission limits to improve greenhouse gas management, calculate organizational greenhouse gas emissions and removals, and identify company-specific measures and activities. Introduced ISO 14067 carbon footprint in 2023 to examine the carbon emissions during the product manufacturing process. The Company will then launch a carbon reduction plan to identify processes that may reduce carbon emissions, reduce the input of raw materials or the waste output.	None
(II) Is the company committed to improving the efficiency of energy use and using recycled materials with low impact on the environment?	V		(II) Intelligent monitoring meters for production machines and high-consumption equipment are installed in 2023 to accurately and effectively inventory the From company's high-consumption equipment. For those high-energy-consuming equipment, old machines are replaced with new ones gradually. As for plastic raw materials, in addition to the continuous outsource of recycling and reuse raw materials, the production units are currently planning an internal recycling and reuse process. Administrative units have comprehensively introduced the paperless plan, replacing papers with electronic sign-off systems. The solar power generation system was installed at the Taipei Hu Lane Plant in 2025, and the energy storage equipment was upgraded to improve the efficiency of green energy use.	None
(III) Does the company pay attention to the potential risks and opportunities of climate change at present and in the future, and take measures to respond to climate-related issues?	V		(III) In response to the impact of the global greenhouse effect, countries around the world are actively establishing carbon credit trading systems to accelerate the progress in reducing carbon emissions. Following this trend, the Company introduced ISO14064-1 greenhouse inventory in 2022 and have introduced ISO14067 carbon footprint standard and other corresponding measures in 2023.	None
(IV) Does the company count greenhouse gas emissions, water consumption, and total weight of waste in the past two years, and formulate energy conservation and carbon reduction, greenhouse gas reduction, water consumption, or other waste management policies?	V		(I) In order to fulfill the corporate responsibility for environmental protection and reduce the impact of greenhouse gas emissions on global warming causing environment and climate threats , the Company will continue to promote energy and carbon reduction measures complying with related laws and regulations. The Company have completed the 2023 ISO14064-1 Category 1, 2 and 3 inventory of the group (covering all subsidiaries) in 2024. <u>1. Greenhouse gas emissions in the past two years</u> Note: (VI) 1-1 Greenhouse Gas Inventory and Assurance of the Company's Climate-related	None

Promote the project	Status of implementation			Deviation and causes of deviation from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies																				
	Yes	No	Summary description																					
			Information The total greenhouse gas emissions of Category 1 and Category 2 in 2024 are 19,759.6312 tCO₂e, with the unit emission of 2.2454 tCO₂e/M NT\$. The emission is mainly from the electricity emissions of category 2, accounting for 95% of the category 1 and 2 emissions; followed by category 1 fuel emissions from official transportation vehicles of 5%. The overall carbon emission intensity was reduced by 2.63% year-on-year. In order to achieve the international carbon reduction aim, the company has set a five-year (2023~2027) sustainable development goal with related projects promoted and tracked by the Sustainability Committee. It is expected that with the active actions, the carbon emissions for per unity unit products and absolute emissions can be gradually reduced. 2. <u>Water consumption in the past two years</u> Unit: ML <table border="1"> <thead> <tr> <th>Year</th><th>Total Water Intake</th><th>Total Water Discharge</th><th>Total Water Consumption</th><th>Water Consumption Intensity</th></tr> </thead> <tbody> <tr> <td>2023</td><td>140.67</td><td>100.42</td><td>40.25</td><td>0.0055</td></tr> <tr> <td>2024</td><td>149.84</td><td>113.76</td><td>36.08</td><td>0.0041</td></tr> <tr> <td colspan="3">Two-year difference</td><td>10.36% reduction</td><td>25.45% reduction</td></tr> </tbody> </table> For the water-saving plan: the Company set annual water reduction targets for each factory, publicizing and promoting the implementation of saving water in daily life, replacing old equipment with those of government-certified energy-saving labels. In the forth quarter of 2023, the Taipei factory is planned to cooperate with outsourced electroplating factories, expecting to recycle 20% of the wastewater from the electroplating process annually. The Company expects to utilize the available water resources to bring greater benefits to the Company. 3. <u>Output of waste in the past three years (Attachment 3)</u> Output of general + hazardous waste (number of companies) 2022: 2,720.47 tonnes 2023: 2,727.08 tonnes 2024: 3,366.04 tonnes	Year	Total Water Intake	Total Water Discharge	Total Water Consumption	Water Consumption Intensity	2023	140.67	100.42	40.25	0.0055	2024	149.84	113.76	36.08	0.0041	Two-year difference			10.36% reduction	25.45% reduction	
Year	Total Water Intake	Total Water Discharge	Total Water Consumption	Water Consumption Intensity																				
2023	140.67	100.42	40.25	0.0055																				
2024	149.84	113.76	36.08	0.0041																				
Two-year difference			10.36% reduction	25.45% reduction																				

Promote the project	Status of implementation			Deviation and causes of deviation from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary description	
IV. Social Issues				
(I) Has the Company established relevant management policies and procedures in accordance with applicable laws and international conventions on human rights?	V		(I) The Company complies with the "Labor Code" adopted by the production sites all over the world and refers to the Convention on the Rights of the Child, the Convention on the Rights of Indigenous Peoples, the International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families, and the Convention on the Rights of Persons with Disabilities. The Company shall comply with the spirit of the International Covenants on Human Rights, protect the lawful rights and interests of employees and the non-discriminatory treatment in the employment policy, and establish appropriate management measures and procedures as the basis for personnel management and respect for human rights. The Company's human rights policies and specific measures are as follows: 1. Policy to Eliminate Unlawful Discrimination and Ensure Equal Employment Opportunities The Company prohibits any form of unlawful discrimination to ensure equal employment opportunities. It provides foreign employees with proper accommodation and living spaces, strictly prohibits workplace violence, and offers wages and benefits that meet or exceed local legal requirements. 2. Policy on Employment Quota for Persons with Disabilities Pursuant to Article 38 of the "Persons with Disabilities Protection of Rights and Interests Act", the Company provides protection for employees with disabilities through promotion. 3. Prohibition of Child Labor Policy It is prohibited to hire employees under the age of 15. 4. Prohibition of all forms of forced labor 5. Help employees maintain physical and mental health and work-life balance policy The Company has clearly defined a legal and reasonable working hour management plan, and regularly cares and manages the attendance of employees. The Company respects the rights of employees, employees may set up diverse clubs, and employees are encouraged to join the clubs. 6. Gender Equality Policy A sexual harassment prevention hotline has been set up. The Company implements a parental retention policy without pay, and provides employees with family care leave, menstrual leave, maternity leave, paternity leave, and rehabilitative leave, as well as the provision of nursing rooms and breaks.	None
(II) Does the Company establish and implement reasonable employee	V		(II) 1. The Company works with external consultants on a long-term basis to design a fixed compensation system that is in line with the market and update the salary scale regularly to	None

Promote the project	Status of implementation			Deviation and causes of deviation from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary description	
welfare measures (including remuneration, leave of absence, and other benefits), and appropriately reflect the business performance or results in the employee's remuneration?			ensure competitiveness. At the same time, it clearly defines the individual performance and development management and reward and punishment system, and discloses employee benefits related information on the Company's website. 2. If the Company reports a profit for the year (the term "profit" refers to pre-tax profit before the distribution of employee bonuses and directors' remuneration), it shall allocate 1% to 10% as employee bonuses (of which no less than 15% shall be distributed to junior employees) and no more than 1% as directors' remuneration. However, if the Company still has accumulated deficits (including adjustments to undistributed earnings), it shall first set aside an amount to cover such deficits before allocating the aforementioned proportions as employee bonuses and directors' remuneration. 3. In addition to the regular two days off, the Company also grants special leave in accordance with the Labor Standards Act. In the case of childcare, serious injury, illness, or accident, the employee may also apply for leave without pay. 4. For other details of benefits, please refer to the Human Resource section on the Company's website.	
(III) Does the Company provide employees with a safe and healthy work environment and provide employees with regular safety and health education?	V		(III) The Company conducts annual employee health checkups and health education channels, and implements occupational safety and health education and training in accordance with the law. The operating environment is monitored twice a year on operating sites to ensure the safety of employees in the workplace. The test results meet the national standards, and employee health examination reports are analyzed annually. The health consultations are arranged by on-site nursing staff to effectively manage the physical health of employees. 1. Employee Health Care Activities – Monthly Exercise Day: In 2024, a total of 16 sessions of monthly exercise days were held, with cumulative participation of 542 employees. 2. The 2024 fat loss competition lasted for 357 days, with 115 employees participating in the individual category and 12 teams participating in the group category. At the end, 24 individuals reached their goals and lost 36.4 kilograms collectively. This event collectively burned approximately 280,280 kilocalories, equivalent to climbing around 54,454 floors, and reduced carbon emissions by approximately 11,867 kg. The event not only contributed to weight management but also helped reduce the risks associated with the three highs (hypertension, hyperglycemia, and hyperlipidemia). 3. On-site health services: In 2024, a total of 80 employees participated in one-on-one health consultations with occupational physicians. These consultations provided individualized health risk assessments and offered concrete recommendations for the prevention and management of	None

Promote the project	Status of implementation			Deviation and causes of deviation from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary description	
			the three highs. Such services help employees identify risk factors early, improve dietary and exercise habits, and effectively reduce the likelihood of chronic health conditions. 4. Each plant of the Group organized the “Blood Donation with Hu Lane” charity event in 2024, encouraging employees and suppliers to participate. A total of 285 donors participated, with a total blood donation of 28,350 ml—1.9 times higher than in 2023. This demonstrated Hu Lane employees’ strong commitment to public welfare and corporate social responsibility. 5. To enhance employee safety, protective covers were added to equipment with foot pedals in 2024 to prevent accidental contact. Due to safety concerns associated with semi-automatic machines, improvements were made requiring operators to press and hold both buttons simultaneously to initiate each operational cycle. 6. In 2024, the number of employees was 647 with the number of employees suffering from occupational accidents of 1, the occupational accident ratio of 0.155%. 7. No fire incident occurred in 2024; the fire rate was 0%. 8. Health seminars A total of 10 health seminars were conducted in 2024, covering topics such as health report interpretation, nutritional supplements, neck and shoulder pain relief, emotional and dietary management, eye care, mental health (e.g., physical relaxation and sleep improvement), dietary tips for immunity enhancement, first aid, and dietary guidance for managing the three highs. These seminars helped employees build correct health concepts and implement self-care practices in daily life. 9. Installation of health instruments: To support employees in monitoring their health, especially concerning the three highs, the Company installed health monitoring devices such as blood pressure monitors and body composition analyzers. Employees can test their health indicators at any time and discover any abnormality as early as possible. This is critical to early warning and control of high cholesterol. Colleagues are also encouraged to conduct regular self-examinations, so that they can monitor their health indicators better and discover potential health issues as early as possible. Colleagues are also encouraged to develop the habit of regular self-examinations.	
(IV) Has the Company established an effective career capacity development training program for employees?	V		(IV) The Company regards employees as an important asset, attaches great importance to the cultivation and development of talents, and conducts various general training for new employees to enhance colleagues' understanding and recognition of the Company. We also work with external consultants on a long-term basis to conduct leadership and management training activities for junior and senior executives, and link personal performance management and development	None

Promote the project	Status of implementation			Deviation and causes of deviation from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary description	
			systems at the same time (the total number of professional training hours is 72,345 hours), and encourage employees to continuously improve themselves.	
(V) Does the Company comply with applicable laws and international standards on issues such as customer health and safety, customer privacy, marketing and labeling of products and services, and establish relevant policies and grievance procedures for the protection of consumers' or customers' interests?	V		(V) 1. According to the client/consumer protection policy of Social in the ESG Corporate Social Indicators, the Company not only continues to improve products and services, but also provides a channel for customers to complain and give feedback. For example, customers, distributors (traders, agents), trading partners merchants, agents, suppliers (including contractors), and the general public may use any form of correspondence, telephone, fax, or e-mail. 2. The internal ordering procedures (Doc. No. 2038) have also made detailed settings for communication with customers according to the provisions of IATF16949. If the customer receives feedback on the product and service after the transaction, the post-delivery activities and customer complaint handling procedures are defined (Doc. No. 2061).) and Customer Satisfaction Management Guidelines (Doc. 2073) to maintain good communication with customers.	None
(VI) Does the Company have a supplier management policy defined to require suppliers to comply with relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights, and the implementation status thereof?	V		(VI) 1. The Company has established the "Supplier Selection and Management Procedure" to select qualified third-party suppliers to meet the Company's needs. Suppliers are regarded as important partners. To maintain long-term cooperative relations with suppliers, in addition to ensuring product quality, delivery and cost, we also work with suppliers to implement sustainable development of environmental protection, human rights, and resource recycling to fulfill social responsibilities and promote the sustainable development of the supply chain. 2. Supply chain management practices and supplier assessment It must be legally registered with the government and certified by the company with ISO9001 and/or IATF16949. It is a priority candidate. It must meet the requirements of EU environmental regulations, cooperate with the implementation of the Company's prohibited substance standards, sign environmental agreements with suppliers, and do not use conflict minerals/ Integrity Commitment signed with suppliers In 2024, the Group will conduct ESG surveys and on-site inspections for its main raw material suppliers in accordance with its procurement policy. The surveys will also investigate whether the Company has completed the disclosure of its sustainability report and obtained international certifications related to environmental, energy and occupational safety. In 2025, the supplier sustainability evaluation platform will be introduced, and suppliers accounting for 80% of the Group's procurement will be invited to conduct ESG evaluations, so that the Company can grasp the operational risks of ESG and respond to high risks immediately. Implement supplier	None

Promote the project	Status of implementation			Deviation and causes of deviation from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary description	
			sustainability management and work with suppliers to create sustainable operations and ethical responsibilities. 3.Regular supplier assessment: Conduct supplier evaluation on a regular basis. The ISO9001 and ISO14001 management systems are used to establish supplier qualification procedures, supplier evaluation and performance tracking procedures, and guide suppliers to cooperate with the Company in the implementation of sustainable corporate social responsibility. Regular analyses are performed to assess changes in transaction risks among domestic and international suppliers. The evaluation criteria include ESG performance across environmental, social, and governance dimensions; compliance with product safety and regulatory requirements; quality management system certification levels; delivery volume and quality performance; and whether the supplier operates in an oligopolistic market. Suppliers identified as having higher risk levels are included in the following year's annual supplier audit plan.	
V. Has the Company referred to international reporting standards or guidelines in its preparation of the sustainability report and other reports which disclose the Company's non-financial information? Did the preliminary report obtain the assurance or guarantee opinion of the third-party verifier?	V		(I) The Company published its first Sustainability Report (formerly known as the "Corporate Social Responsibility Report") in 2013. Since then, the report has been voluntarily prepared annually in June in accordance with the GRI Standards issued by the Global Sustainability Standards Board (GSSB). The Sustainability Report is publicly disclosed on the Company's official website and the Market Observation Post System (MOPS) of the Taipei Exchange (TPEX). CSR-related information is also disclosed on the Company's website. (II) The Sustainability Report is disclosed on a voluntary basis. As of 2024, the Company has published 12 editions. Starting from 2024, the Company appointed Crowe (TW) CPAs, an external independent assurance provider, to conduct a limited assurance engagement in accordance with the ISAE 3000 standard and obtained an independent assurance statement from the CPA firm.	None
VI. The deviation and causes of deviation from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies should be described: The Board of Directors of the Company approved the "Sustainable Development Best Practice Principles" on December 23, 2022. The Company regularly reviews the operation status and improves accordingly (the human rights maintenance clauses are added and the information disclosure clauses are strengthened in 2023). There is no significant difference in the implementation.				
VII. Other important information for understanding the promotion of sustainable development: 1.Obtain sustainability certification: (1) Selected as one of the "Top 36 ESG Enterprises" by Global Views Monthly. (2) Received a low-risk ESG rating of 13.6 from international rating agency Morningstar Sustainalytics. (3) Recognized as an Outstanding Enterprise in Disaster Preparedness by the New Taipei City Government.				

Promote the project	Status of implementation			Deviation and causes of deviation from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary description	
			(4) Certified as a “Sports Enterprise” by the Sports Administration, Ministry of Education. (5) Certified by the Taiwan Sustainability Association as compliant with the temperature control targets of the Paris Agreement. 2.Dow Jones Sustainability Indices: (1) Hu Lane selected as a constituent stock of the TPEX FactSet Climate Resilience Index Announcement Date: September 25, 2023 For details, please refer to the Taipei Exchange (TPEX):https://www.tpex.org.tw/web/stock/iNdex_info/IX0201/ingrid/IX0201cnstnt.php?l=zh-tw 3.Response to social welfare activities: (1) In 2024, Hu Lane organized the “Lian-Xi Sustainability – Community Street Cleanup Volunteer Activity,” where employees, along with their families, local village heads, and volunteers, joined efforts to collect 138 kilograms of litter and cigarette butts. The goal of the event was not only to clean the environment but also to promote a shared vision of sustainable living with the community and suppliers, contributing to the realization of local sustainability goals. Through small, meaningful actions, the Company aims to raise environmental awareness, foster a love for the Earth, and plant seeds of hope for sustainable development. (2) Through company-led donation campaigns, charity sales, and corporate donations, a total of NT\$371,480 was raised in 2024. All proceeds were donated to partnered organizations, including the World Peace Association, the Hua-Shan Social Welfare Foundation, and the Eden Social Welfare Foundation. These efforts reflect Hu Lane’s ongoing commitment to social responsibility through tangible action. (3) In 2024, Hu Lane's facilities across the Group organized the “Blood Donation for Love, with Hu Lane” public welfare event. Employees across factories rolled up their sleeves and were joined by suppliers in a joint demonstration of care for society. The event resulted in 285 participants donating a total of 28,350 ml of blood—an increase of 1.8 times compared to 2023—highlighting Hu Lane employees’ strong commitment to public welfare and social responsibility. (4) In collaboration with the Eden Social Welfare Foundation, Hu Lane Taipei launched the “Supporting with Love” initiative. With support from the New Taipei City Government, Eden organized visits from Xizhi Datong Workshop and Nanxing Workshop to Hu Lane. A total of 25 employees joined activities with individuals with disabilities, including handcrafting yarn charms and flower balls. These interactions helped foster mutual understanding, reduce prejudice and discrimination, and create a more inclusive and friendly community. (5) Hu Lane Nanjing and Pengfu Community jointly held the “Charity for Chongyang Festival – Fulfilling Small Wishes” event. Besides donating gifts to the elderly, employees engaged in heartfelt conversations, listening to their life stories and experiences, cultivating a culture of respect and care for the elderly. 4.Employee caring activities: (1) Employee health care activities - monthly exercise days: A total of 16 sessions were held in 2024, and a total of 542 employees participated. (2) The weight loss contest was held for 357 days in 2024. A total of 115 employees participated in the individual category and 12 teams participated in the group category. This event collectively burned approximately 280,280 kilocalories, equivalent to climbing around 54,454 floors, and reduced carbon emissions by approximately 11,867 kg. (3) In 2024, a total of 80 employees were arranged to conduct interviews with occupational doctors, in order to enhance the employees' attention to health and management. (4) A total of 10 health seminars were arranged in 2024 to help employees develop a correct health concept and implement daily self-health care.	

Promote the project	Status of implementation			Deviation and causes of deviation from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary description	
5. Awards: (1) Hu Lane Group – 2024 BSI Sustainability Development Practices Award (2) Taipei Hu Lane – China Credit Information Service as a 2024 TOP5000 Outstanding Enterprise in Business Performance (3) Dongguan Hu Lane – "Specialized, Refined, Differential, and Innovative Little Giant Enterprise" Award by the Ministry of Industry and Information Technology of the PRC (4) Indonesia Hu Lane – AHM Best Supplier Category Polymer Period July-September 2024 (5) Indonesia Hu Lane – AHM IRMC (Industrial Relationship Management Control) in Compliance, Effective Communication & Labor Risk Management Category Green Level Supplier (6) Indonesia Hu Lane – AHM Platinum Supplier 2024				

Company climate information

Implementation of climate-related information

Item	Status of implementation
1. Describe the supervision and governance of the Board and the management in terms of risks and opportunities related to climate.	The Company is committed to addressing climate-related issues by promoting the TCFD framework. The Risk Management Committee serves as the highest supervisory body, with the CEO acting as the commander of the risk management promotion and implementation team formed by the management team. This team reports regularly or as needed to the Risk Management Committee on plans, management measures, and results related to climate change and operational risks and opportunities. The Risk Management Committee, in turn, reports on its operations and oversight status to the Board of Directors.
2. Describe how the climate risks and opportunities identified affect the business, strategies, and finance (short-term, mid-term, and long-term) of the enterprise.	Short-term: [Business: Production equipment and inventory may be damaged due to extreme climate events.] [Strategy: Operating costs increase.] [Finance: Raw material procurement costs increase.]
	Mid-term: [Business: Climate risks may disrupt the supply chain or even cause supply chain breakdowns.] [Strategy: Continuous regulatory changes may create technological bottlenecks.] [Finance: Increased capital expenditures for equipment renewal and R&D investment.]
	Long-term: [Business: Changing consumer preferences may prompt clients to adjust their business demands.] [Strategy: Transition toward low-carbon or carbon-neutral operations.] [Finance: Divergence in global carbon and energy policies may drive continued increases in operating and investment costs.]
3. Describe the effects of extreme weather and transformation actions	The increase in transportation expenses for raw material procurement costs will promote the R&D unit to increase the recycling rate of raw materials, reduce costs and expenses, and actively replace outdated equipment and increase the

Item	Status of implementation				
on finance.	investment in intelligent production equipment, thereby improving the utilization rate and reducing costs.				
4. Describe the identification, evaluation, and management procedures of climate risks and how they are integrated with the overall risk management system.	In November 2024, the Company reorganized its Risk Management Committee, including climate-related risks and opportunities. Through risk identification, risk analysis and assessment, risk supervision and management, risk reporting and disclosure, and other management processes, each operating responsible unit conducts risk identification, analyzes the probability of risk events, and evaluates accordingly based on short-, medium- and long-term goals and business responsibilities. The committee also proposes risks based on the risk level after the assessment, and all relevant implementation reviews and reports are carried out to effectively adjust risks.				
5. If scenario planning is adopted to evaluate the resilience to risks of climate change, describe the scenarios, parameters, assumptions, analytical factors used, and the major effects on finance.	The Company adopts the questionnaire survey method to use the RCP2.6 RCP8.5 assumption parameter to evaluate the climate change risk. 148 questionnaires were distributed, and a material issue survey was conducted based on different scenarios (impact and frequency of impact). Scenario 1: SSP1-2.6 is a low-strength route. The simulation results show that it will rise to below 2°C by 2100. Scenario 2: SSP5-8.5 is a high-strength forced route, with high emissions to generate 8.5W/m² radiation force by 2100, where global warming will reach 5°C. Scenario analysis and factors and indicators: 1. Discount rate 2. Carbon price/carbon tax 3. Commodity price 4. Macroeconomic Indicators 5. Product Energy Efficiency (Revenue) 6. Energy policy 7. Temperature change 8. Carbon neutrality process				
6. If there is a transformation plan in response to the management of risks related to climate, describe the content of the plan and the indicators and objectives used for identifying and managing the risks and transformation risks of the entity.	Transformation plan	Content of the plan	Mobile item	Indicators	Goals
	Transformation risks	Energy conservation	In accordance with ISO 50001:2018 management procedure	Energy Intensity	No target is set.
		Carbon reduction	The Company follows the ISO 14064-1:2018 management procedure.	Emission Intensity	From 2024 to 2025, the carbon emission intensity is 10% lower than the previous year; from 2026 to 2027, the carbon emission intensity is 6% lower than the previous year.
			In accordance with ISO 14067:2018 management procedure	Product Carbon Footprint Quantitative Process	The Company will continue to inventory the source of carbon emissions every year, effectively control the risk of additional levied carbon fees or carbon tax in the future.
		Green energy	Solar power generation	Solar power generation volume	No target is set.

Item	Status of implementation				
			Green power procurement	Green power procurement volume	In 2024, the purchase of electricity by the Nanjing Hu Lane Green Power Plant accounted for 17% of the electricity consumption in 2023. In 2025, it will increase to 40%. The electricity consumption in 2024 is expected to be 10% of the electricity consumption in 2024.
7. If internal carbon pricing is adopted as the planning tool, describe the basis for establishing the price.	Not applicable, as the Company has not yet used the internal carbon pricing as the planning tool.				
8. If the Company has set targets related to climate, describe the scope of activities and GHG emission covered, the planned schedule, progress achieved each year, and other information. If a carbon offset or renewable energy certificate (RECs) is used to achieve relevant targets, describe the source and volume of the carbon reduction limit used for offsetting or the volume of RECs.	1. The Company completed the disclosure and third-party certification of its 2022 Sustainability Report in 2023, along with the Group-wide greenhouse gas inventory and external verification. An external audit for the 2023 data was conducted from May 14 to June 17, 2024. The Company obtained the ISO 14064-1 Greenhouse Gas Emissions Verification Certificate on August 1, 2024. The verified greenhouse gas emissions data will be disclosed in the 2024 Annual Report and 2024 Sustainability Report, scheduled for release in June 2025. 2. The Company completed carbon footprint assessments and third-party verifications for four products under ISO 14067 in 2023. In 2024, carbon footprint assessments and verifications were completed for five additional products. These efforts aim to better understand product life cycles and identify optimization solutions to reduce environmental impact.				
9. Greenhouse gas inventory and assurance	In addition, please complete 1-1 Greenhouse Gas Inventory and Assurance, 1-2 Greenhouse Gas Reduction Goals, Strategies and Concrete Action Plan.				

1-1 Greenhouse gas inventory and assurance								
Basic information of the Company Companies with capital of less than NT\$5 billion					According to the provision of the sustainable development roadmap for TWSE/TPEx listed companies, the Company shall disclose Inventory of the parent company's consolidated financial statements Inventory of the subsidiaries Assurance of the parent company's consolidated financial statements Assurance of the subsidiaries			
Item / Year	2022		Year 2023		2024 (Note 2)			
	Total emissions	Emission intensity (Note 1) (tCO2e/M NT\$)	Total emissions	Emission intensity (Note 1) (tCO2e/M NT\$)	Total emissions (Self-reported Data)	Emission intensity (Note 1) (tCO2e/M NT\$)	Authenticating institution	Disclosure of information
Category 1							BSI The British Standards Institution Taiwan Branch	2023 Greenhouse Gas Inventory: On August 1, 2024, BSI The British Standards Institution Taiwan Branch adopted the ISAE3410/ISO 14064-3 standard and assured Category 1 and 2 with reasonable guarantees; Category 3 with limited guarantee. The Greenhouse Gas Verification Statement ISO-14064-1 issued (please refer to Attachment 1 for details)
Parent company	188.8766	0.0289	133.5995	0.0182	179.3792	0.0204		
Subsidiary	744.4833	0.1141	689.8643	0.0941	802.3059	0.0912		
Total	933.3599	0.1430	823.4638	0.1123	981.6851	0.1116		
Category 2								
Parent company	3,475.4839	0.5325	3,752.8263	0.5119	4,105.7804	0.4666		
Subsidiary	14,528.9805	2.2261	15,328.6270	2.0910	14,499.0141	1.6476		
Total	18,004.4644	2.7586	19,081.4533	2.6029	18,604.7945	2.1141		
Category 3								
Parent company	13,926.6898	2.1338	14,815.4096	2.0210	17,000.6447	1.9318		
Subsidiary	28,729.6380	4.4018	33,039.8009	4.5070	42,619.2853	4.8430		
Total	42,656.3278	6.5356	47,855.2105	6.5280	59,619.9300	6.7748		
Total	61,594.1521	9.4372	67,760.1276	9.2432	79,206.4096	9.0005		

Note: 1. The intensity of greenhouse gas emissions is calculated as tCO₂e per total emissions/consolidated revenue (unit: NT\$ million).

2. The data for 2022 and 2023 is for the entire group, which has been verified by an external third-party verification agency; the data for 2024 is self-closing, and the number may change after third-party assurance.

1-2 GHG Reduction Targets, Strategies and Specific Action Plans

1. Greenhouse Gas Emission Reduction base year: 2023. The data of the inventory in 2024 covers the 2023 whole year inventory of the whole Group covering all subsidiaries.

2. Date of the base year: For the 2023 data of tCO₂e/year, please refer to the table above for the total emissions.

3. Reduction Goal: The short-term goal of Hu Lane Group's is to reduce greenhouse gas intensity by 10%.

4. Strategies and Action Plans:

Strategic Focus	Year 2024	Year 2025	Year 2026	Year 2027	Year 2030
ESG strategy and value implementation (carbon neutrality)	The Group & the companies controlled by the Group have achieved carbon neutrality in terms of greenhouse gas emissions, which is a 10% decline compared to the previous year. (Formula: Annual carbon emissions/annual sales: Unit: tCO ₂ e/NT\$thousand)	The Group & the companies controlled by the Group have achieved carbon neutrality in terms of greenhouse gas emissions, which is a 10% decline compared to the previous year. (Formula: Annual carbon emissions/annual sales: Unit: tCO ₂ e/NT\$thousand)	The Group & the companies controlled by the Group have achieved carbon neutrality in terms of greenhouse gas emissions, which is a 6% decline compared to the previous year. (Formula: Annual carbon emissions/annual sales: Unit: tCO ₂ e/NT\$thousand)	The Group & the companies controlled by the Group have achieved carbon neutrality in terms of greenhouse gas emissions, which is a 6% decline compared to the previous year. (Formula: Annual carbon emissions/annual sales: Unit: tCO ₂ e/NT\$thousand)	The Group & the companies controlled by the Group have achieved carbon neutrality in terms of greenhouse gas emissions, which is a 6% decline compared to the previous year. (Formula: Annual carbon emissions/annual sales: Unit: tCO ₂ e/NT\$thousand)

	1. ISO 14064-1 Greenhouse Gas Inventory - The carbon emission intensity of the Group has decreased by 10% (not yet achieved, 23 years is 2.06% lower than 22 years). The 24-year inventory density was 0.0092432 tons of CO₂e/NT\$1,000, and the 23-year inventory density was 0.0065099 tons of CO₂e/NT\$1,000) 2. ISO 14067 Product Carbon Footprint Continuous Inventory, and has passed the third-party verification (external inspection/external verification of five products). 3. Capital expenditure on solar energy equipment projects: Taipei Hu Lane (2023 project) 4. Effluent discharge rate is reduced by 20% to increase the amount of outsourced production from the electroless plating supplier (originally 2023 project) (temporarily suspended) 5. Introduction of ISO 50001 Energy Management System (external inspection/verification completed for Taipei Hualien)	1. ISO 14064-1 Greenhouse Gas Verification 10% reduction in the Group's carbon emission intensity 2. The carbon footprint verification of ISO 14067 products is continued, and verified by a third party 3. The Group's companies have completed the construction of solar power equipment and uploaded the Group's sustainability report information as required by law. 4. The Group's wastewater resource recycling rate can reach 20% (the original project in 2024, because the wastewater recycling equipment improvement project has not been implemented, the statistics of this project will not be available in 2024) 5. Introduction of ISO 50001 Energy Management System: Nanjing/ Dongguan/ JiaXing/ Vietnam	1. ISO 14064-1 Greenhouse Gas Verification 6% reduction in the Group's carbon emission intensity 2. The carbon footprint verification of ISO 14067 products is continued, and verified by a third party 3. Completed third-party certification for the integrity of the Sustainability Report 4. Implementation of ISO 50001 Energy Management Systems: Jiaying	1. ISO 14064-1 Greenhouse Gas Verification 6% reduction in the Group's carbon emission intensity 2. The carbon footprint verification of ISO 14067 products is continued, and verified by a third party 3. Completed third-party certification for the integrity of the Sustainability Report 4. Implementation of ISO 50001 Energy Management Systems: Jiaying	1. ISO 14064-1 Greenhouse Gas Verification 6% reduction in the Group's carbon emission intensity 2. The carbon footprint verification of ISO 14067 products is continued, and verified by a third party 3. All sustainability reports certified and information disclosed
5. Achievement of reduction goal: In order to achieve the international carbon reduction aim, the company has set a five-year (2023~2027) sustainable development goal with related projects promoted and tracked by the Sustainability Committee. It is expected that with the active actions, the carbon emissions for per unity unit products and absolute emissions can be gradually reduced. The company completed the group's annual ISO14064-1 greenhouse gas inventory and external certification of 2022 in 2023, and also completed the ISO14067 carbon footprint inventory and external certification for four products, and introduced the ISO14001 environmental management system and ISO50001 energy management system.					

Attachment 1. ISO-14064-1 Greenhouse Gas Verification and Declaration

bsi. Opinion Statement



Greenhouse Gas Emissions Verification Opinion Statement

This is to verify that: Hu Lane Associate Inc.
No. 1, Ln. 342, Fude 1st Rd.
Xizhi Dist.
New Taipei City
221010
Taiwan

胡連精密股份有限公司
臺灣
新北市
汐止區
福德一路 342 巷 1 號
221010

Holds Statement No: GHGEV 797158

Verification opinion statement

As a result of carrying out verification and validation procedures in accordance with ISO 14064-3:2019, it is the statement for mixed engagement including reasonable assurance for verification activity as well as validation and agreed-upon procedures (AUP) contains the following:

- The Greenhouse Gas Emissions with Hu Lane Associate Inc. for the period from 2023-01-01 to 2023-12-31 was verified and validated.
- The verified organization-level greenhouse gas emissions include direct greenhouse gas emissions 823.4638 tonnes of CO₂ equivalent and indirect greenhouse gas emissions from imported energy 19,081.4533 tonnes of CO₂ equivalent.
- Hu Lane Associate Inc. has defined and explained its own process and pre-determined criteria for significance of indirect Greenhouse Gas Emissions and quantify and report these identified significant emissions accordingly.

For and on behalf of BSI:

Managing Director BSI Taiwan, Peter Pu

Originally Issue: 2024-08-01

Latest Issue: 2024-08-01

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The British Standards Institution is independent to the above named client and has no financial interest in the above named client. This Opinion Statement has been prepared for the above named client only for the purposes of verifying its statements relating to its carbon emissions more particularly described in the scope. It was not prepared for any other purpose. The British Standards Institution will not, in providing this Opinion Statement, accept or assume responsibility (legal or otherwise) or accept liability for or in connection with any other purpose for which it may be used or to any person by whom the Opinion Statement may be read. This Opinion Statement is prepared on the basis of review by The British Standards Institution of information presented to it by the above named client. The review does not extend beyond such information and is solely based on it. In performing such review, The British Standards Institution has assumed that all such information is complete and accurate. Any queries that may arise by virtue of this Opinion Statement or matters relating to it should be addressed to the above named client only.
Taiwan Headquarters: 2nd Floor, No. 37, Ji-Hu Rd., Nei-Hu Dist., Taipei 114, Taiwan, R.O.C.
BSI Taiwan is a subsidiary of British Standards Institution.

Attachment 2. Risk management of material issues

1. Progress of TCFD project

Scope of risks	Risk level	Time Scale	Impact and response mechanisms
Policy and regulation - Strengthening of reporting obligations for emissions	High	Short	The competent authority of the government requires the disclosure of the greenhouse gas emission status in the annual report and the sustainable report. The Company has completed the disclosure and external certification of the 2022 sustainable report in 2023, and completed the greenhouse gas inventory and external verification of the Group. From May 14, 2024 to June 17, 2024, the external audit was conducted for 2023. On August 1, 2024, the ISO14064-1 greenhouse gas emission certificate was obtained. The greenhouse gas emission status will be disclosed in the public information such as the sustainable report in June 2025.
Policies and regulations - Greenhouse gas emission reduction obligations (carbon tax/expense)	High	Short	The European Union's carbon tariffs, which entered into force in 2023, are expected to be effective in 2026. The carbon tariff in Taiwan is expected to be levied in 2025. The Company has completed the carbon footprint examination for four products in 2024 and obtained external certifications. In 2024, the Company has completed the carbon footprint examination for six products and obtained external certifications, to understand the product life cycle, and find solutions for product optimization. In 2024, NT\$3,665,405 was allocated to the dedicated account, as the limit for the trading of greenhouse gas reduction. 2025 Response Mechanism: 1. Reduce the percentage of raw materials consumed. 2. Reduce the emission of exhaust gas. 3. The percentage of materials recoverable increased by 10%. 4. In 2025, 0.05% of the revenue (estimated to be NT\$4,150,000) of 2024 will be appropriated to the dedicated account for the use of the greenhouse gas reduction limit, in response to the carbon tariffs imposed by the European Union in 2026.
Technology - low-carbon transformation cost	High	Medium	As energy is becoming scarcer and energy costs are increasing year by year, the operating costs are becoming more and more burdensome. The Company continues to increase the use of renewable energy at each operating location, and has purchased and installed solar panels for green power, and replaced equipment. In 2024, the green power consumption in Nanjing, Huaian, and Shandong, Huaian, accounted for 17% of the electricity consumption in 2023, and it will be increased to 40% in 2025. In 2024, the green power consumption in Taipei, Huaian, and Vietnam, Huaian, accounted for 10% of the electricity consumption.
Market - rising cost of raw materials	High	Medium	The climate change includes the European Union's implementation of carbon tax levied in 2023, which increases the production cost and transportation cost of commodities and thus impacts the operation. The Company's response plan: 1. Increase the percentage of local procurement in the supply chain to reduce the cost of logistics. 2. Establish an integrated procurement platform for the Group, and reduce the average cost of key raw materials by about 3.4%. 3. The Company has installed recycling equipment for the recycling of raw materials. The recycling rate of plastics in 2023 was 88%, and the recycling rate of plastics in 2024 was 90%.
Changes in the market - customer behavior	High	Short	Consumers are cooperating with environmental protection policies and prefer to purchase new energy types of environmental vehicles, so that customers can increase the production volume of new energy vehicles. In addition to existing low-voltage products, the Company has also developed new energy electric vehicles and shared components for fossil fuel vehicles to respond to changes in customer behavior.
Resource efficiency - Adopting a more efficient production and distribution process	High	Medium	Enhance efficiency, reduce operating costs, increase production capacity, and increase operating revenue; introduce automated management and planning to reduce personnel costs. The Company's response mechanism: 1. The application of the CCD testing equipment to determine product quality can effectively reduce manpower requirements and maintenance, thereby reducing the use of materials and the contact with employees. 2. Each plant has introduced the MES system to enable factory personnel to monitor the production status in a real time manner. In case of any sudden event, relevant information can be obtained through the MES system and handled immediately. 3. Increase the percentage of localized procurement in the supply chain to reduce the cost of logistics.
Energy source - application of new technology	High	Medium	As the renewable energy, energy storage technology and smart energy system are developing rapidly, patents play an important role in promoting technology advancement, protecting the rights of knowledge, and promoting the commercialization of technology. The Company has 24 patents in 2023, and 3 B-class patents in 2024. The Company aims to increase the value of

Scope of risks	Risk level	Time Scale	Impact and response mechanisms
			patents in 2024, and execute the classification system. The Company has 30 patents, including 3 A-class patents in 2025.

2. Other operational risk

Scope of risks	Risk level	Time Scale	Impact and response mechanisms
International trade	High	Short	1. Impact of tariffs: The Company does not focus on a single regional market. Increase the percentage of revenue from the international market to 35%. 2. Impact of capacity allocation: The Company adjusts the capacity of production sites to supply the production sites. The Company classifies the production sites into two major regions, namely China and the rest of the world. The Company assigns the capacity of each site each year. Under the premise of satisfying the delivery needs, the Company gradually diversifies the risk of market concentration. Increase the ratio of production sites in Taipei, Vietnam, and Indonesia and international market sales ratio > 51%.
Information security	High	Short	Accredited with ISO27001 - Cyber Security System in 2024 Time schedule: 2025 (Dongguan, Nanjing), 2026 (JiaXing, Vietnam, Indonesia) introduction projects: NSM (Internet activity monitoring), SIEM (System Log record analysis), Wazuh (end activity analysis), Honeypot (attack and capture information analysis)

Attachment 3: Waste production (number of companies)

Unit: tonnes

Type of waste	Waste items	2022	2023	2024	Processing method	Off-site/on-site processing
Hazardous commercial waste	Electroplating sludge	32.695	29.6	28.36	heat treatment	Off-site
	Chemical containers waste	0.2712	0.3295	0.2537	Recycling after cleaning	Off-site
	Spent activated carbon	4.271	5.25	6.1	Recycling	Off-site
	Waste oil	3.81	2.405	2.0439	Recycling	Off-site
	Waste cleaning liquid	0.17	0.418	0.74	Reification	Off-site
	Waste emulsion	0.04	0.05	0.124	incineration	Off-site
	Oily Waste	0.2049	1.448	1.139	Wastewater treatment system	Off-site
	Chemical containers waste	0.5226	0.9749	0.9335	incineration	Off-site
	Waste lamp	0.0545	0.1017	0.0562	Particle, firmness	Off-site
	Waste oil	0.6897	0.538	0.493	incineration	Off-site
	Chemical-stained waste rag	0.6254	0.688	0.596	incineration	Off-site
	Waste battery	0.0024	0.0845	0.3613	Battery destroys system	Off-site
	Hazardous Waste from Printer	0.0175	0.0143	0.0154	Incineration & Curing	Off-site
	Waste cleaning liquid	0.0817	0.125	0.109	Wastewater treatment system	Off-site
	Waste items	0.01	0.02	0.07055	Incineration & Curing	Off-site
	Waste PCB	0	0	0.019	incineration	Off-site
	Subtotal	43.4659	42.0469	41.41455		
General commercial waste	domestic waste	352.63208	358.73326	398.98553	Incineration & landfill	Off-site
	Waste wood	42.05	20.975	21.3245	Recycling	Off-site
	Waste paper	47.2113	29.5083	33.30405	Recycling	Off-site
	stainless steel scrap	40.8081	44.3177	91.874	Recycling	Off-site
	Waste plastics	1202.065034	1107.981144	1507.859307	Recycling	Off-site
	Copper scrap	942.0737	1071.035519	1216.834423	Recycling	Off-site
	Silica gel waste	45.461	50.093673	52.5335	Recycling	Off-site
	PE film	3.96	0.24	0.24	Recycling	Off-site
	Wire waste	0.746	1.45135	1.654	Recycling	Off-site
	packaging material	0	0.701	0.0163	Recycling	Off-site
	Subtotal	2677.007214	2685.036946	3324.62561		
Total		2720.473114	2727.083846	3366.04016		

(VI) Ethical corporate management practices and deviations from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the reasons

Assessment items	Operation status			Deviation and causes of deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary description	
I. Formulate ethical management policies and plans				
(I) Has the Company formulated an ethical management policy approved by the Board of Directors and expressly stated this in its regulations and external documents as the policy and method of ethical management, and the commitment of the board of directors and senior management to actively implement the business policy?	V		(I) Integrity is one of the six core functions of the Company. The Company has established the "Ethical Corporate Management Procedure and Code of Conduct" and the "Ethical Code of Conduct for Employees" to regulate the corporate integrity policy, and conducts regular promotion and dissemination to ensure that employees, directors, and senior management are aware of and follow them.	None
(II) Has the Company established an assessment mechanism for the risk of unethical conducts, regularly analyzing and evaluating business activities with higher risks of unethical conduct within the business scope, and formulated plans to prevent unethical conduct in accordance with the Article 7 Paragraph 2 of the "Guidelines"?	V		(II) The Company has established the "Procedures for Ethical Management and Code of Conduct" and the "Employee Code of Ethics". New recruits shall learn the Company's corporate profile for training and promotion to raise ethical standards of conduct for employees. The "Procedures for Ethical Management and Code of Conduct" and the "Employee Code of Conduct" also regulate the relevant rewards, disciplinary measures, and grievance systems.	None
(III) Does the company have the operating procedures, behavioral guidelines, disciplinary measures, and complaint system clearly defined in the plan to prevent unethical conduct, and are they implemented, and is the pre-disclosure plan regularly reviewed and amended?	V		(III) The Company has established an effective accounting system, internal control system, and internal material information processing and disclosure mechanism for business activities with a higher risk of unethical behavior, to prevent unethical behavior, and reviews them from time to time to ensure the continuity of the design and implementation. The "Procedures for Ethical Management and Guidelines for Conduct" and the "Ethical Code of Conduct for Employees" have also established relevant preventive measures for business activities with a higher risk of unethical behavior.	None
II. Fulfilling Business Integrity				
(I) Does the Company evaluate the ethical records of its counterparties and specify the ethical conduct clauses in the contracts signed with the counterparties?	V		(I) When the Company establishes business relationships with others, it will understand the legality of the counterparty, general business status, transaction records, and ethical corporate management policy of the counterparty, and avoid doing business with those with abnormal operations or non-performing transaction records. Based on the principle of honesty and trust, the rights and obligations of both parties are clearly defined when the contract is concluded.	None

Assessment items	Operation status			Deviation and causes of deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary description	
(II) Has the company set up a dedicated unit under the board of directors to promote corporate ethical management, and regularly (at least once a year) reports to the board of directors on its ethical management policies, plans to prevent unethical practices, and supervision and implementation?	V		(II) The Company's human resources unit has defined the "Ethical Corporate Management Procedures and Code of Conduct" to disseminate the code of conduct on a regular basis. Employees are encouraged to report any suspected or found violation of laws, regulations, or ethical code of conduct to the management. In 2024, the Company will organize on-the-job training (sustainable/ethical/occupational) seminars, with a total of 523 participants and a total of 1,507 hours.	None
(III) Has the Company formulated and implemented policies to prevent conflicts of interest?	V		(III) The Company's "Ethical Corporate Management Procedures and Code of Conduct" and "Employee's Code of Ethical Conduct" specify the conflict of interest prevention policy. Employees shall not engage in any business, investment, or related activities that may constitute a conflict of interest between themselves and the Company, and shall conduct their business in an objective and efficient manner. Employees are also encouraged to report any conduct that is suspected to have violated laws, regulations, or the Code of Ethics to the management. The Company will provide whistleblowers with comprehensive protection measures to ensure the quality of the investigation and to prevent the whistleblowers from suffering unfair retaliation or treatment.	None
(IV) Has the Company established an effective accounting system and internal control system for the implementation of honest management, and has the internal audit unit prepared an audit plan based on the assessment results of the risk of dishonest acts, and checked the compliance of the dishonest act prevention plan accordingly, or appointed an accountant to perform an audit?	V		(IV) The Company's management has established an effective accounting system and the accuracy and completeness of the internal control system. The internal auditors also conduct regular audits according to the annual audit plan, and prepare audit reports for reporting to the board of directors.	None
(V) Does the Company organize internal and external education and training on ethical management on a regular basis?	V		(V) The new employees while onboard are educated with "The Procedures and Code of Conduct for Ethical Management" and "Ethical Code of Conduct for Employees" to raise employees' standards of honesty and ethical conduct, and always pay attention to the development of relevant norms of integrity management at home and abroad, encourage directors, managers, and employees to make suggestions, and review and improve the integrity management code formulated by the company to enhance the effectiveness of the company's integrity management.	None

Assessment items	Operation status			Deviation and causes of deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary description	
III. Operation of the Company's Whistleblowing System				
(I) Does the company have a specific reporting and reward system, and has it established a channel to facilitate reporting and assigned appropriate staff to receive reports on the subject?	V		(I) The Company has established an employee complaint system and the President's mailbox system. If an employee is found to have violated the ethical code of conduct for business integrity, the Company will take appropriate sanctions depending on the severity of the incident. If the disciplined person believes that the Company's improper handling has resulted in infringement of his or her lawful rights and interests, he or she may file a complaint with the Company's human resources unit for relief.	None
(II) Has the Company established any standard procedures for handling reported misconduct, any follow-up measures to be taken upon completion of an investigation, and any confidentiality measures?	V		(II) The Company accepts reports in accordance with the "Procedures for Ethical Management and Guidelines for Conduct", handles such matters with confidentiality and diligence, and provides comprehensive protection measures for the whistleblower and the object of the whistleblowing.	None
(III) Has the Company taken measures to protect whistleblowers from undue treatment for whistleblowing?	V		(III) The identity of the whistleblower and the content of the report shall be kept confidential by the relevant personnel of the Company who handle the whistleblowing. Whistleblowing is handled in a confidential and prudent manner of seeking evidence, and thorough protection measures are given to whistleblowers to ensure the quality of investigations and avoid unfair retaliation or treatment of whistleblowers.	None
IV. Enhanced information disclosure				
(I) Does the company disclose the contents of the Ethical Corporate Management Best Practice Principles and the promotion effect on its website and Market Observation Post System?	V		(I) The "Procedures for Ethical Management and Guidelines for Conduct" established by the Company cover the relevant requirements of the "Ethical Corporate Management Best Practice Principles for TWSE Listed and TPEX Listed Companies", and the dedicated unit is responsible for the related promotion, disciplinary actions, and complaints to ensure the establishment of a corporate culture of integrity management and the establishment of a good business operation structure. The information has been disclosed on the Company's website and MOPS. Please refer to "VI. Other important information that is helpful in understanding the company's ethical management" for the results. Company website: https://www.hulane.com.tw/tw/investor/regulations	None
V. If the Company has established its own Ethical Corporate Management Best Practice Principles in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies", please describe the current practices and any deviations from the principles: No such difference.				

Assessment items	Operation status			Deviation and causes of deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary description	
VI. Other important information that is helpful in understanding the company’s ethical management : The effectiveness of the Company's ethical corporate management (1) On December 27, 2017, the board of directors approved the establishment of the "Ethical Corporate Management Procedure and Code of Conduct" to regulate the precautions for the Company's personnel when conducting business. (2) Firmly implement corporate governance regulations, establish legal compliance, internal control and audit systems, risk management mechanisms, strengthen the functions of the board of directors, exert the independence of the Audit Committee, respect the rights and interests of stakeholders, and enhance information transparency. (3) Matters concerning major operational policies, investments, acquisition and disposal of assets, endorsements and guarantees, loaning of funds, and bank financing are all evaluated and analyzed by the relevant responsible departments and resolved by the board of directors. (4) For major cases or cases of concern, we consult relevant legal consultants for confirmation according to the nature of professionalism. (5) The accounting department reviews transaction accounts in accordance with accounting principles, and consults CPAs for confirmation on major or doubtful cases. (6) The Audit Office conducts audits on various departments on a regular and intermittent basis to implement supervision mechanisms and control various risk management. (7) Fair and transparent day-to-day business activities, conduct business with integrity, explain the company's determination, policies, preventive plans, and consequences of violations of integrity to counterparties engaged in business activities. (8) In 2024, the Company will organize on-the-job training (sustainable/ethical/occupational) seminars, with a total of 523 participants and a total of 1,507 hours.				

(VII) Other information material to the understanding of corporate governance

1. If the Company has established Corporate Governance Best Practice Principles and related regulations, the methods of accessing them shall be disclosed:

The Company has established (amended) the "Corporate Governance Best-Practice Principles", "Sustainable Development Best-Practice Principles", "Ethical Corporate Management Procedure and Code of Conduct", "Organizational Rules Governing the Remuneration Committee", and "Rules of Procedure for Board of Directors Meetings" to implement corporate governance. Please refer to the Company's website (<http://www.hulane.com>) for the content of the above-mentioned regulations.

2. Disclose the status of the Company's finance and accounting personnel's obtaining relevant domestic and foreign certifications:

(1) Domestic license: 1 securities analysis, 1 sustainable information planning, 1 sustainable development carbon footprint management, and 1 corporate internal control.

(2) Other certifications: 1 CIA, 1 CFA, and 1 PMP.

3. Manager participation in corporate governance-related education and training in 2024:

Job title/name	Date	Organizer	Course title	Duration of advanced study
President Hu Sheng-Ching	2024.05.09	Importers and Exporters Association of Taipei	Challenges and opportunities for European Union CBAM carbon tariff enterprises	3.0
	2024.08.08	Importers and Exporters Association of Taipei	Transformation and opportunity under the new economy	3.0
Executive Vice President Chang Ping-Chun	2024.05.09	Importers and Exporters Association of Taipei	Challenges and opportunities for European Union CBAM carbon tariff enterprises	3.0
	2024.08.08	Importers and Exporters Association of Taipei	Transformation and opportunity under the new economy	3.0
	2024.06.01	Self-organized by the Company	General consensus - on-the-job training (sustainable/ethical/occupational)	3.25
Vice President Pan Su-Chiu	2024.05.09	Importers and Exporters Association of Taipei	Challenges and opportunities for European Union CBAM carbon tariff enterprises	3.0
	2024.08.08	Importers and Exporters Association of Taipei	Transformation and opportunity under the new economy	3.0
	2024.06.01	Self-organized by the Company	General consensus - on-the-job training (sustainable/ethical/occupational)	3.25
	2024.04.10	Taiwan Academy of Banking and Finance	Workshop for corporate governance and sustainable operation of enterprises	3.0
	2024.07.09	Taipei Exchange	AI Strategy and Governance	3.0
	2024.10.07	Chinese National Association of Industry and Commerce, Taiwan	2024 Taishin Net Zero Summit Summit	3.0
	2024.02.22	Kind Management Consulting Co.	ISO14067:2018 Product Carbon Footprint Internal Certification Training	3.0
	2024.08.13	Kind Management Consulting Co.	ISO14067:2018 Product Carbon Footprint Internal Certification Training	3.0

Job title/name	Date	Organizer	Course title	Duration of advanced study
Vice President Li Ying-Te	2024.06.01	Self-organized by the Company	General consensus - on-the-job training (sustainable/ethical/occupational)	3.25
Vice President Fang Kai-Ping	2024.06.01	Self-organized by the Company	General consensus - on-the-job training (sustainable/ethical/occupational)	3.25
Vice President Chen Kei-Chou	2024.06.01	Self-organized by the Company	General consensus - on-the-job training (sustainable/ethical/occupational)	3.25
Vice President Chao Ching-Shan	2024.06.01	Self-organized by the Company	General consensus - on-the-job training (sustainable/ethical/occupational)	3.25
Vice President Lin Ming-Miao	2024.06.01	Self-organized by the Company	General consensus - on-the-job training (sustainable/ethical/occupational)	3.25
Director Yu Ching-Fu	2024.06.01	Self-organized by the Company	General consensus - on-the-job training (sustainable/ethical/occupational)	3.25
Vice Chief Engineer Wang Chih-Hsin	2024.06.01	Self-organized by the Company	General consensus - on-the-job training (sustainable/ethical/occupational)	3.25
Assistant Manager Song Dazhi	2024.06.01	Self-organized by the Company	General consensus - on-the-job training (sustainable/ethical/occupational)	3.25
Assistant Manager Bai Ming	2024.06.01	Self-organized by the Company	General consensus - on-the-job training (sustainable/ethical/occupational)	3.25
Assistant Manager Chu Hsueh-Ren	2024.06.01	Self-organized by the Company	General consensus - on-the-job training (sustainable/ethical/occupational)	3.25
Assistant Manager Chang Shih-Wei	2024.06.01	Self-organized by the Company	General consensus - on-the-job training (sustainable/ethical/occupational)	3.25

4. Establishment of the "Material Inside Information Handling and Insider Trading Prevention Management Operating Procedures":

In order to establish a good mechanism for the Company's handling and disclosure of material inside information, and to strengthen the prevention of insider trading, the Company's Board of Directors resolved on December 29, 2009 to establish the "Management Operating Procedures for the Handling of Material Inside Information and Prevention of Insider Trading". The Company shall announce and issue the same in accordance with the Company's Internal Document Management Regulations.

5. Appointment and dismissal, evaluation, salary, and remuneration of internal auditors

The Company has established the Regulations Governing the Appointment and Removal of Internal Audit Personnel. The appointment and dismissal of internal auditors and their compensation shall be reported to the board of directors of the Company. The internal audit personnel evaluation is conducted once a year, and the audit supervisor signs off to the Chairman of the Company. The appointment and dismissal regulations have been disclosed in the section of the internal regulations webpage of the Company.

(VIII) Implementation of internal control policies

1. Internal Control Statement:

Hu Lane Associate Inc.

Declaration of Internal Control System

Date: March 12, 2025

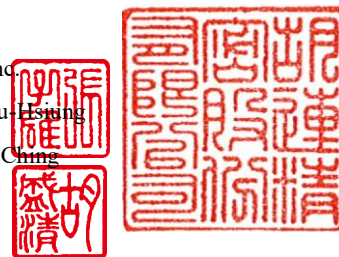
Based on the results of self-examination on the Company's internal control system in 2024, we declare as follows:

- I. The Company is clearly aware that the establishment, implementation, and maintenance of an internal control system are the responsibility of the Company's Board of Directors and managers, and the Company has established such a system. The purpose is to provide reasonable assurance for the achievement of operational effectiveness and efficiency (including profitability, performance, and protection of asset security), the reliability of financial reports, and compliance with relevant laws and regulations.
- II. Some limitations are inherent in all internal control systems. No matter how perfect the design is, an effective internal control system can only provide a reasonable assurance regarding the achievement of the above three intended objectives; moreover, due to changes in the environment and circumstances, the effectiveness of the internal control system may change accordingly. However, the Company's internal control system is equipped with a self-monitoring mechanism. Once a defect is identified, the Company will take action to rectify it.
- III. The Company judges whether the design and implementation of the internal control system is effective based on the criteria for judging the effectiveness of the internal control system set out in the Regulations Governing Establishment of Internal Control Systems by Public Companies (hereinafter referred to as the "Regulations"). According to the management control process, the criteria for internal controls adopted in the "Regulations" divide the internal control system into five elements: 1. Control environment, 2. Risk assessment, 3. Control operations, 4. Information and communication, 5. Supervision. Each constituent element includes several items. For said items, please refer to the Regulations. The Company has adopted the above judgment items to check the effectiveness of the design and implementation of the internal control system.
- IV. The Company has adopted the above judgment items to check the effectiveness of the design and implementation of the internal control system.
- V. Based on the inspection results referred to above, the Company believes that as of December 31, 2024, the Company's internal control system (including the supervision and management of subsidiaries), including the design and implementation of the internal control system relating to the knowledge of the effectiveness and efficiency of operations, the reliability of financial reporting and the compliance with relevant laws and regulations, was effective and could reasonably ensure the achievement of the above objectives.
- VI. This statement will form the main content of the Company's annual report and prospectus and will be made public. If the disclosed content above is false or there is material information concealed deliberately or otherwise, the Company will be legally liable pursuant to Articles 20, 32, 171, and 174 of the Securities and Exchange Act.
- VII. This statement has been approved by the Company's Board of Directors on March 12, 2025. Among the nine directors present, none of them expressed objections and all of which agreed with the content of this statement. Therefore, this statement is hereby declared.

Hu Lane Associate Inc.

Chairman: Chang Tzu-Hsiung

President: Hu Sheng-Ching



If the internal control system is reviewed by a CPA on an ad hoc basis, the review report shall be disclosed:

Not applicable.

(IX) Major resolutions reached in shareholders' meetings and board of directors meetings in the most recent year, up until the publication date of this annual report:

1. Major resolutions of shareholders' meetings and their implementation

(1) Important resolutions

Date	Sessions of regular and extraordinary sessions Session of session	Important resolutions
2024.05.30	2024 General Shareholders' Meeting	Matters to be Reported I. The Company's 2023 business report. II. Audit Committee's review of the 2023 financial statements. III. Report on the distribution of remuneration to employees and directors in 2023. IV. Report on the payment of remuneration to directors by the Company. Matters of approval I. The Company's 2023 financial statements. II. Appropriation of the Company's 2023 earnings. Matters for discussion I. Distribution of cash to shareholders from additional paid-in capital. II. Surplus in 2023 converted into capital to issue new shares by the Company. Election matters: None. Other matters: None.

(2) Implementation

- A. All the above proposals have been completed in accordance with the resolutions of the shareholders' meeting.
- B. The Company's 2023 earnings appropriation was approved at the annual general shareholders' meeting on May 30, 2024, resolving to distribute a cash dividend of NT\$4 per share, a stock dividend of 0.25 shares per share, and an additional cash distribution of NT\$1 per share from capital surplus. The distribution was completed on October 9, 2024.

2. Major resolutions of the board of directors

Date	Session of session	Important resolutions
March 12, 2024	the 8th session the fifth time	I. Reviewed the remuneration to employees and directors for 2023. II. The Company's 2023 parent company only and consolidated financial statements. III. Approval for issuing the "Declaration of Internal Control Systems for 2023". IV. Date and venue of the 2024 regular shareholders' meeting and agenda. V. Date of acceptance of written proposals from shareholders with more than a 1% ownership interest. VI. Replacement of CPAs. VII. The non-assurance services are pre-approved by the CPAs. VIII. The Investment on the cash capital increase of RAC Electric Vehicles Inc. IX. Amendments to the "Hu Lane Group's 2024-2025 short, medium and long-term strategic development goals on environmental protection" and submit for review. X. Establish "Standard Operation Procedure of Carbon Credit Trading" and submit for review. XI. Establish HU LANE ASSOCIATE INC. carbon credit special account and submit for review. XII. The Company's financial derivatives transactions in January, 2024. XIII. The Operation Procedure of short-term financial instrument investment. XIV. The credit line between the Company and Chinatrust Commercial Bank. XV. The Company has provided Citibank with a guarantee for the current financing, foreign exchange, derivative transactions, and/or guarantee obligations between Hu Lane (Vietnam) Co., Ltd., and Citibank (as defined in the guarantee letter). XVI. The credit line between the Company and First Commercial Bank XVII. EVERVALUE INVESTMENTS LIMITED, loaning to Hu Lane Electronics (Vietnam) Co., Ltd. XVIII. Planned on the conversion of the first unsecured domestic corporate bonds to the issuance of ordinary shares. XIX. Appointment and dismissal of managerial officers of the Company. XX. The credit line between the Company and First Commercial Bank Other important reporting matters: I. Report of the meeting minutes of the 2nd session of the 2nd Sustainable Development Committee in 2024. II. Report of the meeting minutes of the second session of the fifth Sustainable Development Committee in 2024. III. Minutes Report of the third meeting of the second Audit Committee in 2023. IV. 2023 Performance Evaluation of the board of directors, Directors, the Audit Committee, and the Remuneration Committee. Independent director's opinion: None. The Company's response to the opinions of independent directors: None. Resolution: Unanimously approved by all directors present at the meeting.

Date	Session of session	Important resolutions
2024.04.12	the 8th session The sixth time	I. The Company's 2023 business report. II. Appropriation of the Company's 2023 earnings. III. Surplus in 2023 converted into capital to issue new shares by the Company. IV. Distribution of cash to shareholders from additional paid-in capital. V. Amendment to the agenda of the Company's 2024 regular shareholders' meeting. VI. Allocation of remuneration to directors in 2023. VII. Planned on the conversion of the first unsecured domestic corporate bonds to the issuance of ordinary shares. VIII. Report of the Company's financial derivatives transactions. IX. Extension of credit line between the Company and Cathay United Bank. X. The credit line between the Company and Cathay United Bank. Other important reporting matters: I. Report of the meeting minutes of the 3rd meeting of the 5th Remuneration Committee in 2024. II. Meeting minutes of the 4th meeting of the second Audit Committee in 2024. III. The Company accepts written proposals from shareholders with more than a 1% ownership interest. IV. Assessment report on the effectiveness of the business cooperation between the Company and RAC Electric Vehicles Inc. V. Report on the Company's issuance of the 1st domestic unsecured convertible bond. Independent director's opinion: None. The Company's response to the opinions of independent directors: None. Resolution: Unanimously approved by all directors present at the meeting.
2024.05.09	the 8th session the seventh time	I. Presentation of the Company's consolidated financial statements for the first quarter of 2024. II. The Company established the Risk Management Committee. III. Allocation of remuneration to managerial officers and employees of the Company in 2023. IV. The Company provided a guarantee to Taipei Fubon Bank for the financing and/or guarantee of debts between Hu Lane Electronic (Vietnam) Co., Ltd., and Taipei Fubon Bank. Other important reporting matters: I. Report of the meeting minutes of the 4th meeting of the 5th Remuneration Committee in 2024. II. Meeting minutes of the 5th meeting of the second Audit Committee in 2024. Independent director's opinion: None. The Company's response to the opinions of independent directors: None. Resolution: Unanimously approved by all directors present at the meeting.
2024.06.17	the 8th session the 8th time	I. The 2023 ESG Sustainability Report of the Group was confirmed to be completed and reported to the public. II. Purchased liability insurance for directors. Other important reporting matters: I. Report of the meeting minutes of the 3rd meeting of the 2nd Sustainable Development Committee in 2024. II. ISO 14064-1 Greenhouse Gas Inventory and third-party verification project, mid-year progress report. III. ISO 14067 Product Carbon Footprint Inventory and third-party verification project, mid-year progress report.

Date	Session of session	Important resolutions
		Independent director's opinion: None. The Company's response to the opinions of independent directors: None. Resolution: Unanimously approved by all directors present at the meeting.
2024.08.08	the 8th session the ninth time	I. Presentation of the Company's consolidated financial statements for the second quarter of 2024. II. 2023 cash dividend to shareholders and cash allocation to capital surplus shareholders. III. Proposed adjustment of the conversion price of the first domestic unsecured convertible corporate bonds. IV. The credit line between the Company and Taipei Fubon Bank. V. Acting as the endorser and guarantor for EVERVALUE INVESTMENTS LIMITED VI. The Company provided guarantees for Cathay United Bank (Mainland China) in terms of financing, foreign exchange, derivative transactions and/or guarantees of debt in relation to Dongguan Hu Lane Puguang Trading Co., Ltd., and Cathay United Bank (Mainland China) Limited, Shenzhen Branch (as defined in the letter of guarantee). VII. The Company provided guarantees to Cathay United Bank (China) Limited Shanghai Branch in connection with the current financing, foreign exchange, derivative transactions and/or guaranteed debts of Hu Lane Electronics (Nanjing) Co., Ltd., and Cathay United Bank (China) Limited Shanghai Branch (as defined in the Letter of Guarantee). VIII. The Company provides a guarantee to the Ho Chi Minh City Branch of Cathay United Bank for the financing, foreign exchange, derivative transactions, and contingent liabilities between Hu Lane Electronic (Vietnam) Co., Ltd. and Cathay United Bank, Ho Chi Minh City Branch, as defined in the guarantee letter. IX. The Company has provided a guarantee to CTBC Bank for the financing, foreign exchange, derivative transactions, and/or guaranteed obligations between PT. HULANE TECH MANUFACTURING and CTBC Bank (as defined in the guarantee letter). X. The Company has provided a guarantee to Citibank for the financing, foreign exchange, derivative transactions, and/or guaranteed obligations between Dongguan Hu Lane Electronic Technology Co., Ltd. and Citibank (as defined in the guarantee letter). XI. EVERVALUE INVESTMENTS LIMITED has extended the loan to PT. HULANE TECH MANUFACTURING. XII. The Company conducted derivative financial instrument transactions in June 2024. XIII. Appointment of new managers of the Company. XIV. Change of the Company's Chief Financial Officer. Other important reporting matters: Minutes Report of the 6th meeting of the second Audit Committee in 2024. Independent director's opinion: None. The Company's response to the opinions of independent directors: None. Resolution: Unanimously approved by all directors present at the meeting.

Date	Session of session	Important resolutions
2024.11.08	the 8th session The 10th time	I. The Company's 2025 business plan. II. Presentation of the Company's consolidated financial statements for the third quarter of 2024. III. The credit line between the Company and Citibank (Taiwan) Commercial Bank. IV. The Company has provided Citibank with a guarantee for the current financing, foreign exchange, derivative transactions, and/or guarantee obligations of Dongguan Hu Lane Puguang Trading Co., Ltd., and Citibank (as defined in the guarantee letter). V. The Company has provided Citibank with a guarantee for the current financing, foreign exchange, derivative transactions, and/or guarantee obligations between Hu Lane Electronic (Vietnam) Co., Ltd., and Citibank (as defined in the guarantee letter). VI. The Company provides a guarantee to Citibank for the financing, foreign exchange, derivative transactions, and/or contingent liabilities between PT. Hulane Tech Manufacturing and Citibank, as stipulated in the guarantee letter. VII. Report of the Company's financial derivatives transactions. VIII. Propose to set the record date for capital increase by common stock upon conversion of the first domestic unsecured convertible corporate bonds. IX. Formulation of "Risk Management Policy and Procedures." X. Phase 3 construction project of the new plant of Dongguan Hu Lane Electronic Technology Co., Ltd., Hu Lane Group. Other important reporting matters: I. 2024 1st Risk Management Committee Meeting Minutes II. Report of the meeting minutes of the 4th session of the 2nd Sustainable Development Committee in 2024. III. Minutes Report of the 7th meeting of the second Audit Committee in 2024. IV. 2024 Mid-Session Report of TCFD. V. ESG execution results report for the first three quarters of 2024. Independent director's opinion: None. The Company's response to the opinions of independent directors: None. Resolution: Unanimously approved by all directors present at the meeting.
2024.12.20	the 8th session 11th time	I. The Company's 2025 budget plan. II. The Company intends to liquidate its 100% owned subsidiary, TELFORD INVESTMENTS LIMITED (registered in Samoa). III. Amendment to the Company's internal audit implementation rules. IV. The Company's 2025 audit plan. V. Independence Assessment Report of CPAs of the Company. VI. 2025 ESG Execution Items Report of the Hu Lane Group. VII. Amendments to the Hu Lane Group's 4.1 organization chart. VIII. Propose to formulate the Company's investment management measures. IX. Implementation of Cyber Security of the Group in 2024 and 2025. X. Adjustment of the personnel of the Company. Other important reporting matters: I. 2024 2nd meeting of the 1st term of the Risk Management Committee. II. Report of the meeting minutes of the fifth time session of the 2nd Sustainable Development Committee in 2024. III. Minutes Report of the 8th meeting of the second Audit Committee in 2024. IV. Implementation of TCFD projects and other operational risks in 2024. V. The Company's 2024 intellectual property management plan and implementation report. Independent director's opinion: None. The Company's response to the opinions of independent directors: None. Resolution: Unanimously approved by all directors present at the meeting.

Date	Session of session	Important resolutions
2025.03.12	the 8th session 12th meeting	I. Reviewed the remuneration to employees and directors for 2024. II. The Company's 2024 parent company only and consolidated financial statements. III. Approval for issuing the "Declaration of Internal Control Systems for 2024". IV. Date and venue of the 2025 regular shareholders' meeting and agenda. V. Date of acceptance of written proposals from shareholders with more than a 1% ownership interest. VI. The non-assurance services are pre-approved by the CPAs. VII. Amendment to the Company's "Internal Control System" and "Internal Audit System". VIII. Proposal for the amendment to partial provisions of the "Articles of Incorporation." IX. Line of credit between the Company and First Commercial Bank X. EVERVALUE INVESTMENTS LIMITED, loaning to Hu Lane Electronics (Vietnam) Co., Ltd. XI. Planned on the conversion of the first unsecured domestic corporate bonds to the issuance of ordinary shares. XII. Proposal for the establishment of the "Sustainable Development Committee Charter" XIII. The Company's plan to invest in COMEIN ELECTRONICS CO., LTD. XIV. Amendment to the Company's TP-1M001 seal Management Regulations. Other important reporting matters: I. Report of the meeting minutes of the 6th session of the 2nd Sustainable Development Committee in 2025. II. Report of the meeting minutes of the 5th session of the 5th Sustainable Development Committee in 2025. III. Minutes Report of the 9th meeting of the second Audit Committee in 2025. IV. 2024 Performance Evaluation of the board of directors, Directors, the Audit Committee, and the Remuneration Committee. Independent director's opinion: None. The Company's response to the opinions of independent directors: None. Resolution: Unanimously approved by all directors present at the meeting.

(X) During the most recent year and up to the publication date of the annual report, where a Director or supervisor has expressed a dissenting opinion with respect to a material resolution passed by the Board, and the said dissenting opinion with records or written statements, disclose the principal content thereof:

No such situation as of the date of publication of the annual report.

IV. Information on CPA fees

Information on the CPA's professional fees

Unit of Amount: NTD Thousand

Name of the Accounting Firm	Name of the CPAs	Audit period	Audit public expenditure	Non-audit public expenditure	Total	Remarks
Deloitte Taiwan	Shih Jun-Hung	2024/01/01~ 2024/12/31	4,603	265	4,868	Public fees on the audit of the 2024 financial statement
	Cheng Hsu-Yen					
PwC Taiwan	Tuan Shih Liang	2024/01/01~ 2024/12/31	-	2,280	2,280	Public expenditures on transfer pricing (2024)

1. If the accounting firm is changed and the public audit fee paid in the replacement year is reduced compared with the public audit fee of the previous year of replacement, the amount of public audit fee before and after the replacement and the reason should be disclosed: N/A.
2. When the audit fee is reduced by more than 10% from the previous year, the amount, percentage, and reason of the reduction must be disclosed: N/A.
3. Audit fees are mainly for the consolidated financial statement audit report, tax audit report, overseas subsidiary audit and related report data review.
4. The Company's Audit Committee assesses the independence and suitability of the CPAs regularly every year, and requires the CPAs to provide a "Declaration of Independence" and "Independence Report", and reports the results to the board of directors.
The latest annual assessment was approved by the Audit Committee on December 20, 2024 after discussion and approval of the "Audit Quality Indicators (AQIs)", and the board of directors resolution on December 20, 2024 approved the assessment of the independence and suitability of accountants. Evaluations are conducted based on the independence assessment items and AQI indicators. It has been confirmed that the accountant and the company have no other financial interests and business relationships other than visa and financial and tax case fees, and the accountant's family members have not violated the independence requirements, and with reference to AQI index information, it has been confirmed that the accountant and the firm have better audit experience and training hours than the industry average.

Independent Auditors' Independence Report

Independence assessment items	Evaluation results	
	Yes	No
1. The current appointee or the survey participant engages in regular duties and receives a fixed salary or serves as a director.	☐	☒
2. Has served as a director, manager, or staff with significant influence on the certification case of the client or the subject, and the resignation has been less than two years.	☐	☒
3. Is a spouse, lineal relative, lineal relative by affinity, or collateral blood within the second degree of kinship with the principal or person-in-charge of the person being audited or manager.	☐	☒
4. The investor, spouse, or minor child of the principal has invested in or shared financial benefits with the principal or subject.	☐	☒
5. The principal, himself/herself, spouse, or minor children have borrowed funds from the principal or the survey participant. Except where the principal is a financial institution with regular transactions.	☐	☒
6. The management consulting or other non-certified services may affect the independence.	☐	☒

Independence assessment items	Evaluation results	
	Yes	No
7.Does not meet the requirements of the competent authority on the rotation of CPAs, the handling of accounting affairs on behalf of others, or other regulations that may affect the independence.	☐	☒
Independence		

V. Information on change of CPA:

1. Regarding the predecessor CPA

Date of Change	2024 Q1		
Reason for replacement and description	In line with the internal rotation mechanism of the CPA firm.		
Describe whether the consignor or CPA terminates the engagement or refuses to be appointed	Party concerned Status	CPA	Consignor
	Terminate the engagement	Not applicable	Not applicable
	Refuse to be appointed (continue the appointment)	Not applicable	Not applicable
Audit opinions other than unqualified opinions issued in the most recent two years and the reason	Not applicable		
Whether having any different opinions with the issuer	Yes		Accounting principles or practices
			Disclosure of financial reports
			Scope or step of audits
			Others
	None	©	
	Description		
Other disclosures (those to be further disclosed according to items 1-4 to 1-7, subparagraph 6, Article 10 of the Standards)	None.		

2. Succeeding CPAs

Name of CPA's firm	Deloitte Taiwan
Name of the CPAs	Cheng Hsu-Yen, CPA
Date of appointment	2024 Q1
Consultation matters and results for the accounting method of particular transactions and opinions that may be issued for financial reports before the appointment	Not applicable
Written opinion for matters in which the succeeding CPAs have different opinions from the former CPAs	Not applicable

3. Response letter from former CPAs for matters in item 1 and item 2-3, subparagraph 6, Article 10 of the Standards: Not applicable.

VI. Any of the Company's Chairman, President, or any managerial officer in charge of finance or accounting affairs being employed by the accounting firm or any of its affiliated companies in the most recent year: None.

VII. Transfer of equity and changes in equity pledges of Directors, supervisors, managers, and shareholders with a shareholding of 10% and above in the most recent year and up to the date of publication of the annual report:

(I) Changes in shareholdings

The book closure date for the shareholders' meeting was April 28, 2025.

Job title	Name	2024		As of April 28 of the current year	
		Increase (decrease) in the number of shares held	Increase (decrease) in the number of shares pledged	Increase (decrease) in the number of shares held	Increase (decrease) in the number of shares pledged
Chairman	Chang Tzu-Hsiung	103,209	0	0	0
Director and President	Hu Sheng-Ching	144,382	0	0	0
Director	Chang Ping-Chun	48,404	0	0	0
Director	Hu Shao-Ju	60,981	0	0	0
Director	Liu Chun-Hsiang	54,650	0	0	0
Director	Lin Yuan-Li	0	0	0	0
Independent Director	Chang Shyueh-Chih	0	0	0	0
Independent Director	Lin, Chan-Lieh	253	0	0	0
Independent Director	Tai Chia-Wei	0	0	0	0
CEO	Chang Tzu-Chieh	30,265	0	0	0
Executive Vice President	Chang Shao-Chien	48,997	0	0	0

Job title	Name	2024		As of April 28 of the current year	
		Increase (decrease) in the number of shares held	Increase (decrease) in the number of shares pledged	Increase (decrease) in the number of shares held	Increase (decrease) in the number of shares pledged
Vice President	Pan Su-Chiu	563	0	0	0
Vice President	Chao Ching-Shan	1,404	0	0	0
Vice President	Fang Kai-Ping	807	0	0	0
Vice President	Li Ying-Te	250	0	0	0
Assigned Vice President	Chen Kei-Chou	473	0	0	0
Assigned Vice President	Lin Ming-Miao	51	0	0	0
External Director	Yu Ching-Fu	302	0	0	0
Vice Chief Engineer	Wang Chih-Hsin	401	0	0	0
Assistant Manager	Chang Chung-I	3,748	0	0	0
Assistant Manager	Song Dazhi	0	0	0	0
Assistant Vice President	Chu Hsueh-Ren	0	0	0	0
Assistant Vice President	Chang Shih-Wei	0	0	7000	0
Assistant Vice President	Bai Ming	0	0	0	0
Audit supervisor	Zhang Chao-wei	0	0	0	0
Chief Financial Officer	Cheng Ya-Ching	1,406	0	0	0
Accounting Officer	Chang Chia-Chi	66,225	0	0	0

Note: The Company has no major shareholder with more than a 10% shareholding.

(II) Information on the counterparty of the transfer of equity as a related party: None.

(III) Information on the counterparty of the equity pledge as a related party: None.

VIII. Information on the top ten shareholders who are related to each other or are related by consanguinity, such as spouses or second degree relatives:

Information on the top ten shareholders and their relationships with each other

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The book closure date for the shareholders' meeting was April 28, 2025.

Name	Personal shareholding		Shares held by spouse and minor children		Total shares held in other's name		For the top-10 shareholders who are related, spouse, or relatives within the second degree of kinship, the names and their relationships		Remarks
	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Name	Relationship	
Hu Sheng-Ching	5,919,697	5.22%	2,154,937	1.90%	0	0.00%	Li Pao-Hsi Hu Shao-Chi Hu Shao-Ju Hu Shao-Jung	Spouse First-degree relative First-degree relative First-degree relative	None
Liu Chun-Hsiang	4,160,655	3.67%	0	0.00%	0	0.00%	None	None	None
Chang Tzu-Hsiung	4,104,382	3.62%	1,288,135	1.14%	0	0.00%	Chang Chia-Chi Chang Ping-Chun Chang Shao-Chien	First-degree relative First-degree relative First-degree relative	None
Chang Chia-Chi	2,715,233	2.40%	77,383	0.07%	0	0.00%	Chang Tzu-Hsiung Chang Ping-Chun Chang Shao-Chien	First-degree relative Second-degree relatives Second-degree relatives	None
Hu Shao-Chi	2,500,232	2.21%	0	0.00%	0	0.00%	Hu Sheng-Ching Li Pao-Hsi Hu Shao-Ju Hu Shao-Jung	First-degree relative First-degree relative Second-degree relatives Second-degree relatives	None
Hu Shao-Ju	2,500,232	2.21%	0	0.00%	0	0.00%	Hu Sheng-Ching Li Pao-Hsi Hu Shao-Chi Hu Shao-Jung	First-degree relative First-degree relative Second-degree relatives Second-degree relatives	None
Hu Shao-Jung	2,500,232	2.21%	0	0.00%	0	0.00%	Hu Sheng-Ching Li Pao-Hsi Hu Shao-Chi Hu Shao-Ju	First-degree relative First-degree relative Second-degree relatives Second-degree relatives	None
Li Pao-Hsi	2,154,937	1.90%	5,919,697	5.22%	0	0.00%	Hu Sheng-Ching Hu Shao-Chi Hu Shao-Ju Hu Shao-Jung	Spouse First-degree relative First-degree relative First-degree relative	None
Citibank in the custody of Investment Account of Central Bank of Norway	2,045,470	1.80%	0	0.00%	0	0.00%			None
Chang Shao-Chien	2,008,910	1.77%	315,187	0.28%	0	0.00%	Chang Tzu-Hsiung Chang Chia-Chi Chang Ping-Chun	First-degree relative Second-degree relatives Second-degree relatives	None

Note: The shareholding ratio is calculated with the 113,348,320 outstanding shares as of April 28, 2024.

IX. The total number of shares and the consolidated shareholding held in any single investee by the Company, its Directors, supervisors, managers, or any companies controlled either directly or indirectly by the Company:

As of March 31, 2025 Unit: thousand shares; NTD

Investee (Note)	Investment by the Company		Investments by directors, supervisors, managers, and directly or indirectly controlled businesses		Comprehensive investment	
	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio
EVERVALUE INVESTMENTS LIMITED	15,220 (1 share = 1USD)	100%	0	0%	15,220 (1 share = 1USD)	100%
TELFORD INVESTMENTS LIMITED	1,034 (1 share = 1USD)	100%	0	0%	1,034 (1 share = 1USD)	100%
Hu Lane Electronics (Vietnam) Co., Ltd.	6,300 (1 share = 1USD)	100%	0	0%	6,300 (1 share = 1USD)	100%
PT. HULANE TECH MANUFACTURING	800 (1 share = 8,990 IDR)	12%	3,474 (1 share = 14,833 IDR)	72%	4,274 (1 share = 12,496 IDR)	84%
Hu Lane Electronics (Nanjing) Co., Ltd.	0	0%	8,500 (1 share = 1USD)	100%	8,500 (1 share = 1USD)	100%
FORTUNE MASTER DEVELOPMENT LIMITED	0	0%	9,400 (1 share = 1USD)	100%	9,400 (1 share = 1USD)	100%
Dongguan Hu Lane Puguang Trading Co., Ltd.	0	0%	1,600 (1 share = 1USD)	100%	1,600 (1 share = 1USD)	100%
Dongguan Hu Lane Electronic Technology Co., Ltd.	0	0%	8,000 (1 share = 1USD)	100%	8,000 (1 share = 1USD)	100%
Yangzhou Lear Hulane Automotive Parts Trading Co., Ltd.	600 (1 share = 1USD)	40%	0	0%	600 (1 share = 1USD)	40%
EAGLE GOOD LIMITED	10,680 (1 share = 1USD)	100%	0	0%	10,680 (1 share = 1USD)	100%
JIAXING SHANG HO ELECTRICS TECHNOLOGY CO., LTD	0	0%	10,500 (1 share = 1USD)	100%	10,500 (1 share = 1USD)	100%

Investee (Note)	Investment by the Company		Investments by directors, supervisors, managers, and directly or indirectly controlled businesses		Comprehensive investment	
	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio
HULANE ASSOCIATE INC. EUROPE S.R.L	450 (1 share = 1EUR)	90%	0	0%	450 (1 share = 1EUR)	90%

Note: Investments accounted for by the Company under the equity method.

Three. Capital Overview

I. Company capital and shares

(I) Source of share capital

1. Formation of share capital

Units: Shares; NTD

Month, Year	Issue price (NT\$)	Authorized capital		Paid-in capital stock		Remarks		
		Number of shares	Amount	Number of shares	Amount	Source of share capital	Assets other than cash used to offset share value	Others
66.07	10	50,000	500,000	50,000	500,000	Initial share capital	None	None
70.06	10	500,000	5,000,000	500,000	5,000,000	Capital increase in cash: 4,500,000	None	None
79.12	10	2,970,000	29,700,000	2,970,000	29,700,000	Capital increase in cash: 24,700,000	None	None
84.09	10	5,010,000	50,100,000	5,010,000	50,100,000	Capital increase in cash: 16,200,000 Surplus: 4,200,000	None	None
87.01	10	10,020,000	100,200,000	10,020,000	100,200,000	Additional paid-in capital: 37,000,000 Surplus: 13,100,000	None	None
90.01	10	19,500,000	195,000,000	19,500,000	195,000,000	Capital increase in cash: 49,710,000 Surplus: 45,090,000	None	None
90.07	10	40,000,000	400,000,000	25,350,000	253,500,000	Surplus: 58,500,000 Ching-Shang-Shang: 09001241720	None	None
91.09	10	40,000,000	400,000,000	30,420,000	304,200,000	Surplus: 50,700,000 Ching-Shang-Shang: 09101360870	None	None
92.08	10	40,000,000	400,000,000	38,025,000	380,250,000	Surplus: 76,050,000 Ching-Shang-Shang: 09232568600	None	None
93.09	10	70,000,000	700,000,000	48,996,450	489,964,500	Consolidated capital increase: 109,714,500 Ching-Shang-Shang: 09332747340	None	None
94.01	10	70,000,000	700,000,000	52,916,166	529,161,660	Surplus: 39,197,160 Ching-Shang-Shang: 9301251280	None	None
94.08	10	70,000,000	700,000,000	60,324,429	603,244,290	Surplus: 21,166,470 Additional paid-in capital: 52,916,160 Ching-Shang-Shang: 09401153930	None	None
95.11	10	70,000,000	700,000,000	63,324,429	633,244,290	Capital increase in cash: 30,000,000 Ching-Shang-Shang: 09501274490	None	None
96.09	10	70,000,000	700,000,000	66,462,415	664,624,150	Surplus: 31,379,860 Ching-Shang-Shang: 09601226770	None	None
97.09	10	100,000,000	1,000,000,000	70,175,512	701,755,120	Surplus: 37,130,970 Ching-Shang-Shang: 09701224080	None	None
98.09	10	100,000,000	1,000,000,000	73,684,287	736,842,870	Surplus: 35,087,750 Ching-Shang-Shang: 09801210910	None	None
99.08	10	100,000,000	1,000,000,000	82,074,287	820,742,870	Capital increase in cash: 83,900,000 Ching-Shang-Shang: 09901188070	None	None
100.09	10	100,000,000	1,000,000,000	86,491,001	864,910,010	Surplus: 41,037,140 Conversion of stock warrants: 3,130,000 Ching-Shang-Shang: 10001216440	None	None
101.04	10	100,000,000	1,000,000,000	86,502,201	865,022,010	Conversion of stock warrants: 112,000 Ching-Shang-Shang: 10101067680	None	None
101.09	10	100,000,000	1,000,000,000	88,405,105	884,051,050	Surplus: 17,330,040 Conversion of stock warrants: 1,699,000 Ching-Shang-Shang: 10101194280	None	None
102.05	10	100,000,000	1,000,000,000	88,585,805	885,858,050	Conversion of stock warrants: 1,807,000 Ching-Shang-Shang: 10201094570	None	None

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Month, Year	Issue price (NT\$)	Authorized capital		Paid-in capital stock		Remarks		
		Number of shares	Amount	Number of shares	Amount	Source of share capital	Assets other than cash used to offset share value	Others
2013.11	10	100,000,000	1,000,000,000	88,604,205	886,042,050	Conversion of stock warrants: 184,000 Ching-Shang-Shang: 10201233680	None	None
2024.01	10	100,000,000	1,000,000,000	97,106,805	971,068,050	Capital increase in cash: 85,000,000 Conversion of stock warrants: 26,000 Ching-Shang-Shang: 10301014750	None	None
2014.07	10	100,000,000	1,000,000,000	97,124,405	971,244,050	Conversion of stock warrants: 176,000 Ching-Shang-Shang: 10301133980	None	None
2014.11	10	100,000,000	1,000,000,000	97,142,605	971,426,050	Conversion of stock warrants: 182,000 Ching-Shang-Shang: 10301247160	None	None
2015.07	10	100,000,000	1,000,000,000	97,153,205	971,532,050	Conversion of stock warrants: 106,000 Ching-Shang-Shang: 10401131210	None	None
2016.08	10	100,000,000	1,000,000,000	97,158,005	971,158,005	Conversion of stock warrants: 48,000 Ching-Shang-Shang: 10501216780	None	None
2017.03	10	100,000,000	1,000,000,000	97,181,705	971,817,050	Conversion of stock warrants: 237,000 Ching-Shang-Shang: 10601028380	None	None
2018.04	10	100,000,000	1,000,000,000	97,222,305	972,223,050	Conversion of stock warrants: 406,000 Ching-Shang-Shang: 10701041410	None	None
2018.11	10	100,000,000	1,000,000,000	97,224,105	972,241,050	Conversion of stock warrants: 18,000 Ching-Shang-Shang: 10701150600	None	None
2019.07	10	120,000,000	1,200,000,000	97,224,105	972,241,050	Ching-Shang-Shang: 10801084720	None	None
2020.09	10	120,000,000	1,200,000,000	99,654,707	996,547,070	Ching-Shang-Shang: 10901170250	None	None
2024.04	10	120,000,000	1,200,000,000	99,655,415	996,554,150	Conversion of stock warrants: 7,080 Ching-Shang-Shang: 11330050810	None	None
2024.04	10	120,000,000	1,200,000,000	99,656,123	996,561,230	Conversion of stock warrants: 7,080 Ching-Shang-Shang: 11330067230	None	None
2024.09	10	120,000,000	1,200,000,000	102,147,526	1,021,475,260	Surplus: 24,914,030 Ching-Shang-Shang: 11330172080	None	None
2024.12	10	120,000,000	1,200,000,000	102,738,977	1,027,389,770	Conversion of stock warrants: 5,914,510 Ching-Shang-Shang: 11330203510	None	None
2025.04	10	120,000,000	1,200,000,000	105,359,647	1,053,596,470	Conversion of stock warrants: 26,206,700 Ching-Shang-Shang: 11430042750	None	None
2025.05	10	120,000,000	1,200,000,000	113,348,320	1,133,483,200	Conversion of stock warrants: 7,988,673 Ching-Shang-Shang: 11430069910	None	None

2. Share category

Shares of Shares Type	Authorized capital			Remarks
	Outstanding shares	Unissued shares	Total	
Common stock	113,348,320 shares (Note)	6,651,680 shares	120,000,000 shares	Listed stocks

Note: As of April 28, 2025, the actual number of shares outstanding was 113,348,320.

3. Shelf registration: Not applicable.

(II) List of major shareholders

Shareholders with more than 5% and top 10 shares

The book closure date for the shareholders' meeting was April 28, 2025.

Name of major shareholder	Shares of Shares	Number of shares held	Shareholding (%)
Hu Sheng-Ching		5,919,697	5.22
Liu Chun-Hsiang		4,160,655	3.67
Chang Tzu-Hsiung		4,104,382	3.62
Chang Chia-Chi		2,715,233	2.40
Hu Shao-Chi		2,500,232	2.21
Hu Shao-Ju		2,500,232	2.21
Hu Shao-Jung		2,500,232	2.21
Li Pao-Hsi		2,154,937	1.90
Citibank in the custody of Investment Account of Central Bank of Norway		2,045,470	1.80
Chang Shao-Chien		2,008,910	1.77

(III) The Company's dividend policy and implementation

1. Dividend policy

If there is a net profit of the company's annual final accounts, it should first make up for the accumulated losses (including adjusting the amount of undistributed surplus), then allocate 10% as Legal Reserve. However, if the Legal Reserve have reached the Company's paid-in capital, no further allocation shall be made. The remaining amount shall be allocated as Special Reserve in accordance with relevant laws, regulations, or provisions. If there is still surplus, it shall be added to the opening balances undistributed surplus (including adjusting the amount of undistributed surplus), and the Board of Directors shall draft a proposal for profit distribution to be submitted to the shareholders' meeting for resolution.

The Company will take into consideration the environment and growth stage the Company is in, in response to future capital needs, long-term financial planning, and shareholders' needs for cash inflow, and will distribute cash dividends and stock dividends in combination, of which cash dividends shall not be less than 10% of the total dividends

2. Dividend distribution proposed in the current shareholders' meeting 2024 Earnings Appropriation Statement

Unit: NTD

Item	Subtotal	Total
Undistributed earnings at the beginning of the period		2,501,855,044
Add: Net income after tax	1,310,477,481	
Add (Less): Remeasurement of the defined benefit plan recognized in retained earnings	5,075,748	
The amount of the current after-tax net income plus the items other than the current after-tax net profit and included in the current year's undistributed earnings	1,315,553,229	
Less: Appropriation of legal reserve (Note 1)	(131,555,323)	
Add: Reversal of special reserve (Note 2)	171,293,021	
Distributable earnings of the current period		3,857,145,971
Distribution item		
Shareholders' stock dividend (NT\$0.5/share) (Note 3)	(56,674,160)	
Shareholders' cash dividend (NT\$5/share)	(566,741,600)	
Total of allocated earnings		(623,415,760)
Undistributed earnings at the end of the period		3,233,730,211

Note 1: Handled in accordance with Article 237 of the Company Act. After the Company has paid all taxes and distributed earnings, it shall first set aside 10% of the earnings as legal reserve. However, this restriction does not apply when the legal reserve has reached the amount of paid-in capital.

Note 2: Acting in accordance with Paragraph 1, Article 41 of the Securities and Exchange Act.

Note 3: The stock dividend to shareholders is 50 shares for every 1,000 shares, totaling NT\$56,674,160.

Note 4: The Company's dividends are distributed based on the total share count of 113,348,320 shares as of April 28, 2025.

Note 5: The cash dividends are distributed proportionally to the nearest NTD\$1, with portions below NTD\$1 being rounded down. Any portion of the cash distribution less than NTD\$1 is totaled and recognized as the Company's other income.

3. In case of expected significant changes to the equity policies, please specify: None.

(IV) Impacts of the stock dividends proposed in the current shareholders' meeting on the Company's business performance and earnings per share: Not applicable.

(V) Remuneration of the employees, director and supervisor: (The Company does not have a supervisor).

1. Percentage or scope of remuneration of employees, Directors, and supervisors stipulated in the Articles of Incorporation

- (1) If the Company reports a profit for the year (the term "profit" refers to pre-tax profit before the distribution of employee bonuses and directors' remuneration), it shall allocate 1% to 10% as employee bonuses (of which no less than 15% shall be distributed to junior employees) and no more than 1% as directors' remuneration. However, if the Company still has accumulated deficits (including adjustments to undistributed earnings), it shall first set aside an amount to cover such deficits before allocating the aforementioned proportions as employee bonuses and directors' remuneration..
- (2) The remuneration to employees referred to in the preceding paragraph may be paid in shares or cash, and the recipients of the remuneration may include employees of the affiliated company who meet certain criteria. The eligibility criteria are determined by the Board of Directors.
- (3) The preceding two paragraphs shall be implemented by a resolution of the board of directors and reported to the shareholders' meeting.

2. The basis for estimating the amount of remuneration to employees, directors, and supervisors for the current period, the basis for calculating the number of shares to be distributed as employee remuneration in stock, and the accounting treatment in case the actual distribution amount differs from the estimated amount:

- (1) The basis for estimating the amount of employee compensation and remuneration of directors: It is estimated based on the profitability of the year, within the scope set forth in the Articles of Incorporation, and a certain percentage is set aside for employee compensation and remuneration of directors, which are approved by the Board of Directors and the shareholders' meeting.
- (2) Calculation basis for the number of shares distributed as stock dividend: Not applicable.
- (3) If the actual distributed amount differs from the estimated amount: recognized as the annual profit or loss of the distribution year.

3. Proposal of remuneration to employees and directors approved by the board of directors

- (1) If the amount of remuneration to employees and directors/supervisors distributed in cash or stock differs from the estimated amount in the year of recognition, the difference, the cause and treatment shall be disclosed:

The 2024 remuneration to employees and directors was estimated by the Company, and the Board of Directors resolved on March 12, 2025 to distribute the remuneration in cash, and it is pending for the recognition of the shareholders' meeting scheduled to be held on June 26, 2024.

The remuneration to employees and directors in 2024 is proposed to be distributed as follows:

Unit: NTD

Item	2024
Cash remuneration to employees	53,035,419
Employee stock-based compensation	0
Remuneration to directors	13,490,000

- (2) The amount of employee remuneration distributed in stock and the ratio to the net income after tax and total employee remuneration in the parent company only or individual financial statements of the current term: Not applicable.

4. Actual distribution of employees' and directors' remuneration in the previous year

The Company's distribution of earnings for the previous year (2023) with respect to the allotment of remuneration to employees and directors was approved by the board of directors on March 12, 2024 and approved by the General Shareholders' Meeting of the same year. The actual allotment is as follows:

Unit: NTD

	Quantity actually distributed as resolved by the shareholders' meeting	The Board of Directors passed the proposed allotment	Discrepancies	Reason for discrepancy
Distribution status				
Cash remuneration to employees	43,727,170	43,727,170	-	-
Employee stock-based compensation	-	-	-	-
Remuneration to directors	11,075,000	11,075,000	-	-

(VI) Repurchase of the Treasury Stock

1. Repurchase of the Company's shares completed: As of the date of publication of the annual report, there is no repurchase of the Company's shares.
2. In progress: As of the date of publication of the annual report, there is no repurchase of the Company's shares.

II. Status of corporate bonds (including overseas corporate bonds):

(I) Corporate bond handling:

Types of corporate bonds	The 1st domestic unsecured convertible bond.	
Issue Date	June 14, 2023	
Denomination	NT\$100,000	
Issue Price	Issued at 108.61% of par value	
Issue Amount	Total face value: NT\$1,500,000,000 (15,000 thousand shares) Total Raised: NT\$1,629,088,400	
Interest Rate	Coupon Rate 0%	
Bond Period	5 Years; June 14, 2028 as the Maturity Date	
Verification Institution	Not applicable	
Trustee	Bank Sinopac Co., Ltd.	
Underwriter	SinoPac Securities	
Solicitor	Handsome Attorneys-at-Law, Attorney Qiu Ya-wen	
CPA	Shih Jun-Hung, Cheng Hsu-Yen, Deloitte Taiwan	
Mode of Satisfaction	The company shall redeem the convertible corporate bonds in cash at maturity according to the par value of the bonds held by the bondholders, except for cases where the bondholders convert them into ordinary shares of the company pursuant to Article 10, or where the company redeems them prematurely pursuant to Article 18, or exercises the right of sale-back pursuant to Article 19, or the company repurchases and cancels them through the securities firms.	
Outstanding Principal	NT\$0	
Terms for redemption or repayment	According to Article 18 of the Regulations Governing the Issuance and Conversion of Securities, After three months from the date of issuance of the convertible bonds (September 15, 2023), and 40 days prior to the end of the issuance period (May 5, 2028), if the closing price of the Company's common shares exceeds the current conversion price by more than 30% for 30 consecutive business days, the Company may withdraw the bonds in full at the face value thereof in cash from the 30 business days following the date of issuance, and write a notice to the Taipei Exchange for announcement. From 2025/1/14 to 2025/3/6, the closing price of common shares for 30 consecutive days exceeded the current conversion price of 133.4% to 30% (173.5).	
	Announcement of the bond redemption period	March 20, 2025 to April 18, 2025
	Date of termination of convertible bonds	22 April 2025
	Unconverted shares	56 lots
	Total amount of redemption	NT\$ 5,600,000
Restrictions	None	

Credit Rating Agency, Date of Rating, Credit Rating		Not applicable
Other equity interest	Amount of conversion to ordinary shares , global depositary receipt or other securities as of the publication date of this annual report	Total number of shares converted into common shares after issuance: 11,202,210 shares Accumulated total conversion amount NT\$1,494,400,000
	Regulations of issuance and conversion	Please refer the regulations of the Company's issuance and conversion of the 1st domestic unsecured convertible bond.
The regulations of issuance and conversion, exchange and subscription, issuance conditions that may cause possible dilution of equity and impact the existing shareholders' equity		Based on the number of 99,654,707 shares issued and outstanding at the time of issuance, the dilution rate is approximately 10.11%, and the dilution is small. Therefore, the Company's long-term development will increase the overall value, and in the long run, it is positive to shareholders' equity.
Liability Swap Custodian		Not applicable

(II) Information of convertible bonds:

Types of corporate bonds (Note 1)		The 1st domestic unsecured convertible bond	
Item	Year	2024	As of 21 April 2025 (Note 4)
	market price of the convertible bond (Note 2)		
	Maximum	143.00	146.00
	Minimum	114.10	117.50
	Average	125.23	133.97
conversion price		133.4	133.4
Issuing Date		June 14, 2023	June 14, 2023
conversion price as of the issuance date		146.5	146.5
Method of executory conversion obligation (Note 3)		Issue of new shares	Issue of new shares

Note 1: The number of fields will be adjusted according to the actual number of transactions.

Note 2: Overseas corporate bonds at multiple trading locations are listed separately according to the trading location.

Note 3: The delivery of issued shares and new shares.

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

III. Special equity handling: None.

IV. Global depositary receipt handling: None.

V. Employee stock warrants handling: None.

VI. Restricted Stock Awards handling: None None.

VII. Issuance of new shares for merger or acquisition of another company's shares: None.

VIII. Implementation of the capital utilization plan

(I) Content of the plan

1. Approval date and number of the competent authority: NO. 1120339981 issued by the FSC, May 8, 2023.
2. The total amount of capital required for the plan: NT\$1,500,000 thousand.
3. Source of funds:
 - (1) The limit for the issuance of the first domestic unsecured conversion bonds is 15,000 lots, each lot with a face value of NT\$100,000. The total face value of the issuance is NT\$1,500,000 thousand with the issuance period of 5 years, and the annual coupon rate of 0%. The public underwriting will be conducted through a bidding auction with the base bid limited to no less than the face value. The actual total issuance amount will be determined by the results of the bidding auction.
 - (2) The Company will cover the shortage of the actual issuance of this unsecured convertible bonds with internal funds or by reducing the repayment of bank loans. If the actual amount raised is

higher than the predetermined amount, the additional funds will be used for the Company's operation or to repay bank loans.

4. Planned projects and estimated progress

Unit: NTD thousands

Planned projects	Expected time to complete	Total capital required	Estimated fund utilization progress
			2023 Quarter 2
Repay bank loans	2023 Quarter 2	1,500,000	1,500,000

5. Expected benefits

The company's current fund-raising plan is expected to repay a bank loan of NT\$1,500,000 thousand in the second quarter of 2023. The original purpose of the loan is mainly for operational turnover. After taking into account the expected repayment of bank borrowing interest rates of 1.533%~1.58%, the interest expense savings in 2023 and the subsequent years will be approximately 13,625 thousand and 23,357 thousand respectively, which can moderately reduce the company's financial burden and improve the company's finance structure and debt solvency.

6. The submitted date to the shareholders' meeting of the alteration of the plan, the source and utilization of funds, the purpose of the alteration change and its before and after benefits: None.

(II) Implementation and Benefits Analysis

1. Implementation

Unit: NTD thousands

Planned projects	The implementation as of 2023 Quarter 4			Reasons the progress is ahead or delayed
Repay bank loans	Repayment amount	Scheduled	1,500,000	This project has been completed in the second quarter of 2023 as scheduled, and the funds raised above the scheduled amount will be used to repay bank loans.
		Actual	1,629,088	
	Implementation progress	Scheduled	100.00%	
		Actual	108.61%	

2. Benefit assessment

The company have raised funds of NT\$1,629,088 thousand by June 14, 2023, and repaid bank loans of NT\$1,629,088 thousand in the second quarter of 2023, showing obvious savings in interest expenses.

Four. Operational Overview

I. Business Scope

(I) Business Scope

1. Main business activities of the Company

Main products and services	New energy products	Terminal products
	Plastic connectors	Wire harness products
	Header Connector	Fuse boxes products
	Rubber products	High-frequency/high-voltage connectors
	Crimping die	Product/mold design proposals and complete solutions
	Complete connector experimental project service	PCBA products

2. Major products as a percentage of total sales

Unit: NTD thousands

Product name	2023 Net sales	Proportion of business operation (%)	2024 Net sales	Proportion of business operation (%)
Connector	6,130,924	83.63	7,064,106	80.27
New Energy Connector	1,199,887	16.37	1,736,113	19.73
Others	-	-	-	-
Total	7,330,811	100.00%	8,800,219	100.00%

3. New products(services) planed to be developed

The Company's R&D team is committed to the research and development of lighter, miniaturized, and modular connectors, and uses the design and manufacturing capabilities of vertical integration. Distributed through designated vehicle manufacturers/Tier 1 system manufacturers. The products and markets planed to be developed are as follows:

- A. Development and design of large circuit main wiring harness
- B. Development, design, and manufacturing of automotive electronic products for system manufacturers
- C. Development, design, assembly and manufacturing of PCB control box
- D. New energy vehicle connector, a complete series of high-voltage connector/PDU/charging gun
- E. High-frequency and high-speed connector, comprehensive high-frequency and high-speed automotive connector, FAKRA/MINI FAKRA/HSD/Ethernet Products Customization.
- F. Complete series of miniaturized and modular automotive connectors
- G. R&D solutions for the introduction of recycled materials & renewable energy raw materials

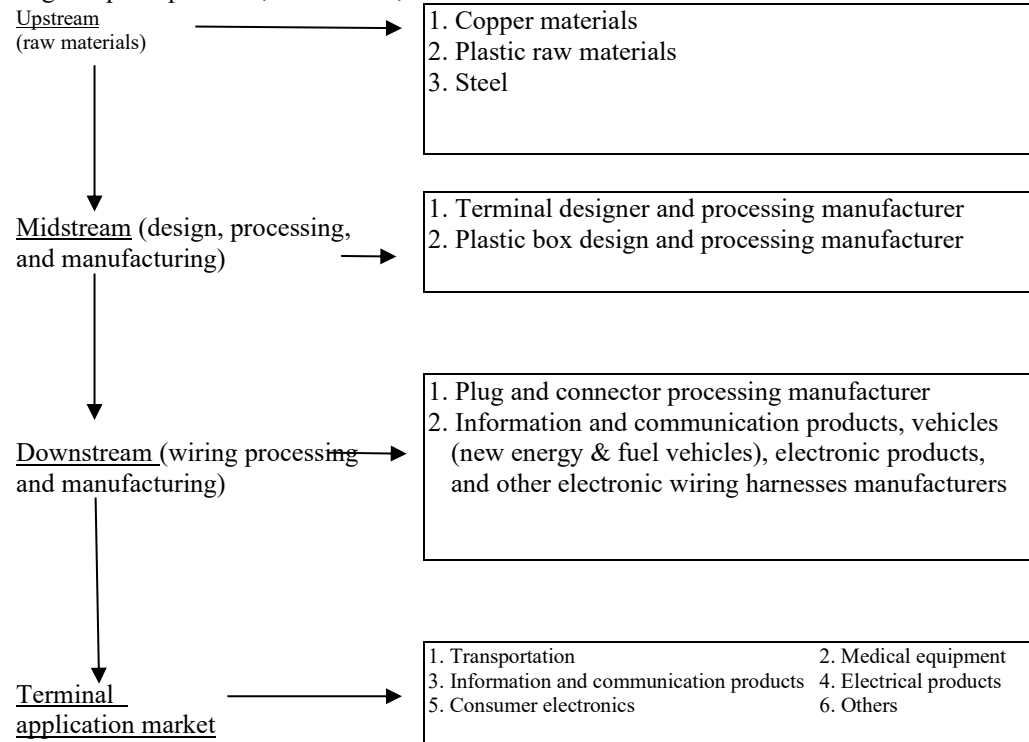
(II) Industry overview

1. Current status and development of the industry

According to the World Economic Outlook report published by the International Monetary Fund (IMF) in January 2025, global economic growth is projected at 3.3% for both 2025 and 2026, which is below the historical average of 3.7% from 2000 to 2019. The 2025 forecast is basically the same as the October 2024 "World Economy Outlook" because the U.S. has already taken the contraction of other major economies into consideration. The global overall inflation rate is expected to drop to 4.2% in 2025 and then to 3.5% in 2026. Compared to emerging markets and developing economies, the overall inflation rate of developed economies will return to the level of the target more quickly. The global auto sales are expected to continue to grow in 2025. According to the latest estimate of Trendforce, the global new car market sales reached 90.6 million units, with an annual growth rate of 2.4%. Among them, China's growth rate was 29%, the highest annual growth rate. In addition, the sales of new energy vehicles will reach 20.47 million units, with an annual growth rate of 18.8% according to Digitimes. China will still dominate the global electric vehicle market, with sales reaching 14.25 million units, with a market penetration rate of 54.6%. New energy vehicles continue to grow at a high rate due to the trend of global demand.

2. Correlation among the up-stream, mid-stream, and down-stream of the industry

Hu Lane is a professional connector manufacturer. The main upstream raw materials are copper and plastics, and the industries covered include copper and plastics. Terminal products are widely used in transportation, medical equipment, electronic communications, and consumer electronics industries.. The linkage map of up-stream, mid-stream, and down-stream is as follows:



3. Product development trends and competition

According to the market research firm, Market Research Future, the global connector market is expected to maintain a steady growth in the next few years. Currently, the global connector market is about US\$65 billion, and it is expected to grow to about US\$85 billion by 2028, with an annual compound growth rate (CAGR) of about 5%. The top ten companies in the global connector industry are TE Connectivity, Amphenol, Aptiv, Molex, Foxconn, Luxshare Precision, Yazaki, Rosenberger, JAE (Japan Aviation Electronics), and Hirose. Together, they account for over 60% of the global connector market. The Company has gradually become part of the supply chain for several of these leading firms and aims to grow alongside its partners and customers.

Mainland China is the largest consumer market for connectors globally, with rapidly increasing demand, especially in sectors such as new energy vehicles, telecommunications and data communication, cloud computing, and peripheral devices. Backed by nearly 50 years of experience, the Company has established a stable presence in the new energy vehicle sector. In recent years, in response to the growing emphasis on ESG and sustainability, the Company has adopted low-carbon raw materials and introduced energy-efficient production processes. Committed to delivering innovative technologies, solutions, and high-quality products and services, the Company continues to create opportunities for collaboration with top-tier international companies.

(III) Technology and R&D

1. R&D expenses

R&D expenses in 2024: NT\$463,620 thousand.

2. R&D results in 2024

- A. Enhanced development and promotion of high-frequency and high-voltage products, with annual revenue growth of 42.74%.
- B. The successful development of the new energy high power 800V connector has successfully been introduced to the vehicle manufacturer, and has also received innovative and optimized subsidies from the Ministry of Economic Affairs.
- C. Development of high-frequency and high-speed connectors, successfully developed 10G automotive Ethernet connectors, and successfully introduced to the use of vehicle manufacturers.
- D. Strengthen the operation of the automotive electronics team, successfully develop PCB insurance coils, and introduce them to the vehicle manufacturer for use.
- E. The new product orders received was 750, with a year-on-year increase of 22%, and the number of closed cases was 599, with a year-on-year increase of 15%.

3. Hu Lane Patent Overview 2024

In 2024, with the intelligentization of the Hu Lane product, the R&D team will continue to actively develop innovative and improved product-related technologies, and has obtained 21 patent certificates, with a total of 235 domestic and foreign patent certificates.

4. Research and development personnel and their academic experience

Educational background \ Year	2023	2024
Doctoral degree	1	1
Master's Degree	10	28
Junior College	346	394
Vocational high school (inclusive)	157	149
Total	514	572

5. Recent R&D spending

Year	Year 2023	2024
R&D expenses	378,441	463,620
Operating revenue	7,330,811	8,800,219
Percentage to operating revenue of the current year (%)	5.16	5.27

(IV) The company's long- and short-term business development plans.

Long-term plan:

- (1) Focusing on the automobile and scooter market, strengthening localization and close cooperation with OEMs. Establish long-term cooperative relationships with OEM/Tier-1 systems in each region.
- (2) Independently design and develop new energy vehicle connectors, PCB fuse boxes, miniaturized hybrid connectors, charging gun/seat systems, and automotive high-frequency connectors to increase the variety of applications for products and obtain recognition from vehicle manufacturers.

Short-term plans:

- (1) Establish a product intellectual property patent team with a complete data database.
- (2) With OEMs as the main development goal, a more complete global organization team will be established.
- (3) Strengthen the market share of the automobile industry in China and expand to other European and American regions.
- (4) Actively develop the motorcycle market in Indonesia, Vietnam, and India.
- (5) Plan capacity allocation and logistics in a comprehensive manner to meet the needs of short-chained markets in various regions.

II. Overview of the market, production and sales

(I) Market analysis:

1. Locations where products (services) are mainly sold (provided)

Major sales regions: Taiwan, Asia, Europe, America, Southeast Asia

Unit: NTD thousands

by geographical area	Year	2023		2024	
		Net sales	%	Net sales	%
Taiwan		483,753	6.60	434,425	4.94
Asia		6,481,802	88.42	7,845,927	89.15
Europe		110,875	1.51	188,194	2.14
Americas		246,249	3.36	318,702	3.62
Others		8,132	0.11	12,971	0.15
Total		7,330,811	100.00	8,800,219	100.00

2. Market share

The Company has been cultivating the markets in Taiwan, China, and Southeast Asia for many years, and has cooperated with automobile manufacturers and Tier 1 major manufacturers for many years. In particular, the Company's market share in Taiwan and Mainland China is increasing year by year. However, it is currently estimated that the market still accounts for less than 3% of the global sales of automobile and motorcycle connectors. The Company expects to achieve explosive growth in the next 3-5 years by leveraging its relationship with regional automakers and Tier 1 cooperation, as well as cooperation with U.S.-based manufacturers.

3. Future supply, demand, and growth of the market

According to the latest data from the China Association of Automobile Manufacturers (CAAM), the full year production and sales of automobiles in 2024 reached 31.282 million units and 31.436 million units, respectively, with an annual growth rate of 3.7% and 4.5%, respectively, reaching a record high.

The new energy vehicles segment especially stood out, with production and sales reaching 1,288.8 million units and 1,286.6 million units, respectively, up by 34.4% and 35.5% year-over-year. This represented 40.9% of the total sales of new cars. This also makes China's new energy vehicle production and sales the first in the world for ten consecutive years.

According to the latest data published by Rho Motion, a market research institution, the global sales of new energy vehicles, including pure electric vehicles and hybrid electric vehicles, increased significantly in March this year. The sales in China and Europe increased the global sales. According to the data, the global new energy vehicle sales reached 1.7 million units, with a year-on-year growth rate of 29%. The global new energy vehicle sales reached 4.1 million units in the first quarter. Regional data show that the sales of new energy vehicles in China reached nearly 1 million units in March, and 2.4 million units in the first quarter, up by 36% year-over-year. The sales of new energy vehicles in Europe reached 400,000 units in March, up by 24% year-over-year. The sales of new energy vehicles in the first quarter reached 90,000 units.

Hu Lane has been deeply involved in the Asian market for many years, and maintains a good technical cooperation relationship with independent brands in Mainland China. In the future, it will move towards joint development of technology development. Hu Lane has become a member of the MIH EV open platform's supply chain. It has also become a Tier 1 supplier of electric scooter manufacturers, and can directly collaborate with the car manufacturers for collaborative design and development, and provide complete technical solutions for car manufacturers. For the global market layout, Hu Lane is moving towards exploring global markets to balance between the weakening and the growth of each market. Therefore, a joint venture company has been established in Yangzhou with the world-renowned auto parts manufacturer Lear Cooperation. Actively expand into the European and American markets. Hu Lane has been aware of the needs of market trends and development, and has invested in the development of high and low voltage electric vehicle connectors, electric vehicle charging gun/seat modules, and related smart vehicle RF high-frequency connector system application fields, and is actively strengthening the development of high-end automotive connection device products. Furthermore, we can fully comply with ESG requirements and move toward the goal of sustainable development.

4. Competitive niche

A. Marketing

In addition to strengthening the existing operation sites in China, the Company has also actively expanded the global market, reduced the impact and influence of regional political factors, and established the operation sites in Indonesia, Vietnam, and Europe, so that the Company can move towards the localization of services overseas, so that global customers can have a zero-time difference and fast and accurate electronic system service, and deepen the adhesion between the Company and the local sites, and establish a more complete upper and lower supply chain relationship.

Under the basis of financial soundness and great product quality, we have actively developed global channels, and have won the recognition of international manufacturers to meet customer needs and continue to develop new customer sources. In addition to expanding and strengthening the existing sales team, the Company also provides related technical services to customers through a project team, and serves downstream customers. The quality of products has won the recognition of customers, so the Company's sales have been steadily growing for a long time. In addition to the various certifications of IATF 16949 and ISO14001:2015, the Company has also been strengthening the quality management required by the German Association of Motor Trades and Industries VDA6.3 to improve the competitiveness of products. It proves that Hu Lane's efforts in product quality and management have reached the international level, and it is an important partner that customers can rely on.

B. Technology R&D

The Company has recently completed the development of various terminal modules, plastic modules, and rubber modules, including the development of various connectors commonly used in traditional automobiles and motorcycles, and is also actively developing automobile-related safety connectors and other industrial product technologies as follows:

1. Increase the production capacity of high-precision composite spot welding terminals.
2. Airbags, electronic throttle valves, crankshaft sensors, ABS, and other related high-safety connectors.
3. High-frequency and high-speed connector solutions, in-depth development of high-frequency and high-voltage, MINIFAKRA waterproof products, and 10G Ethernet waterproof and 90 degree expansion product type development plan.
4. Solution for high-voltage large-current products, covering the application connector of 800V high-voltage platform system for the entire vehicle.
5. PCB control module, the new self-design/manufacture PCB enclosure.
6. The PCB connector, 050 type, with pin width of 0.5mm, and minimum center-to-center

distance of 1.8mm, with tail end added terminal fixing structure, which is 0.64 interface, saving 50% of space.

7. The new method of unlocking the latch of the connector of the Air Pressure Sensor using the secondary main body forming technology and buried fish needle form.
8. Research and development of processes for the recycling of low-carbon materials.

C. Production process

The Company has fully introduced high-speed stamping machines and full automatic injection machines to satisfy the production needs of terminals and films, develop a variety of quality control equipment such as "CCD online automatic image detection" and "CCD anti-pressure mold system" to reduce the production and flow of defective products; and develop modular automatic assembly machines for assembly processes to reduce the need for mold and wire replacement, improve efficiency, and conduct product inspection and testing after product assembly is completed to achieve full product inspection. The injection machine equipped with robotic arm technology to improve production efficiency and reduce the risk of injury from falling of finished products.

The Taipei, Dongguan and Vietnam factories have also developed wire harness production technology to achieve the ability to vertically integrate the upper and lower supply chains. In terms of production management, we have developed the "Manufacturing Execution System (MES)" to realize real-time, digital, transparent, and accurate information transmission in smart dispatch production, which can reduce non-value-added production activities and implement a production management model that reduces paper and energy consumption in smart factories.

The Company has established an automated warehouse system to effectively manage the consistency of advanced, first mover, and bookkeeping, and the SAP system to effectively and quickly execute inventory inquiry and shipping operations, in order to pursue the industrial 4.0 smart production direction. The Group's Operations Research Center established by Hu Lane can allocate the Group's production capacity to meet the needs of customers in all regions of the world and reduce the risk of supply chain interruption.

In order to satisfy the future ESG sustainable management philosophy, the Group has successively introduced the ISO 14064 Greenhouse Gas Inventory, ISO 14067 Carbon Footprint Certification, ISO 50001 Energy Management System, and ISO 45001 Occupational Safety and Health System, and established solar power generation systems and purchased green power in each suitable factory area, to increase the proportion of clean energy use, and continue to carry out carbon inventory, management, and reduction work, and establish a mechanism for regularly publishing carbon reduction performance, to fulfill our commitment to the maintenance of the global environment.

5. Favorable and unfavorable factors for development prospects and countermeasures

Favorable factors:

- (1) The market demand for new energy vehicles in China, Europe and the United States will enter a period of rapid growth
- (2) Demand for local supply chains increased
- (3) with the awareness of ESG rising, environmental protection, new energy vehicles and corporate image becomes the trend in future business selection.
- (4) It is an opportunity to expand business while numerous electronic industries are stepping into the automotive field.

Unfavorable factors:

- (1) The merger and acquisition of the major OEMs may result in the restructuring of the supply chain.
- (2) Production costs in various places are increasing year by year
- (3) Banning on the sale of fuel vehicles, the transformation of new energy vehicles are shrinking the market of traditional fuel vehicle, and the transformation of connectors are reducing the demand for low-voltage products.

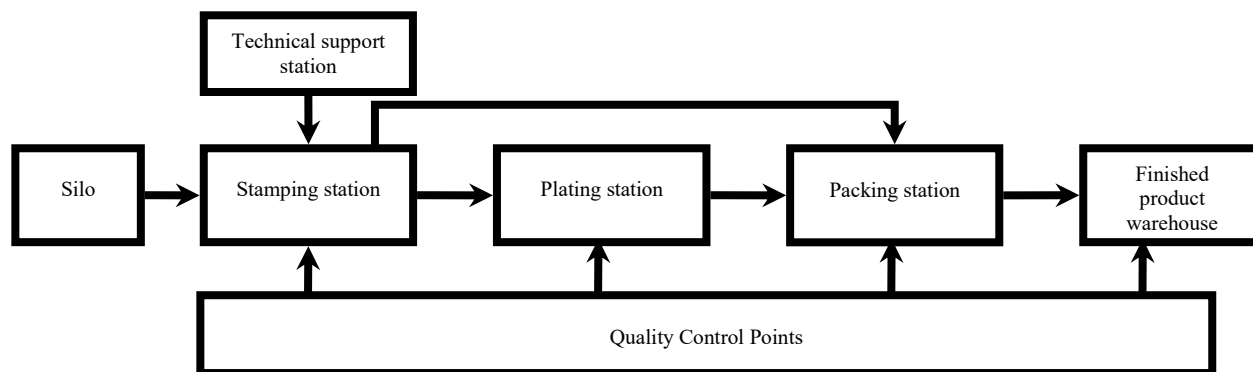
Countermeasures:

<u>Seeking Opportunities</u> ➤ Indonesia and Vietnam are in need of establishing R&D centers to accelerate local services in the local markets ➤ New marketing strategies for the supply chain market in different fields are added, focusing on the development and service of new energy, modular controllers, and high-voltage connectors. ➤ Accelerate in obtaining multiple ESG certifications and establish the leading position of green energy suppliers to obtain more market opportunities	<u>Threat avoidance</u> ➤ Turn passivity into proactivity, emphasize on brand services and actively cross co-op with the electronics industry ➤ Through market and customer surveys, target targets are identified. Diversified products, R&D technology, and comprehensive after-sales services are used to develop the international market. ➤ Implement quality management and tracking, manage and reduce quality complaints effectively, and strengthen process improvement capabilities ➤ Raw materials are purchased, negotiated, and priced by the group to stably control costs or even reduce costs.
<u>Strengthen advantages</u> ➤ Increase the production share of Vietnam and Indonesia plants, reduce overall production cost, and reduce overall production cost. ➤ Expand the scope of the electronics division and conduct collaborative front-end design and development with car manufacturer customers. Responding to changes and developments in domain controllers ➤ Seek opportunities for in-depth cooperation with existing customers (wire harness factories, automobile engine factories), integrating resources with investments, mergers and acquisitions for win-win results.	<u>Weakness defense</u> ➤ For the fields that the Company lacks, rapidly prepare manpower in design and with production ability and existing product lines with mergers and acquisitions/cooperation. ➤ Quality improvement, cost reduction, efficiency improvement, and energy saving through automated production technology, process improvement, management model optimization, and employee education and training. ➤ Actively conduct front-end new product research and development with customers, meet diverse design requirements with little orders with a cooperative attitude, gain more experience in design evaluation, upgrade the Company's technical skills to discover value-based products

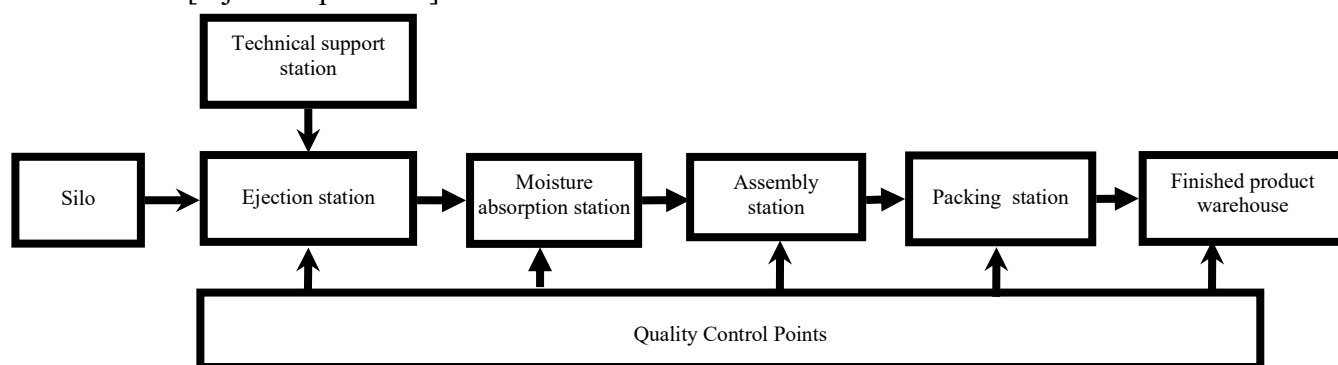
(II) Important uses and production processes of the main products:

1. Main functions of the major products

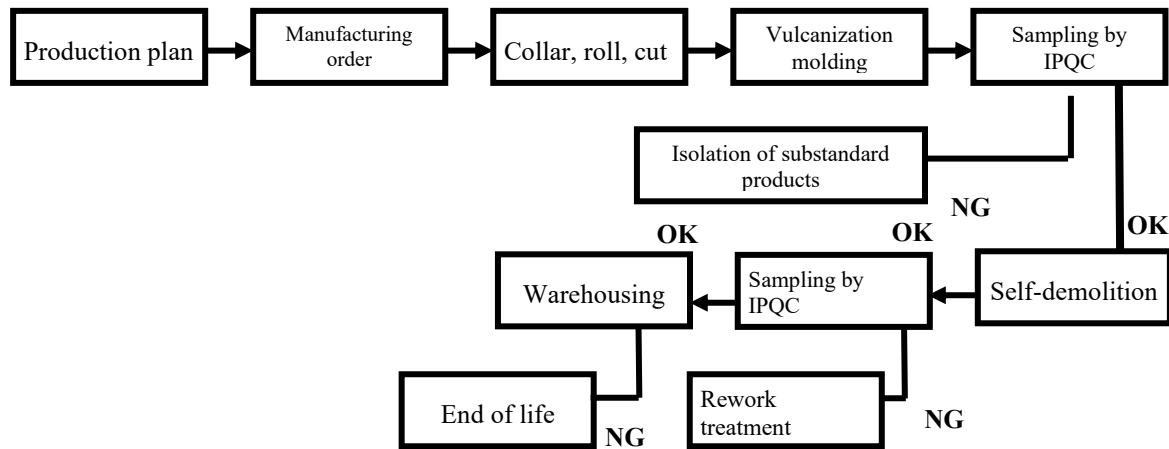
Product	Main purpose	Weight of business
Connector	Vehicle wheel terminals: The connecting terminals of DC power supplies that are supplied to countries around the world, such as the connecting terminals for automobiles, motorcycles, spark plugs, and instruments. Power plug terminals: AC power plugs and socket terminals for electrical products, such as computers and household electrical appliances. Electronic communication terminals: For electronic communication products, such as telephone communication terminals, wiring terminals, etc. Plastic parts: They are the main part of the connector together with the terminal. Others: Electric wires, waterproof plugs, presses, and copper materials.	100%

2. The production processes of major products
[Stamping products]

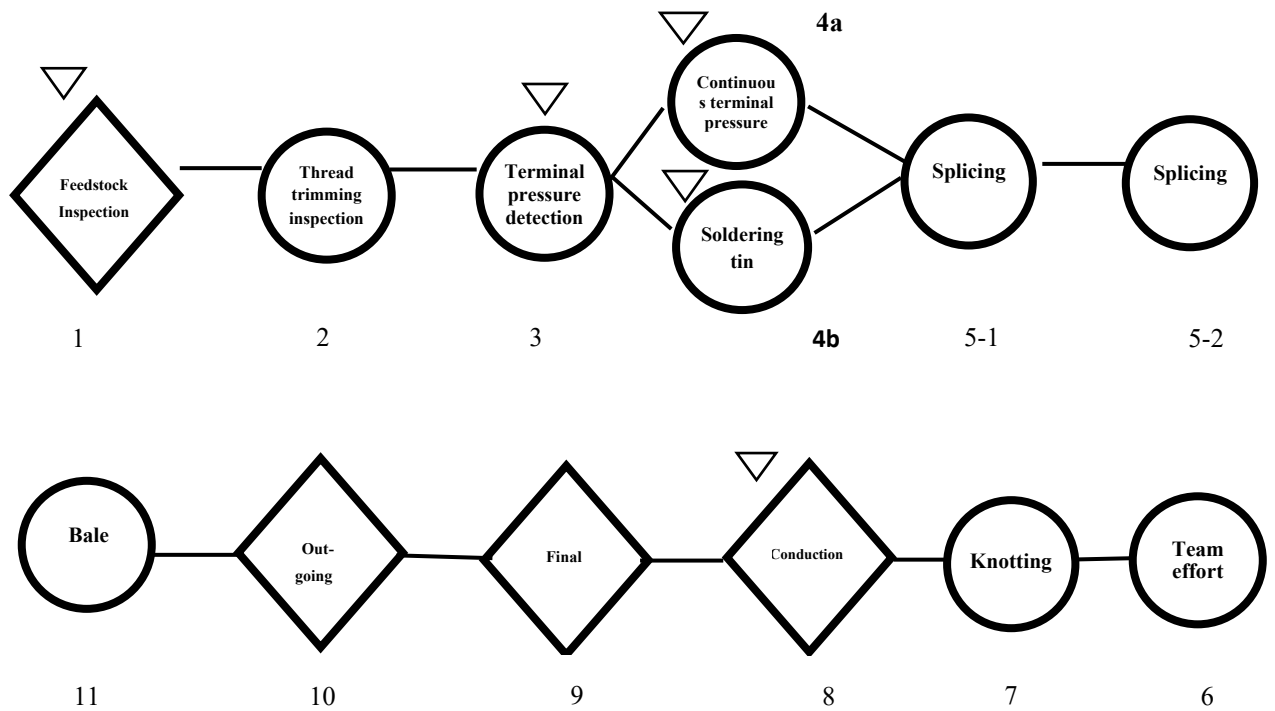
[Injection products]



[Rubber products]



[Wire harness products]



(III) Supply of main raw materials

The main raw materials required for the Company's production are copper and plastic granules, both of which are bulk commodities and are significantly influenced by international market fluctuations and related events. To ensure a stable supply and manage raw material costs effectively, the Company maintains long-term partnerships with domestic and international suppliers, adopts contract-based procurement, engages in centralized price negotiations, and implements option-based hedging strategies to mitigate risks.

Main raw materials	Source of major suppliers	Supply (2024)
Copper material	Taiwan, Japan, South Korea, and China	Stable quality and supply, long-term cooperation, supply in good condition
Plastic raw materials	Taiwan, Japan, South Korea, Europe, America, and China	Stable quality and supply, long-term cooperation, supply in good condition

(IV) List of major customers with total purchases and sales in the past two years

1. Names of the top ten sales customers in the past two years, and the sales amount and proportion

Unit: NTD thousands

	2023				2024			
Item	Name	Amount	Percentage to net sales of the whole year (%)	Relationship with the issuer	Name	Amount	Percentage to net sales of the whole year (%)	Relationship with the issuer
1	S	657,959	8.98	None	S	1,015,008	11.53	None
2	Q	446,605	6.09	None	Q	681,555	7.74	None
3	E	360,446	4.92	None	E	338,038	3.84	None
4	G	254,299	3.47	None	G	301,567	3.43	None
5	A	241,747	3.30	Stakeholders	O	269,938	3.07	Affiliates
6	I	240,682	3.28	None	U	218,435	2.48	None
7	D	167,154	2.28	None	D	201,047	2.28	None
8	U	158,654	2.16	None	A	197,684	2.25	Stakeholders
9	M	143,137	1.95	None	M	189,523	2.15	None
10	O	132,493	1.81	Affiliates	I	187,020	2.13	None
	Others	4,527,635	61.76		Others	5,200,404	59.09	
	Net sales	7,330,811	100		Net sales	8,800,219	100	

2. Names of the Top 10 suppliers and their purchase amount and percentage in the last two years:

Unit: NTD thousands

	2023				2024			
Item	Name	Amount	Percentage of net imports for the year (%)	Relationship with the issuer	Name	Amount	Percentage of net imports for the year (%)	Relationship with the issuer
1	N	237,845	6.92	None	N	359,140	7.39	None
2	O	185,009	5.38	None	S	349,806	7.20	None
3	A	162,908	4.74	None	O	235,113	4.84	None
4	M	156,252	4.55	None	M	181,736	3.74	None
5	B	137,781	4.01	None	Q	166,226	3.42	None
6	S	125,571	3.65	None	A	156,352	3.21	None
7	W	124,407	3.62	None	B	147,358	3.03	None
8	K	103,120	3.00	None	K	140,327	2.89	None
9	E	80,112	2.33	None	E	117,183	2.41	None
10	Q	75,554	2.20	None	W	113,751	2.34	None
	Others	2,048,944	59.60		Others	2,894,399	59.53	
	Net purchases	3,437,503	100.00		Net purchases	4,861,391	100.00	

III. As of the publication date of this annual report, the employee information in the most recent two years

		As of March 31, 2025		Unit: Person
Year		2023	2024	2025 Q1
Number of employees	Direct Employees	1,282	1,479	1,570
	Indirect Employees	1,127	1,164	1,206
	Total	2,409	2,643	2,776
Average age		34.58	34.85	34.82
Average years of service		4.85	5.37	5.28
Education background ratio	Doctoral degree	0.04%	0.04%	0.04%
	Master's Degree	2.28%	2.01%	1.77%
	Junior College	39.19%	41.09%	43.98%
	Senior high (vocational)	31.96%	32.01%	30.55%
	Below senior high school (vocational) level	26.53%	24.85%	23.67%

IV. Information on environmental protection expenditure:

(I) Losses due to environmental pollution in the most recent year and as of the publication date of this annual report (including environmental protection audit results of violations of environmental protection laws and regulations, the date of penalty, penalty number, provisions of violation of laws and regulations, content of violation of laws and regulations, and content of penalties should be listed): None.

(II) Estimate the amount of money that may occur in the future and responsive measures. If it cannot be reasonably estimated, the fact that it cannot be reasonably estimated shall be stated:

The monthly operating wastewater treatment equipment maintenance cost/expenditure is about NT\$400,000.

V. Labor-capital relations:

(I) Employee Ethical Standards of Conduct

The Company has established the "Ethical Code of Conduct for Employees" to enable all employees to understand the meaning of ethical and upright business behaviors, and to provide principles for employees to follow. The main contents are as follows:

1. Employee conduct must comply with ethical standards and honesty.
2. Avoid conflicts of interest with the Company and selfish attempts.
3. Information that is not disclosed to the public without the Company's approval shall be kept confidential.
4. Treat customers, suppliers, competitors, and other employees of the Company on an arm's length basis.
5. Inappropriate or illegal use of Company resources is strictly prohibited.
6. Comply with government laws and regulations, including laws and regulations related to insider trading.
7. Appropriate gifts and entertainment.
8. Encouragement to report any illegal acts or violation of ethical code of conduct.

(II) Employee welfare measures

The Company has established the Employee Welfare Committee, and provides various benefits to employees, including domestic and overseas trip subsidies, health examination subsidies, three major holidays bonuses, wedding, funeral, and celebration subsidies, on-the-job training scholarships, children's education scholarships, on-the-job education and training, employee remuneration policies, and employee cafeteria.

(III) Retirement System:

The Company complies with the Labor Standards Act and contributes labor pension funds to the Trust Department of the Bank of Taiwan (formerly Central Trust of China) and the Bureau of Labor Insurance. The Company's new labor pension system contributes 6%.

According to the Company's Labor Retirement Regulations:

1. An employee may apply for voluntary retirement under any of the following conditions:
 - Has completed at least 15 years of service and is at least 55 years old.
 - Has completed at least 25 years of service.
2. An employee shall be mandatorily retired under any of the following conditions:
 - Has reached the age of 60. However, continued employment may be granted by the Company, with a maximum extension of 10 years
 - Is mentally or physically incapacitated and no longer fit for duty

(IV) Employer/employee meeting:

The Company holds quarterly labor coordination meetings to facilitate communication and coordination between labor and management.

(V) Continuing education and training for employees:

To cultivate the talents needed for the Company's operation and development, the Company has established the Company's education and training procedures and regulations to regulate the education and training system and training guidelines, and review the annual training plan for the needs of the Company and employees. Training is conducted accordingly to enhance knowledge and skills. Through the talent training system, the Company strengthens management ability development and business knowledge, reserves management and professional talents at all levels, and encourages employees to self-study at the same time.

The Company's training system is divided into orientation training for new recruits and training for in-service employees. On-the-job training can be divided into professional (technical) training, management training, development training, project training, and self-enlightenment according to the nature of training.

The Company's education and training expenses amounted to NT\$5,271,799 in 2024, and the total training hours (including the training hours of E-learning) was 72,345 hours.

(VI) Work environment and employee safety protection measures

The work environment harbors risks such as noise, dust, specific chemicals, etc. Engineering control and personal protective gear are used to protect and implement health checks and management for employees working in general (on a regular basis), special health checks are also arranged annually for employees working in special health hazards (such as noise, dust, specific chemicals, organic solvents, etc). If there are any abnormalities in the special health examination and the employees are classified as second-level management, evaluation and health education will be arranged.

The safety and health system and management measures are as follows:

1. Establishment of the company's safety, and environmental management dedicated unit or personnel:

The head office and each factory site at home and abroad have established a safety and health committee, which operates within the company and each factory. The chairman of the safety committee is the head of each department, and meetings are held regularly to review and formulate safety and health management policies and other related issues, of which, labor representatives constitute more than one-third of all committee members by law, providing an official channel for managers and employees to communicate on safety and health issues face-to-face. Each plant has set up a safety and health management unit with the establishment of a safety and health business supervisor, a safety/health manager and a safety and health manager to perform safety and health business, which has been approved by the competent authorities in each place. In terms of environmental protection, the Head Office and each plant have set up dedicated units and personnel for environmental protection management-related operations.

2. Supplier and contractor management:

The Company is committed to becoming a good corporate citizen and fulfilling corporate social responsibilities. Not only is it committed to providing a safe working environment for employees, but it is also committed to working with suppliers to enhance corporate social responsibilities. Therefore, the Company's supplier management policy is "Suppliers are required to comply with relevant regulations on environmental, safety, and health issues, and to have sufficient understanding and communication to encourage them to improve environmental, safety, and health performance". In practice, we regard our suppliers as our colleagues and work together to improve workplace safety and protection, and to strengthen environmental protection requirements in order to fulfill our corporate social responsibility. In addition to the above, due to the characteristics of the industry, the Company also pays close attention to the regulatory risks of suppliers to ensure the safety of employees in the workplace: (1) Define high-risk operations and carry out key control. (2) Require contract suppliers to provide professional and technical personnel skill certification according to law.

3. Key tasks of safety and health management:

(1) In response to changes in laws and regulations, the safety and health work rules are regularly revised, compiled in compliance with the factory 6S

- handbook and the safe operation standards of various machinery and equipment for employees to follow.
- (2) Machinery and equipment: Automatically inspect daily, weekly, monthly, quarterly, semi-annual, annual, and annual inspections and inspection items, and conduct regular inspections by the competent authority for hazardous machinery and equipment on an annual basis to ensure the safe operation of machinery and equipment.
 - (3) Operating environment: Implement 6S management and refine factory environmental maintenance systems, for special workplaces, employee operating environment testing records are implemented quarterly, every six months, and annually.
 - (4) Education and training: New recruits, exchange personnel, mechanical equipment operators, automatic inspection personnel, special operations personnel, and supervisors shall be trained according to laws, and relevant certifications have been obtained.
 - (5) Health checkup: Health checkups are conducted before new recruits start work, on a yearly basis for special operations workers, and on a yearly basis for general workers at each plant in Xizhi. The purpose of this test is to understand the health status of employees, and to serve as a basis for assigning employees to work replacements and improving the management of the operating environment.
 - (6) Fire safety: The Company has established a comprehensive fire-fighting system in accordance with the Fire Protection Act of Taiwan and Mainland China, and has conducted regular inspections and declarations. Fire-fighting training is conducted for employees every six months, and emergency preparedness and response drills are conducted every year.
4. Safety and environmental management and performance evaluation measures:
- (1) Regular inspections of hazardous machinery and equipment: All hazardous machinery in the factory has passed the regular inspections required by law. All special-purpose operators have obtained professional licenses and undergo regular on-the-job training.
 - (2) Safety and health audits: The head office develops a plan every year to conduct regular (quarterly) on-site audits on the safety, health, environmental protection, and fire safety operations of each factory, and gives appropriate improvement suggestions to provide a safe working environment for colleagues.
5. Future plans:
- The “Non-Toxic Factory Project” is planned to be carry out, to implement a hierarchical inventory of the raw materials used in the existing production process, execute priority plans to use alternative materials to replace high-risk materials, conduct material sourcing management of low-carbon and low-toxic raw materials, and continue to promote ISO 45001, ISO 14001 international certifications, and obtain a third-party verification.
- (VII) The losses suffered due to labor disputes (including any violations of the Labor Standards Act found in labor inspection, specifying the disposition dates, disposition reference numbers, the articles of law violated, the substance of the legal violations, and the content of the dispositions), and an estimate of possible expenses that could be incurred currently and in the future and countermeasures being or to be taken: None.

VI. Cyber security management

- (I) Describe the information security risk management framework, information security policies, specific management plans, and resources invested in information security management, etc.

1. Information security risk management framework:

The Information Security Management Committee is headed by the General Manager, who appoints senior management to act as the committee chief. The committee is responsible for approving the Company's information security management system policies and goals, allocating, coordinating and supervising relevant resources, and appointing management representatives.

The Chairperson shall appoint appropriate personnel to act as the management representative, responsible for the establishment, implementation and maintenance of the information security standards system, and coordination and discussion of resource scheduling and other matters.

2. Information security policies and resources invested in information security management:

The Company's information security policy, "Innovative Digital Service, Shared Security, Preventive Security, and Control," strengthens the concept of information security management, ensuring the confidentiality, integrity, and availability of data processing by customers and colleagues, and ensuring the security of the Company's data processing, providing safe and stable and high-efficiency information services.

The Company has established a dedicated information security department and completed the registration and reporting as required by law. The Company spent NT\$2,790 thousand on information security in 2024.

3. Information security regulation:

- (1) Establish information security policies and procedures: Establish comprehensive information security policies and procedures to regulate employees' information use behaviors and reduce information security risks.
- (2) Enhanced access control: Access control is an important means to protect corporate information security. It helps companies ensure that databases, applications, and systems can only be accessed by authorized personnel, thereby reducing risks to confidentiality, integrity, and availability.
- (3) Strengthen risk assessment and vulnerability management: Risk assessment and vulnerability management are critical management items for assessing system, application, and network vulnerabilities.

4. Continuous management on the operation with information security:

- (1) The company operations should continue to pay attention to major external information security issues. The information responsible entity should complete the enterprise's internal risk impact analysis report within four weeks after the occurrence of major external crisis, and submit recommended plans based on the analysis results for review by the decision-making unit to achieve risk avoidance and achieve the goal of corporate sustainability.
- (2) In order to prevent information assets from being affected by crisis and affecting the business operations, response and recovery plans should be formulated, tested and drilled regularly, and the results of the process recorded.

- (II) List the losses, possible impacts, and response measures suffered due to major information security incidents in the latest year and as of the date of publication of the annual report, and if they cannot be reasonably estimated, the company shall state the facts that cannot be reasonably estimated: None.

VII. Important contracts:

Nature of contract	Party concerned	Start and end dates	Main content	Restrictions
Sales and purchase agreement	Eberspaecher Automotive Technology Co.Ltd	2024/1~Not specified	Product Sales	None
Purchase agreement	Wuhu Atech Automotive Co., Ltd.	2024/9~Not specified	Product Sales	None
Purchase and sale contract	SunnyFounder	2024/10~2026/10	Renewable energy trading	None
Sales and purchase agreement	MURATA MACHINERY	2024/12~2026/12	Equipment procurement	None

Five. Review and analysis of the financial position and business achievements and evaluation of risk management

I. Financial position

(I) Comparison and Analysis of Financial Position

Unit: NTD thousands

Item \ Year	2023	2024	Increase (decrease) amount	Percentage of change (%)
Current assets	6,549,801	8,625,533	1,976,593	29.73
Funds and investments	112,922	193,606	80,684	71.45
Property, plant, and equipment	4,457,102	5,018,337	561,235	12.59
Other assets	468,088	448,351	(19,737)	(4.22)
Total assets	11,587,913	14,118,491	2,530,578	21.84
Current liabilities	3,690,767	5,303,427	1,612,660	43.69
Other liabilities	1,786,914	1,389,526	(397,388)	(22.24)
Total liabilities	5,477,681	6,692,953	1,215,272	22.19
Share capital	996,554	1,027,390	30,836	3.09
Additional paid-in capital	1,088,799	1,284,962	196,163	18.02
Retained earnings	4,223,359	5,115,372	892,013	21.12
Other equity	(241,490)	(70,192)	171,298	70.93
Non-controlling equity	43,010	48,224	5,214	12.12
Total equity	6,110,232	7,425,538	1,315,306	21.53

(II) Only those with a percentage change in the increase/decrease of 20% and the amount exceeds NT\$10,000,000 will be analyzed:

1. Current assets: percentage change of 29.14%, an increase of approximately NT\$1,908,396 thousand, mainly including:
 - 1.1. The increase in cash and cash equivalents of NT\$132,173 thousand is mainly due to the continuous net cash inflow from operating activities and short-term borrowings, resulting in an increase in working capital.
 - 1.2. Notes receivable increased by NT\$531,606 thousand, and accounts receivable increased by NT\$697,112 thousand, mainly due to a significant increase in the operating revenue of the year.
 - 1.3. The increase in inventory of NT\$440,018 thousand was a result of the significant increase in the Company's operations, which in turn increased the Company's inventory.

2. Funds and investments: percentage change: 71.45%, increased by NT\$80,684 thousand mainly due to:
 - 2.1 Increase in the gain on financial assets at fair value through profit or loss.
 - 2.2 Acquisition of financial assets at fair value through profit or loss for NT\$43,452 thousand
3. Current liabilities: ratio with a change of 43.69%, an increase of approximately NT\$1,612,660 thousand, mainly including:
 - 3.1 Borrowed short-term loans to enrich working capital, about NT\$992,372 thousand.
 - 3.2 Payables and notes payable increased by NT\$433,675 thousand, mainly due to the significant increase in the Company's operating activities and increase in inventory.
4. Current liabilities: percentage change of -22.24%; approximately decreased by NT\$397,388 thousand mainly due to:
 - 4.1 Payable corporate bonds decreased by NT\$296,949 thousand, and the investors of corporate bonds continued to exercise the conversion rights.
5. Other percentage change of -70.93%, mainly due to the decrease in the difference in the currency exchange rate of NT\$170,687 thousand in the financial statements of foreign operations.

(III)Future response plans: Not applicable.

II. Financial performance

(I) Comparison and analysis of operating results

Unit: NTD thousands

Item \ Year	2023	2024	Increase (decrease) amount	Percentage of change (%)
Operating revenue	7,330,811	8,800,219	1,469,408	20.04
Operating cost	4,981,786	5,870,192	888,406	17.83
Gross operating profit	2,349,025	2,930,027	581,002	24.73
Operating expenses	1,127,556	1,348,361	220,805	19.58
Net operating profit	1,221,469	1,581,666	360,197	29.49
Non-operating income and expenses	(16,941)	192,827	209,768	1,238.23
Net income before tax	1,204,528	1,774,493	569,965	47.32
Income tax expenses	277,707	458,659	180,952	65.16
Current net profit	926,821	1,315,384	389,103	41.97
Other comprehensive income (net amount after tax) in the current period	(105,974)	176,231	282,205	266.3
Total comprehensive income for the period	820,847	1,492,065	671,218	81.77

(II) Only those with a percentage change in the increase/decrease of 20% and the amount exceeds NT\$10,000,000 will be analyzed

1. Operating revenue, operating gross profit, operating net profit and net income before tax all increased mainly because of the increase in business, which in turn benefited from the expansion of the penetration rate of new energy vehicles, and the increase in new energy vehicle sales.
2. The increase in non-operating income and expenses is mainly due to a significant increase in net foreign currency exchange gains, an increase in the gain on valuation of financial assets at fair value through profit or loss, and an increase in the amount of subsidies.
3. The increase in income tax expense is a result of the increase in net income before tax, which in turn increases the income tax accrued and the tax refund from the earnings of the subsidiary.
4. The increase in other comprehensive income was mainly due to the exchange difference from the translation of the financial statement of the foreign operation.
5. In conclusion, the net income and total comprehensive income increased.

(III) Future response plans: Not applicable.

III. Cash flow

(I) Liquidity analysis for the past two years

Item \ Year	2023	2024	Increase/decrease ratio
Cash flow ratio	38.82%	23.90%	-38.43%
Cash flow adequacy ratio	60.09%	51.02%	-15.09%
Cash flow reinvestment ratio	8.86%	6.73%	-24.04%

Analysis of increase/decrease ratio: (If the increase/decrease change is less than 20%, the analysis will be waived.) Explanation:

1. The decrease in cash flow ratio was mainly due to the decrease in net cash flow from operating activities and the increase in current liabilities.
2. The decrease in cash reinvestment ratio was mainly due to the increase in gross fixed assets and working capital, and the decrease in net cash flow from operating activities.

(II) Statement of Cash Flows of the Company and Subsidiaries

Unit: NTD thousands

Cash balance at beginning of the year (December 31, 2023)	Net cash flow from operating activities throughout the year (2024)	Net cash flow from investing activities throughout the year (2024)	Net cash flow from financing activities throughout the year (2024)	Effect of exchange rate fluctuations on cash and cash equivalents (2024)	Cash surplus (December 31, 2024)	Improvement plan for insufficient liquidity	
						Investment plan	Financing plan
996,481	1,267,282	(1,573,699)	454,851	(16,261)	1,128,654	None	None

1. Analysis of cash flow changes in the current year:

Cash inflow from operating activities amounted to NT\$1,267,282 thousand: mainly including net profit after tax and depreciation and amortization expenses.

The cash outflow from investing activities of approximately NT\$1,573,699 thousand is mainly due to the purchase of property, plant and equipment and acquisition of financial assets at fair value through profit or loss.

Cash inflows of NT\$454,851 thousand from financing activities are mainly due to short-term borrowing for working capital.

2. Improvement plan for insufficient liquidity and analysis of liquidity:

No insufficient cash flow.

3. Liquidity analysis for the coming year:

It is expected that the operating condition will be good in the coming year, and there will be sufficient cash flow from operations.

IV. The effect upon financial operations of any major capital expenditures during the most recent year

Dongguan Hu Lane Electronics Company (Phase 3) construction of plant:

Estimation of construction costs and periods

Construction fee for plant construction: RMB 93 million (plant)

Power system layout: RMB 6 million

Automatic warehouse: RMB 21 million

The plant is expected to be built for 19 months (including secondary acceptance), and is expected to be completed in July 2026. (The completion period is changed with the external uncontrolled factors)

The estimated investment amount for the construction of the plant/Power and Warehouse is RMB 120 million, including RMB 28 million from Citibank and RMB 45 million from China Development Bank. RMB 47 million is the working capital of the Company, which has no significant impact on the Company's finance.

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

Unit: NTD thousands

Investor	Investment gains/losses recognized in the current period	Policy	Main reason for profit or loss	Improvement plan	Investment plans for the coming year
EVERVALUE INVESTMENTS LIMITED	419,738	Overseas holding	Mainly due to the re-investment in FORTUNE MASTER DEVELOPMENT LIMITED, Hu Lane Electronics (Nanjing) and Hu Lane Technology Manufacturing Co., Ltd., whose operations reached the economic scale and the costs were properly controlled, which resulted in the recognition of investment gains by them.	Not applicable	None
TELFORD INVESTMENTS LIMITED	29,818	Liquidation in 2025	Mainly due to interest income and other income	Not applicable	None
EAGLE GOOD LIMITED	87,690	Overseas holding	Mainly due to the re-investment in JIAXING SHANG HO ELECTRICS TECHNOLOGY CO., LTD, whose operations reached the economic scale and the costs were properly controlled, which resulted in the recognition of investment gains by them.	Not applicable	None
Hu Lane Electronic (Vietnam)	90,460	In order to cooperate with the	With stable operations, proper management, and	Not applicable	None

Investor	Investment gains/losses recognized in the current period	Policy	Main reason for profit or loss	Improvement plan	Investment plans for the coming year
Co., Ltd.		vertical integration of upstream and downstream in the industry, industrial division of labor, and to meet customer needs, fully meet customer orders, and create mutual benefit between supply and demand.	control of operating expenses, we will continue to make steady profits.		
PT. HULANE TECH MANUFACTURING	4,081	In order to cooperate with the vertical integration of upstream and downstream in the industry, industrial division of labor, and to meet customer needs, fully meet customer orders, and create mutual benefit between supply and demand.	With stable operations, proper management, and control of operating expenses, we will continue to make steady profits.	Not applicable	None
HuLane Associate Inc. Europe S.r.l.	1,133	In order to cooperate with the vertical integration of upstream and downstream in the industry, industrial division of labor, and to meet customer needs, fully meet customer orders, and create mutual benefit between supply and demand.	With stable operations, proper management, and control of operating expenses, we will continue to make steady profits.	Not applicable	None
Yangzhou Lear Hulane Automotive Parts Trading Co., Ltd.	12,019	Retail sale of various automotive accessories, wholesale of automotive parts and components, and R&D of automotive parts and components	With stable operations, proper management, and control of operating expenses, we will continue to make steady profits.	Not applicable	None

VI. Risk matter assessment

- (I) The effect upon the company's profits (losses) of interest and exchange rate fluctuations and changes in the inflation rate, and response measures to be taken in the future.

1. Changes in interest rate

The Company's interest rate risk arises from liabilities and wealth management. Interest income and interest expenses are mainly affected by the interest rate fluctuations in Taiwan and China. Their impact is on the interest income from time deposits of the Company's short-term idle funds and the interest expenses for financing and discounting for reinvestment or major capital expenditures.

In response to the Company's future operational development and capacity expansion, the Company has the need for capital expenditures and hence financing needs. However, judging from the current interest rate environment, Taiwan is in the late stage of the escalation of interest rates while Mainland China is having a loose financial condition with low interest rate. Although the interest expenses will increase due to financing needs, it will not have a significant impact on the Company's profits. In response to the increase in interest expenses, in line with financial investment policies and under the premise of protecting principal and pursuing income, the Company used additional income to reduce interest expenses through effective fund management.

2. Exchange rate fluctuations

The Company's net foreign currency exchange gain or loss in 2024 was NT\$113,137 thousand. The exchange gain or loss covered the carrying amount of monetary assets and monetary liabilities denominated in non-functional currencies of the Group's balance sheet (including monetary items denominated in non-functional currencies that have been written off in the consolidated financial statements). Therefore, a significant change in exchange rate may have a favorable or unfavorable impact on the Company's financial position. According to the company's operating results in the 2024, a 5% appreciation of the New Taiwan dollar against the US dollar will reduce the company's net income before tax by approximately 1.46%; a 5% appreciation of the New Taiwan dollar against the RMB will reduce the company's net income before tax by approximately 0.28%.

In order to effectively reduce the impact of exchange rate fluctuations on the overall profit, the Company and its subsidiaries have adopted the following countermeasures:

- A. Sales revenues and expenditures of the same currency group are denominated in the same currency as the purchase expenditures, in order to achieve the effect of natural hedging of foreign currency revenue and expenditures. While the difference positions are flexibly dispatched, and the sales are settled into NT dollars at a favorable time.
- B. Work closely with professional institutions to provide professional consulting services. The Finance Department collects information on exchange rates and takes necessary acts to avoid risks related to exchange rates when appropriate.
- C. Pay attention to the international financial situation, grasp the latest exchange rate information, and use it as a reference to respond to exchange rate changes and reserve product quotation space.
- D. Assess the profit potential of transactions in foreign currencies and reduce exchange losses from weak currencies.

3. Inflation

The main raw materials required for the Company's production are copper and plastic granules. They are all bulk raw materials and are greatly affected by international market conditions and related events. For the supply of raw materials, the Company has long-term cooperation with domestic and foreign suppliers. We also adopt contract procurement, centralized price negotiation, and hedging of options to avoid risks, to effectively manage the cost of raw materials, and to ensure a stable supply of raw materials.

- (II) The company's policy regarding high-risk investments, highly leveraged investments, loans to other parties, endorsements, guarantees, and derivatives transactions; the main reasons for the profits/losses generated thereby; and response measures to be taken in the future.

The Company and its subsidiaries are well-established manufacturers of automobile and motorcycle connectors, not involved in high-risk, highly leveraged investment operations, and have strict specifications for capital loans and endorsement guarantees, and when all related enterprises carry out capital loans and endorsement guarantees, they are implemented in accordance with the specifications set by the company, and there is no adverse impact on the company.

In the operation of derivatives, in addition to strict internal control regulations, all operations are required to be hedging and controlled with operating limits. The audit unit also performs regular and intermittent inspections on the operation status, so the company's various operations are under effective control.

In the future, the Company will maintain the current practice of loaning of funds, endorsements, and guarantees, and operation of derivative instruments in a conservative manner, and continue to implement internal control and internal audits to create the safest investment and the best remuneration.

(III) Future R&D plan and R&D expenses expected to be invested

1. R&D plan for the most recent year

Driven by the environmental protection trend of "green energy and carbon reduction", "new energy vehicles" have become a market trend. Major international car manufacturers have actively invested the field. In order to effectively improve R&D technology and customer service, Hu Lane will seize this opportunity to build more desirable products and better quality system to meet customers' needs. The plans are as follows:

- A. Continuously strengthen the operation of the R&D team of parts design: through complete development systems, instruments and equipment, and professional capabilities, we will establish a platform of core technology to achieve technological innovation and talent cultivation.
- B. Increase the production capacity of high-precision composite spot welding terminals to meet the expanding market demand.
- C. Research on the capability of porous technology.
- D. Continuously introduce rubber injection technology to improve the precision of heat pressing.
- E. Emphasize on the continuous development of the wiring harness development department and the electronic product development department that are responsible for the design and development of automotive electronic products, and to obtain the capability to develop original designs.

2. The current progress of the unfinished R&D plan (as of March 31, 2025)

- A. Continuously strengthen the capability to develop and design high frequency, high voltage PCB, fuse box, mini boards connectors, electrical box, and electrical products.
- B. Strengthen the project management platform, continue to maintain product information, and gradually improve the system database and the Company's official website.
- C. Analyze the wiring harness composition, basic circuit and cost structure to strengthen product application capabilities, and gradually establish the ability to modify and design wire harnesses.

3. Additional R&D expenses to be invested

In order to meet the needs of customers and the company's sustainable development goals and philosophy, the investment in tooling assets is estimated to be about NT\$323,780 thousand and the related R&D expenses are expected to be about NT\$537,836 thousand in 2025.

4. Expected time to complete mass production

The time from development to mass production is estimated to take six months. (Actually based on customer requirements, special developments are not included in this scope.)

5. The main factors affecting the success of R&D in the future

- A. Accurate market planning strategies and R&D technology development blueprint.
- B. The professional ability of design and development personnel, and the rapid development of product specifications and verification standards.
- C. Increase the speed of R&D and development of new products to achieve the goal of shortening the new product development cycle time and the success rate of new product sample delivery.
- D. Possess the ability to design products with market value and develop molds.

6. Intellectual Property Strategy

In the early days, the Company focused on the growth of "number of patents". In recent years, the Company's patent strategy has been gradually developed to focus on "patent quality". In the end, the "quality and quantity" of patents go hand-in-hand, and patents are used to create value and profits.

7. Intellectual Property Management System

Through the establishment of a patent management system and related regulations, the implementation and execution quality of intellectual property management operations are ensured. In order to improve R&D morale and enable R&D personnel to take the initiative to propose proposals, the company conducts regular classes and promotions to help R&D personnel better understand patented technologies, and discusses the patent application process and patent avoidance to strengthen the R&D personnel's concept of patents.

8. Possible intellectual property risks and countermeasures

When designing and developing products or technologies by ourselves, the Company will conduct patent evaluation before applying for it, in order to strengthen the Company's core R&D capabilities and intellectual property rights, and reduce the risk of intellectual property rights infringement by others.

9. The Legal Affairs Office formulates intellectual property management plans (IP reports) linked to operational objectives every year and reports to the Board of Directors.

(IV) Effect on the company's financial operations of important policies adopted and changes in the legal environment at home and abroad, and measures to be taken in response.

The Company's day-to-day operations are handled in accordance with the relevant domestic and foreign laws and regulations, and we constantly pay attention to domestic and foreign policy developments and changes in regulations, and coordinate with lawyers and accountants for opinions to achieve compliance and reduce adverse impacts on the Company.

(V) Effect on the company's financial operations of developments in science and technology (including cyber security risks) as well as industrial change, and measures to be taken in response:

Category	Description	(Responding measures)
Information security Risk Increasing	With the progress of technology, the information security risks have increased, including data leaks, system intrusions, and ransomware attacks, etc. May cause disclosure or damage of financial information.	Strengthen information security measures, including implementing stronger identity verification, encrypting sensitive information, conducting regular security scans and strengthening the training on employee's awareness of security.
Comply with changes in regulations and standards	As technology and industries change, corresponding regulations and standards may continue to be adjusted and updated, and companies need to constantly adapt to new regulatory requirements; for example, transnational operations may need to adjust their data privacy policies to adapt to the EU's General Data Protection Regulation (GDPR) and ensure that the Company's implementation is in compliance with relevant regulations in cross-border data transfers.	Continue to pay attention to changes in relevant regulations and standards, conduct timely risk assessments and inspections that is in compliance with the regulations, and adjust internal control measures accordingly.
Business Continuity Risks	Technological and industrial changes may bring business continuity risks, such as system malfunction, supply chain interruptions, etc.	Develop a comprehensive business continuity plan, including backup and disaster recovery plans, to ensure that the business operations can be quickly restored when encountering emergencies.

The Company controls and maintains key operational functions such as the Company's operations in accordance with the "Information Security Policy", and strictly implements Information security risk management. For details, please refer to the descriptions under "VI. Information Security Management" of this annual report.

(VI) Effect on the company's crisis management of changes in the company's corporate image, and measures to be taken in response. As of the publication date of the annual report, the Company has no relevant information.

(VII) Expected benefits and possible risks associated with any merger and acquisitions, and mitigation measures being or to be taken. As of the publication date of the annual report, the Company has no relevant information.

(VIII) Expected benefits and possible risks associated with any plant expansion, and mitigation measures being or to be taken.

The Company has completed the construction of the Phase 3 of Dongguan Hu Lane in December 2024.

Benefit from plant expansion:

1. Increase capacity: Due to land expropriation, the Dongguan government granted the capacity for the Company to build the factory and establish more production facilities.
2. Increase the space utilization rate: The 3D warehouse can fully utilize the vertical space of the warehouse to increase the space utilization rate. According to the data, the utilization rate increased by 80% compared to the traditional warehouse. The floor area of the warehouse in Dongguan is 1,796 square meters, and the height of the vertical warehouse is 38 meters, with a total of nearly 10,000 storage positions.
3. Optimization of the management method and efficiency: The 3D warehouse uses automated equipment and information systems such as the interface between the RGV, AGV and WMS systems to make warehouse management more accurate, efficient and prevent obsolescence. There are currently more than 10,000 types of inventory materials in the Dongguan area. The 3D warehouse can realize accurate positioning and time management of inventory entry and exit, and implement 100% of advanced first mover operations.

Possible risks and countermeasures:

1. Due to the expansion of scale, fixed costs have increased, such as production efficiency, and quality performance and development capabilities cannot be improved, so competitiveness will be reduced.
Countermeasures: It is necessary to strengthen training on product technology in order to ensure continuous growth.
2. The higher investment cost in the early stage, the increase in liabilities, and the uncertainty of interest rates may bring uncertainty to the Company's operating efficiency.
Countermeasures: Strengthen fund forecasting and pay attention to changes in interest rates.
3. The increase in the number of new employees recruited for the expansion of factories, employees' break-in period, and professional skill problems have resulted in an increase in the turnover rate.
Countermeasures: Create a career development map that links professional functions and institutionalizes the promotion and development conditions for employees at all levels. Implementing a people-oriented concept, creating a happy cultural circle, and enabling employees to have specific growth plans.

(IX) Risks from purchasing and selling concentration, and the countermeasures:

1. Risks from purchasing concentration
Most of the purchasers of the company and its subsidiaries are companies with long-term relationships. We maintain long-term and great cooperative relationships with major raw material suppliers to appropriately diversify the sources of purchase. In addition to paying close attention to changes in the supply and demand in the raw material supply market, we also need to actively develop new suppliers to diversify the risk from purchasing concentration.
2. Risks from selling concentration
The Company's and its subsidiaries' sales strategies and targets in the most recent year were adjusted in response to the industry's economy, demands, and regional development of the automobile market. The Company and its subsidiaries have maintained stable business relationships with our major customers for many years. Meanwhile, the Company is actively exploring new customers in emerging and developing countries and Mainland China. Hu Lane has abundant and scattered customers, most of them are well-known automobile brands in mainland China. Therefore, the company and its subsidiaries are not yet facing risks from selling concentration.

(X) Effect upon and risk to the company in the event a major quantity of shares belonging to a director, supervisor, or shareholder holding greater than a 10 percent stake in the company has been transferred or has otherwise changed hands, and mitigation measures being or to be taken: As of the publication date of the annual report, the Company has no relevant information.

(XI) Effect upon and risk to company associated with any change in governance personnel or top management, and mitigation measures being or to be taken: As of the publication date of the annual report, the Company has no relevant information.

(XII) Litigious and non-litigious matters: As of the publication date of the annual report, the Company has no relevant information.

(XIII) Other important risks and countermeasures: None.

VII. Other important matters: None.

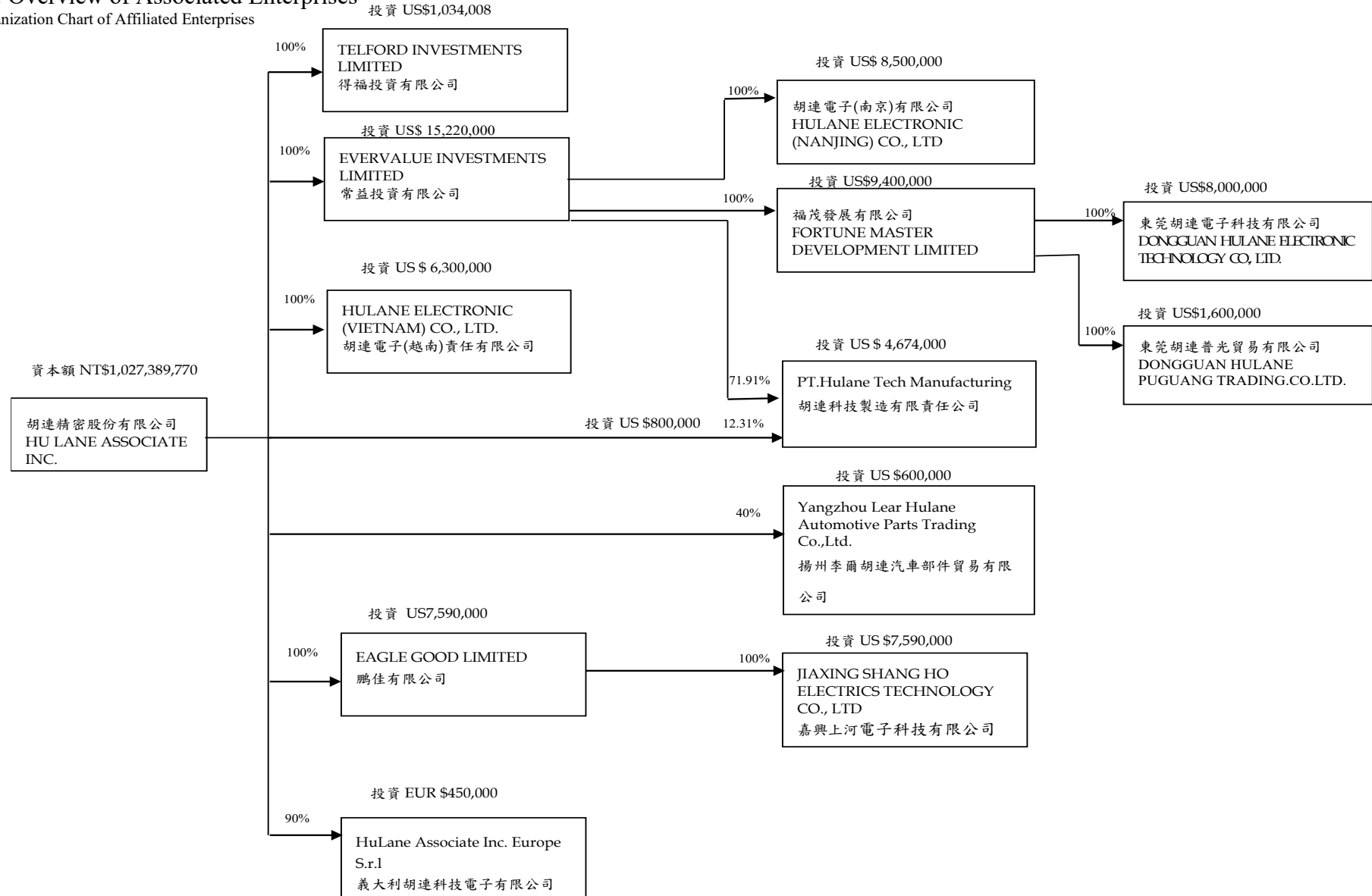
Six. Special Disclosures

- I. Information on affiliates
Consolidated Business Report of Affiliates
- II. Private placement of securities in the most recent year and up to the publication date of the annual report:
As of the date of publication of the annual report, no private placement of securities has been conducted.
- III. Other necessary supplementary information
Company Website: <https://www.hulane.com.tw/>
MOPS
 1. Website of the financial report
https://mopsov.twse.com.tw/mops/web/t57sb01_q1
 2. Public explanatory notes are available at the following website:
https://mopsov.twse.com.tw/mops/web/t57sb01_q3
 3. Information on Annual Reports and Shareholders' Meetings (including information on depository receipts) is available on the website:
https://mopsov.twse.com.tw/mops/web/t57sb01_q5
 4. Affiliated Enterprises Statements Inquiry Website:
https://mopsov.twse.com.tw/mops/web/t57sb01_q10
- IV. Occurrences of events defined under Subparagraph 2, Paragraph 3, Article 36 of the Securities and Exchange Act in the most recent year and as of the publication date of this annual report that significantly affect shareholders' equity or security prices:
None.

Hu Lane Associate Inc.
Consolidated Business Report of Affiliates
2024

One. Overview of Associated Enterprises

I. Organization Chart of Affiliated Enterprises



- II. Name, date of incorporation, address, paid-in capital, and main business items of each affiliate: Table 1.
- III. If the relationship of control and subordination is presumed to exist according to Article 369-3 of the Company Act, the following information shall be disclosed:
None.
- IV. Industries covered by the overall business scope of the affiliated enterprise:
Manufacturing, processing, and trading of electronic parts (terminals) and hardware and mechanical accessories, manufacturing of industrial rubber and plastic products, manufacturing, processing, and trading of molds, general investment business, production and trading of various terminals, plastic connectors, wire harnesses, connectors and molds, production and operation of various electronic connection cables, production and sales of various plastic connectors, research and development of precision molds, auto parts, electrical equipment and parts, plastics and their products, and wholesale, import and export of heating and ventilation equipment.
- V. The names of the directors, supervisors, and presidents of each affiliated enterprise and their shareholdings or contributions to the said enterprise: Table 2.
- VI. The operational overview of affiliated enterprises shall state the financial status and business results of each affiliated enterprise: Table 3.

[Table 1]

Profile of each affiliated enterprise
(December 31, 2024)

Unit: NTD/USD/HKD

Company name	Date of establishment	Address	Paid-up capital (Note 1)		Main business or production items
Hu Lane Associate Inc.	1977.07.09	No. 1, Lane 342, Fude 1st 1st Road, Xizhi Dist., New Taipei City	NT\$	1,027,389,770	Manufacturing, processing, and trading of electronic parts (terminals) and hardware and mechanical accessories, manufacturing of industrial rubber and plastic products, manufacturing, processing, and trading of molds
EVERVALUE INVESTMENTS LIMITED	2001.03.12	Offshore Chambers, P.O. Box 217, Apia, Samoa	US\$	15,220,000	General investment business
TELFORD INVESTMENTS LIMITED	2001.03.08	Offshore Chambers, P.O. Box 217, Apia, Samoa	US\$	1,034,008	General investment business
HULANE ELECTRONIC (VIETNAM) CO., LTD. (HuLian Electronics (Vietnam) Co., Ltd.)	2008.05.21	Lot XN 28&32, Dai An Industrial Zone, Hai Duong Province, Vietnam	US\$	6,300,000	Production and sales of various terminals, plastic connectors, wire harnesses, connectors and molds
Hu Lane Electronics (Nanjing) Co., Ltd.	2004.01.17	No. 28, Laifeng Road, Lukou Town, Jiangning District, Nanjing City, People's Republic of China	US\$	8,500,000	Production and sales of various terminals, plastic connectors, wire harnesses, connectors and molds
FORTUNE MASTER DEVELOPMENT LIMITED (FORTUNE MASTER DEVELOPMENT LIMITED)	2010.03.05	Room 1004, National Health Service Center, 151 Gloucester Road, Wanchai, Hong Kong	HK\$	72,816,926	General investment and trading

Company name	Date of establishment	Address	Paid-up capital (Note 1)		Main business or production items
Dongguan Hu Lane Electronic Technology Co., Ltd.	2011.05.23	No. 5, Gong'ao 1st Road, Xiangshan Industrial Park, Xiiniupei Village, Dalang Town, Dongguan City, Guangdong Province, China	US\$	8,000,000	Production and sale of molds, stencils, wire harnesses, terminal connectors, and plastic products, establishment of R&D institutions to research and develop precision molds
Dongguan Hu Lane Puguang Trading Co., Ltd.	2012.05.04	No. 7, Gong'ao 1st Road, Xiangshan Industrial Park, Xiiniupei Village, Dalang Town, Dongguan City, Guangdong Province, China	US\$	1,600,000	Wholesale, import and export of auto parts, electrical equipment and parts, plastics and products thereof, and heating and ventilation equipment
PT. HULANE TECH MANUFACTURING PT. HULANE TECH MANUFACTURING	2017.06.22	Jl.Jababeka 2E Block C16-J Cikarang Industrial Estate Phase1 Cikarang-Bekasi 17530 Jawa Barat Indonesia	IDR\$	93,240,000.00	Semi-conductor, electronic components, cables and other electronics including plastic injection parts, connectors, copper metal terminals, socket terminals, wires

Company name	Date of establishment	Address	Paid-up capital (Note 1)		Main business or production items
Yangzhou Lear Hulane Automotive Parts Trading Co., Ltd. Yangzhou Lear Hulane Automotive Parts Trading Co., Ltd.	2021.12.14	No. 518, Situ Temple Road, Yangzhou City	US\$	1,500,000	Retail sale of auto parts, wholesale of auto parts, research and development of auto parts, technical service, technology development, technical consultation, technical exchange, technology transfer, and technology promotion, import and export of goods, technology import and export, supply chain management services
EAGLE GOOD LIMITED EAGLE GOOD LIMITED	2006.05.12	Vistra Corporate Services Centre ,Ground Floor NPF Building,Beach Road,Apia,Samoa	US\$	10,680,000	General investment business

Company name	Date of establishment	Address	Paid-up capital (Note 1)		Main business or production items
JIAXING SHANG HO ELECTRICS TECHNOLOGY CO., LTD JIAXING SHANG HO ELECTRICS TECHNOLOGY CO., LTD	2012.12.04	No. 68, Taojing Road, Xiuzhou District, Jiaxing City, Zhejiang Province, China	US\$	10,500,000	Research and development of auto parts, manufacturing of auto parts and accessories, wholesale of auto parts, research and development of motorcycles and spare parts, manufacturing of motorcycle spare parts, wholesale of motorcycles and spare parts, technical service, technology development, technical consultation, technical exchange, technology Technology transfer and promotion, electronic component manufacturing, electronic component wholesale, technology import/export
HuLane Associate Inc. Europe S.r.l	2023.03.22	Via Ettore de Sonnaz 17 – 10121 Turin (IT)	EUR\$	500,000	The sales, production and development, design and assembly of auto parts.

Note 1: December 31, 2024 USD: NTD = 32.7850: 1
December 31, 2024 HKD: NTD = 4.2220: 1
December 31, 2024 IDR: NTD = 0.0020: 1
December 31, 2024 EUR: NTD = 34.1400: 1

[Table 2]

Information of directors, supervisors, and presidents of affiliated companies

April 28, 2025

Unit: Share

Company name	Job title	Name or Representative	Number of shares held	
			Number of shares (Note 1)	Shareholding ratio
Hu Lane Associate Inc. (Note 2)	Chairman	Chang Tzu-Hsiung	4,104,382	3.62%
	Director (and President)	Hu Sheng-Ching	5,919,697	5.22%
	Director	Chang Ping-Chun	1,984,567	1.75%
	Director	Hu Shao-Ju	2,500,232	2.21%
	Director	Liu Chun-Hsiang	4,160,655	3.67%
	Director	Lin Yuan-Li	0	0.00%
	Independent Director	Chang Shyueh-Chih	0	0.00%
	Independent Director	Lin, Chan-Lieh	10,387	0.01%
	Independent Director	Tai Chia-Wei	0	0.00%
EVERVALUE INVESTMENTS LIMITED EVERVALUE INVESTMENTS LIMITED	Director	Hu Lane Associate Inc.	15,220,000	100.00%
TELFORD INVESTMENTS LIMITED TELFORD INVESTMENTS LIMITED	Director	Hu Lane Associate Inc.	1,034,008	100.00%
HULANE ELECTRONIC (VIETNAM) CO., LTD. (HuLian Electronics (Vietnam) Co., Ltd.)	Chairman	Chang Tzu-Hsiung	6,300,000	100.00%
Hu Lane Electronics (Nanjing) Co., Ltd.	Executive Director	Chang Tzu-Hsiung	8,500,000	100.00%
FORTUNE MASTER DEVELOPMENT LIMITED (FORTUNE MASTER DEVELOPMENT LIMITED)	Director	EVERVALUE INVESTMENTS LIMITED	9,400,000	100.00%
	Director	Hu Sheng-Ching		
	Director	Chang Tzu-Chieh		
Dongguan Hu Lane Puguang Trading Co., Ltd.	Executive Director	Chang Tzu-Hsiung	1,600,000	100.00%
	Supervisor	Chang Tzu-Chieh		
Dongguan Hu Lane Electronic Technology Co., Ltd.	Chairman (and President)	Hu Sheng-Ching	8,000,000	100.00%
	Director	Chang Tzu-Hsiung		
	Director	Fang Kai-Ping		
	Supervisor	Chang Tzu-Chieh		
PT. HULANE TECH MANUFACTURING PT. HULANE TECH MANUFACTURING	Chairman	Chang Ping-Chun	2,000,000	80.00%
	Director	EVERVALUE INVESTMENTS LIMITED		

Company name	Job title	Name or Representative	Number of shares held	
			Number of shares (Note 1)	Shareholding ratio
	Director	Fang Kai-Ping		
	Director	Chang Tzu-Chieh		
	Director	RITCHIE GLEN YAPRANADI		
	Director	BARRY LASTKY		
	Supervisor	Pan Su-Chiu		
Yangzhou Lear Hulane Automotive Parts Trading Co., Ltd.	Chairman	Chou-Hsi	900,000	60.00%
	Director	Wang Sheng-yi		
	Director	Jason Michael Phillips		
	Supervisor	Chu Hai-Tung		
	Vice Chairman	Chang Tzu-Chieh	600,000	40.00%
	Director	Chang Shao-Chien		
	Supervisor	Pan Su-Chiu		
EAGLE GOOD LIMITED EAGLE GOOD LIMITED	Director	Hu Lane Associate Inc.	10,680,000	100.00%
JIAXING SHANG HO ELECTRICS TECHNOLOGY CO., LTD JIAXING SHANG HO ELECTRICS TECHNOLOGY CO., LTD	Chairman	Chen Kei-Chou	10,500,000	100.00%
	Director	Hu Shao-Ju		
	Director	Chang Shih-Wei		
	Supervisor	Pan Su-Chiu		
HULANE ASSOCIATE INC. EUROPE S.R.L.	Chairman	CAMMISA LUCA DOMENICO	450,000	90.00%
	Director	Chang Shao-Chien		
	Director	Chang Chung-I		

Note 1: Number of shares held as of April 28, 2025. Note 2: Total outstanding shares as of April 28, 2025 were 113,348,320 shares.

[Table 3]

Operation overview of each affiliated enterprise

(December 31, 2024)

Unit: NTD thousands

Company name	Capital	Total assets	Total liabilities	Net worth	Operating revenue	Operating profit	Current profit and loss (after tax)	Earnings per share (NT\$) (after tax)
Hu Lane Associate Inc.	1,027,390	10,530,446	3,153,132	7,377,314	3,414,297	721,925	1,310,477	12.79
EVERVALUE INVESTMENTS LIMITED (EVERVALUE INVESTMENTS LIMITED) (Note 1)	459,008	3,800,910	12	3,800,898	-	(770)	419,738	-
TELFORD INVESTMENTS LIMITED (TELFORD INVESTMENTS LIMITED) (Note 1)	31,309	213,787	0	213,787	-	(56)	29,818	-
HULANE ELECTRONIC (VIETNAM) CO., LTD. (HULANE ELECTRONIC (VIETNAM) CO., LTD.) (Note 1)	167,118	877,296	509,255	368,041	701,969	129,503	90,460	-
HULANE ELECTRONIC (VNANJING) CO., LTD. (Note 1)	322,197	2,218,897	773,077	1,445,820	2,398,823	233,791	240,456	-
FORTUNE MASTER DEVELOPMENT LIMITED (Note 1)	284,908	1,996,295	0	1,996,295	-	(403)	50,643	-
Dongguan Hu Lane Puguang Trading Co., Ltd. (Note 1)	46,796	5,558,804	5,464,149	94,655	7,110,814	(304,809)	(312,568)	-
Dongguan Hu Lane Electronic Technology Co., Ltd. (Note 1)	224,363	2,812,217	1,045,509	1,766,708	2,224,475	386,861	363,898	-
PT. HULANE TECH MANUFACTURING PT. HULANE TECH MANUFACTURING (Note 1)	188,196	472,145	181,106	291,039	271,363	38,935	33,153	-
EAGLE GOOD LIMITED EAGLE GOOD LIMITED (Note 1)	313,238	365,143	0	365,143	-	-	87,690	-
Jiaxing Shangho Electronic Technology Co., Ltd. (Note 1)	308,010	880,095	514,973	365,122	702,441	99,969	87,688	-
Yangzhou Lear & Hulane Automotive Parts Trading Co., Ltd. (Note 1)	41,520	210,599	144,925	65,674	328,857	36,251	30,048	-
HuLane Associate Inc. Europe S.r.l. (Note 1)	16,321	55,659	39,360	16,299	21,604	(6,472)	1,259	-

Note 1: As of December 31, 2024 USD: NT\$= 32.7850: 1
CNY : NTD = 4.4780 : 1

IDR: NT\$= 0.0020: 1
VND : NTD =0.0013 : 1

HKD: NT\$= 4.2220: 1
EUR : NTD=34.140 : 1

Two. Declaration of Consolidated Financial Statements of Affiliates

Declaration of Consolidated Financial Statements of Affiliates

For the year 2024 (from January 1 to December 31, 2024), the Company that should be included in the preparation of the Consolidated Financial Reports of Affiliated Enterprises in accordance with the "Standards for the Preparation of Consolidated Financial Statements and Relationship Reports of Affiliated Enterprises" is the same as the companies that should be included in the preparation of consolidated financial reports of parent and subsidiary companies pursuant to IFRS 10, and the relevant information that should be disclosed in the consolidated financial reports of related enterprises has been disclosed in the previously disclosed consolidated financial reports of the parent and subsidiaries. There will be no separate financial reports for the consolidated financial reports of related enterprises.

It is hereby declared

Company name: Hu Lane Associate Inc.

Chairman: Chang Tzu-Hsiung



March 12, 2025



Hu Lane Associate Inc.

Chairman: Chang Tzu-Hsiung





胡連精密股份有限公司 Hu Lane Associate Inc.
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Bound for Excellence

 **HULANE**

