

6. Sustainability Governance

6.1 Corporate Governance

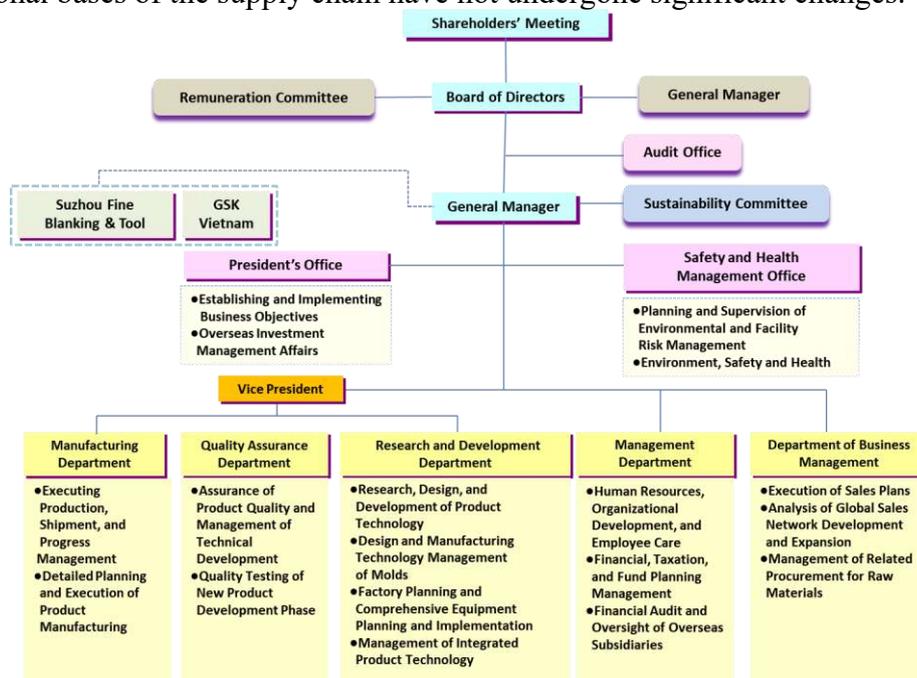
6.1.1 Company Organizational Structure

The Company was approved as a public offering company in 1998. Since then, it has continuously improved its internal control management, and completed the listing on the OTC market in 2003. Since our listing, we have been operating under the premise of integrity of corporate governance and transparency of information, and have minimized operational risks under various conditions under our control. To provide the best service to customers, production and service facilities have been established in Taiwan, China, and Vietnam, offering global services that meet customer satisfaction in terms of quality, cost, and delivery.

The Company continuously strengthens the functions of the Board of Directors, enhances the leadership and management capabilities of the management team, and increases information transparency to safeguard shareholders' interests. Our company was ranked in the top 6% to 20% of over-the-counter companies in the first to ninth and eleventh corporate governance evaluations. In the tenth evaluation, the company was ranked in the top 21% to 35% of over-the-counter companies. The Company has established an Audit Committee, a Remuneration Committee, and a Sustainability Committee. The Sustainability Committee is responsible for decision-making related to economic, environmental, and social impact responses.

6.1.2 Company Shareholder Structure

The Company's stock was listed on the OTC market in Taiwan on April 16, 2003 (stock code 4535). As of 2024, the organizational size, structure, ownership, shareholder structure, and operational bases of the supply chain have not undergone significant changes.



Regarding ownership, there have been no significant changes in the shareholdings of directors. Therefore, both ownership and management rights remain unchanged. Shareholdings among shareholders have been subject to market fluctuations, and shareholders adjust their holdings accordingly. As of March 28, 2025, no government entities are included in the shareholder structure, and the shareholder structure is shown in the following figure:

Shareholding structure and ownership percentage

Statistics Date: March 28, 2025



6.1.3 Company Governance Operating Structure

● Operations of the Board of Directors

Except as required by law, the shareholder meeting is convened by the Board of Directors. The Board of Directors is the highest governing body of the company. The chairperson serves as the chairman of the shareholder meeting and the Board of Directors. The chairperson does not concurrently hold the position of the President. The President is recommended by the chairperson to the Board of Directors. The Vice President is recommended by the President to the Board of Directors. Both the President and Vice President are professional managers. The President implements the resolutions of the Board of Directors and oversees the company's operations, with the Vice President delegating duties in business divisions to assist the President.

The Board of Directors is the highest decision-making and governance unit of the Company and is responsible for overseeing the overall operational responsibilities and the results of management's policy implementation. The Company's President is also a director, which enables the Board of Directors to effectively implement the Company's development blueprint into planning and execution, and enhances the Board of Directors' understanding of the Company's operating conditions. The management team maintains good communication with the Board of Directors and carries out the Board's strategic guidance and business operations in accordance with the business execution aspects, so as to maximize the benefits for all shareholders. In addition, the President of the Company is also the head of the Sustainability Committee, which is responsible for decision-making and management of economic, environmental, and social impacts, and submits a summary report on the effectiveness of the Board's implementation of sustainability and TCFD in May of each year.

■ Election of Directors and the Diversity and Independence of the Board of Directors:

(1).Board of Directors Diversity

According to the Company's "Corporate Governance Practice Guidelines," Article 20, on the necessary capabilities that the Board of Directors should possess, the Board members should generally possess the necessary knowledge, skills, and competencies required to perform their duties.

To achieve the ideal goal of corporate governance, the Board of Directors should possess the following capabilities:



In addition, the selection of director candidates will be based on diversity criteria and will consider the Company’s business model and specific needs, including but not limited to gender, age, race, language, cultural background, educational background, industry experience, and professional experience.

The Company’s board structure, taking into account the scale of corporate development and the ownership of major shareholders, has set the appropriate number of board seats to be between seven and eleven in the Articles of Incorporation.

Considering the diversity of the Board of Directors, the number of directors who concurrently serve as company executives should not exceed one-third of the board seats. The Board should formulate appropriate diversity policies based on its own operations, business models, and development needs, including but not limited to the following two major aspects:

- I. Basic Conditions and Values: Gender, age, nationality, and culture.
- II. Professional Knowledge and Skills: Professional backgrounds (such as law, accounting, industry, finance, marketing, or technology), professional skills, and industry experience, among others.

(2).Implementation of Diversity

The Company’s Articles of Incorporation specify the candidate nomination system for electing directors, which allows shareholders holding 1% or more of the shares to nominate candidates in accordance with Articles 30 and 192-1 of the Company Act. The board structure, taking into account the scale of corporate development and the ownership of major shareholders, has set the appropriate number of board seats to be between seven and eleven in the Articles of Incorporation.

The current Board of Directors consists of 10 directors, including 3 independent directors, representing diverse genders, ages, professional knowledge, and backgrounds. Members possess a wealth of experience and expertise in business management, leadership decision-making, industry knowledge, financial accounting, marketing, and other fields. The Company emphasizes the financial and accounting expertise of Board members, aiming for a target of 30% or more. Currently, there are 10 directors, of which 5 have accounting backgrounds and experience, reaching 50% in practice. The Company also focuses on gender equality among Board members, aiming for female directors to account for 20% or more. Currently, there are 10 directors, including 2 female directors, achieving the goal of 20%. The proportion of directors concurrently serving as company executives does not exceed one-third of the Board, with 2 out of 10 directors also serving as employees of the company, accounting for 20% of the total Board seats.

(3).Independence of the Board of Directors

The appointment of all directors is based on the Company's Articles of Incorporation, the Rules Governing the Election of Directors, the Corporate Governance Guidelines, the Scope of Duties of Independent Directors, and Article 14-2 of the Securities Exchange Act. Since 2006, the overall voting and candidate nomination system for the election of all directors and independent directors have been established to encourage shareholder participation. Shareholders holding a certain number of shares or more can propose a candidate list, and the qualification of each candidate is reviewed. Each nominated candidate must sign a declaration stating that they do not fall under any of the circumstances described in Article 30 of the Company Act. The related procedures are carried out and announced in accordance with the law to safeguard shareholders' rights and prevent monopolization of nomination rights, maintaining the independence of the Board of Directors. To assist directors in clearly understanding their rights and responsibilities upon assuming office, important regulations that directors must follow (e.g., "Compliance Brochure for Directors and Supervisors of TWSE/TPEX-Listed and Emerging Market Companies," "Securities Market Regulations for Listed Companies, Their Directors, Supervisors, and Major Shareholders," "Compliance Brochure for Independent Directors") are provided after directors assume office.

The Board of Directors guides the Company's strategies and supervises management's responsibilities to the company and shareholders. The exercise of powers by the Board of Directors is based on the Company's Articles of Incorporation, Corporate Governance Guidelines, Board Meeting Rules, Code of Ethics for Directors and Managers, Code of Ethical Conduct, shareholder resolutions, and relevant laws. The current structure of the Board of Directors consists of three independent directors, accounting for 30% of the total Board seats, and seven non-independent directors, accounting for 70% of the total board seats. Although there are three directors who have relationships within the second degree of kinship, the Board of Directors continuously assesses the independence of directors, considering all relevant factors, including: whether the relevant directors can continue to raise constructive questions to management and other directors, whether their opinions are independent from management or other directors, and whether their conduct within and outside the Board of Directors is appropriate. The behavior of independent non-executive directors must meet expectations under appropriate circumstances, emphasizing independent operations and transparency of the Board of Directors. Both directors and independent directors act independently and exercise their duties independently.

The Company has established a Board performance evaluation system, which includes an annual internal evaluation of the Board of Directors, self-assessment of board members, and self-assessment of functional committees. The evaluation results are reported to the Board of Directors and disclosed in the Company's annual report and website.

Implementation of the Diversity Policy for Board Members

Director Name	Diversity criteria	Basic composition							Operational management	Leadership & decision-making	Industry knowledge	Financial accounting	Marketing	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			
		Gender	Concurrent employment at the Company	Age distribution				Independent Director Term/years of service						Title	Name	Relation	
				41-50	51-60	61-70	71-80	4-6 Years									7-9 Years
Chairman Chung-Yi Wu	Male			v					v	v	v	v	Director	Yu-Mei Wu	brother and sister		
Director Chung-Ming Wu	Male	v		v					v	v	v	v	Director	Yen-Hsing Wu	Father and son		
Director Kuan- Hsing Wu	Male	v	v						v	v	v						
Director Jui-Chang Lin	Male					v			v	v	v	v					
Director Hung-Wuu Li	Male			v					v	v	v	v					
Director Yu-Mei Wu	Female			v					v	v	v	v	Chairman	Chung -Yi Wu	brother and sister		
Director Yen-Hsing Wu	Male		v						v	v	v		Chairman	Chung -Yi Wu	Father and son		
Independent Director Chia-Chi Kuo	Female			v				v	v	v		v					
Independent Director Yi-Min Lin	Male			v				v	v			v					
Independent Director Cheng-Shong Hong	Male											v					

For information regarding the background and positions of the board members, please refer to the relevant details in Chapter 2 (Corporate Governance Report) of the Company's 2024 Annual Report.

Annual Report URL:

https://www.fineblanking.com.tw/ec99/rwd1280/category.asp?category_id=61

● Operation of the Board of Directors

The Board of Directors serves as the Company's central organization and is composed of 10 directors with extensive industry and academic experience. The Board of Directors convenes regular meetings to discuss major company matters. In 2024, the Board of Directors held six meetings, with an average attendance rate of 100%.

■ Annual Board Meetings in 2024: 6 times

Title	Name	Gender	Actual Attendance	Delegate Attendance	Actual Attendance Rate	Changes in Directors
Chairman	Chiuan-Dau INVESTMENT Co., Ltd. Representative:Chung-Yi Wu	Male	6	0	100%	May 30, 2023, re-election for another term.
Director	IDEA INVESTMENT Co., Ltd. Representative: Chung-Ming Wu	Male	6	0	100%	May 30, 2023, re-election for a new term.
Director	Chiuan-Tai INVESTMENT CORP. Representative:Chung-Ming Wu	Male	6	0	100%	May 30, 2023, re-election for another term.
Director	Chiuan-Tai INVESTMENT CORP. Representative:Kuan- Hsing Wu	Male	6	0	100%	May 30, 2023, re-election for another term.
Director	Fu Yen Investment Co., Ltd. Representative:Jui-Chang Lin	Male	6	0	100%	May 30, 2023, re-election for another term.
Director	GSK INVESTMENT DEVELOPMENT CORP. Representative:Chung-Wuu Li	Male	6	0	100%	May 30, 2023, re-election for another term.
Director	Yu-Mei Wu	Female	6	0	100%	May 30, 2023, re-election for another term.
Director	CHING YUAN INVESTMENT Co.,Ltd. Representative:Yen-Hsing Wu	Male	6	0	100%	May 30, 2023, re-election for another term.
Independent Director	Chia-Chi Kuo	Female	6	0	100%	May 30, 2023, re-election for another term.
Independent Director	Yi-Min Lin	Male	6	0	100%	May 30, 2023, re-election for another term.
Independent Director	Cheng-Shong Hong	Male	6	0	100%	May 30, 2023, re-election for another term.

Board of Directors_Directors' Attendance in 2024

Title	Name	1st	2nd	3rd	4th	5th	6th
		2/27 /2024	5/10 /2024	5/21 /2024	8/7 /2024	10/31 /2024	12/18 /2024
Chairman	Chiuan-Dau INVESTMENT Co., Ltd. Representative: Chung-Yi Wu	●	●	●	●	●	●
Director	IDEA INVESTMENT Co., Ltd. representative: Chung-Ming Wu	●	●	●	●	●	●
Director	Chiuan-Tai INVESTMENT CORP. Representative: Kuan- Hsing Wu	●	●	●	●	●	●
Director	Fu Yen Investment Co., Ltd. Representative: Jui-Chang Lin	●	●	●	◎	◎	◎
Director	GSK INVESTMENT DEVELOPMENT CORP. Representative: Chung-Wuu Li	◎	◎	●	◎	●	◎
Director	CHING YUAN INVESTMENT Co.,Ltd. Representative: Yen-Hsing Wu	●	◎	◎	◎	◎	◎
Director	Yu-Meu Wu	●	●	●	●	●	●
Independent Director	Chia-Chi Kuo	●	●	●	◎	●	●
Independent Director	Yi-Min Lin	●	●	●	●	●	●
Independent Director	Cheng-Shong Hong	●	◎	●	◎	●	●

Note: ●: Attended in person ◎: Attended by video ○: Attended by proxy △: Did not attend

● Mechanism to Prevent Conflicts of Interest

According to the Company’s “Regulations Governing Procedure for Board of Directors Meetings” and “Corporate Governance Guidelines,” if a conflict of interest exists for a director or the legal person they represent with a specific matter on the agenda, then the director may not take part in the discussion and voting. They should also excuse themselves during the discussion and voting process, nor represent any other director during voting.

The Company does not have situations where major suppliers or other shareholders have cross-shareholdings, nor does it have any controlling shareholders. Furthermore, the Company has established independent directors, who make recommendations based on their professionalism and experience from an objective and impartial standpoint.

Relevant information on the directors of the Company, who are either corporations or individuals, and who are already involved in the management of other companies, is listed in the 2024 Annual Report, and the restriction on prohibiting competitive behavior by new directors and their representatives has been lifted at the 2023 Annual General Meeting of Shareholders.

Title	Name	Gender	Main Education	Experience and Positions Held in this Company and Other Companies	Sustainability Abilities		
					Economic	Environmental	Social
Chairman	Chiuan-Dau INVESTMENT Co., Ltd. Representative: Chung-Yi Wu	Male	U.S.A. in the University of California, Los Angeles Business Seminar Program	<ul style="list-style-type: none"> ● Chairman, FINE BLANKING & TOOL CO.,LTD. ● Chairman, ALL TRY CORPORATION ● Chairman, GSK Autotech & Furniture ● Chairman, SHIN SAN SHING CO., LTD. ● Chairman, Chiuan-Tai INVESTMENT CORP ● Chairman, GSK INVESTMENT DEVELOPMENT CORP. ● Chairman, GSK CORPORATION ● Independent Director, GIANT MANUFACTURING CO., LTD. ● Director. GSK Technologies Inc. ● Director. GSK INTEK CO., LTD. ● Director. OFIS INTERNATIONAL CO., LTD. ● Director. Chiuan-Dau INVESTMENT Co.,Ltd. 	V	V	V
Director	IDEA INVESTMENT Co., Ltd. Representative: Chung-Ming Wu	Male	Xin-Pu Industrial College	<ul style="list-style-type: none"> ● Director and General manager, FINE BLANKING & TOOL CO., LTD. ● Director and General manager, GSK VIETNAM CO., LTD. ● Chairman, Suzhou Fine Blanking & Tool Co.,Ltd. ● Executive Director, SUPERIORITY ENTERPRISE CORP ● Executive Director, Propitious International Inc. ● Chairman, IDEA INVESTMENT Co., Ltd. 	V	V	V
Director	Chiuan-Tai INVESTMENT CORP. Representative : Kuan-Hsing Wu	Male	Dayeh University	<ul style="list-style-type: none"> ● Director and Head of Production Management, FINE BLANKING & TOOL CO., LTD. ● Director and General Manager's Office The High Commissioner, FINE BLANKING & TOOL CO., LTD. 	V	V	
Director	GSK INVESTMENT DEVELOPMENT CORP. Representative : Chung-Wuu Li	Male	U.S.A. Virginia State University	<ul style="list-style-type: none"> ● Chairman, GSK Technologies Inc. ● Chairman, Shanghai Yuxing Trading Co., Ltd ● Director and General Manager, GSK Corporation ● Director , FINE BLANKING & TOOL CO., LTD. ● Director , GSK VIETNAM CO., LTD. ● Supervisors, SHIN SAN SHING CO., LTD. 	V	V	V

Title	Name	Gender	Main Education	Experience and Positions Held in this Company and Other Companies	Sustainability Abilities		
					Economic	Environmental	Social
Director	Fu Yen Investment Co., Ltd. Representative : Jui-Chang Lin	Male	Soochow University Department of Accounting	<ul style="list-style-type: none"> ● Chairman , Taiwan Fu Hsing Industrial Co.,Ltd. ● Director, LAUNCH TECHNOLOGIES CO.,LTD. ● Director, TAIFLEX Scientific Co., Ltd. ● Director, FINE BLANKING & TOOL CO.,LTD., ● Director, Advanced International Multitech Co.,Ltd. ● Legal representative of the director, FINE BLANKING & TOOL CO., LTD. ● Legal representative of the director, LAUNCH TECHNOLOGIES CO., LTD ● Legal representative of the director,Advanced International Multitech Co., Ltd. ● Legal representative of the director, TAIFLEX Scientific Co., Ltd 	V	V	V
Director	Yu-Mei Wu	Female	Lizen High School	<ul style="list-style-type: none"> ● Director, GSK Corporation ● Director, ALL TRY CORPORATION ● Director, GSK INTEK CO., LTD. ● Director and Supervisors, FINE BLANKING & TOOL CO., LTD. ● Supervisors, MEDCARE MANUFACTURING INC. ● Supervisors, GSK Autotech & Frurniture INC. ● Supervisors, GSK Technologies Inc. ● Supervisors, Chiuan-Tai INVESTMENT CORP. ● Supervisors, GSK INVESTMENT DEVELOPMENT CORP. 	V		V
Independent Director	Chia-Chi Kuo	Female	Accounting, National Taiwan University	<ul style="list-style-type: none"> ● Gloria J. C. Kuo & Co., CPAs ● Independent Director, FINE BLANKING & TOOL CO., LTD. ● Independent Director, FORMOSA TAFFETA CO., LTD. ● Director, Fu Hua Innovation CO., LTD. 	V		V
Independent Director	Yi-Min Lin	Male	Master of Accounting, National Changhua University of Education	<ul style="list-style-type: none"> ● FULL-GO & CO., CPAs, ● Independent Director, FINE BLANKING & TOOL CO., LTD. ● Supervisors, FLAVOR FULL FOODS INC. 	V		V
Independent Director	Cheng-Shong Hong	Male	Ph.D., Electrical Engineering, National Cheng KungUniversity	<ul style="list-style-type: none"> ● National Kaohsiung Normal University Professor, Department of Electronic Engineering, ● Independent Director, FINE BLANKING& TOOL CO., LTD. 	V		V

● Continuing Education for Directors

The company provides documents for the signing and acknowledgment of internal personnel, such as newly appointed directors and managers, regarding the "Insider Trading and Relevant Regulations for Insider Shareholding of Over-the-Counter and Emerging Stock Companies" upon their appointment. Additionally, the company ensures timely delivery of information regarding significant information scope, confidentiality procedures, public disclosure procedures, and violation handling. This information is sent to all directors, managers, and other insiders for educational outreach or further training arrangements.

Title	Name	Training Date O		Organizer	Course title	Hours
		Start	End			
Legal Person Director Representative	Chung-Yi Wu	2024.06.16	2024.06.16	Taiwan Investor Relations Institute	Hostile Takeover - Focusing on Control of Management.	3
		2024.07.21	2024.07.21	Taiwan Investor Relations Institute	Functions and Prospects of the Taiwan Carbon Solution Exchange & How the Board of Directors Oversees the Establishment and Improvement of Risk Management Mechanisms.	3
Legal Person Director Representative	Jui-Chang Lin	2024.06.12	2024.06.12	The Greater China Financial and Economic Development Association	Risks and Considerations of Generative AI for Businesses.	3
	Jui-Chang Lin	2024.09.20	2024.09.20	Securities & Futures Institute	2024 Seminar on Prevention of Insider Trading	3
Legal Person Director Representative	Kuan-Hsing Wu	2024.09.06	2024.09.06	Securities & Futures Institute	TPEX and Emerging Stock Market Insider Shareholding Seminar– Taichung Session	3
Legal Person Director Representative	Hung-Wuu Li	2024.08.29	2024.08.29	The Greater China Financial and Economic Development Association	Trends and Common Issues in the Restructuring of Taiwanese Business Supply Chains in Mainland China.	3
		2024.10.16	2024.10.16	The Greater China Financial and Economic Development Association	Key Challenges in Taiwanese Businesses' Overseas Investment Strategies (ASEAN, India).	3
Legal Person Director Representative	Yen-Hsing Wu	2024.06.12	2024.06.12	The Greater China Financial and Economic Development Association	Risks and Considerations of Generative AI for Businesses.	3
		2024.08.28	2024.08.28	The Greater China Financial and Economic Development Association	Digital Marketing	3
		2024.08.29	2024.08.29	The Greater China Financial and Economic Development Association	Trends and Common Issues in the Restructuring of Taiwanese Business Supply Chains in Mainland China.	3
		2024.09.19	2024.09.19	The Greater China Financial and Economic Development Association	Corporate Financial Decisions: A Behavioral Perspective.	3
		2024.11.14	2024.11.14	The Greater China Financial and Economic Development Association	The Greater China Financial and Economic Development Association	3
		2024.12.05	2024.12.05	The Greater China Financial and Economic Development Association	Global and Taiwan Economic Outlook	3
Independent Director	Chia-Chi Kuo	2024.03.01	2024.03.01	CPA Associations R.O.C. (Taiwan)	Corporate Laws and Company Registration	3
		2024.04.23	2024.04.23	CPA Associations R.O.C. (Taiwan)	4/23 (Online Video) 1. Practical Application of Corporate and Individual	3
		2024.06.19	2024.06.19	CPA Associations R.O.C. (Taiwan)	6/19 (Taichung) Anti-Money Laundering: International Development Trends and Practices	3
		2025.02.21	2025.02.21	Taiwan Investor Relations Institute	Corporate Sustainability: From Anxiety to Strategy	3
		2025.02.24	2025.02.24	The Greater China Financial and Economic Development Association	Trump's New Tariff Policy and the Shifting Global Economy	3
Independent Director	Yi-Min Lin	2024.10.08	2024.10.08	The Chinese National Association of Industry and Commerce, Taiwan (CNAIC)	NVIDIA's 3-Trillion Miracle: New Thinking in the Semiconductor Industry Revolution Behind Artificial Intelligence	3
		2024.10.21	2024.10.21	CPA Associations R.O.C. (Taiwan)	Money Laundering Patterns That Accountants Should Be Aware of in Taichung: A Case Analysis of Tax Crimes	3
Independent Director	Cheng-Shong Hong	2024.07.11	2024.07.11	The Greater China Financial and Economic Development Association	AI and FinTech: New Trends and Practical Applications	3
		2024.10.24	2024.10.24	The Business Development Foundation of the Chinese Straits	"Corporate Governance" Continuing Education for Directors, Supervisors, and Corporate Governance Officers of Listed and OTC Companies	3

Director Continuing Education Inquiry (4535)

Please visit <https://mops.twse.com.tw/mops/web/t100sb07> to access the Market Observation Post System (MOPS). Enter the company code "4535" to inquire about detailed information on the attendance and continuing education status of directors and supervisors, as well as the current positions, experience, and concurrent roles of independent directors (individual).

● Audit Committee

The Audit Committee of the Company consists of all independent directors and meets at least once per quarter and meetings may be convened at any time as necessary. The description of the operation of the Company's Audit Committee, the communication between the Audit Committee and the certified public accountants, and the principles of communication between the independent directors, the head of internal audit, and the certified public accountants are disclosed in the Company's annual report and on the Company's website.

In 2024, the Audit Committee met five times and the attendance of the independent directors was as follows:

Audit Committee Attendance of independent directors 2024.

Title	Name	1st	2nd	3rd	4th	5th
		2/27 /2024	5/10 /2024	8/1 /2024	10/31 /2024	12/18 /2024
Independent Director	Yi-Min Lin	●	●	●	●	●
Independent Director	Chia-Chi Kuo	●	●	●	●	●
Independent Director	Cheng-Shong Hong	●	◎	◎	●	●

Note: ●: Attended in person ◎: Attended by video ○: Attended by proxy △: Did not attend

2024.01.01~2024.12.31)

Title	Name	Actual Attendance	Delegate attendance	Actual Attendance Rate (%)	Description
Independent Director	Yi-Min Lin	5	0	100%	After the board re-election on May 30, 2023, served as the convener of the Audit Committee.
	Convener				
Independent Director	Chia-Chi Kuo	5	0	100%	
Independent Director	Cheng-Shong Hong	5	0	100%	

● Remuneration Committee

The Company established the Remuneration Committee in accordance with the "Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Stock Exchange or Traded Over the Counter" on August 26, 2011. The Remuneration Committee, approved by the Board of Directors, consists of 3 independent directors and meets at least twice a year. In 2024, the Remuneration Committee has convened two meetings with 100% attendance rate. The main functions of the Remuneration Committee are to strengthen corporate governance and risk management, and to evaluate and supervise the compensation system of the Company's directors and managers based on the consideration of motivation and retention of talents. The remuneration of the directors and managers is reported to the Board of Directors for approval by the Remuneration Committee, and is based on the requirements of the Company's remuneration regulations and is reported in consideration of the Company's operating conditions, individual performance and future risks. In the future, the remuneration of directors and managers will be linked to the element of sustainable performance. The composition, duties and operations of the Remuneration Committee are disclosed in the Company's annual report and website.

Remuneration Committee - Attendance of Independent Directors 2024.

2024.01.01~2024.12.31

Title	Name	1st	2nd	Title	Name	Actual Attendance	Delegate attendance	Actual Attendance Rate (%)
		2024/2/27	2024/12/18					
Independent Director	Yi-Min Lin	●	●	Independent Director	Yi-Min Lin Convener	5	0	100%
Independent Director	Chia-Chi Kuo	●	●					
Independent Director	Cheng-Shong Hong	●	●	Independent Director	Chia-Chi Kuo	5	0	100%
				Independent Director	Cheng-Shong Hong	5	0	100%

Note: ●: Attended in person ◎: Attended by video ○: Attended by proxy

△: Did not attend

● **Board Performance Evaluation**

In order to implement corporate governance and enhance the functionality of the Board of Directors, the Company has established performance indicators to strengthen the efficiency of the Board’s operations. The “Board of Directors Performance Evaluation Guidelines” have been formulated and passed. Each year, the Board of Directors and functional committees conduct self-assessment through questionnaires, with the evaluation content as shown in the table below:

Implementation of Board Evaluation

Evaluation Period	Evaluation Time	Evaluation Scope	Evaluation Method	Evaluation Content
Once per year	2024.01.01 -2024.12.31	Board of Directors	Internal self-assessment of the Board of Directors	Participation in company operations, quality of Board decision-making, composition and structure of the Board of Directors, appointment and continuous education of directors, internal controls Awareness and Engagement in the Company's ESG Initiatives
	2024.01.01 -2024.12.31	Individual Board Members	Self-assessment of individual Board members	Understanding of company objectives and missions, awareness of director responsibilities, participation in company operations, internal relationship management and communication, professional knowledge and continuous education, internal controls
	2024.01.01 -2024.12.31	Audit Committee	Internal self-assessment of the Audit Committee	Understanding of company objectives and missions, awareness of director responsibilities, participation in company operations, internal relationship management and communication, professional knowledge and continuous education, internal controls
	2024.01.01 -2024.12.31	Remuneration Committee	Internal self-assessment of the Remuneration Committee	Participation in company operations, understanding of functional committee responsibilities, quality of functional committee decision-making, composition and appointment of committee members, internal controls

Note : The company's 2023 Board Performance Self-Assessment was completed, and the evaluation results were reported to the Board on February 27, 2024. These results will serve as the basis for review and improvement. Key items with lower scores are summarized below:

Scope of Evaluation	Items with Lower Scores	Future Actions
Board Self-Assessment	<p>F. Awareness and Engagement in the Company's ESG Initiatives 49. The Board of Directors (including the Remuneration Committee) has incorporated climate change-related performance indicators into the evaluation and formulation of the remuneration policy for directors and executives.</p>	<p>The Board Secretariat will periodically communicate relevant ESG information to the board members, enabling them to understand and engage in the company's ESG initiatives and operations.</p>
Individual Director Self-Assessment	<p>E. Professionalism and Continuing Education of Directors 5. New directors have understood their responsibilities and are familiar with the company's operations and environment.</p> <p>E. Professionalism and Continuing Education of Directors 19. Directors have pursued diverse courses beyond their respective areas of expertise and participate in appropriate training annually.</p>	<p>By participating in board meetings and attending various corporate governance training courses, directors enhance their professional understanding of the board's responsibilities and operational model.</p>
Audit Committee	<p>D. Functional Committee Composition and Member Selection 19. The composition of the functional committee is appropriate and includes the necessary expertise for the decision-making process.</p> <p>E. Internal Control 22. The Audit Committee is able to effectively assess and supervise the effectiveness of internal control systems and risk management.</p>	<p>Enhance the Audit Committee's thorough understanding of the company's operations and business model, and its supervision of the effectiveness of internal control systems.</p>
Remuneration Committee	<p>B. Understanding of the Responsibilities of Functional Committees 6. The functional committee is able to effectively assess and monitor the various existing or potential risks faced by the company.</p>	<p>Enhance the information provided to enable the Remuneration Committee to monitor the company's potential risks.</p>

6.2 Integrity Management

The Company has established “Code of Ethical Conduct,” “Code of Ethics for Directors and Managers,” “Corporate Governance Guidelines,” “Work Rules,” and “Occupational Safety and Health Guidelines” ,” and related measures such as the "Prevention of Illegal Interference with the Performance of Duties." (available for reference on the Company’s website: https://www.fineblanking.com.tw/ec99/rwd1280/category.asp?category_id=38).

These regulations are issued by the Board of Directors or senior executives and apply to all activities and business relationships of the Company. They serve as behavioral standards for executives and employees. Through the risk identification mechanism of internal control self-assessment, corruption risks and risks arising from internal and external events, including risks that may affect the achievement of objectives, financial reporting risks, and compliance risks are all taken into consideration. Established corruption-prone risks and identified risks are integrated into organizational responsibilities and managed through appropriate functional divisions and internal audit mechanisms to reduce and control such risks. The Company has an independent audit unit reporting directly to the Board of Directors, responsible for internal audit affairs. The current organization consists of one audit supervisor and one audit personnel.

To ensure business performance and efficiency (including profitability, performance, asset security, etc.), reliable, timely, and transparent reporting, and compliance with relevant regulations and laws. The Company’s internal control is based on self-supervision, making adjustments in response to environmental and situational changes. The internal control system consists of five components: 1. Control Environment, 2. Risk Assessment, 3. Control Activities, 4. Information and Communication, and 5. Supervision.



6.2.1 Management and Employee Signing of Corporate Social Responsibility Declaration and Anti-Corruption Statement

The “Communication Management Procedures” of the Company, reviewed by a senior executive committee, is established to provide internal training and signing of internal corporate social responsibility statements for directors and employees, and signing of corporate social responsibility statements for suppliers. In 2024, new employees received education and training and signed the Corporate Social Responsibility Declaration and Anti-Corruption Statement. Through periodic regulatory advocacy activities, internal bulletin board announcements, etc., employees are informed of the latest or regulations related to their work, further strengthening their firm commitment to adherence to professional ethics.

▪ **Five Declarations of Corporate Social Responsibility**



The Company upholds its core value of “Inclusive Growth” and supports the United Nations Universal Declaration of Human Rights (UDHR) and related international concepts of respecting human rights. At the same time, we adhere to the local regulations of all global operating locations, and treat all employees with dignity and respect. Information on human rights protection training, human rights concerns and practices, and employee communication channels for the year 2024 are covered in section 5.4 Human Rights and Communication of this Report.

6.2.2 Effectiveness of Anti-Corruption Advocacy

In 2024, the Company had no incidents of corruption, bribery, illegal political donations, improper charity donations, improper benefits, or other unethical practices. It did not incur significant fines for violating regulations related to labor, environment, or society. In 2024, the total monetary loss resulting from legal disputes related to anti-competitive behavior regulations was 0.

6.2.3 Operation of the Company Whistleblowing System

Both internal and external websites of the Company have established e-mail and hotlines to allow employees and external parties to report any improper practices. The Company ensures the confidentiality of the whistleblower’s identity and report content, and actively and prudently investigates and handles reported cases. If there are violations of ethical management regulations, they will be reported and dealt with according to relevant personnel regulations. Information on the job title, surname, violation date, violation content, and handling situation of the violators will be disclosed on the company’s internal website.

If the penalized individuals believe that the company has handled the matter improperly, they may file a complaint with the management department for remediation. If human rights complaints are received, the Human Resources Arbitration Committee may convene a meeting to record the details of the incident. The committee consists of managers at the department level, with the President serving as the chairperson. The committee votes to determine whether punishment is necessary.

In 2024, the Company did not receive any reports of improper practices from whistleblowers.

6.3 Risk Management

The Company's risk management process includes risk identification, risk analysis, risk assessment, risk response, and continuous monitoring and improvement, all of which are ongoing processes for effective management.

Based on the characteristics and impact of various risks generated by operations, significant policies, endorsements, guarantees, fund loans, and bank financing of the Company are all subject to evaluation and analysis by appropriate responsible departments before execution based on resolutions of the Board of Directors. The Auditing Office also formulates its annual audit plan based on risk assessment results and implements it effectively to ensure oversight and control of risk management implementation.

Major Risk Categories	Risk Management Responsible Unit(First Mechanism)	Risk Review and Control Mechanism (Second Mechanism)	Risk Decision-making and Oversight (Third Mechanism)	Response Measures
Company Overall Strategy and Objective Risks	Top Management	Business Review Meetings	※Response and Handling by Highest Decision-making Body: Board of Directors	<ol style="list-style-type: none"> At the end of each year, review the performance of the current year and set the direction for implementing the strategy goals for the following year. Monthly business review meetings to review and control the achievement status of the company's overall strategic objectives and risk response measures. Immediate response to potential risks affecting goal achievement through weekly executive meetings. Hold at least one Board meeting per quarter to review the achievement status of the company's overall strategic objectives. For risks associated with unmet goals, decide on response and handling measures.
Tariff and Geopolitical Risks	Top Management	Business Review Meetings	※Unit Responsible for Monitoring and Tracking Risk Matters: Audit Office	<ol style="list-style-type: none"> The company will continue to leverage the overall resources of the group to deeply cultivate the automotive, special vehicle, and agricultural vehicle OEM markets. We will enhance our collaborative development with customers to improve brake system capabilities and adopt a more proactive global market strategy. Using the operational location in Vietnam as a base, we will actively expand the Southeast Asian market, while the operational location in Taiwan will focus on markets outside of the United States, particularly in Europe and North America. We will adjust and allocate resources according to customer needs to appropriately diversify risks. Internally, we will actively promote information optimization and improve TPS (Toyota Production System) activities to enhance overall workflow efficiency, improve yield rates, or reduce error rates. This will lower costs, strengthen the company's competitiveness, and stabilize finances, thereby increasing operational resilience. Furthermore, we will reduce the impact of U.S. tariffs and continue to monitor changes in U.S. tariff policies. We will adjust corresponding strategies to ensure the company's stable operation.

Major Risk Categories	Risk Management Responsible Unit(First Mechanism)	Risk Review and Control Mechanism (Second Mechanism)	Risk Decision-making and Oversight (Third Mechanism)	Response Measures
Market Risks	Department of Business Management	Business Review Meetings		<ol style="list-style-type: none"> 1. Competitive action for new product development: Understand and match the direction of existing customer development in order to increase the sales opportunities of new product lines. 2. In accordance with the Company's internal control system of the sales cycle to regulate the operations of all relevant departments to reduce the order and accounts receivable process risk management, customer credit risk assessment and control operations.
Regulatory Compliance and Control	Management Department	Business Review Meetings Board of Directors		<ol style="list-style-type: none"> 1. The Company has set up the "Environmental Safety and Health Regulations and Requirements Identification Management Measures," and the regulation checking personnel conducts the environmental safety and health related regulations checking every month. Since 2016, it has been extended to the checking of the related laws and regulations of finance, industry and commerce, personal data, and labor, in order to confirm the legal compliance status and to improve the operation with no delay. 2. The Company has established the "Contract Review Management Regulations," which stipulates the authority to audit and the audit procedures. 3. The Company employs a legal advisor and a dedicated legal staff of the GSK Group to provide counseling services on various contracts, agreements and legal matters.
Information Risks	President's Office	Business Review Meetings	<p>※Response and Handling by Highest Decision-making Body: Board of Directors</p> <p>※Unit Responsible for Monitoring and Tracking Risk Matters: Audit Office</p>	<p>The Company has formulated standard operating procedures such as "Information Operation Management Regulations", which applies to: application system development and maintenance, data access, backup mechanism, virus and network intrusion protection, server room installation, uninterrupted power supply system, and access control system. Control measures are taken in accordance with company standards, and authorized access control is implemented.</p> <p>The management structure of information security management, information security policy, specific management programs, and resources invested in information security management are described on pages 133-136.</p>
Financial Risks	Budget Committee Management Department	Business Review Meetings Board of Directors	<p>※Response and Handling by Highest Decision-making Body: Board of Directors</p> <p>※Unit Responsible for Monitoring and Tracking Risk Matters: Audit Office</p>	<ol style="list-style-type: none"> 1. Liquidity Risks: The Company maintains stable profitability and sufficient operating funds, with no significant bank borrowings. We will continue to maintain cash equivalents and fixed deposits not less than monthly revenue. 2. Interest Rate Risks: The company mainly uses operating funds to repay long-term and short-term loans. When there are short-term funds, the Company primarily invests in high-liquidity short-term notes and fixed deposits to safeguard principal and maintain liquidity. 3. Exchange Rate Fluctuation Risk: The Company constantly monitors exchange rate fluctuations

Major Risk Categories	Risk Management Responsible Unit(First Mechanism)	Risk Review and Control Mechanism (Second Mechanism)	Risk Decision-making and Oversight (Third Mechanism)	Response Measures
				<p>when utilizing foreign currency short-term borrowings for importing steel. It uses exchange rate hedging tools and negotiates price adjustments with customers whose business is significantly affected by exchange rate fluctuations.</p> <p>4. Inflation Risks: The Company will continuously monitor changes in inflation and adjust the procurement inventory of raw materials accordingly. We will also implement improvement proposals to reduce costs and increase efficiency.</p> <p>5. Other Financial Risks: The Company does not engage in high-risk, high-leverage investments, or derivative transactions. In 2023, the Company did not provide endorsements or guarantees for others, nor did it extend loans to others. The Company has established the “Procedures for Fund Lending and Endorsement Guarantees,” and relevant operations are conducted in accordance with the prescribed procedures.</p>
Personnel Risks	Management Department	Business Review Meetings		<p>To respond to changes in demographics, migrant worker risks, and declining birth rates:</p> <p>1. The Company continues to collaborate with universities and colleges to provide training for newly recruited personnel.</p> <p>2. Continue to promote the optimization of production lines, and implementation of TPS and TPM to improve production efficiency.</p> <p>3. Evaluate and implement automation of various equipment and production lines to reduce personnel requirements.</p>
Environment, Safety and Health Accident Risks:	Safety Management Office Environmental Security System Committee	Business Review Meetings Occupational Safety and Health Committee	※Response and Handling by Highest Decision-making Body: Board of Directors	<p>1. The Company has obtained verification for environmental, safety, and health management systems, such as ISO 14001 and CNS 45001 (ISO 45001). The internal TPM environmental and safety subcommittee continues to promote system operations, set objectives, and implement programs to reduce environmental and occupational safety risks.</p> <p>2. For emerging infectious disease response risks (e.g., COVID-19), the response measures are explained on 5.5 Occupational Health and Safety.</p>
Climate Change Risks	Energy System Committee Greenhouse Gas Inventory Committee TCFD Promotion Committee	Business Review Meetings Occupational Safety and Health Committee Sustainability Committee	※Unit Responsible for Monitoring and Tracking Risk Matters: Audit Office	<p>1. On December 21, 2021, the Board of Directors approved the establishment of the “TCFD Promotion Committee” under the Sustainability Committee to utilize the TCFD framework to construct the Company’s climate risk identification process. After discussions by the Promotion Committee and key members regarding climate risks and opportunities, the “Fine Blanking & Tool 2024 Climate-Related Financial Disclosure Report” was compiled and summarized. For details, please refer to section 4.1 Climate Change.</p> <p>2. Although the Company has not yet been included as a target under the greenhouse gas reduction regulations, plant No.1 and No.3 of the Company are energy-intensive users, and the main</p>

Major Risk Categories	Risk Management Responsible Unit(First Mechanism)	Risk Review and Control Mechanism (Second Mechanism)	Risk Decision-making and Oversight (Third Mechanism)	Response Measures
				<p>greenhouse gases are energy-related indirect emissions (Category 2) mainly from electricity, accounting for about 83%. Since 2015, the Company has implemented the ISO 50001 Energy Management System and established the Energy Implementation Committee to carry out various energy management action plans with a goal of achieving at least 1% energy savings annually. At the same time, the Company conducts greenhouse gas emissions inventories and indirectly reduces greenhouse gas emissions through the promotion of ISO 50001 energy projects to mitigate climate change risks.</p> <p>3. Many governments are considering implementing carbon taxes or energy taxes, which will increase the prices of raw materials and energy required for production over the years. These factors will raise production costs for companies. The Company will continue to monitor changes in domestic and foreign regulations, understand regulatory trends, and make preparations in advance to reduce potential financial costs.</p>

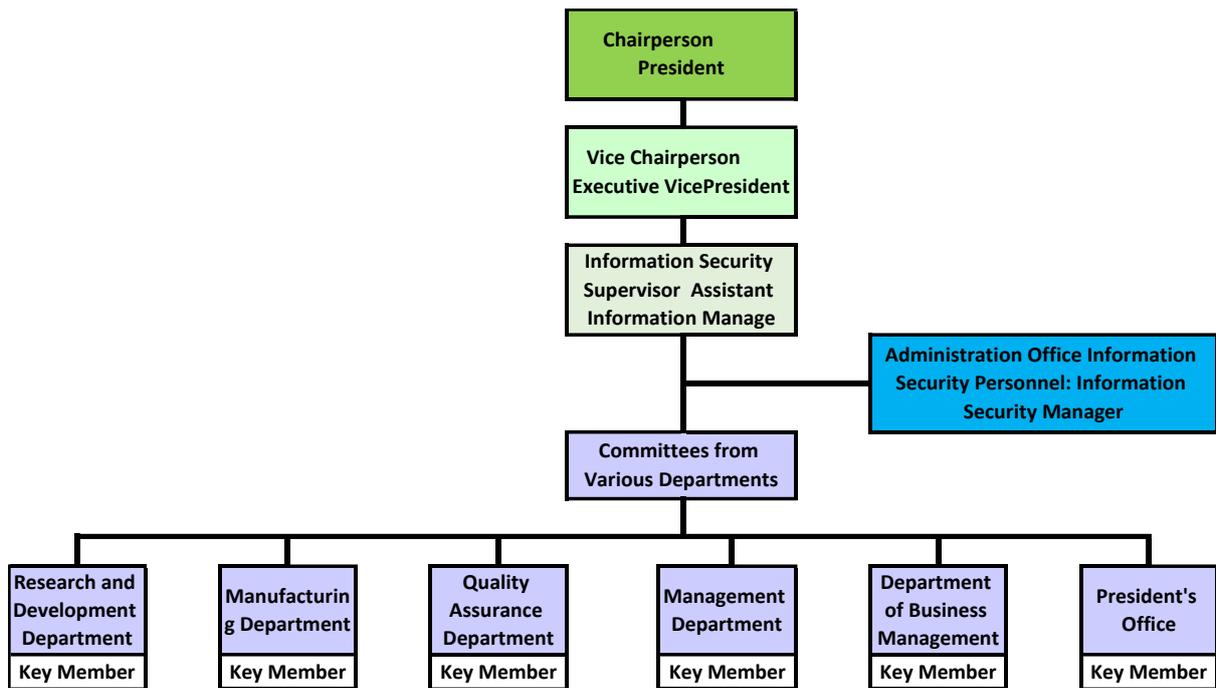
● Information Security Management

1. Information Security Risk Management Framework

The Company has established a Risk Management Committee that conducts regular risk assessments annually. Starting from August 2018, due to potential failures or intrusions in information system equipment that could increase the risk of operational disruption, we have strengthened various information security protective measures and set management objectives to enhance information management efficiency. The management objectives undergo regular performance reviews and controls.

The Company has established relevant operational standards such as “Information Operation Management Regulations,” “Portable Storage Media Management Regulations,” and “Email Operation,” which cover: application system development and maintenance, data access, backup mechanisms, virus and network intrusion protection, data center installation of uninterruptible power supply systems, access control systems, management of portable hard drives and USB drives, and email usage authorization management. Employees execute and implement these activities according to company regulations and ensure the implementation of authorized access control to ensure information security.

The Information Security Management Committee was established in January 2022, with the President and Vice President serving as the Chairperson and Vice Chairperson, respectively. The Deputy Manager and managers of the President’s Office are designated as responsible individuals for information security, leading and maintaining the execution of information security policies. The organization chart of the Information Security Management Committee is as follows:

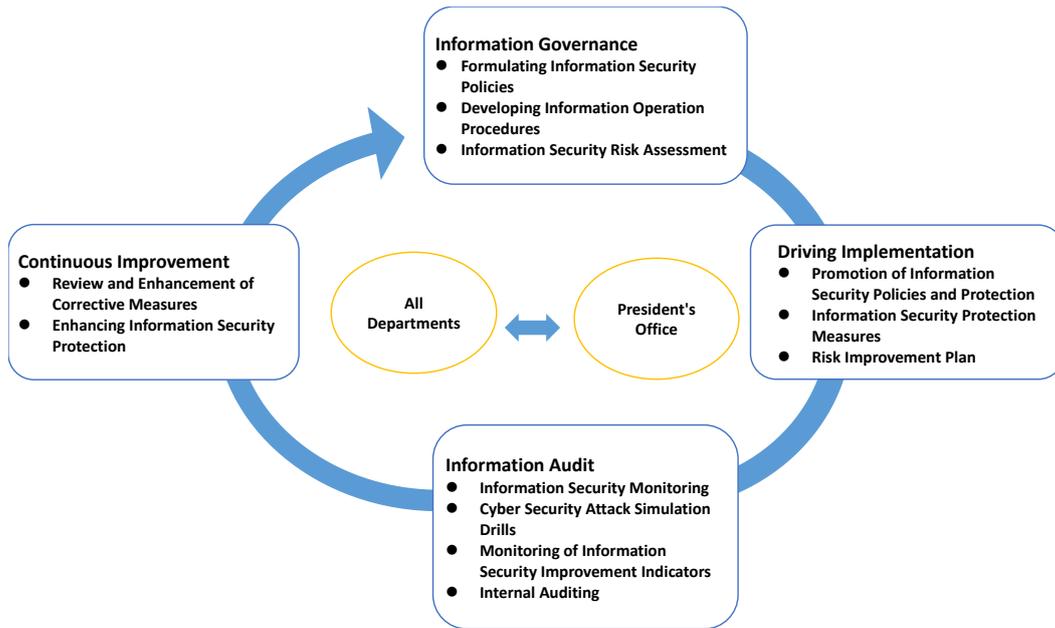


2. The Company has formulated the “Information Operation Management Regulations”, which stipulate the following information security policies:

As an enterprise engaged in the manufacture of automobile, motorcycle, and bicycle parts, in order to prevent unauthorized access, control, or other infringements of information systems and to ensure the confidentiality, integrity, and availability of information, the Company has established the following policy for all employees to follow jointly:

- Compliance with government information security-related legal requirements.
- Establishment of system and network permissions to prevent unauthorized use.
- Provision of suitable information software and hardware to maintain normal company operations.
- Establishment of a system data backup mechanism to verify the feasibility and correctness of data recovery.
- Establishment of information security protective measures to prevent viruses and hacker invasions.
- Establishment of an information security reporting mechanism to reduce the impact on company operations.
- Employee information security education and training to enhance awareness of information security.

3. Information Security Risk Management Framework and Continuous Improvement Process Flowchart.



4. Specific Management Solutions

Management Solutions		2024 Implementation Status
 <p>Network Safety</p>	<ul style="list-style-type: none"> ● Strengthen network firewalls and network controls to prevent computer virus spread across machines and factories. 	<ul style="list-style-type: none"> ● Establish firewalls for real-time monitoring, promptly report and eliminate abnormalities.
 <p>Device Safety</p>	<ul style="list-style-type: none"> ● Conduct vulnerability detection and penetration testing at least once every two years. ● Implement endpoint antivirus measures based on computer types, and enhance malicious software behavior detection. 	<ul style="list-style-type: none"> ● Vulnerability detection and penetration testing were conducted in 2024. ● Weekly virus code updates and scans.
 <p>Enhanced Information Security Protection Technology</p>	<ul style="list-style-type: none"> ● Document and data encryption control and effective tracking. 	<ul style="list-style-type: none"> ● Access permissions set according to department roles. ● Email usage authorization management. ● Management of portable hardware and USB drives. ● Computer system host disposal, destroy the equipment to ensure it's not used by others, so that the data is not captured or leaked.

Management Solutions		2024 Implementation Status
 <p>Education, Training, and Advocacy</p>	<ul style="list-style-type: none"> ● Each unit implements information security promotion campaign at least once a year. ● Conduct at least one information security emergency response drill per year. 	<ul style="list-style-type: none"> ● In 2024, a total of 150 people participated in information security promotion activities. ● In May 2024, an intrusion response drill for information systems was conducted.

5.Resources Invested in Information Security Management

- (1).Human Resources: The Company’s information security operations involve a total of 23 personnel, including the Chairperson, Vice Chairperson, responsible manager for information security, responsible personnel for information security, implementation committee members from various departments, and designated key members.
- (2).Security Equipment: Includes firewalls, antivirus software, network automatic defense systems, email filtering systems, application system development and maintenance data access, mobile media management, access control and password management, backup systems, and cloud storage management.
- (3).Physical Environment Setup: Includes data center access control and uninterruptible power supply systems.

6.Even though the company has established the above management processes and numerous information security protective measures, it cannot guarantee the complete prevention of network attacks from any third party that could paralyze the computer systems essential for crucial business functions such as manufacturing, operations, and accounting.

The Company will continuously review and assess information-related SOPs to ensure their appropriateness and effectiveness. Internal information security training and promotion will be carried out at least once a year in each unit, such as not to open files from unknown sources, not to install unknown programs, not to link to websites arbitrarily, etc., in order to enhance the ability of users in each unit to identify information security and develop good operating habits.

Regular simulated information system intrusion disaster recovery drills are conducted, and the results are reviewed. When necessary, the original management processes are revised and necessary facilities are added to reduce the risk of unauthorized intrusion into the information system.

7.In the 2024 fiscal year 1, the Company did not experience any significant cybersecurity risks.

6.4.Operational Performance

GRI 201 Economic Performance 2016 Management Approach

Item	Description	Content
Material Topics and its Boundaries	Reason for the materiality of this topic	Stable and strong financial performance is essential to achieve shareholders' equity and the sustainable development of the company in the future. The Company is committed to enhancing profitability and creating higher economic value, aiming to achieve value recognition and satisfaction among shareholders, customers, suppliers, contractors, employees, and other relevant stakeholders.
	Boundary for this topic	Employees (direct impact), Customers/Clients (business operations impact), Suppliers (business operations impact), Shareholders (indirect impact), Group (indirect impact)
	Limitations of disclosure within this boundary	The financial disclosures in this year's report mainly focus on consolidated financial information, while other information related to the parent company's individual financial statements and the relevant information of investee companies is presented in the parent company's individual financial statements and annual report.
Management Approach and Its Components	Management objectives for this topic	Continue to pursue sustainable development, profitability, and growth.
	Policy	Continuously collaborate with customers and develop new products independently to establish a stable revenue source and enhance profitability.
	Commitments	Comply with regulations from various regulatory authorities and implement management policies to continuously create maximum benefits for the company and all stakeholders.
	Goals and Targets	The Company formulates operational strategies and objectives annually based on the future development direction of the company, changes in internal and external environments, and the company's strengths and weaknesses.
	Responsibility	The President's Office is responsible for aggregating and reviewing the goal plans of various departments within the company.
	Resources	<ol style="list-style-type: none"> Overall customer relationships in the group externally and core capabilities in developing precision stamping molds and product development capabilities internally. Integration of upstream and downstream processes, making full use of external resources.
	Grievance Mechanism	If any stakeholders discover any suspected violations of ethics and integrity, they can report it through the following channels: External Complaint Unit: Wu Gao-chuan, Department of Auditing External Complaint Phone: 04-7990118 ext. 106 External Complaint Email: gmo12@fineblanking.com.tw Internal Complaint Phone: 04-7990118 ext. 120 Internal Complaint Email: adm20@fineblanking.com.tw
Specific Actions	<ol style="list-style-type: none"> Continue to carry out self-development of products and update and optimize production equipment or processes to enhance the company's operational competitiveness. Promote TPS and TPM activities to improve production efficiency and reduce defective rate. 	
Evaluation of the Management Approach	Management Assessment Mechanism	Monthly regular management meetings are held by executives at level 1 and above to conduct performance reviews for the current month.
	Results of Management Policy Evaluation	In 2024, the consolidated revenue was NT\$29.095 billion, and the after-tax net income was NT\$2.88 million.
	Management Policy Adjustments	We have set targets for consolidated revenue and net income after tax for the three years starting from 2024, and will continue to maximize the benefits for the Company and its stakeholders in the future.

The company's consolidated financial statements include subsidiaries SUPERIORITY ENTERPRISE CORP., PROPITIOUS INTERNATIONAL INC., Suzhou Changxing Technology Co., Ltd., and GSK VIETNAM CO., LTD. (FINE BLANKING & TOOL Vietnam Co., Ltd.). In 2023, due to the global economic impact of inflation and high interest rates, end-user demand remained weak. As a result, the consolidated revenue for 2024 decreased by 1.73% year-over-year, and the overall consolidated net income after tax increased by 5.53%. The key financial information for the years 2022 to 2024 is as follows:

Unit: Thousand NTD

Item	2022	2023	2024	Percentage of increase or decrease in 2024 over 2023
Total assets	3,312,029	3,273,891	3,359,993	2.63%
Total liabilities	545,093	490,668	468,860	-4.44%
Owners' equity attributable to parent company	2,440,776	2,455,865	2,541,183	3.47%
Net operating revenue	3,141,305	2,860,040	2,909,509	1.73%
Pre-tax profit	418,195	372,870	397,251	6.54%
Net income for the period	306,478	273,083	288,195	5.53%
Net income attributable to owners of the parent company	213,388	181,424	185,076	2.01%

The Company's main products are blanking components for motorcycles and automobiles. Due to the lack of statistical data on individual products of automotive and motorcycle parts from industry research institutions, market share estimates for the Company's four major product categories are mainly based on statistics from the Taiwan Transportation Vehicle Manufacturers Association.

(1). Motorcycle Disc Brakes

The main production locations for motorcycle disc brakes are Taiwan and GSK Vietnam. The market share in Taiwan and Vietnam is as follows:

- A. Market share in the Taiwan domestic market for motorcycle disc brakes for 2022 to 2024: The Company's Taiwan operational sites mainly supply motorcycle disc brakes directly to manufacturers such as SYM, KYMCO, YAMAHA Taiwan, Gogoro, PGO Scooters, and SUZUKI. The market share in the domestic motorcycle disc brake market for 2022 to 2024 was over 60%.
- B. Market share in the Vietnam market for motorcycle disc brakes for 2022 to 2024: The Company's Vietnam operational sites mainly sell motorcycle disc brakes directly or indirectly to local Taiwanese and Japanese car manufacturers, such as Honda, SYM, SUZUKI, PGO, and KYMCO. The market share in the Vietnam motorcycle disc brake market for 2022 to 2024 was approximately 60%.

(2). Other Precision Blanking Components

Since 2000, the Company has obtained orders for related precision blanking components for the world's largest vehicle safety airbag and seatbelt manufacturer, Autoliv Group. The annual production volume of seatbelt metal parts at the company's operational sites from 2022 to 2024 is approximately between 6.5 million PCS to 10 million PCS. The global sales volume were approximately 80 million vehicles and 90 million vehicles, respectively. The usage of seatbelts accounted for approximately 1.6% to 2.5% of the global market.

(3). Motorcycle Seats

The main production location for motorcycle seats are the Vietnam operational sites. The Company directly sells motorcycle seats to local Taiwanese and Japanese car manufacturers, such as Honda, YAMAHA, SYM, PGO, and KYMCO, with a production share of approximately 50% to 100% for each manufacturer. The market share in the Vietnam motorcycle seat market from 2021 to 2024 was approximately 63%, 66%, 72% and 70%, respectively.

(4). Automobile Seats

The main production location for automobile seats is GSK VIETNAM CO., LTD. The Company directly sells automobile seats to local car manufacturers such as Honda. The Company's shipment volume in 2021 and 2024 accounted for approximately 9% of the local assembly and sales volume in Vietnam.

The Company will continue to cultivate the OEM market for automotive and motorcycle components through the overall resources of the group, strengthen the development mechanism and process technology capabilities to expand products and markets. We will also continuously integrate and implement various operational information systems to enhance operational efficiency, promote TPS improvement activities to increase management capacity, implement the dashboard management system to reduce production lead time and improve delivery efficiency, reduce costs, and ultimately increase profitability.

Financial Performance

Unit: Thousand NTD

Financial Items	2022	2023	2024
Operating Revenue(A)	3,141,305	2,860,040	2,909,509
Operating Costs(B)	2,532,909	2,293,463	2,342,367
Operating Expenses(C)	231,704	233,156	233,489
Employee Remuneration and Benefits (Note 1)	421,257	393,883	406,620
Cash Dividends Paid to Shareholders (D)(Note 3)	151,323	121,059	121,059
Income Tax(E)	111,717	99,787	109,056
Community Investment Donations (Note 2)	239	393	349
Retained Economic Value(a)(a=A-B-C-D-E)	113,652	112,575	103,538

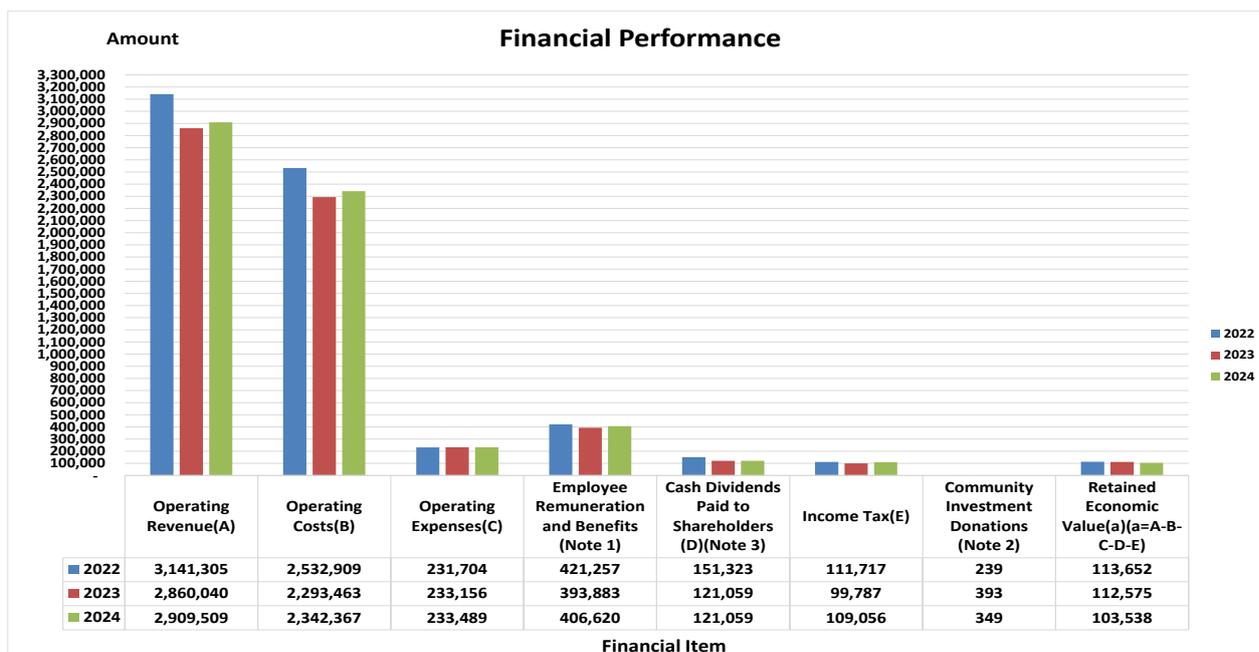
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Note 1 : Employee salaries and benefits are included in both operating expenses and operating costs.

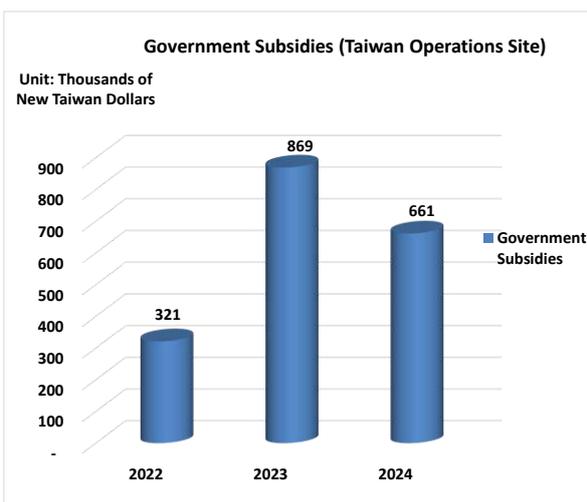
Note 2 : Donations are included in operating expenses.

Note 3 : 2022 cash dividend distribution: NT\$2, NT\$151,323,000
 2023 cash dividend distribution: NT\$1.6, NT\$121,059,000
 2024 cash dividend distribution: NT\$1.6, NT\$121,059,000

Data Source: 2024 Consolidated Financial Reports and Internal Accounting Classification.



Government Subsidies in 2024 (Taiwan Operations Site)



Month	Summary	Amount
01	Application for Work-Life Balance Subsidy for Fiscal Year 2023	38,000
06	Youth Employment Navigation Program Subsidy – Guo O O (First Application)	33,000
08	Power and Utility Equipment Subsidy (Subject to Withholding Tax)	375,000
09	Continued Employment of Elderly Program Subsidy (Chen O O First Application)	78,000
10	2024 Reemployment Program for Middle-aged and Older Adults Subsidy (Ye O O) (With Withholding Tax Certificate)	4,568
10	2024 Application for Work-Life Balance Subsidy (With Withholding Tax Certificate)	11,700
12	Youth Employment Navigation Program Subsidy – Guo O O (Second Application) (With Withholding Tax Certificate)	30,667
12	2024 Corporate Human Resources Enhancement Program Subsidy (With Withholding Tax Certificate)	34,650
12	Continued Employment of Elderly Program Subsidy (Chen O O Second Application) (With Withholding Tax Certificate)	45,000
12	Maternity Check-up Leave Salary Subsidy (With Withholding Tax Certificate)	3,903
12	Paternity Check-up Leave Salary Subsidy (With Withholding Tax Certificate)	6,246
	Total	660,734

Note: Government subsidies for the year 2024 (Taiwan Operations Site) are recognized based on the actual receipts recorded within the year.

Government Subsidies in 2024 (China Operational Sites)

Month	Summary	Amount
1	Subsidy Statistics	2,255
2	2023 Subsidy Statistics for Technology-based SMEs	9,022
3	Stabilization Job Retention Subsidy	139,927
	Total	151,204