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Solomon Data International
Corporation

2024 Annual Report

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Taiwan Stock Exchange Market Observation

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一、 **Spokesperson、Acting Spokesperson：**

Name: Jennifer Lee
Title: Project Manager
Telep hone: +886 (2) 7721-0240
E-Mail: shares@mail.datavision.com.tw

Acting Spokesperson:

Name : Chen Ssu-Mei
Title : Chief Financial and Accounting Officer
Telephone : +886 (2) 7721-0240
E-Mail : shares@mail.datavision.com.tw

二、 **Addresses and Contact Numbers of the Head Office, Branches,**

and Factory Sites:

- Headquarters: 6F, No. 42 Sing Zhong Road, Neihs District, Taipei City, R.O.C
Telephone: +886 (2)7721-0240
- Factory: 3F, No. 2, Lane 47, Section 3, Nangang District, Taipei City
Telephone : +886 (2)2788-0866

三、 **Stock Transfer Agent:**

Name: President Securities Corporation Stock Agency Department
Address: B1F., No.8, Dongxing Road, Songshan District, Taipei City, R.O.C.
Telephone:+886 (2) 2747-8266
Website: <http://www.pscnet.com.tw>

四、 **The Recent Annual Financial Reports:**

Name of Accounting Firm: PwC Taiwan
Name of CPA: Liang Yi-Chang and Wen Ya-Fang
Address: 27F, No. 333, Sec.1, Keelung Road, Xinyi Dist., Taipei City, R.O.C
Telephone: +886 (2) 2729-6666
Website: <https://www.pwc.tw/>

五、 **Name of Overseas Exchange Where Securities are Listed, and Method of Inquirey:** None

六、 **Company Website:** <https://www.solomon-es.com.tw/>

Table of Contents

Chapter 1.	Letter to Shareholders	1
Chapter 2.	Corporate Governance Report.....	4
I.	Directors and Managerial Officers	4
II.	Remuneration to Directors and Managerial Officers	14
III.	Information on Corporate Governance	23
IV.	Information of Professional Fees for CPAs.....	79
V.	Information of Change of CPAs.....	79
VI.	Information of Positions That the Chairman, General Manager or Financial/Accounting Manager Served in the Firm of the CPAs or Any of Its Associates in the Most Recent Year	79
VII.	Transfers of Shares and Changes in Pledged Shares Held by Directors, Managerial Officers, and Major Shareholders	79
VIII.	Information of shareholders with top 10 shareholdings and the relationship between them.....	80
IX.	Comprehensive Shareholding Percentages	81
Chapter 3.	Fundraising status: Capital and shares	82
I.	Sources of share capital.....	82
II.	List of Major Shareholders.....	84
III.	The Company's Dividend Policy and Its Implementation	84
IV.	Effects of Bonus Shares Proposed This Year on the Business Performance and Earnings per Share of the Company.....	86
V.	Remuneration to employees and to directors	86
VI.	Repurchase of the Company's Own Shares	88
Chapter 4.	Fundraising status: others.....	89
I.	Issuance of Corporate Bonds.....	89
II.	Issuance of Preferred Shares	89
III.	Issuance of Depositary Receipts	89
IV.	Issuance of Employee Stock Warrants and Restricted Stock Awards for Employees	89
V.	Issuance of New Shares with Shares Acquired or Assigned from Other Companies.....	89
VI.	Implementation of the Fund Usage Plan	89
Chapter 5.	Overview of Operations	90
I.	Information of Business Activities.....	90
II.	Overview of Markets and Production/Sales.....	95
III.	Employees in Service	101
IV.	Information of Environmental Protection Expenses	101
V.	Labor-Management Relations	102
VI.	Cybersecurity Management.....	109
VII.	Important Contracts.....	114
Chapter 6.	Review and Analysis of the Financial Position and Financial Performance and the Assessment of Risk Events	145
I.	Financial Position.....	145
II.	Financial Performance.....	146
III.	Cash flow.....	147
IV.	Effects of Material Capital Expenditure in 2024 on Finance and Business	146

V.	Investment Policies for 2024, the Main Reasons for Profits or Losses, the Improvement Plan, and the Investment Plan for 2025	146
VI.	Risk Events.....	146
VII.	Other Important Matters.....	148
Chapter 7.	Special Information	149
I.	Information of Associates.....	149
II.	Private Placement of Securities.....	149
III.	Other Additional Information Required: None.	149
Chapter 8.	Occurrence of Events with a Material Effect on Shareholders' Equity or Securities Price, as Defined under Article 36, Paragraph 3, Subparagraph 2 of the Securities and Exchange Act.....	149

Chapter 1. Letter to Shareholders

Dear Shareholders,

The operating income in 2024 amounted to NT\$187million The net profit after tax was NT\$28 million and the after-tax EPS was NT\$1.36. The Company's operating results in 2024 and the business plan for 2025 are hereby presented as follows:

I. 2024 Business Report

(I) 2024 business plan implementation results and profitability analysis:

Unit: NT\$ Thousand

Item	2024		2023		Increase/Decrease	
	Amount	%	Amount	%	Amount	%
Operating income	187,189	100	259,042	100.00	(71,853)	(27.74)
Gross operating profit	42,136	22.51	47,441	18.31	(5,305)	(11.18)
Operating profit	18,130	9.69	15,946	6.16	2,184	13.70
Pre-tax profit	28,472	15.21	29,985	11.58	(1,513)	(5.05)
Net profit (loss) in the current period	28,191	15.06	29,204	11.27	(1,013)	(3.47)
Earnings per share (NT\$)	1.36		1.41		(0.05)	

(II) Financial revenue and expenditure in 2024:

Unit: NT\$ Thousand

Item	2024	2023
Cash inflow (outflow) from operating activities	33,592	51,152
Cash inflow (outflow) from investing activities	(20,423)	(144,289)
Cash inflow (outflow) from financing activities	(23,118)	(22,997)
Increase (Decrease) in cash and cash equivalents in the current period	(9,949)	(116,134)

(III) R&D performance in 2024:

No.	R&D results
1	Introduction of large-scale SolarEdge inverters in large-scale ground solar energy projects for continuous development of EPC and large power users.
2	Introduction of SolarEdge commercial energy storage equipment.

II. Overview of the 2025 Business Plan

(I) Operating strategies:

Expanding the investment in the energy business and continuously developing the TFT LCM market. The important operating strategies and policies in 2025 are as follows:

- Energy products:
 1. The Company will actively explore solar energy suppliers (end-customers) with the provision of SolarEdge products and services.
 2. We will actively explore solar energy developers/EPC manufacturers to introduce them to various types of inverter models.
 3. SolarEdge commercial energy storage equipment will be introduced for solar photovoltaic applications.
- TFT LCM parts and components:
 1. The fact that the LCM factories in China have gradually shrunk due to the China Plus One policy by the US, coupled with the decrease in the LCM factories in Taiwan, has made Solomon Data International a company with better competitive advantages in the market.
 2. To achieve the economies of scale in terms of the manufacturing of TFT LCM products, the Company will switch to outsourcing production in cooperation with the Group's subsidiary, Solomon Goldentek Display, and constantly develop and expand the application market of TFT products.

(II) Anticipated sales volume and the basis:

- Energy products:

In response to the global energy transition trend, Solomon Data International serves as an agent for SolarEdge's smart energy solutions to undertake large power users' ground and roof solar energy projects. For home/commercial energy storage systems, through the professional green power integration technology, the Company ensures customers' asset security and operational compliance with policies and regulations, thereby meeting the market demand.
- TFT LCM parts and components:

The Company keeps stimulating the market demand of TFT LCM and cooperates with the Group's subsidiary, Solomon Goldentek Display, in order to constantly develop and expand the application market of TFT products. 90% of the applications will focus on the monochrome products for fire prevention systems, electricity meter displays, and industrial use, while the remaining 10% will be for aviation applications (for the displays of remote control in cabins).

III. Future Strategies for the Development of Solomon Data International and the Effects of External Competition, Legal Environment and Overall Business Environment

- Energy products:

The Taiwanese government encourages the development of renewable energy. In August 2024, the total installed solar energy capacity reached the target of 13.6GW, which is 6.4GW away from the target of 20GW by 2025. Since it is clear that the initial target of 20GW of solar power by 2025 could not be met, the timeframe has been extended to November 2026.

Large power users are compulsorily subject to renewable energy installation; the first batch is required to be completed no later than April 2025. Large power users that have not yet installed renewable energy may choose to adopt solar energy, store energy, or pay monetary substitution.

In response, the Company is actively deploying for the demands in the fields of home, commercial and ground solar, and fishery and electricity symbiosis solutions, as well as tailoring the best solar energy solutions according to the actual needs of customers. By doing so, we ensure the maximum benefits of customers and further expand the business opportunities of solar energy applications.

- TFT LCM parts and components:

Under the influence of the US–China trade war and the trend of de-Sinicization of the global supply chain, module manufacturers in Taiwan, with geopolitical advantages, have become reliable suppliers in the international market. Due to the competitive environment, the module manufacturers in China are gradually losing orders from the European and American markets, and the local module manufacturers in Taiwan are decreasing in quantity, forming a shortage of supply. As a result, Solomon Data International displays two advantages: market competition and resource integration.

The Company will take the market opportunities brought by the US–China trade war, speeding up the acceptance of European and American orders transferred from China, and strengthening the brand value of “Made in Taiwan” to consolidate the corporate position in the international market. In cooperation with the Group’s subsidiaries, we will develop customized TFT displays, EC-VA, MIP and other applications to meet the high-end needs of the industrial control and professional application markets, thereby forming a technical barrier. While the number of module manufacturers in Taiwan is declining, the Company should improve the efficiency of production capacity and integrate the upstream and downstream supply chain, so that the costs can be reduced and the economies of scale can be expanded. In addition, the Company will focus on high value-added products, global order transfer and the full utilization of Taiwan’s advantageous resources based on the regulatory environment and market changes, in order to ensure continuous growth and competitive advantages.

Again, we would like to thank all the shareholders for supporting us, and wish you good health and all the best!

Chairman and General Manager:

Chen Cheng-Lung

Chapter 2. Corporate Governance Report

I. Directors and Managerial Officers

(I) Information of Directors:

Book closure date: April 15, 2025

Title	Nationality or country of registration	Name	Gender Age	Date of election (taking office)	Term	Date of first election	Shareholding at time of election		Current shareholding		Current shareholding of spouse and minor children		Nominee shareholding		Professional and educational background	Concurrent positions in the Company and other companies	Other managers, directors or supervisors with a spousal relationship or a relationship within the second degree of consanguinity			Remarks (Note 2)
							Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage			Title	Name	Relationship	
Chairman	ROC	Chen Cheng-Lung	Male 50-60	2024.6.13	3	2010.6.25	119,499 shares 0.58%		69,000 shares 0.33%				0	0	MBA, New York University Master of Accountancy, University of Southern California Master of Economics, University of Michigan Head of BNP Paribas's Securities Research Department in Taiwan and Asia Head of Technology Industries Senior Analyst for the Asian semiconductor industry, Deutsche Securities Analyst for semiconductor industries, Credit Suisse AG Management Consultant, Stern Stewart Director, CASTEC International Corp. Director, INGA NANO Technology Co., Ltd. Chairman, Cornucopia Innovation Corporation	Chairman, General Manager, and Member of Sustainable Development Committee, SOLOMON Technology Corporation Chairman, Solomon Smartnet Corp. General Manager and Member of Sustainable Development Committee, Solomon Data International Corporation Director, Solomon Goldentek Display Corp. Chairman, Moredel Investment Corp. Supervisor, Baguio Recreation Co., Ltd. Director, CENZ Automation Co., Ltd. Chairman, Solomon Technology (USA) Corp. Chairman, Solomon Robotics (Thai) Ltd. Chairman, Solomon Science Technology (VN) Company Limited Chairman, Solomon Energy Technology (Singapore) Pte. Ltd. Director, Solomon Energy Technology Corporation Chairman, Solomon Technology Japan Co., Ltd.	Director	Chen Lu Su-Yue	Mother and son	1. Reason, reasonableness, necessity: In consideration of the Company's business needs and cohesion, it is necessary for the Chairman and General Manager to be the same person. 2. A total of 4 independent directors have been added this term
Director	ROC	Chen Lu Su-Yue	Female 70-80	2024.6.13	3	2024.6.13	0		0				0	0	Junior college Special Assistant, SOLOMON Technology Corporation	Director, SOLOMON Technology Corporation	Chairman	Chen Cheng-Lung	Mother and son	N/A
Director	ROC	Solomon Smartnet Representative: Chiang Chien-Chih	Male 40-50	2024.6.13	3	2021.7.9	—		0				0	0	Bachelor of Chemical Engineering, National Taiwan University Master of Applied Physics, Columbia University, USA Sales and Marketing Specialist of Optical Business Unit, 3M Company Strategy Development Manager, DuPont Manager of Sales Department, Worldmark Manager of Energy Service Department, Skwentex International Corporation	Co-founder and CEO, AggrEnergy Inc. Chairman, Ju Xin Energy Inc. Supervisor, Supernova Energy Co, Ltd. Supervisor, AggrEnergy Inc. Supervisor, Jie Xun Energy Co., Ltd.	None			N/A

Title	Nationality or country of registration	Name	Gender Age	Date of election (taking office)	Term	Date of first election	Shareholding at time of election		Current shareholding		Current shareholding of spouse and minor children		Nominee shareholding		Professional and educational background	Concurrent positions in the Company and other companies	Other managers, directors or supervisors with a spousal relationship or a relationship within the second degree of consanguinity			Remarks (Note 2)
							Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage			Title	Name	Relationship	
Director	ROC	Solomon Smartnet Corp.	Juridical person	2024.6.13	3	2009.7.1	3,759,117 shares 18.17%		3,071,117 shares 14.845%		0		0		Director, EasyCard Investment Holdings Co., Ltd.	None	None			N/A
Director	ROC	Liang Li-Jen	Male 40-50	2024.6.13	3	2021.12.23	0		0		0		0		EMBA, National Cheng-Chi University Bachelor of Biochemistry, University of British Columbia CEO, Project ME Limited Business Director, Opso Technology., Ltd Deputy Manager, Foxconn	Director and General Manager, Cornucopia Innovation Corporation Supervisor, Sheng-Peng Technology Corp.	None			N/A
Director	ROC	Solomon Smartnet Representative: Lee Jung-En	Male 40-50	2024.6.13	3	2024.6.13	—		0		0		0		Bachelor's Degree in Fine Arts, University of Southern California Project Manager, Alston International, Inc. Logistics Manager, Scuderia Development, LLC	Assistant General Manager and Chief Information Security Officer, Solomon Data International Corporation	None			N/A
Independent Director	ROC	Fu Yi-Chung	Male 60-70	2024.6.13	3	2024.6.13	0		0		0		0		Bachelor of Accounting, National Cheng Kung University Cost Section Manager, SAMPO Corporation Accounting Section Manager, HanYu Electronic Technology Inc. Accounting Specialist, Nankang Rubber Tire Corp., Ltd. Assistant General Manager of Finance Department, SOLOMON Technology Corporation Chief Accountant, Solomon Goldentek Display Corp. Chief Financial and Accounting Officer, SOLOMON Technology Corporation Chief Financial and Accounting Officer, Data International Co., Ltd.	Member of Compensation Committee and Member of Audit Committee, Solomon Data International Corporation	None			N/A
Independent Director	ROC	Yu Wen-Pin	Male 60-70	2024.6.13	3	2021.7.9	0		0		0		0		Bachelor of Mathematics, National Taiwan University Master of Management Sciences, Tamkang University Director, Executive Assistant to the Chairman's Office, and Member of Compensation Committee, SOLOMON Technology Corporation Supervisor, UTAC (Taiwan) Corporation Director, TM Technology Inc.	Member of Compensation Committee and Member of Audit Committee, Solomon Data International Corporation	None			N/A
Independent Director	ROC	Chen Hung-Lin	Male 40-50	2024.6.13	3.	2021.7.9	0		0		0		0		Bachelor of Economics, Seattle Pacific University Master of Finance, City University of Seattle Foreign Investment Trader, CLSA Ltd. Assistant Manager of Investment Department, Global Investment Holdings Spokesperson and Executive Assistant to the Chairman, MPI Corporation Responsible Manager of Pao Chen Textile Co., Ltd. and Deputy Assistant General Manager of the CEO's Office,	Chairman, DOUBLE TREASURE FIBER FACTORY CO., LTD. Director, RUNRONG INVESTMENT LTD. Chairman, Song Lin Investment Corp. Independent Director, Farglory Life Insurance Inc. Director, Zen Voce Corporation Director, OMOTESANDO FOOD AND BEVERAGE CO., LTD.	None			N/A

Title	Nationality or country of registration	Name	Gender Age	Date of election (taking office)	Term	Date of first election	Shareholding at time of election		Current shareholding		Current shareholding of spouse and minor children		Nominee shareholding		Professional and educational background	Concurrent positions in the Company and other companies	Other managers, directors or supervisors with a spousal relationship or a relationship within the second degree of consanguinity			Remarks (Note 2)
							Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage			Title	Name	Relationship	
														POU CHEN GROUP Deputy Assistant General Manager of Business Management Department, Pou Chen Corporation Director, System General Limited Director, UTAC (Singapore) Director, Tai Chi Optronics Corp. Independent Director, Candmark Electroptics Co., Ltd.	Director, EBISU FOOD AND BEVERAGE CO., LTD. Independent Director, Forcera Materials Co., Ltd Chairman, SHINTAI FINE CUISINE AND RESTAURATION LTD. Member of Compensation Committee, Audit Committee, and Sustainability Development Committee, Solomon Data International Corporation					
Independent Director	ROC	Wen Chi-Jung	Male 70-80	2024.6.13	3.	2024.6.13	0		0		0		0	Bachelor of Taxation, National Cheng-Chi University Assistant General Manager, Mega Bank General Manager, Mega Management Consulting Co., Ltd. Director, SOLOMON Technology Corporation Vice President, PAO JUAN DEVELOPMENT ENTERPRISE CO., LTD. Supervisor, SOLOMON Technology Corporation	Deputy General Manager, Ing Ho Investment Corp. Member of Compensation Committee, Audit Committee, and Sustainability Development Committee, Solomon Data International Corporation		None		N/A	

Major shareholders of corporate shareholders

Book closure date: April 15, 2025

Name of corporate shareholder	Major shareholders of corporate shareholders
Solomon Smartnet Corp.	SOLOMON Technology Corporation (100%)

Major shareholders of corporate major shareholders

Book closure date: April 15,

2025

Name of company	Major shareholders of company
SOLOMON Technology Corporation	Chen Cheng-Lung (8.63%), Chen Lu Su-Yue (7.04%), Xin Li Investment (6.12%), Chen Jan-Sun (4.43%), Lu Fu Investment Corp. (3.57%), Chen Chuan-Chuan (3.35%), Mo Li Investment (1.60%), Chen Cheng-Lien (1.43%), Yang Yu-Pin (1.10%), HSBC Bank (Taiwan) Limited – Custodian(0.94%)

(II) Information of Directors

1. Disclosure of information about the professional qualifications of directors and the independence of independent directors:

Criteria Name	Professional qualifications and experience	Independence	Number of publicly listed companies where the director is currently also an independent director
Chen Cheng-Lung	Having professional accounting, industrial, financial, marketing, or technological backgrounds, professional skills, and industrial experience. Additionally, having the following skills: 1. Operational judgment skills 2. Accounting and financial analysis skills 3. Business management skills 4. Crisis management skills 5. Industrial knowledge 6. International market insights 7. Leadership skills 8. Decision-making skills	N/A	None
Chen Lu Su-Yue	Having work experience in commerce and investment and that required for the Company's business activities.	N/A	None
Chiang Chien-Chih	Having professional accounting, industrial, financial, marketing, or technological backgrounds, professional skills, and	N/A	None

	<p>industrial experience. Additionally, having the following skills:</p> <ol style="list-style-type: none"> 1. Operational judgment skills 2. Accounting and financial analysis skills 3. Business management skills 4. Crisis management skills 5. Industrial knowledge 6. International market insights 7. Leadership skills 8. Decision-making skills 		
Liang Li-Jen	<p>Having professional accounting, industrial, financial, marketing, or technological backgrounds, professional skills, and industrial experience. Additionally, having the following skills:</p> <ol style="list-style-type: none"> 1. Operational judgment skills 2. Accounting and financial analysis skills 3. Business management skills 4. Crisis management skills 5. Industrial knowledge 6. International market insights 7. Leadership skills 8. Decision-making skills 	N/A	None
Lee Jung-En	<p>Having professional accounting, industrial, financial, marketing, or technological backgrounds, professional skills, and industrial experience. Additionally, having the following skills:</p> <ol style="list-style-type: none"> 1. Operational judgment skills 2. Accounting and financial analysis skills 3. Business management skills 4. Crisis management skills 5. Industrial knowledge 6. International market insights 7. Leadership skills 8. Decision-making skills 	N/A	None
Fu Yi-Chung	<p>Bachelor of Accounting, National Cheng Kung University; having more than 20 years of experience in finance and accounting in listed companies. None of the circumstances under Article 30 of the Company Act apply.</p>	<p>The independent director, member of the Compensation Committee, and member of the Audit Committee . None of the</p>	None

		circumstances described in Note 2 apply.	
Yu Wen-Pin	Master of Management Sciences, Tamkang University; having work experience in business management, investment, finance and accounting that is required for the Company's business activities; Bachelor of Mathematics. None of the circumstances under Article 30 of the Company Act apply.	The independent director, member of the Compensation Committee, and member of the Audit Committee . None of the circumstances described in Note 2 apply.	None
Chen Hung-Lin	Bachelor of Economics, Seattle Pacific University and Master of Finance, City University of Seattle; having more than 20 years of finance-related experience, and extensive experience in insurance/life insurance, financing, and M&A. None of the circumstances under Article 30 of the Company Act apply.	The independent director, member of the Compensation Committee, member of the Audit Committee, and member of the Sustainability Development Committee .	2
Wen Chi-Jung	Bachelor of Taxation, National Cheng-Chi University, working in the field of banking for years and thus having extensive experience in relation to finance and taxation. None of the circumstances under Article 30 of the Company Act apply.	The independent director, member of the Compensation Committee, member of the Audit Committee, and member of the Sustainability Development Committee.	None

Diversity and independence of the Board of Directors:

(1) Diversity of the Board of Directors:

Describe the Board of Directors' diversity policy, goals, and achievements. The diversity policy includes but is not limited to director selection criteria, professional qualifications and experience required for the Board of Directors, and board composition by gender, age, nationality, and culture. Specify concrete goals and their achievement for the said policy. If the number of directors of any gender is less than one-third of the total number of directors, specify the reason and the measures to be taken to enhance the diversity of the Board of Directors:

A. In addition to the "Articles of Incorporation," the Company has established the "Procedures for Election of Directors" that specifies that the candidate nomination system shall be adopted for the nomination and qualification review of directors. The director nominees are proposed to the shareholders' meeting for election after being approved by the Board of Directors. The overall composition of the Board of Directors shall be taken into consideration for the "election of directors." The composition of the Board of Directors shall be determined by taking diversity into account and formulating an appropriate diversity policy based on the Company's business operations, business type, and development needs. It is advised that such a policy include, but is not limited to, the following criteria:

- Basic requirements and values: Gender, age, nationality and culture.
- Professional knowledge and skills: Professional background (e.g. law, accounting, industry, finance, marketing or technology), professional skills and industrial experience.
- Members of the Board of Directors shall possess the necessary knowledge, skills and experience for performing their duties. They shall possess the following skills:
 - (a) Operational judgment skills.
 - (b) Accounting and financial analysis skills.
 - (c) Business management skills.
 - (d) Crisis management skills.
 - (e) Industrial knowledge.
 - (f) International market insights.
 - (g) Leadership skills.
 - (h) Decision-making skills.

B. More than half of the directors shall be persons who have neither a spousal relationship nor a relationship within the second degree of consanguinity with any other director.

The Board of Directors of the Company shall consider adjusting its composition based on the results of the performance evaluation.

C. The specific background and expertise management goals are as follows:

- a. The Company's Board of Directors also values gender equality, and its members shall at least include one female (female representation will be increased to one-third as needed in the future).

- b. The Board of Directors of the Company focuses on operational judgment, business management, and crisis management, and more than two-thirds of the board members shall possess capabilities related to these core items.
- c. There is at least one member with accounting background.
- d. There is at least one member with technology industry background.
- e. Independent directors shall not hold office for more than three consecutive terms in order to maintain their independence.
- f. The number of directors who are employees of the Company, its parent, subsidiary, or sibling companies shall be less than one-third (inclusive) of the board members in order to achieve the purpose of supervision.

The current directors have experience in the fields of commerce, sales, finance, accounting and education. One of the Company's directors is female, showing that the Company values gender equality. We have attained our specific management goals for the diversity of the Board of Directors. In the future, the Company will keep working toward the goal of having at least one-third of directors of each gender.

•The company will continue progressing toward achieving at least one-third representation of either gender on the board and will implement the following plans and measures:

1. Adjustment of the Board Nomination Mechanism:

- (1) Establish gender diversity targets, such as setting a minimum threshold (e.g., 30%) for female board members.
- (2) Prioritize professionally qualified female candidates during the nomination and selection process.
- (3) Collaborate with professional organizations to recommend female leadership talent that meets the company's needs.

2. Internal Talent Development and Promotion Mechanism:

- (1) Establish a leadership development program for female executives, providing leadership training and a mentorship system.
- (2) Encourage outstanding female employees to participate in decision-making training, increasing their opportunities to join the board.

Name of director	Diversity attribute	Basic composition			Industrial experience				Professional skills			
		Nationality	Gender	Concurrently an employee of associates	Technology	Business management	International market	Industry	Commerce	Law	Accounting	Risk management
Chen Cheng-Lung		ROC	Male	Yes	V	V	V	V	V		V	V
Chen Lu Su-Yue		ROC	Female	Yes		V			V		V	
Chiang Chien-Chih		ROC	Male	None	V	V	V	V	V		V	V
Liang Li-Jen		ROC	Male	Yes	V	V	V	V	V		V	V
Lee Jung-En		ROC	Male	Yes	V	V	V	V	V		V	V
Fu Yi-Chung		ROC	Male	None	V	V	V	V	V		V	V
Wen Chi-Jung		ROC	Male	None	V	V	V	V	V	V	V	V
Yu Wen-Pin		ROC	Male	None	V	V	V	V	V		V	V

Chen Hung-Lin	ROC	Male	None	V	V	V	V	V	V	V	V
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(2) Independence of the Board of Directors:

Specify the number and percentage of independent directors, and describe the independence of the Board of Directors and justify if none of the circumstances in Article 26-3, Paragraphs 3 and 4 of the Securities and Exchange Act apply, including explaining the spousal relationship and first- and second-degree kinship between directors, supervisors, or between directors and supervisors:

The Company's current Board of Directors consists of nine directors (of which four are independent directors, accounting for 44.44%). None of the circumstances specified in Article 26-3, Paragraphs 3 and 4 of the Securities and Exchange Act apply to the four independent directors, and there is no spousal relationship and first- and second-degree kinship between directors.

(III) Information of Managerial Officers:

Unit: shares; book closure date: April 15, 2025

Title	Nationality	Name	Gender	Date of appointment	Shareholding		Shareholdings of spouse and minor children		Nominee shareholding		Professional and educational background	Concurrent positions at other companies	Managers with a spousal relationship or a relationship within the second degree of consanguinity			Remarks (Note)
					Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage			Title	Name	Relationship	
General Manager	ROC	Chen Cheng-Lung	Male	2009.8.14	69,000	0.33	0	0	0	0	MBA, New York University Master of Accountancy, University of Southern California Master of Economics, University of Michigan Head of BNP Paribas's Securities Research Department in Taiwan and Asia Head of Technology Industries Senior Analyst for the Asian semiconductor industry, Deutsche Securities Analyst for semiconductor industries, Credit Suisse AG Management Consultant, Stern Stewart Director, CASTEC International Corp. Director, INGA NANO Technology Co., Ltd.	Chairman, General Manager, and Member of Sustainable Development Committee, SOLOMON Technology Corporation Chairman, Solomon Data International Corp. Director, Solomon Goldentek Display Corp. Chairman, Solomon Smartnet Corp. Chairman, Moredel Investment Corp. Supervisor, Baguio Recreation Co., Ltd. Chairman, Solomon Technology (USA) Corp. Chairman, Solomon Robotics (Thai) Ltd. Chairman, Solomon Science Technology (VN) Company Limited Chairman, Solomon Energy Technology (Singapore) Pte. Ltd. Director, Solomon Energy Technology Corporation Chairman, Solomon Technology Japan Co., Ltd.	None			1. Reason, reasonableness, necessity: In consideration of the Company's business needs and cohesion, it is necessary for the Chairman and General Manager to be the same person. 2. A total of 4 independent directors have been added this term
Assistant General Manager	ROC	Lee Jung-En	Male	2021.2.17	0	0	0	0	0	0	Bachelor's Degree in Fine Arts, University of Southern California Project Manager, Alston International, Inc. Logistics Manager, Scuderia Development, LLC Assistant General Manager and Chief Information Security Officer, Solomon Data International Corporation	None	None			N/A
Chief Financial and Accounting Officer	ROC	Chen Ssu-Mei	Female	2019.4.12	0	0	0	0	0	0	Master's Degree in Business Administration, Soochow University Assistant Manager of Finance and Accounting, EverFocus Electronics Corp. Accounting Manager, Abnova Corporation	None	None			N/A
Chief Corporate Governance Officer	ROC	Chen Hsueh-Ping	Female	2022.11.9	0	0	0	0	0	0	Bachelor of Statistics, Tamkang University Department of Accounting and Statistics, Shih Chien University Assistant General Manager, Executive Assistant and Consultant, SOLOMON Technology Corporation	None	None			N/A

II. Remuneration to Directors and Managerial Officers

(I) If any of the following circumstances apply, the remuneration paid to individual directors shall be disclosed:

1. If the parent-only or individual financial statements of the most recent three years show incurred after-tax losses, the names and remuneration of “directors” shall be disclosed separately, unless the incurred profit after tax shown in the parent-only or individual financial statements of the most recent year is sufficient to offset the accumulated losses: None.
2. The remuneration paid to individual directors shall be disclosed if their shareholding ratios were insufficient for three consecutive months or more in the most recent year: None.
3. Where the average pledge ratio of any three months in the most recent year exceeded 50%, the remuneration paid to individual directors with a pledge ratio exceeding 50% in each month shall be disclosed: None.
4. Where the remuneration received by all the Company’s directors accounts for over 2% of the director remuneration paid by all companies in the financial statements and the directors individually receive over NT\$15,000,000 of remuneration, the remuneration of such individual directors shall be disclosed. (Note: The said director remuneration should be calculated based on the “remuneration to directors” in the table, with relevant remuneration received for concurrent service as an employee excluded.)
5. A TWSE/TPEX listed company’s corporate governance evaluation results in the most recent year fell in the bottom two brackets, or the company’s trading methods have been changed, suspended from trading, terminated from listing on the TWSE/TPEX in the most recent year and up to the date of publication of the annual report, or the company has been rejected for the evaluation by the Corporate Governance Evaluation Committee: Not applicable.
6. The average annual salary of non-managerial full-time employees of a TWSE/TPEX listed company in the most recent year did not reach NT\$500,000: None.
7. The profit after tax of a TWSE/TPEX listed company in the most recent year increased by more than 10%, but the average annual salary of non-managerial full-time employees did not increase from the previous year: None.
8. A TWSE/TPEX listed company’s after-tax income declined by 10%, or NT\$5,000,000, in the most recent year, and the average remuneration per director (excluding remuneration as employees) increased by 10%, or NT\$100,000: None.

(II) A TWSE/TPEX listed company shall disclose the remuneration of its top five highest-paid executives (e.g. general manager, vice president, CEO, CFO, or other managerial officers) if the circumstances in the preceding 1 or 5 apply: None.

(1) Remuneration to General Directors and Independent Directors:

Date: 2024; unit: NT\$ thousand; thousand shares

Title	Name	Remuneration to directors								Sum of A, B, C and D and its ratio to profit after tax % (Note 10)				Remuneration received for concurrent service as an employee								Sum of A, B, C, D, E, F and G and its ratio to profit after tax % (Note 10)				Receiving remuneration from investments in businesses other than subsidiaries or from the parent company (Note 11)
		Remuneration (A) (Note 2)		Post-employment pension (B)		Remuneration to directors (C) (Note 3)		Business execution expense (D) (Note 4)						Salary, bonus, special disbursement, etc. (E) (Note 5)		Post-employment pension (F)		Remuneration to employees (G)								
		The Company (Note 7)	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	The Company		All companies in the financial statements (Note 7)		The Company	All companies in the financial statements					
Amount paid in cash	Amount paid in shares															Amount paid in cash	Amount paid in shares									
Chairman	Chen Cheng-Lung	0	0	0	0	350	350	150	150	500	1.8 %	500	1.8 %	2,840	2,840	40	40	140	0	140	0	3,535	12.5 %	3,535	12.5 %	11,675
Director	Chen Lu Su-Yue																									
Director	Chiang Chien-Chih																									
Director	Liang Li-Jen																									
Director	Lee Jung-En																									
Director	Solomon Smartnet Corp.																									
Independent Director	Fu Yi-Chung	0	0	0	0	222	222	295	295	517	1.8 %	517	1.8 %	0	0	0	0	0	0	0	517	1.8 %	517	1.8 %	NA	
Independent Director	Wen Chi-Jung																									
Independent Director	Yu Wen-Pin																									
Independent Director	Chen Hung-Lin																									
Independent Director	Kao Kuan-Yin																									

1. Please specify the policy, system, standard, and structure for payment of remuneration to independent directors and describe the relevance to the remuneration paid based on factors such as job responsibilities, risks, the time invested, etc.:
 (1) Participation in and contribution to the Company's operations (2) Participation in the Board of Directors (3) Serving as joint endorsers/guarantors in response to the Company's financing needs (4) Other important contributions

2. Remuneration received by directors for providing services for all companies in the financial statements (e.g. serving as a non-employee advisor of the parent company/all companies in the financial statements/investee companies) in the most recent year, other than that disclosed in the table above: NT\$0

*Information on directors (directors who are not independent directors) and independent directors shall be presented separately. Director Chen Lu Su-Yue, Director Lee Jung-En, Independent Director Fu Yi-Chung, and Independent Director Wen Chi-Jung were newly elected on June 13, 2024. The term of office for Independent Director Kao Kuan-Yin expired on June 13, 2024.

Remuneration Scale

Scale of remuneration paid to the Company's directors	Name of director			
	Sum of the first four remunerations (A+B+C+D)		Sum of the first seven remunerations (A+B+C+D+E+F+G)	
	The Company (Note 8)	All companies in the financial statements (Note 9)H	The Company (Note 8)	Parent company and all investee companies (Note 9) I
Less than NT\$1,000,000	Chen Cheng-Lung, Chen Lu Su-Yue, Chiang Chien-Chih, Liang Li-Jen, Lee Jung-En, Fu Yi-Chung, Wen Chi-Jung, Yu Wen-Pin, Chen Hung-Lin, Kao Kuan-Yin Solomon Smartnet Corp.	Chen Cheng-Lung, Chen Lu Su-Yue, Chiang Chien-Chih, Liang Li-Jen, Lee Jung-En, Fu Yi-Chung, Wen Chi-Jung, Yu Wen-Pin, Chen Hung-Lin, Kao Kuan-Yin Solomon Smartnet Corp.	Chen Lu Su-Yue, Chiang Chien-Chih, Liang Li-Jen, Fu Yi-Chung, Wen Chi-Jung, Yu Wen-Pin, Chen Hung-Lin, Kao Kuan-Yin Solomon Smartnet Corp.	Chen Lu Su-Yue, Chiang Chien-Chih, Liang Li-Jen, Fu Yi-Chung, Wen Chi-Jung, Yu Wen-Pin, Chen Hung-Lin, Kao Kuan-Yin Solomon Smartnet Corp.
NT\$1,000,000 (included)–NT\$2,000,000 (excluded)	-	-	Lee Jung-En	Lee Jung-En
NT\$2,000,000 (included)–NT\$3,500,000 (excluded)	-	-	Chen Cheng-Lung	
NT\$3,500,000 (included)–NT\$5,000,000 (excluded)	-	-	-	-
NT\$5,000,000 (included)–NT\$10,000,000 (excluded)	-	-	-	-
NT\$10,000,000 (included)–NT\$15,000,000 (excluded)	-	-	-	Chen Cheng-Lung
NT\$15,000,000 (included)–NT\$30,000,000 (excluded)	-	-	-	-
NT\$30,000,000 (included)–NT\$50,000,000 (excluded)	-	-	-	-
Total	11	11	11	11

(1)–1 Where the remuneration received by all the Company’s directors and supervisors accounts for over 2% of the director and supervisor remuneration paid by all companies in the financial statements and the directors or supervisors individually receive over NT\$15,000,000 of remuneration, the remuneration of such individual directors or supervisors shall be disclosed: None.

(1)–2 Remuneration to directors concurrently serving as the General Manager or Vice Presidents:

Date: 2024; unit: NT\$ thousand; thousand shares

Title	Name	Salary (A) (Note 2)		Post-employment pension (B)		Bonus, special disbursement, etc. (C) (Note 3)		Amount of remuneration to employees (D) (Note 4)				Sum of A, B, C and D <u>and</u> its ratio to profit after tax (%) (Note 8)				Receiving remuneration from investments in businesses other than subsidiaries or from the parent company (Note 9)
		The Company	All companies in the financial statements (Note 5)	The Company	All companies in the financial statements (Note 5)	The Company	All companies in the financial statements (Note 5)	The Company		All companies in the financial statements (Note 5)		The Company		All companies in the financial statements		
								Amount paid in cash	Amount paid in shares	Amount paid in cash	Amount paid in shares					
General Manager	Chen Cheng-Lung	1,920	1,920	0	0	0	0	0	0	0	0	1,920	6.8%	1,920	6.8%	11,675

(1)–3 Where the amount of employee remuneration (including that paid in shares and cash) approved by the Board of Directors for distribution to the General Manager and Vice Presidents in the most recent year cannot be estimated, this year’s distribution amount shall be calculated in proportion to the actual distribution amount in the previous year and the following table shall be completed.

Date: 2024; unit: NT\$ thousand

	Title	Name	Amount paid in shares	Amount paid in cash	Total	Ratio of total amount to profit after tax (%)
Managerial officers	General Manager	Chen Cheng-Lung	0	0	0	0

(2) Remuneration to the General Manager and Vice Presidents:

Date: 2024; unit: NT\$ thousand; thousand shares

Title	Name	Salary (A) (Note 2)		Post-employment pension (B)		Bonus, special disbursement, etc. (C) (Note 2)		Remuneration to employees (D) (Note 2)				Sum of A, B, C and D and its ratio to profit after tax (%) (Note 8)				Receiving remuneration from investments in businesses other than subsidiaries or from the parent company (Note 9)
		The Company	All companies in the financial statements (Note 5)	The Company	All companies in the financial statements (Note 5)	The Company	All companies in the financial statements (Note 5)	The Company		All companies in the financial statements (Note 5)		The Company		All companies in the financial statements		
								Amount paid in cash	Amount paid in shares	Amount paid in cash	Amount paid in shares					
General Manager	Chen Cheng-Lung	1,920	1,920	0	0	0	0	0	0	0	0	1,920	6.8%	1,920	6.8%	11,675

Names of managerial officers to whom employee remuneration was distributed and the distribution details

Date: 2024; unit: NT\$ thousand; thousand shares

	Title	Name	Amount paid in shares	Amount paid in cash	Total	Ratio of total amount to profit after tax (%)
Managerial officers	General Manager	Chen Cheng-Lung	0	70	70	0.2%
	Director	Lee Jung-En				
	Chief Financial and Accounting Officer	Chen Ssu-Mei				
	Chief Corporate Governance Officer	Chen Hsueh-Ping				

(3)-1 Directors concurrently serving as the General Manager or Vice Presidents:

Unit: NT\$ thousand

Title	Name	Remuneration to directors								Sum of A, B, C and D and its ratio to profit after tax % (Note 10)				Remuneration received for concurrent service as an employee								Sum of A, B, C, D, E, F and G and its ratio to profit after tax % (Note 10)				Receiving remuneration from investments in businesses other than subsidiaries or from the parent company (Note 11)
		Remuneration (A) (Note 2)		Post-employment pension (B)		Remuneration to directors (C) (Note 3)		Business execution expense (D) (Note 4)						Salary, bonus, special disbursement, etc. (E) (Note 5)		Post-employment pension (F)		Remuneration to employees (G)								
		The Company (Note 7)	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	The Company		All companies in the financial statements (Note 7)								
																Amount paid in cash	Amount paid in shares	Amount paid in cash	Amount paid in shares							
Chairman	Chen Cheng-Lung	0	0	0	0	71	71	45	45	116	0.4 %	116	0.4 %	1,920	1,920	0	0	0	0	0	0	2,036	7.2 %	2,036	7.2 %	11,675

(3)-2 Remuneration to the top five highest-paid executives of the TWSE/TPEX listed company (their names and remuneration shall be disclosed individually): Not applicable.

- (III) Analysis of the total remuneration paid by the Company and all companies in the financial statements to the directors, supervisors, General Manager and Vice Presidents of the Company in the most recent two years as a percentage of the profit after tax, and description of the policy, standard and packages for payment of remuneration, the procedures for determination of remuneration, and the relevance to the operating performance:

1. Total remuneration paid to directors, General Manager, and Vice Presidents in the most recent two years as a percentage of the profit after tax:

Title \ Item	Ratio of total remuneration amount to profit after tax (%)			
	2024		2023	
	The Company	All companies in the financial statements	The Company	All companies in the financial statements
Director	14.37	14.37	19.59	19.59
General Manager and Vice President	6.81	6.81	6.57	6.57

2. The policy, standard and packages for payment of remuneration, the procedures for determination of remuneration, and the relevance to the operating performance and future risks:

The Company pays remuneration to the directors in accordance with the Articles of Incorporation.

The Board of Directors is authorized to determine the remuneration of the Company's directors based on their individual participation in and contribution to the Company's operations and with reference to the general level in the industry at home and abroad.

The Company shall subtract any accumulated losses from earnings in the year (i.e. pre-tax profit before deduction of the profit distributed as remuneration to employees and to directors). If there are any remaining earnings,

a minimum amount of 1% shall be appropriated as remuneration to employees and a maximum amount of 2% shall be appropriated as remuneration to directors.

The distribution of employees' remuneration in cash or in shares and the distribution of directors' remuneration in cash are subject to a resolution adopted with the consent of a majority of all attending directors at a board meeting with more than two-thirds of board members present, and shall be subsequently reported at a shareholders' meeting.

The Company's employees, including the employees of the subsidiaries of the Company meeting certain specific requirements, are entitled to receive employees' remuneration paid in shares or cash.

A transportation allowance of NT\$5,000 is paid for directors' attendance at each meeting.

The salary structure of managerial officers consists of a total salary that is equal to the base salary plus duty allowances. The salary structure is determined based on their professional experience and length of service. The salary of managerial officers ranges from NT\$50,000 to NT\$100,000.

3. Performance evaluation and compensation policies (the Group):

The Group has developed the [Performance Evaluation Management Guidelines] using the current period as the base period. The performance of the employees is evaluated based on their job performance during the review period and their daily attendance and leave records.

<Preparations> Subject: Annual performance evaluation is required for employees reporting to work on or before September 30 of the current year.

<Notification/sending> The HR personnel send a “Notification of Year-end Performance Evaluation for Employees in 20xx” and a “Performance Evaluation Form” by mail to the Group’s employees prior to the first week of every December.

<Performance evaluation interviews> The department heads must interview their subordinates during the review period. The business unit heads must determine the employees’ performance evaluation ratings and proportionality principles for the ratings.

<Reviews by heads> There are five performance evaluation ratings. The department heads shall actively strengthen guidance and improvement follow-ups for employees with an evaluation rating of “C” (which is substandard).

<Compilation and submission of a performance evaluation form to the top management> The HR personnel compile a “Performance Evaluation Summary Form” based on the performance evaluation forms from all departments and submit the same to the top management.

<Performance evaluation follow-ups> The follow-ups aim to provide opportunities for communication to help improve job performance. They can also provide reference for compensation adjustment/distribution and promotion, help identify education and training needs, and be used as references for talent training.

[Salary Management Guidelines] These guidelines have been established in order to provide reference for the salary payment standard and calculation method for the Group’s employees and ensure fairness and reasonableness.

<General Salary Payment Procedures> Employees’ monthly salary is credited to the account designated by them at the end of every month. If the month end falls on a weekend or holiday, the salary is credited on the working day prior to the weekend or holiday.

<Promotion and Salary Adjustment Procedures> All departments’ annual salary adjustments and employee performance ratings made in accordance with the [Performance Evaluation Management Guidelines] are compiled by the HR Department and submitted to the Chairman for approval. However, the annual salary adjustments and employee performance ratings of the Company’s managerial officers (above Job Grade 9) shall be presented to the Compensation Committee for review and submitted to the Board of Directors for approval.

Employee compensation includes bonuses for the Group’s operating performance that are assessed, calculated and distributed at the end of a fiscal year. The bonuses are calculated based on the Company’s operating performance in the fiscal year.

III. Information on Corporate Governance

(I) Information on the operations of the Board of Directors:

1. In 2024, the Board of Directors held eight meetings, and the attendance at these meetings was as follows:

Title	Name	Actual number of meetings attended (in voting/non-voting capacity) B	Number of meetings attended by proxy	Actual rate of attendance (in non-voting capacity) (%) [B/A]	Remarks
Chairman	Chen Cheng-Lung	8	0	100	—
Director	Chen Lu Su-Yue	4	0	100	Newly elected in June
Director	Chiang Chien-Chih	8	0	100	—
Director	Liang Li-Jen	8	0	100	—
Director	Lee Jung-En	4	0	100	Newly elected in June
Independent Director	Fu Yi-Chung	4	0	100	Newly elected in June
Independent Director	Wen Chi-Jung	4	0	100	Newly elected in June
Independent Director	Yu Wen-Pin	8	0	100	—
Independent Director	Chen Hung-Lin	8	0	100	—
Independent Director	Kao Kuan-Yin	4	0	100	Dismissed in June

Note: Director Chen Lu Su-Yue, Director Lee Jung-En, Independent Director Fu Yi-Chung, and Independent Director Wen Chi-Jung were newly elected on June 13, 2024. The term of office for Independent Director Kao Kuan-Yin expired on June 13, 2024.

Other information required:

- I. Where any of the following applies to the operations of the Board of Directors, the board meeting dates and sessions, proposals, all opinions from independent directors, and the actions taken by the Company in response to the opinions of the independent directors shall be specified:
 - (I) Matters set forth in Article 14-3 of the Securities and Exchange Act: None.
 - (II) Matters other than the foregoing ones, resolutions adopted by the Board of Directors to which objections or reservations have been expressed by the independent directors in records or written statements: No objections or reservations were expressed by the independent directors in the 2023 meetings.
- II. With respect to the recusal of any director with a stake in a proposal, the name of the director, the proposal, the reason for recusal and their participation in the voting must be specified: None.
- III. Listed and OTC companies shall disclose the cycle, period, scope, method, and content of self-evaluations (or peer evaluations) for the Board of Directors and complete Table 2 (2) Implementation of Evaluations for the Board of Directors.
- IV. Goals for enhancement of the functions of the Board of Directors in the current year and the most recent year (establishment of the Audit Committee, improvement of information transparency, etc.) and the assessment of their implementation: The Company has disclosed board meeting minutes on the Company's website.

2-1. Implementation of the Board of Directors' self-evaluation:

Evaluation cycle	Evaluation period	Evaluation scope	Evaluation method	Evaluation content
Once a year	2024.1.1-2024.12.31	Board performance evaluation	A "Self-Evaluation Questionnaire for Performance Evaluation of the Board of Directors" was used to complete the performance evaluation.	<ul style="list-style-type: none"> ● Self-evaluation score: A perfect score of 5 1. Participation in the Company's operations: 5.00 2. Improvement of decision-making quality of the Board of Directors: 5.00 3. Composition and structure of the Board of Directors: 5.00 4. Election and continuing education of directors: 5.00 5. Internal control: 5.00 ● Overall comments: The Board of Directors operates normally.

2-2. Implementation of directors' self-evaluation:

Evaluation cycle	Evaluation period	Evaluation scope	Evaluation method	Evaluation content
Once a year	2024.1.1-2024.12.31	Performance evaluation for the individual directors	A "Self-Evaluation Questionnaire for Performance Evaluation of Board Members" was used to complete the performance evaluation.	<ul style="list-style-type: none"> ● Self-evaluation score: A perfect score of 5 1. Alignment with the Company's goals and mission: 4.93 2. Awareness of the duties of a director: 5.00 3. Participation in the Company's operations: 4.90 4. Internal relationship management and communication: 4.89 5. Election and continuing education of directors: 5.00 6. Internal control: 4.93 ● Suggestions made by directors to the Board of Directors: <p>The Board of Directors has operated normally and in line with regulations, and has practical experience, which enables it to manage the Company's operations smoothly and ensure good operating performance.</p>

2-3. Implementation of Audit Committee members' self-evaluation:

Evaluation cycle	Evaluation period	Evaluation scope	Evaluation method	Evaluation content
Once a year	2024.1.1-2024.12.31	Performance evaluation of functional committee members	A "Self-Evaluation Questionnaire for Performance Evaluation of Functional Committees" was used to complete the performance evaluation.	<ul style="list-style-type: none"> ● Self-evaluation score: A perfect score of 5 1. Participation in the Company's operations: 4.88 2. Awareness of the duties of the functional committee: 4.80 3. Improvement of decision-making quality of the functional committee: 4.79 4. Composition and election of members of the functional committee: 5.00 5. Internal control system: 4.75 ● Suggestions: <p>They are independent of all systems, strategies, financial statements, and audit reports, and are able to provide advice and opinions.</p>

2-4. Implementation of Compensation Committee members' self-evaluation:

Evaluation cycle	Evaluation period	Evaluation scope	Evaluation method	Evaluation content
Once a year	2024.1.1-2024.12.31	Performance evaluation of functional committee members	A "Self-Evaluation Questionnaire for Performance Evaluation of Functional Committees" was used to complete the performance evaluation.	<ul style="list-style-type: none"> ● Self-evaluation score: A perfect score of 5 1. Participation in the Company's operations: 4.88 2. Awareness of the duties of the functional committee: 4.55 3. Improvement of decision-making quality of the functional committee: 4.86 4. Composition and election of members of the functional committee: 5.00 ● Suggestions: <p>The committee is well organized and well operated.</p>

2-5. External Professional Evaluation, Improvement Suggestions, Improvement Plan and Actions

In 2024 (Year 113 of the ROC calendar), the performance evaluation of the Board of Directors was conducted through self-assessment by the Board itself. No external expert evaluation was conducted. The following is a summary of the external professional evaluation and improvement suggestions from 2022 (Year 111):

1. The Company's Board of Directors completed an external professional performance evaluation on December 16, 2022.
1. Evaluation period: January 1, 2022 to December 31, 2022.
2. External professional institution conducting the evaluation: Taiwan Cheng Cheng Corporate Governance Association.
3. Suggested improvements and implementation status in 2024:
 - (1) **Enhancing Board Diversity:** The Company plans to increase the number of female directors and directors with diverse professional backgrounds during the next board election.
 - (2) **Strengthening the Supervisory Function of the Board:** The Board includes four independent directors, thereby enhancing its supervisory function.
 - (3) **Enhancing the Documentation of Directors' Statements in Meeting Minutes:** This aspect has been strengthened.

- (4) **Establishing and Implementing an Integrated Risk Management Mechanism:** A Risk Management Task Force has been established under the Sustainability Committee to enhance risk management efforts.
- (5) **Comprehensive Planning of the Whistleblowing System:** Both internal and external whistleblowing channels and handling procedures have been implemented.
- (6) **Building a Succession Plan for Professional Talent:** The Company is actively establishing a succession system to identify and develop professional talent.
- (7) **Increasing Discussion of Sustainability Issues at the Board Level:** A Sustainability Committee, consisting of one director and two independent directors, has been established. Sub-groups under the committee, such as "Risk Management," "Occupational Safety and Health," and "Ethical Business," report regularly to the Board.
- (8) **Industry-Specific Training for Directors:** The Company has increased annual training courses related to the industries in which its directors operate.

3. Details on attendance of independent directors at the Company's board meetings in 2024:

Board meeting session	Month	Fu Yi-Chung	Wen Chi-Jung	Yu Wen-Pin	Chen Hung-Lin	Kao Kuan-Yin
1215	3			V	V	V
1216	4			V	V	V
1217	5			V	V	V
1218	5			V	V	V
1301	6	V	V	V	V	
1302	8	V	V	V	V	
1303	11	V	V	V	V	
1304	12	V	V	V	V	

Note: The Board of Directors was re-elected in June 2024, and four independent directors were newly elected.

4. Training courses for directors in 2024:

Course title	Continuing education hours	Organizer	Participating directors
Matters to be Noticed for Recent Investment in the US and Mexico	3	Taiwan Corporate Governance Association	Chen Cheng-Lung, Chen Lu Su-Yue, Yu Wen-Pin, Liang Li-Jen, Fu Yi-Chung, Wen Chi-Jung, Lee Jung-En
Methods of Taiwanese Companies' Deployment for International Taxation and Investment	3	Taiwan Corporate Governance Association	Chen Cheng-Lung, Chen Lu Su-Yue, Yu Wen-Pin, Liang Li-Jen, Fu Yi-Chung, Wen Chi-Jung, Lee Jung-En
Taiwan's Capital Market Summit	3	Taiwan Stock Exchange	Chen Cheng-Lung
2024 WIN: Symposium on Digital and Sustainable Finance under the AI Trend	3	Taipei Exchange	Chiang Chien-Chih, Wen Chi-Jung
New Point of Corporate Governance in 2025: The Key Guidelines for Directors	3	Taiwan Institute of Directors	Chiang Chien-Chih, Fu Yi-Chung
Conference on Compliance with	3	Taipei Exchange	Fu Yi-Chung

the Regulations Governing the Equity of Insiders			
Analysis of Green Economy Trends	3	Chung-Hua Institution for Economic Research	Chen Hung-Lin
Prevention of Tax-Related Money Laundering – Eight Major Types of Money Laundering Risks in Taiwan	3	Taipei Foundation Of Finance	Chen Hung-Lin

(II) Participation of the Audit Committee in the Board of Directors' operations:

1. Operations of the Audit Committee:

Title	Name	Actual number of meetings attended (in voting/non-voting capacity) B	Number of meetings attended by proxy	Actual rate of attendance (in non-voting capacity) (%) [B/A]	Remarks
Independent Director	Fu Yi-Chung	3	0	100	Newly elected in June 2024
Independent Director	Wen Chi-Jung	3	0	100	Newly elected in June 2024
Independent Director	Yu Wen-Pin	5	0	100	
Independent Director	Chen Hung-Lin	5	0	100	
Independent Director	Kao Kuan-Yin	2	0	100	Dismissed in June 2024

Other information required:

- I. Where any of the following applies to the operations of the Audit Committee, the Audit Committee meeting dates and sessions, proposals, the dissent, reservation or major suggestion of any independent director, the relevant resolutions of the Audit Committee and the actions taken by the Company in response to the opinions of the Audit Committee shall be specified: Refer to 1.1
 - (I) Matters set forth in Article 14-5 of the Securities and Exchange Act.
 - (II) Matters other than the foregoing ones, which have not been approved by the Audit Committee but have been approved in resolutions by at least two-thirds of all directors.
- II. With respect to the recusal of any independent director with a stake in a proposal, the name of the independent director, the proposal, the reason for recusal and their participation in the voting must be specified: None
- III. Communication between the independent directors and the chief internal auditor and the CPAs (such information must include the material matters, methods and results of communication regarding the financial and business conditions of the Company):
 1. The Audit Committee has regularly reviewed audit reports and exchanged opinions regarding the audits with the chief internal auditor.
 2. The CPAs have submitted regular reports to the Audit Committee, discussed the deficiencies related to internal control and audit with the Audit Committee, and asked the auditing department to urge the Company's relevant departments to improve their internal procedures in order to reduce operational risks and enhance the operating performance.

- 1.1 Where any of the following applies to the operations of the Audit Committee, the Audit Committee meeting dates and sessions, proposals, the dissent, reservation or major suggestion of any independent director, the relevant resolutions of the Audit Committee and the actions taken by the Company in response to the opinions of the Audit

Committee shall be specified:

Meeting name	Meeting date	Important resolution and subsequent actions
1 st term, 12 th meeting	2024.3.6	<ul style="list-style-type: none"> ● Performance self-evaluation reporting of functional committee members for 2023. ● Review of the financial statements for 2023. ● Review of the earnings distribution for 2023. (Cash dividend of NT\$1) ● Review of the authorization for endorsements/guarantees. ● Review of the regular assessment of the independence and AQIs of CPAs. ● Review of the issuance of the “Statement of Internal Control” for 2023. <p>Opinions from the Audit Committee: None. The Company’s response to independent directors’ opinions: None. Resolution result: The above discussions were approved by all attending members.</p>
1 st term, 13 th meeting	2024.5.9	<ul style="list-style-type: none"> ● Review of the financial statements for Q1 of 2023. ● Review of the amendment of the Company’s relevant regulations and systems. ★ Rules of Procedure for Board of Directors Meetings ★ Organizational Rules of the Audit Committee ★ Organizational Rules of the Sustainable Development Committee <p>Opinions from the Audit Committee: None. The Company’s response to independent directors’ opinions: None. Resolution result: The above discussions were approved by all attending members.</p>
2 nd term, 1 st meeting	2024.6.13	<ul style="list-style-type: none"> ● Election of the convener and meeting chair: Independent Director, Fu Yi-Chung, acted as the convener and meeting chair. ● Ratification of the acquisition of property right-of-use assets from the related party (SOLOMON Technology Corporation). ★ Office building in Neihu and Factory in Nangang <p>Opinions from the Audit Committee: None. The Company’s response to independent directors’ opinions: None. Resolution result: The above discussions were approved by all attending members.</p>
2 nd term, 2 nd meeting	2024.8.8	<ul style="list-style-type: none"> ● Report on director and supervisor liability insurance taken out for directors. ● Review of the financial statements for Q2 of 2024. ● Review of the earnings distribution for the first half of 2024. ● Re-ratification of the acquisition of property right-of-use assets from the related party (SOLOMON Technology Corporation) (additional information). <p>Opinions from the Audit Committee: None. The Company’s response to independent directors’ opinions: None. Resolution result: The above discussions were approved by all attending members.</p>
2 nd term, 3 rd meeting	2024.11.6	<ul style="list-style-type: none"> ● With the PwC CPAs attending the meeting in a non-voting capacity. ● Review of the financial statements for Q3 of 2024. ● Review of the amendment of the “Corporate Governance Best-Practice Principles.” ● Review of the amendment of the “Internal Control System.” ● Review of the formulation of the “Sustainable Information Management Procedure.” ● Review of the establishment of the “Annual Internal Audit Plan for 2025.” <p>Opinions from the Audit Committee: None. The Company’s response to independent directors’ opinions: None. Resolution result: The above discussions were approved by all attending members.</p>
		<ul style="list-style-type: none"> ● Report on 2024 ESG implementation and performance and the establishment of

Meeting name	Meeting date	Important resolution and subsequent actions
2 nd term, 4 th meeting	2024.12.13	2025 plans and strategies. ● Report on the qualification review results of the current independent directors during their tenure in 2024.
		Opinions from the Audit Committee: None. The Company's response to independent directors' opinions: None. Resolution result: No discussions were held in this meeting.

- Communication of the directors (including independent directors) and the Audit Committee with the chief internal auditor and the CPAs:

1. Communication mechanism:

The chief internal auditor submits written information on the implementation of internal audit to the directors and the Audit Committee on a monthly basis and holds irregular meetings to explain the implementation of audit plans and internal control. In case of material misconduct or likelihood of material damage to the Company, the chief internal auditor shall immediately report and inform the independent directors.

In order to facilitate the implementation of the Company's governance affairs, the CPAs communicate with the directors and the Audit Committee every quarter to ensure the reliability of the Company's publicly disclosed financial information, discuss the work of auditors, and understand the Company's material risks and the management's actions to reduce the risks.

2. Communication policy:

(1) At least once a year, a separate meeting between the CPAs and the chief auditor is convened to discuss external audit opinions formed by the chief internal auditor and the CPAs and to communicate the defects of the annual audit. The communicated opinions are recorded and reported to the Board of Directors.

(2) The chief internal auditor makes reports to the Audit Committee on a regular basis.

1. Annual internal audit plan;

2. Annual professional training plan for auditors;

3. Regularly reporting of the implementation of internal audit operations to the Audit Committee.

(3) The CPAs participate in at least one Audit Committee meeting each year and report the annual audit results.

(4) Others: A meeting may be convened whenever there is any material abnormality or matter that the independent directors, the chief auditor, and the CPAs deem necessary to communicate independently.

3. Communication:

(1) Communication between directors, the Audit Committee, and the CPAs:

Date	Communication meeting	Communication subject	Communication results
2024.3.6	Board of Directors	Communication with the directors (Audit Committee) in the completion stage of the 2023 financial statements. Review of the "Statement of Internal Control" for 2022.	No opinion

2024.5.9	Board of Directors	Communication with the directors (Audit Committee) in the planning stage of the financial statement audit for 2024.	No opinion
2024.5.9	Board of Directors	<ol style="list-style-type: none"> 1. Issuance of a communication letter on the financial statements for Q1 of 2024 to governing bodies. 2. CPAs' response to and communication about the questions of directors (Audit Committee). 	No opinion
2024.8.8	Board of Directors	<ol style="list-style-type: none"> 1. Issuance of a communication letter on the financial statements for Q2 of 2024 to governing bodies. 2. CPAs' discussion and communication about the questions of the directors (Audit Committee). 	No opinion
2024.11.6	Board of Directors Audit Committee	<ol style="list-style-type: none"> 1. CPAs' explanation and guidance regarding the 2024 Q3 financial statements in the Audit Committee meeting and board meeting. 2. CPAs' response to and communication about the questions of directors (Audit Committee). 	No opinion

Communication Plan

Communication subject	Form of communication	Expected communication time
Annual audit planning <ul style="list-style-type: none"> • Roles and responsibilities of the principal auditor • Audit plans • Preliminary opinions on key audit matters • Independence of CPAs 	Written correspondence	April 2024
Interim review <ul style="list-style-type: none"> • Review of the Q1 quarterly report • Review of the Q2 quarterly report • Review of the Q3 quarterly report 	1. Written correspondence 2. CPAs attending meetings in person to engage in communication and provide guidance	May 2024 August 2024 November 2024
Annual audit summary <ul style="list-style-type: none"> • Financial statement draft • Audit findings • Audit report (including key audit matters) • Independence of CPAs 	Written correspondence	March 2024

(2) Chief internal auditor's communication in Audit Committee meetings:

Date	Attendees (independent directors)	Communication subject	Communication results
2024.3.6	Kao Kuan-Yin, Yu Wen-Pin, Chen Hung-Lin Chief Auditor Chueh Hsiu-Ping	2024 Financial Statements	No opinion
2024.5.9	Kao Kuan-Yin, Yu Wen-Pin, Chen Hung-Lin Chief Auditor Chueh Hsiu-Ping	2024 Q1 Financial Statements	No opinion
2024.8.8	Fu Yi-Chung, Wen Chi-Jung, Yu Wen-Pin, Chen Hung-Lin Chief Auditor Chueh Hsiu-Ping	2024 Q2 Financial Statements	No opinion
2024.11.6	Fu Yi-Chung, Wen Chi-Jung, Yu Wen-Pin, Chen Hung-Lin Chief Auditor Chueh Hsiu-Ping PwC CPA Wen Ya-Fang PwC Manager Teng Chia-Ling	2024 Q3 Financial Statements	No opinion

(3) Chief internal auditor's communication with the Audit Committee members and the CPAs:

Session	Communication key points	Communication results
November 2023	Review of the annual internal audit plan for 2024.	No opinion
March 2024	Presentation and reporting of the implementation of the 2023 internal audit plan.	No opinion
	Audit report for November 2023 to January 2024 Result of the self-evaluation for the internal control system in 2023, indicating no material deficiency. Issuance and submission of a "Statement of Internal Control" on the effectiveness of the design and implementation of the Company's internal control system.	No opinion
April 2024	Audit report for February 2024	No opinion
May 2024	Audit report for March 2024	No opinion
August 2024	Audit report for April to June 2024	No opinion
November 2024	Audit report for July to October 2024	No opinion
December 2024	Audit report for November 2024	No opinion

(4) Separate communication between the CPAs and the independent directors and the chief auditor:

Date	Attendees	Communication subject	Communication results
2024.11.6	Independent Director Fu Yi-Chung Independent Director Wen Chi-Jung Independent Director Yu Wen-Pin Independent Director Chen Hung-Lin Chief Auditor Chueh Hsiu-Ping PwC CPA Wen Ya-Fang PwC Manager Teng Chia-Ling	2024 Q3 Financial Statements Advocacy of 2025 policies	No opinion

(III) Implementation of corporate governance, differences with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, and the reasons for such differences:

Item assessed	Implementation			Differences with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, and the reasons for such differences
	Yes	No	Summary	
I. Does the company establish and disclose its corporate governance best-practice principles in accordance with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies?	V		The Company’s principles for corporate governance are: (1) Creating an internal control system; (2) Protecting the shareholders’ equity; (3) Enhancing the functions of the Board of Directors; (4) Fulfilling the supervisors’ functions; (5) Respecting the rights and interests of stakeholders; (6) Improving information transparency.	Compliant with the Corporate Governance Best-Practice Principles
II. The Company’s shareholding structure and shareholders’ equity				
(I) Does the company establish internal procedures for handling shareholders’ suggestions, questions, disputes, and lawsuits? Does the company follow such procedures?	V		Such procedures have been established in the “Corporate Governance Best-Practice Principles.” The Company has appointed a spokesperson, an acting spokesperson, and a shareholder services department to deal with relevant problems.	Compliant with the Corporate Governance Best-Practice Principles
(II) Does the company keep a list of major shareholders actually controlling the company and the ultimate controllers of the major shareholders?	V		The list is kept by the Securities Office, and relevant affairs are handled by the shareholder services agent, the Shareholder Services Department of President Securities Corporation. The list of major shareholders is under control.	
(III) Has the company established and implemented a system for risk control and firewalls with its associates?	V		The Company has established the “Regulations Governing the Financial and Business Activities between Related Parties” and “Procedures for the Supervision and Management of Subsidiaries” as a basis for the supervision of the subsidiaries in order for the auditors to conduct regular or random audits.	
(IV) Has the company established internal regulations that prevent insiders from trading securities using non-public market information?	V		The Company has established the “Procedures for Management of Material Insider Information” and the “Code of Ethical Conduct” as a basis for preventing insider trading.	
III. Composition and responsibilities of the Board of Directors				
(I) Does the Board of Directors formulate diversity policies and specific management goals? Are the policies and goals thoroughly implemented?	V		1. The Company has a female director elected at the shareholders’ meeting in 2024. 2. The Company has established the “Corporate Governance Best-Practice	Compliant with the Corporate Governance

Item assessed	Implementation			Differences with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, and the reasons for such differences
	Yes	No	Summary	
			<p>Principles” and “Procedures for Election of Directors.” The nomination and selection of board members are in compliance with the Company’s Articles of Incorporation. The candidate nomination system is adopted, and the educational/work experience and qualifications of each candidate are evaluated to ensure the diversity and independence of board members. Talented people with different professional backgrounds (including accounting, finance, technology) are elected as directors in accordance with the procedures. The Procedures for Election of Directors have been implemented thoroughly.</p> <p>3. The specific background and expertise management goals are as follows:</p> <p>(1) The Board of Directors shall at least include one female director.</p> <p>(2) The Board of Directors focuses on operational judgment, business management, and crisis management, and more than two-thirds of the board members shall possess capabilities related to these core items.</p> <p>(3) There is at least one member with accounting background.</p> <p>(4) There is at least one member with technology industry background.</p> <p>(5) Independent directors shall not hold office for more than three consecutive terms in order to maintain their independence.</p> <p>(6) The number of directors who are employees of the Company, its parent, subsidiary, or sibling companies shall be less than one-third (inclusive) of the board members in order to achieve the purpose of supervision.</p> <p>4. The Board of Directors has established a diversity policy for the composition of its members, which is disclosed on the Company’s website and this annual report.</p>	Best-Practice Principles
(II) Has the company, apart from establishing a compensation committee and an audit committee, voluntarily set up any other functional committee?	V		In 2023, the Company’s Board of Directors approved the establishment of the 1 st “Sustainable Development Committee” with three members (including two independent directors). Teams for sexual harassment prevention, risk management, corporate governance, and cybersecurity risk management have been set up under the committee. In 2024, following the re-election of the Board of Directors, the 2 nd “Sustainable Development	

Item assessed	Implementation			Differences with the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies, and the reasons for such differences
	Yes	No	Summary	
			Committee” with three members (including two independent directors) was organized.	
(III) Has the company established regulations and methods for the evaluation of the performance of the board of directors? Does the company conduct such performance evaluations on a regular basis each year? Are the results of such performance evaluation submitted to the board of directors and used as a reference for the remuneration of individual directors and for their nomination or re-election?	V		<p>The Company established its regulations governing the Board of Directors’ performance evaluations and the evaluation methods in December 2019. In November 2022, an external professional organization (Taiwan Institute of Ethical Business) was commissioned to evaluate the performance of the Board of Directors.</p> <p>In December 2024, the self-evaluations of the Board of Directors, directors, and independent directors (functional committee members) were completed.</p> <p>Evaluation report: The operations of the Board of Directors were deemed normal and compliant with regulations.</p>	
(IV) Does the company assess the independence of CPAs on a regular basis?	V		<p>The Company’s Board of Directors reviews the independence and AQIs of CPAs annually to ascertain if they comply with the regulations on independence in the Standards of Professional Ethics for Certified Public Accountants of the Republic of China No. 10 and the global independence policy of the firm. After the Company confirms that there are no financial interests and business relationships between the CPAs and the Company, except for fees for audit and taxation cases, and makes sure that the CPAs do not violate the principles of independence, the Board of Directors assesses the appointment of the CPAs and the fees.</p> <p>In March 2024, the Board of Directors conducted an assessment for the CPAs and appointed them after confirming that there were no other financial interests and business relationships between them and the Company and making sure that they did not violate the principles of independence.</p>	
IV. Does the listed/OTC company appoint an appropriate number of competent corporate governance officers and designate a chief corporate governance officer to be in charge of corporate governance affairs (including but not limited to providing the information required for directors or supervisors to perform their duties, assisting directors or supervisors in compliance, managing	V		The Securities Office specializes in corporate governance affairs (including but not limited to providing the information required for directors to perform their duties, managing affairs for board meetings and shareholders’ meetings as required by law, conducting company registration and change registration, and preparing minutes for board meetings and shareholders’ meetings). At the 10 th meeting of the 12 th Board of Directors on November	

Item assessed	Implementation			Differences with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, and the reasons for such differences
	Yes	No	Summary	
affairs for board meetings and shareholders' meetings as required by law, and preparing minutes for board meetings and shareholders' meetings)?			9, 2022, Consultant Chen Hsueh-Ping was appointed as the chief corporate governance officer (full-time). For the authority, scope, and continuing education of the chief corporate governance officer.	
V. Does the company establish channels of communication with stakeholders (including but not limited to shareholders, employees, customers and suppliers)? Does the company create a section for stakeholders on its website and give proper responses regarding important issues of corporate social responsibility that concern stakeholders?	V		The Company has appointed a spokesperson and an acting spokesperson. Relevant contact information is disclosed on the Market Observation Post System (MOPS). The Company also discloses relevant financial and shareholder services information on the MOPS and the Company's website to ensure good channels for communication with investors. SOLOMON has established channels of communication with stakeholders, set up a stakeholders' section on the website, and given proper responses regarding important issues of corporate social responsibility that concern the stakeholders.	Compliant with the Corporate Governance Best-Practice Principles
VI. Does the company engage any professional shareholder services agent to manage affairs for shareholders' meetings?	V		The Company has engaged a professional shareholder services agent, the Shareholder Services Department of President Securities Corporation, to manage affairs for shareholders' meetings.	Compliant with the Corporate Governance Best-Practice Principles
VII. Information disclosure				
(I) Does the company set up a website to disclose financial, business and corporate governance information?	V		Such website has been set up. Website: https://www.solomon-es.com.tw/	Compliant with the Corporate Governance Best-Practice Principles
(II) Does the company use other means to disclose information (e.g. setting up an English website, assigning specialized personnel to collect and disclose corporate information, implementing a spokesperson system, uploading the proceedings of investor conferences to the company's website)?	V		The Company has the Securities Office responsible for collecting information related to the Company. The spokesperson fully discloses material information. The Company has set up a Chinese website and an English website, appointed a spokesperson to be in charge of external communications, and designated dedicated personnel to collect and disclose the Company's information and make the proceedings of investor conferences available on the Company's website.	
(III) Does the company publish and submit annual financial statements within two months after the end of each fiscal year? Does the company publish and submit financial statements of the first, second and third quarters and the monthly operational status before the required deadline?	V		The Company has many associates, making it impossible to publish and submit the financial statements within two months after the end of the fiscal year. All the other information is published and submitted before the required	Compliant with the Corporate Governance Best-Practice Principles

Item assessed	Implementation			Differences with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, and the reasons for such differences
	Yes	No	Summary	
			deadline.	
VIII. Does the company have other important information useful for understanding the status of corporate governance of the company (including but not limited to employees' rights, employee care, investor relations, supplier relationships, stakeholders' rights, continuing education of directors and supervisors, implementation of risk management policies and risk measurement standards, implementation of customer policies, and purchase of liability insurance for directors and supervisors by the company)?	V		<p>(I) Employees' rights and employee care: The Company has points of contact for different types of stakeholders, such as the HR Department responsible for dealing with problems related to employees' rights. We have also established the Employee Welfare Committee to take care of the needs of the employees. These points of contact operate smoothly.</p> <p>(II) Investor relations: Communication channels have been created for the spokesperson and acting spokesperson system to answer the questions of shareholders.</p> <p>(III) Supplier relationships: The Company has always maintained good relationships with suppliers.</p> <p>(IV) Stakeholders' rights: We respect and protect the rights that stakeholders are entitled to, maintain good communication channels with customers, employees and suppliers, and disclose relevant information in accordance with the regulations of the competent authority to provide the Company's information in a timely manner.</p> <p>(V) Continuing education of directors: A minimum of six hours of continuing education is required each year in accordance with the regulations.</p> <p>(VI) Implementation of risk management policies and risk measurement standards: To put the monitoring mechanism into practice and ensure the control of risks, the Company's material operating policies, investment projects, endorsements/guarantees, loaning of funds, bank funding, and other material proposals are assessed and analyzed by appropriate responsible departments and then implemented based on the resolutions of the Board of Directors, and the Auditing Office also formulates its annual audit plan based on risk assessment results and thoroughly implements the plan. The Company has established the "Risk Management Policy and Procedure" under which the risk measurement standards are defined; the Risk Management Team will take care of the implementation.</p> <p>(VII) Implementation of customer policies: The Company has dedicated customer service departments responsible for implementing customer</p>	Compliant with the Corporate Governance Best-Practice Principles

Item assessed	Implementation			Differences with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, and the reasons for such differences
	Yes	No	Summary	
			<p>policies. These policies are executed smoothly.</p> <p>(VIII) The Group's purchase of liability insurance for directors and social responsibility: We have taken out a liability insurance policy with coverage of US\$5 million for our directors and key officers. Information on the coverage amount, available coverage, and premium rate of the director liability insurance policy taken out or renewed and other important information were reported at the board meeting held in August 2024.</p> <p>(IX) The Company has adopted the "Code of Ethical Conduct," "Sustainable Development Principles," "Ethical Management Principles," and "Corporate Governance Best-Practice Principles" as one of the bases for corporate governance management.</p>	
<p>IX. Please describe the matters improved based on the results of corporate governance evaluation released by the Corporate Governance Center of the Taiwan Stock Exchange in the most recent year and specify the priorities and measures for improvement with respect to matters not yet improved.</p> <p>Improvements: Independent directors have been appointed, and since 2017, the electronic voting system and the nomination system of directors and supervisors have been adopted. In December 2019, the Board of Directors formulated the "Board of Directors Performance Evaluation Measures," which took effect in 2020. In 2022, external experts were commissioned for relevant evaluations.</p> <p>Matters to be improved: The English version of annual report, financial statements and shareholders' meeting handbook were to be prepared in 2024.</p>				Compliant with the Corporate Governance Best-Practice Principles

Table 1

The Company's regular assessment of the independence and AQIs (Audit Quality Indicators) of CPAs.

- I. Article 68 of Statement of Auditing Standards No. 46: "Familiarity correlates particularly with cases where the financial statements of listed/OTC companies are audited. For such cases, principal auditors shall be rotated after a certain period of time (usually no longer than seven years) and may be reinstated at least after a certain period of time (usually no less than two years)." Also, it is specified in the Company's "Corporate Governance Best-Practice Principles" (partly omitted) that "The Company shall regularly (at least once a year) assess the independence of the CPAs appointed. Where any of the CPAs have not been changed for seven consecutive years or have been punished or where their independence has been impaired, the need to change such CPAs shall be contemplated and the results shall be reported to the Board of Directors." Matters are handled according to these regulations.
- II. The Company's CPAs in 2023 are CPA Liang Yi-Chang and CPA Wen Ya-Fang from PricewaterhouseCoopers Taiwan. Their audit tenure at the Company is described as follows:

Name of CPA	Audit tenure (from start to now)	Accumulated tenure
Liang Yi-Chang	From Q1 of 2019	5 years
Wen Ya-Fang	From Q1 of 2023	1 year

- III. The Company assesses the independence of CPAs in accordance with Article 47 of the Certified Public Accountant Act and the Bulletin of the Norm of Professional Ethics No. 10 – Integrity, Objectivity and Independence. To sum up, the standards and results of assessing the independence of the two CPAs are as follows:

Item assessed	Assessment result	Compliance with independence requirements
1. Whether the CPA has direct or material indirect financial interests with the Company	No	Yes
2. Whether the CPA has made or received loans or guarantees to or from the Company or the Company's directors	No	Yes
3. Whether the CPA has close business relationships and a potential employment relationship with the Company	No	Yes
4. Whether the CPA and their audit team members are currently holding or, in the most recent two years, have held director or managerial positions or other positions having a significant impact on the audit work at the Company	No	Yes
5. Whether the CPA has offered any non-audit services that may cause a direct impact on the audit work to the Company	No	Yes
6. Whether the CPA has served as a broker selling the shares or other securities issued by the Company	No	Yes
7. Whether the CPA has acted as a defender of the Company or has mediated any dispute with third parties on behalf of the Company	No	Yes
8. Whether the CPA is a relative of the Company's directors,	No	Yes

managerial officers, or personnel holding positions having a significant impact on the audit case		
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- IV. The Company assessed the independence of CPAs in accordance with Article 47 of the Certified Public Accountant Act and the Bulletin of the Norm of Professional Ethics No. 10 – Integrity, Objectivity and Independence. In summary, the PwC CPAs had no conflict of interest and were compliant with the principles of independence during their tenure as the Company’s auditors. Thus, the Company agreed to continue the appointment in 2023.
- V. At the 11th meeting of the 12th Board of Directors, the review of the pre-approval of non-audit services provided by CPAs was approved.
Matters have been handled in accordance with the IESBA Code amended by the International Ethics Board of Accountants (IESBA).
- VI. The AQIs issued by PricewaterhouseCoopers Taiwan.
- VII. In summary, the PwC CPAs had no conflict of interest and were compliant with the principles of independence during their tenure as the Company’s auditors. Thus, the Company agreed to continue the appointment in 2024.
- VIII. The proposal was reviewed and approved at the 12th meeting of the 1st Audit Committee on March 6, 2024.

Table 2

Chief corporate governance officer (2023)

- I. At the 10th meeting of the 12th Board of Directors on November 9, 2022, Consultant Chen Hsueh-Ping was appointed as the “chief corporate governance officer” (full-time).
- II. The functional requirements of the “Corporate Governance Officer” and the corporate governance affairs that the officer is in charge of are described as follows:
 - (I) The corporate governance affairs shall include:
 1. Handling matters related to board meetings and shareholders’ meetings in accordance with the law.
 2. Preparing minutes for board meetings and shareholders’ meetings.
 3. Assisting directors in taking office and receiving continuing education.
 4. Providing directors with information required for executing their duties.
 5. Assisting directors in complying with laws and regulations.
 6. Reporting to the Board of Directors on the review results on the qualifications of the independent directors during the nomination, election and tenure, with such qualifications required to be in line with relevant regulations.
 7. Handling matters related to the change of directors.
 8. Other matters stipulated in the Company’s Articles of Incorporation or contracts.
 - (II) Qualifications of the Company’s chief corporate governance officer:
Having more than three years of experience as the head of shareholder services in a public company.
 - (III) Concurrent positions of the chief corporate governance officer:
The chief corporate governance officer is a managerial officer of the Company and may be served by other personnel in the Company concurrently.
- III. Consultant Chen Hsueh-Ping was appointed as the “Chief Corporate Governance Officer” of the Company. Her educational and work experiences are shown in the following table.

Introduction of Ms. Chen Hsueh-Ping’s Educational and Work Experiences:	
Education and work experience	Current position
Department of Statistics, Tamkang University Assistant General Manager, Executive Assistant and Consultant, SOLOMON Technology Corporation	Chief Corporate Governance Officer, Solomon Data International Corporation

- IV. The continuing education of the chief corporate governance officer in 2024 is as follows:

Course date	Organizer	Course title	Continuing education hours	Total continuing education hours in the current year
2024.9.12	Taipei Exchange	Conference on Compliance with the Regulations Governing the Equity of Insiders in Listed Companies	3	15

2024.10.8	Taipei Exchange	2024 WIN: Symposium on Digital and Sustainable Finance under the AI Trend	3	
2024.12.9	Taiwan Corporate Governance Association	Matters to be Noticed for Recent Investment in the US and Mexico	3	
2024.12.9	Taiwan Corporate Governance Association	Methods of Taiwanese Companies' Deployment for International Taxation and Investment	3	
2024.12.17	Taipei Bar Association	2024 Corporate Governance Forum: New Challenges Faced by Chief Corporate Governance Officers	3	

Description of the diversity policy of Solomon Data International's Board of Directors and its implementation:

Regulation: **Solomon Data International Corporation Procedures for Election of Directors**

The overall composition of the Board of Directors shall be taken into consideration for the election of the directors of the Company. The composition of the Board of Directors shall be determined by taking diversity into account based on the Company's business operations, business type and development needs. It is advised that the considerations include:

- I. Basic requirements and values: Gender, age, nationality and culture.
- II. Professional knowledge and skills: Professional background (e.g. law, accounting, industry, finance, marketing or technology), professional skills and industrial experience.
- III. Members of the Board of Directors shall possess the necessary knowledge, skills and experience for performing their duties. They shall possess the following skills:
 - (I) Operational judgment skills.
 - (II) Accounting and financial analysis skills.
 - (III) Business management skills.
 - (IV) Crisis management skills.
 - (V) Industrial knowledge.
 - (VI) International market insights.
 - (VII) Leadership skills.
 - (VIII) Decision-making skills.
- IV. The specific background and expertise management goals are as follows:
 - (I) The Company's Board of Directors also values gender equality, and its members shall at least include one female.
 - (II) The Board of Directors of the Company focuses on operational judgment, business management, and crisis management, and more than two-thirds of the board members shall possess capabilities related to these core items.
 - (III) There is at least one member with accounting background.
 - (IV) There is at least one member with technology industry background.

- (V) Independent directors shall not hold office for more than three consecutive terms in order to maintain their independence.
- (VI) The number of directors who are employees of the Company, its parent, subsidiary, or sibling companies shall be less than one-third (inclusive) of the board members in order to achieve the purpose of supervision.

● **Implementation:**

Item Name	Gender	Operational judgment skills	Accounting and financial analysis skills	Business management skills	Crisis management skills	Industrial knowledge	International market insights	Leadership skills	Decision- making skills
Chen Cheng-Lung	Male	●	●	●	●	●	●	●	●
Chen Lu Su-Yue	Female	●	●	●	●	●			●
Liang Li-Jen	Male	●	●	●	●	●	●	●	●
Chiang Chien-Chih	Male	●	●	●	●	●	●	●	●
Lee Jung-En	Male	●	●	●	●	●	●	●	●
Fu Yi-Chung	Male	●	●	●	●	●	●	●	●
Wen Chi-Jung	Male	●	●	●	●	●	●	●	●
Yu Wen-Pin	Male	●	●	●	●	●	●	●	●
Chen Hung-Lin	Male	●	●	●	●	●	●	●	●

● **Composition Description:**

	Item	Proportion %
1	Directors who are employees	22.22
2	Directors who are employees of the Group	44.44
3	Independent Director	44.44
4	Female directors	11.11

● **Industrial Experience/Expertise Distribution:**

Item Name	Gender	Accounting and financial analysis skills	Automated / intelligent industries	Energy	International trade	Investment
Chen Cheng-Lung	Male	●	●	●	●	●
Chen Lu Su-Yue	Female	●			●	●
Liang Li-Jen	Male	●			●	●
Chiang Chien-Chih	Male	●	●	●	●	●
Lee Jung-En	Male	●		●	●	●
Fu Yi-Chung	Male	●			●	●
Wen Chi-Jung	Male	●			●	●
Yu Wen-Pin	Male	●			●	●
Chen Hung-Lin	Male	●	●	●	●	●

● **Age Distribution of Directors:**

Item Name	Gender	40–50	50–60	60–70	70–80
Chen Cheng-Lung	Male		●		
Chen Lu Su-Yue	Female				●
Liang Li-Jen	Male	●			
Chiang Chien-Chih	Male	●			
Lee Jung-En	Male	●			
Fu Yi-Chung	Male			●	
Wen Chi-Jung	Male				●
Yu Wen-Pin	Male			●	
Chen Hung-Lin	Male	●			

● **Term-of-office Distribution of Independent Directors:**

Item Name	Gender	One term	Two terms	Three terms
Fu Yi-Chung	Male	●		
Wen Chi-Jung	Male	●		
Yu Wen-Pin	Male		●	
Chen Hung-Lin	Male		●	

(IV) Information of operations of the Compensation Committee:

1. Composition:

(1) The members of the 1st Compensation Committee:

Mr. Cheng Jen-Wei, Mr. Liu Chia-Yi, and Mr. Hsu Ching-Hsin were appointed as the members at the meeting of the Board of Directors on December 26, 2011, with Mr. Cheng Jen-Wei elected as the convener. The appointment took effect upon the approval of the Board of Directors and ended on June 30, 2012, the same as the expiration date of the term of office of the current Board of Directors.

(2) The members of the 2nd Compensation Committee:

The members of the 2nd term were determined in response to the re-election of the directors and supervisors of the 9th Board of Directors. Mr. Cheng Jen-Wei, Mr. Liu Chia-Yi, and Mr. Hsu Ching-Hsin were re-appointed by the Board of Directors as the members of the 2nd Compensation Committee. Their respective terms of office are as follows:

A. Mr. Cheng Jen-Wei and Mr. Liu Chia-Yi: The appointment took effect upon the approval of the Board of Directors (i.e. on June 21, 2012) and ended on June 17, 2015, the same as the expiration date of the term of office of the 9th Board of Directors.

B. Mr. Hsu Ching-Hsin: The appointment took effect upon the approval of the Board of Directors and ended on March 19, 2014 (in compliance with the law).

- (3) Re-election of members for the 2nd Compensation Committee:
A. Mr. Hsu Ching-Hsin: Resigned on July 27, 2012.
B. Ms. Chen Chen-Mei: Appointed by the Board of Directors on August 28, 2012.

- (4) The members of the 3rd Compensation Committee:
Mr. Kao Kuan-Yin and Ms. Chen Chen-Mei were appointed as the members as approved at the 1st meeting of the 10th Board of Directors on June 29, 2015, with Ms. Chen Chen-Mei elected as the convener. The appointment took effect upon the approval of the Board of Directors and ended on June 28, 2018, the same as the expiration date of the term of office of the current Board of Directors. Mr. Yu Wen-Pin was appointed as a member as approved at the 2nd meeting of the current Board of Directors on August 12, 2015. The appointment took effect upon the approval of the Board of Directors and ended on June 28, 2018. On January 15, 2018, Kao Kuan-Yin was elected as the convener.

- (5) The members of the 4th Compensation Committee:
Mr. Kao Kuan-Yin, Ms. Chen Chen-Mei and Mr. Yu Wen-Pin were appointed as the members as approved at the 1st meeting of the 11th Board of Directors on June 13, 2018, with Mr. Kao Kuan-Yin elected as the convener. The appointment took effect upon the approval of the Board of Directors and ended on June 7, 2021, the same as the expiration date of the term of office of the current Board of Directors. Article 12, Paragraph 1 of the Regulations Governing the Appointment and Compliance Matters Regarding Exercise of Powers of the Board of Directors for TPEx Listed Companies specifies that the Compensation Committee shall have no less than three members, that the majority of members shall be independent directors, and that the members shall select among themselves one independent director to act as the convener and meeting chair. The appointment is in line with such provision. The Board of Directors dismissed the member, Chen Chen-Mei, and appointed a new member, Independent Director Lin Chia-Sheng. The dismissal and appointment took effect upon the approval of the Board of Directors (i.e. on June 14, 2019).

- (6) The members of the 5th Compensation Committee:
Independent Directors Mr. Kao Kuan-Yin, Mr. Chen Hung-Lin and Mr. Yu Wen-Pin were appointed as the members as approved at the 1st meeting of the 12th Board of Directors on July 9, 2021, with Mr. Kao Kuan-Yin elected as the convener. The appointment took effect upon the approval of the Board of Directors and ended on July 8, 2024, the same as the expiration date of the term of office of the current Board of Directors.

- (7) The members of the 6th Compensation Committee:
Independent Directors Mr. Fu Yi-Chung, Mr. Wen Chi-Jung, Mr. Chen Hung-Lin and Mr. Yu Wen-Pin were appointed as the members as approved at the 1st meeting of the 13th Board of Directors on June 13, 2024, with Mr. Fu Yi-Chung elected as the convener. The appointment took effect upon the approval of the Board of Directors and will end on June 12, 2027, the same as the expiration date of the term of office of the current Board of Directors.

2. Responsibilities: The Compensation Committee consists of four members appointed by a resolution of the Board of Directors.

The Compensation Committee holds two meetings a year. The reason for convening meetings shall be specified at the time of convening such meetings. A notice shall be given to the members seven days before a meeting. However, this is not applicable in

case of an emergency.

3. Operations: Compensation Committee meetings in 2024

Meeting date	Session	Proposal	Meeting result	Actions taken by the Company in response to the opinions of the Compensation Committee
2024.2.6	5 th term, 6 th meeting	1. Report on change of directors and managerial officers. 2. Report on the compensation of directors and managerial officers. 3. Review of the year-end bonuses to managerial officers for 2023.	Passed	None
2024.6.13	6 th term, 1 st meeting	Election of the convener and meeting chair for the 6 th term.	Independent Director Fu Yi-Chung was elected as the convener.	None
2024.12.13	6 th term, 2 nd meeting	1. Report on change of directors and managerial officers. 2. Report on the compensation of directors and managerial officers. 3. Review of the distribution of remuneration to directors for 2023. 4. Review of the distribution of employees' remuneration for 2023.	Passed	None

4. Information of members of the Compensation Committee:

Title	Name	Criteria	Professional qualifications and experience	Independence	Number of publicly listed companies where the committee member is currently also a compensation committee member
Independent Director Convener	Fu Yi-Chung		Please refer to relevant information in "Information of Directors (I)" in Table 1 on page 5. More than 20 years of work experience None of the circumstances under Article 30 of the Company Act apply	Compliant with what is described in the note	0
Independent Director	Wen Chi-Jung		Please refer to relevant information in "Information of Directors (I)" in Table 1 on page 6. More than 20 years of work experience None of the circumstances under Article 30 of the Company Act apply	Compliant with what is described in the note	0

Independent Director	Chen Hung-Lin	Please refer to relevant information in “Information of Directors (I)” in Table 1 on page5. More than 20 years of work experience None of the circumstances under Article 30 of the Company Act apply	Compliant with what is described in the note	2
Independent Director	Yu Wen-Pin	Please refer to relevant information in “Information of Directors (I)” in Table 1 on page 5. More than 20 years of work experience None of the circumstances under Article 30 of the Company Act apply	Compliant with what is described in the note	0

5. Information of operations of the Compensation Committee:

A. The Compensation Committee of the Company consists of four members.

B. Term of the current members: June 13, 2024, to June 12, 2027. In 2024, the Compensation Committee held three meetings (A), and the qualifications of the members and their attendance at these meetings were as follows:

Title	Name	Actual number of meetings attended (B)	Number of meetings attended by proxy	Actual rate of attendance (%) (B/A) (Note)	Remarks
Convener	Fu Yi-Chung	2	0	100	Independent Director (new)
Committee Member	Wen Chi-Jung	2	0	100	Independent Director (new)
Committee Member	Chen Hung-Lin	3	0	100	Independent Director
Committee Member	Yu Wen-Pin	3	0	100	Independent Director
Convener	Kao Kuan-Yin	1	0	100	Independent Director (dismissed after three terms of service)

Other information required:

- I. Where the Board of Directors has declined to adopt or has amended the suggestions of the Compensation Committee, the board meeting dates and sessions, proposals, the resolutions of the Board of Directors, and the actions taken by the Company in response to the opinions of the Compensation Committee shall be specified (if the compensation approved by the Board of Directors is higher than that suggested by the Compensation Committee, the difference and its reason shall be specified): There was no such circumstance.
- II. Where the members of the Compensation Committee have expressed objections or reservations in records or written statements to any matter subject to a resolution of the Compensation Committee, the Compensation Committee meeting dates and sessions, proposals, the opinions of all members, and the actions taken in response to their opinions shall be specified: There were no such circumstances.

(V) Information of operations of the Sustainable Development Committee:

1. Composition:

- (1) The Committee members shall be appointed by resolution of the Board of Directors. The number of members shall not be less than three. Among them, at

least one shall be an independent director and at least one or more members shall possess the professional skills required by the Committee. All committee members shall elect a chairperson to act as the convener and meeting chair.

- (2) The Committee has established “Functional Teams” and an “Execution Office” and appointed relevant business managers to ensure the promotion and implementation of sustainable development-related tasks.
- (3) The Board of Directors approved the establishment of the “Organizational Rules for Sustainable Development” on November 7, 2023.

- 1st Sustainable Development Committee: Chairman Chen Cheng-Lung and two independent directors, Kao Kuan-Yin and Yu Wen-Pin, were appointed as the members of the Committee. The appointment took effect upon the approval of the Board of Directors (i.e. on November 7, 2023) and ended on July 8, 2024, the same as the expiration date of the term of office of the 12th Board of Directors.
- 2nd Sustainable Development Committee: Chairman Chen Cheng-Lung and two independent directors, Wen Chi-Jung and Chen Hung-Lin, were appointed as the members of the Committee. The appointment took effect upon the approval of the Board of Directors (i.e. on June 13, 2024) and will end on June 12, 2027, the same as the expiration date of the term of office of the 13th Board of Directors.

2. Duties:

- (1) Establishing sustainable development policies.
- (2) Formulating annual sustainable development plans and strategic directions.
- (3) Tracking, reviewing, and reporting the implementation and effectiveness of sustainable development to the Board of Directors.
- (4) Making decisions on other matters related to sustainable development.

3. Duties of functional teams:

According to the Company’s needs, functional teams including those for “nomination,” “ethical management,” “risk management,” “information security,” “environmental protection,” and “occupational safety” may be established for the Committee to implement corporate sustainability work.

The “Department of Infrastructure” acts as the “Executive Unit” of the Committee to comprehensively manage the Committee’s operations and integrate the annual plans and execution of each “functional team.”

4. Operation: The Company’s 2024 ESG implementation and performance and the establishment of plans and strategies for 2025 were reported to the Board of Directors and the Sustainable Development Committee.

Implementation and performance related to ESG sustainability issues in 2024:	
1	In March, the Company completed the revision or establishment of the “Regulations Governing the Financial and Business Activities between Related Parties,” “Corporate Governance Best-Practice Principles,” “Sustainable Development Principles,” and “Self-regulations Governing the Disclosure of M&A Information,” and submitted the same to the Audit Committee and the Board of Directors for approval.
2	In June, education and training on the provisions of ISO 31000 Risk Management and the provisions of ISO 22301 Business Continuity were conducted
3	In August, the Company established the “Risk Management Policy and Procedure” and submitted the same to the Audit Committee and the Board of Directors for approval.
4	In September, the Company formulated a business continuity plan and greenhouse gas inventory management procedures.
5	In October, the Company completed the external verification of greenhouse gas inventory.
6	In November, the Board of Directors approved the “Organizational Rules of the Sustainable Development Committee” and appointed “Sustainable Development Committee Members” for reporting.

In January 2024, the Company planned to introduce sustainability report guidance and verification:	
In response to the deadline set by the Financial Supervisory Commission, SOLOMON and Solomon Data International’s sustainability report must be prepared and verified by 2025, which is planned to be carried out in two phases. (Since the sustainability report covers a wide and diverse range of topics, it is necessary for all units to pay more attention to ESG topics. Currently, Kind Management Consulting, Co. has been selected to provide guidance + verification.)	
Phase 1:	Establish a sustainability report
	Introduction in January 2024, completion (of the 2023 report content) in August, and upload to the MOPS in September.
Phase 2:	Optimize the sustainability report
	Introduction starting in Q4 2024, report completion (2024 report content) in April 2025, verification in May 2025 (by Great Certification in accordance with AA1000), and upload to the MOPS in June 2025.

5. Information of members of the Sustainable Development Committee:

Member name	Whether the member is an independent director	Expertise
Chen Cheng-Lung	No	Please refer to relevant information in Information of Directors on page 4.
Wen Chi-Jung	Yes	Please refer to relevant information in Information of Directors on page 6. More than 20 years of work experience None of the circumstances under Article 30 of the Company Act apply
Chen Hung-Lin	Yes	Please refer to relevant information in Information of Directors on page 5. More than 20 years of work experience None of the circumstances under Article 30 of the Company Act apply

(VI)Promotion of sustainable development, differences with the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies, and the reasons for such differences:

Item promoted	Implementation			Differences with the Corporate Social Responsibility Best-Practice Principles for TWSE/GTSM Listed Companies, and the reasons for such differences
	Yes	No	Summary	
I. Does the company establish a governance framework to promote sustainable development? Does the company establish a specialized (or designate an existing) department to promote sustainable development, which the senior management is authorized by the board of directors to manage under the supervision of the board of directors? <u>(Please specify the implementation status)</u>	V		<p>The Group started to implement a governance framework for ESG and sustainable development through the guidance of a consulting firm from January 2024. An ESG Promotion Committee is expected to be established, and its subordinate members responsible for affairs related to corporate governance, environment, society, and economy will be divided into groups to promote sustainable development.</p> <p>The process and stages involved in introducing ESG and sustainable development are described below: Interviews/ESG scope assessment → Kick-off meeting/education and training → Identification of material matters → Identification of material considerations → Selection of performance indicators → Assignment of tasks → Collection, compilation of and discussion on documents and data → Preparation of the first draft of the ESG report → Internal checks and draft revision → External verification and draft revision → Official publication/continuous updating.</p> <p>The Company has established the "Sustainability Development Code", and additionally, on November 7, 2023, the Board of Directors approved the adoption of the "Sustainability Committee Charter."</p> <p>The Second Sustainability Committee is composed of Chairman Chen Cheng-Long, and two independent directors, Chen Hung-Lin and Wen Chi-Jung. Their appointments took effect immediately upon the Board's approval on June 13, 2024, and will remain valid until June 12, 2027, aligning with the end of the 13th Board of Directors' term.</p> <p>According to the Company's needs, functional teams including those for "nomination," "ethical management," "risk management," "information security," "environmental protection," and "occupational safety" may be established for the Committee to implement corporate sustainability work.</p> <p>The "Department of Infrastructure" acts as the "Executive Unit" of the Committee to comprehensively manage the Committee's</p>	No major difference

Item promoted	Implementation			Differences with the Corporate Social Responsibility Best-Practice Principles for TWSE/GTSM Listed Companies, and the reasons for such differences
	Yes	No	Summary	
			operations and integrate the annual plans and execution of each “functional team.” In November 2024, the unit reported on the execution in 2024 and the work plan for 2025 to the Board of Directors.	
II. Does the company conduct any risk assessment regarding environmental, social and corporate governance issues related to the company’s operations according to the materiality principle? Does the company establish any relevant risk management policy or strategy? (Note 2) <u>(Please specify the implementation status)</u>	V		<p>With an eye to better corporate governance, a sound risk management mechanism was established in 2024 to control all possible risks within an affordable range, establish a risk management system, and serve as the basis for various risk management and execution, so that the operational effectiveness of risk management can be improved.</p> <p>The risk management procedure includes risk identification, risk analysis, risk assessment, risk management, and risk reporting. Risks and opportunities and corresponding measures are determined based on 13 risk dimensions, including 7 market risks, 20 operational risks, 4 strategic risks, 1 financial risk, 1 investment risk, 2 legal risks, 5 cybersecurity risks, 4 environmental risks, 1 work safety risk, 4 human resource risks, 2 sustainability risks, and 1 climate change risk.</p> <p>The Risk Management Team expects to, before Q4 of 2024, evaluate whether the risk management is effectively implemented in 2024, with a view to ensuring the proper implementation and compliance. The Risk Management Team reports by the end of each year, and reports to the ESG Development Committee at least once a year.</p> <p>After the Risk Management Team confirms the risk management status, the convener reports to the Board of Directors at least once a year. The Securities Office discloses relevant information in accordance with the regulations of the competent authority, and discloses information related to risk management on the Company’s website, sustainability report, and annual report. Such information includes the “Risk Management Policy and Procedure,” organizational structure for risk governance and management, and details of risk management practices and implementation (e.g. the frequency and date of reporting to the Board of Directors and committees).</p>	No major difference

Item promoted	Implementation			Differences with the Corporate Social Responsibility Best-Practice Principles for TWSE/GTSM Listed Companies, and the reasons for such differences
	Yes	No	Summary	
III. Environmental issues				No major difference
(I) Does the company create an appropriate environmental management system based on the industrial characteristics of the company?	V		<p>Electricity: Energy-efficient lighting, replacement of water chiller units with new inverter water chiller units (variable frequency to save energy)</p> <p>Water: Installation of touchless water faucets and water-saving toilets.</p> <p>Paper: Reducing paper use and encouraging the replacement of paper documents with electronic ones in administrative processes and the use of printed and recycled paper.</p> <p>Waste: Garbage sorting and waste recycling by commissioned professional waste disposal companies to reduce environmental impacts</p> <p>Regarding the industrial characteristics, the Company is mainly based on factory manufacturing, products and services. Our business activities' impact on the environment mostly comes from the water and electricity consumed and the waste generated in our office and business premises. Hence, we have created suitable environmental management systems in this regard (such as water resource saving, energy-efficient air conditioning and lighting, and waste management procedures).</p> <p>ISO 14001 is not applicable since the Company is not a manufacturer.</p>	No major difference
(II) Is the company committed to achieving more efficient use of energy and using renewable materials with low environmental impacts?	V		<p>Since 2023, the Group has been proposing energy saving and carbon reduction plans based on the annual GHG inventory data:</p> <ol style="list-style-type: none"> 1. Renewal of one water chiller unit, with an annual energy saving of 62,400 kWh/kLOE, an estimated saving of NT\$187,000, and an invested amount of NT\$665,000 2. Renewal of one air compressor, with an annual energy saving of 31,500 kWh/kLOE, an estimated saving of NT\$94,500, and an invested amount of NT\$580,000 <p>The Company has been dedicated to achieving more efficient use of resources to reduce environmental impacts:</p> <ol style="list-style-type: none"> 1. We continue to reduce the use of paper and encourage the 	No major difference

Item promoted	Implementation			Differences with the Corporate Social Responsibility Best-Practice Principles for TWSE/GTSM Listed Companies, and the reasons for such differences
	Yes	No	Summary	
			<p>replacement of paper documents with electronic ones in administrative processes. Relevant measures include using printed and recycled paper and actively strengthening internal review and procurement systems and other fully computerized systems.</p> <p>2. The Company carries out garbage sorting, recycles usable resources, and commissions a professional waste disposal company to recycle waste to reduce environmental impacts.</p>	
(III) Does the company assess the present and future potential risks and opportunities arising from climate change for the company? Does the company take any measures in response to climate-related issues?	V		<p>Man-made climate change results from changes in the greenhouse gas content in the atmosphere. Changes in particulate matters in the air (also called aerosols) and land use also contribute to climate change. Man-made greenhouse gas emissions have increased since the industrial age (around 1750). The concentrations of carbon dioxide, methane, and nitrous oxide in the atmosphere have reached their highest levels in 800,000 years. These man-made greenhouse gas emissions and other human activities have influenced the whole climate system and it is thus believed that they are very likely the main cause of climate change since the 20th century.</p> <p>1. A green supply chain is promoted to support energy saving and carbon reduction measures.</p> <p>2. The office personnel are further encouraged to save energy and reduce carbon emissions from food, clothing, housing, and transportation by, for example, eating less meat and more greens, choosing reusable products, learning about green buildings, and using electric vehicles and public transportation more.</p>	No major difference
(IV) Does the company make statistics of the greenhouse gas emissions, water usage and total weight of waste over the previous two years? Does the company establish policies for energy saving and carbon reduction, greenhouse gas reduction, reduction of water usage or management of other waste?	V		<p>The Group's strategies for energy saving and carbon reduction and greenhouse gas reduction are as follows:</p> <p>1. Water resource saving: All the facilities have been water-saving ones since 2010 to reduce water resources wasted and used, such as touchless water faucets, urinal flush valves, and water-saving toilets. These facilities can help save about 5% of the water consumption every year.</p>	

Item promoted	Implementation			Differences with the Corporate Social Responsibility Best-Practice Principles for TWSE/GTSM Listed Companies, and the reasons for such differences
	Yes	No	Summary	
			<p>2. Energy-efficient air conditioning: We reinforce the control of the use of air conditioning (e.g. by having Taipower install water chiller unit temperature adjusters to keep the air conditioning at 26 degrees) and plan to install air conditioning timers, which can help reduce 5%-10% of the electricity consumption (carbon emissions) every year.</p> <p>3. Energy-efficient lighting: The use of lighting equipment is further controlled (e.g. by turning lights off during lunch breaks, reducing the lighting in restroom aisles, and turning off lights when not in use). All the light tubes were replaced with LED tubes in 2010, leading to an annual reduction of 5% in electricity consumption (carbon emissions).</p> <p>4. Garbage sorting and recycling: Waste sorting and recycling bins are set up for waste reduction and resource recycling to protect the environment.</p> <p>The above strategies and practices will be disseminated to all employees on an irregular basis and thoroughly implemented.</p> <p>Water consumption: 2023/503degree ; 2024/534degree</p> <p>Total waste weight: 2023/3,722 kg; 2024/3,824kg</p> <p>Policy issues will be communicated to the employees by means of announcement to encourage them to protect the earth together.</p>	
IV. Social issues				
(I) Does the company establish relevant management policies and procedures in accordance with applicable laws and regulations and international human rights conventions?	V		The Company formulated the “Human Rights Policy” in accordance with internationally recognized human rights standards such as the “United Nations Guiding Principles on Business and Human Rights” and “International Labour Organization” to respect the protection measures stipulated by human rights covenants, and has disclosed the policy on the Company’s website. The Group regularly examines its own operations, value chain, investment activities, and other related activities by paying attention to major social issues and data monitoring every year to identify and assess groups at risk and potential human rights risks, and continues to monitor and improve plan implementation results.	No major difference

Item promoted	Implementation			Differences with the Corporate Social Responsibility Best-Practice Principles for TWSE/GTSM Listed Companies, and the reasons for such differences
	Yes	No	Summary	
			The Group's human rights management policies and specific plans are summarized as follows:	
			Human rights management policy	
			Specific plan	
			Providing a safe and healthy work environment	
			Assisting employees in maintaining physical and mental health and work-life balance	
			Prohibiting forced labor and abiding by the labor laws and regulations of the local government	
			Including human rights clauses in contracts entered into with suppliers and implementing on-site audits	

Item promoted	Implementation			Differences with the Corporate Social Responsibility Best-Practice Principles for TWSE/GTSM Listed Companies, and the reasons for such differences
	Yes	No	Summary	
			<div>Form,” and “Supplier/Contractor Social Responsibility Guidelines.”</div> <p>In addition, the Company also provided human rights protection training for employees in 2024. A total of 465 employees received the training; their training time totaled 909 hours. In the future, we will continue to pay attention to human rights protection issues and promote relevant education and training to raise human rights protection awareness and reduce the possibility of related risks.</p>	
(II) Does the company establish and implement reasonable employee welfare measures (including compensation, leave and other benefits)? Is the operating performance or result appropriately reflected in the compensation for employees?	V		<p>The Group’s [Employee Welfare Committee Management Guidelines] have been established in accordance with Article 6 of the Organizational Rules of the Employee Welfare Committee to offer welfare subsidies to employees, ranging from marriage allowance, funeral allowance, maternity allowance, solatium for injury/illness hospitalization, cash gifts for festivals to emergency aid for the employees.</p> <p>The [Attendance Management Guidelines] specify that the guidelines apply to all matters related to the employees’ attendance and leave. New or existing types of leave are introduced or changed as required by law to ensure the rights and interests of the employees.</p> <p>The Group’s [Salary Management Guidelines]</p> <p>The guidelines are established in order to provide reference for the salary payment standard and calculation method for the Company’s employees and ensure fairness and reasonableness. The General Salary Payment Procedures and Promotion and Salary Adjustment Procedures are also explicitly specified.</p> <p>[Performance Evaluation Management Guidelines]</p> <p>The Company uses the current period as the base period. The performance of the employees is evaluated based on their job performance during the review period and their daily attendance and</p>	No major difference

Item promoted	Implementation			Differences with the Corporate Social Responsibility Best-Practice Principles for TWSE/GTSM Listed Companies, and the reasons for such differences
	Yes	No	Summary	
			<p>leave records. The compensation policy is also regularly reviewed by the Compensation Committee to pursue internal equity and external competitiveness.</p> <p>The Compensation Committee has been established to review the compensation policy on a periodic basis to achieve internal equity and external competitiveness. The Company's performance evaluation system includes evaluating the employees' core competence and performance regarding corporate social responsibility and uses the evaluation result as a basis for year-end bonuses, salary adjustment, and promotion.</p> <p>We have a leave system in place in compliance with the government's regulations.</p> <p>The Employee Welfare Committee has been set up to promote physical and arts activities and take care of the families of employees.</p> <p>[Performance Evaluation Management and Compensation Policies]</p> <p>Employee compensation includes bonuses for the Company's operating performance that are assessed, calculated and distributed at the end of a fiscal year. The bonuses are calculated based on the Company's operating performance in the fiscal year.</p>	
(III) Does the company provide employees with a safe and healthy work environment and give safety and health education to employees regularly?	V		<p>The Group has formulated protective measures for the personal safety and work environment of our employees, including:</p> <p>1. [Plan for Prevention of Ergonomic Hazards] To protect the employees from being exposed to an unsatisfactorily designed work environment, repetitive tasks, poor working postures or improper time management at work for a long period of time, relevant preventive measures shall be adopted in accordance with Article 6, Paragraph 2, Subparagraph 1 of the Occupational Safety and Health Act and Article 324-1 of the Regulations for the Occupational Safety and Health Equipment and Measures to prevent ergonomic hazards resulting from work, including musculoskeletal injury or illness. In 2024, 9 employees conducted a "Survey on Musculoskeletal Disorders." The result showed that there was 1 employee with suspected musculoskeletal disorders,</p>	No major difference

Item promoted	Implementation			Differences with the Corporate Social Responsibility Best-Practice Principles for TWSE/GTSM Listed Companies, and the reasons for such differences
	Yes	No	Summary	
			<p>and guidance has been provided for improvement.</p> <p>2. [Plan for Prevention of Diseases Induced by Overwork] In an effort to prevent overwork from causing diseases to the Company's employees, health management measures are provided for our employees who work in shifts, at night or long periods of time to protect them from developing cerebrovascular and cardiovascular diseases due to overwork and thereby ensure their physical and mental health. These measures are implemented in accordance with Article 6, Paragraph 2, Subparagraph 2 of the Occupational Safety and Health Act and Article 324-2 of the Regulations for the Occupational Safety and Health Equipment and Measures. In 2024, a total of 37 employees received face-to-face physician counseling and health education. Follow-up interviews about their health conditions have been conducted with them afterwards.</p> <p>3. [Plan for Prevention of Unlawful Infringement When Performing Duties] In order to protect our employees from being treated improperly by their employers, managers or colleagues by means of taking advantage of their positions or status, and from being subject to verbal abuse, physical aggression, intimidation, threats, and other bullying or violent behaviors that result in psychological or physical harm or even endanger their lives from the people they serve or other third parties, the prevention plan has been developed in accordance with Article 6, Paragraph 2, Subparagraph 3 of the Occupational Safety and Health Act, Article 11 of the Enforcement Rules of the Occupational Safety and Health Act, and Article 324-3 of the Regulations for the Occupational Safety and Health Equipment and Measures. By doing so, we hope to prevent internal and external unlawful infringement during the performing of duties, ensure a safe workplace, and protect the physical and mental health of our employees. The statistics for 2024 showed that there were no incidents related to physical, mental and verbal abuse and sexual harassment.</p> <p>4. [Maternal Health Protection and Management Plan] Pursuant to the regulations on maternal health protection in Articles 30 and 31 of the Occupational Safety and Health Act, it is advisable for business entities to properly draw up and adopt necessary safety and health</p>	

Item promoted	Implementation			Differences with the Corporate Social Responsibility Best-Practice Principles for TWSE/GTSM Listed Companies, and the reasons for such differences
	Yes	No	Summary	
			<p>measures and develop maternal health protection plans for matters related to maternal health protection, so as to ensure the physical and mental health of female employees in pregnancy, after childbirth, and during lactation and thereby protect maternal health. In 2024, 1 employee had a face-to-face assessment with a doctor after childbirth, and it was confirmed that her job would not cause harm to her maternal health.</p> <p>5. [Health Management Guidelines] To ensure the health of the Company's employees, prevent work-related disorders, and conduct early diagnosis and treatment in case of disorders, the guidelines have been established and company health check-ups have been organized at the end of every year. The health check-up rate in 2024, equal to the total number of people receiving health check-ups (257)/total number of the Company's employees (376), reached 68%.</p> <p>6. Describe the number of fires in the year, the number of casualties, the number as a percentage of all employees, and relevant improvement measures in response to fires: None.</p> <p>An ISO 45001 occupational safety and health management system has been introduced since 2021. The system has been certified by the SGC to optimize its operation.</p> <p>There were 2 occupational accidents involving employees in the Company in 2024. The Company had a total of 310 employees and the occupational accident rate was 0.64%.</p> <p>The Occupational Safety and Health Committee holds regular meetings on a quarterly basis to review and improve the prevention measures for occupational accidents to avoid their occurrence. We also draw our employees' attention to occupational accidents through education and training.</p> <p>We offer our employees a comfortable, safe and healthy work environment, such as an employee rest area and reading room. The Company takes out group insurance and organizes health check-ups and safety and health training for all employees every year. Moreover, all the Company's offices carry out industrial safety and fire safety inspections as well as drills every six months, perform environmental</p>	

Item promoted	Implementation			Differences with the Corporate Social Responsibility Best-Practice Principles for TWSE/GTSM Listed Companies, and the reasons for such differences
	Yes	No	Summary	
			<p>cleaning and disinfection on a monthly basis, and clean water towers and water dispensers every three months. A variety of activities is organized by the Welfare Committee to help the employees stay physically and mentally balanced.</p> <p>Specific access management measures: Building security guards are dispatched to monitor the security of the building 24 hours.</p> <p>Pandemic prevention measures: The Company provides alcohol hand sanitizers and requires all people to measure their body temperature before entering the building.</p>	
(IV) Does the company establish an effective plan for development and training of the career abilities of employees?	V		<p>The Group's [Education and Training Management Procedures] In order to foster high-performance talent and management associates that meet the organization's needs for growth, we have set standards for the design, implementation, analysis, tracking, and improvement of education and training courses in the hope of achieving standardization and clarity. These courses include education and training courses for new employees, professional on-the-job training, external training, and training on core competencies. With the aim of developing the Company's core competencies, education and training is provided to allow all departments to better pass on their expertise (technology) and train talent.</p> <p>[Rotation Management Guidelines] Intra-departmental and interdepartmental job rotation for employees can not only help the organization become more flexible, preventing organizational rigidity, but also increase the flexibility of manpower utilization. The Company has gradually noticed the importance of employee career management and cultivated a pool of high-performance talent with multiple skills.</p> <p>[Replacement Plan Management Procedures] The purpose of the procedures is to cultivate suitable replacements at all levels in a systematic manner and create a talent pool to help continue all business strategies or plans without interruption and reduce the risk of key staff turnover.</p> <p>We make sure all employees possess the required core competencies and ensure that management has the needed management competencies. We have also clearly defined the behaviors that need to</p>	No major difference

Item promoted	Implementation			Differences with the Corporate Social Responsibility Best-Practice Principles for TWSE/GTSM Listed Companies, and the reasons for such differences
	Yes	No	Summary	
			be displayed for each competency and provide competency-based education and training.	
(V) Regarding customer health and safety, customer privacy, marketing and labeling in relation to products and services, does the company comply with applicable laws and international standards? Does the company establish policies and complaint procedures for the protection of consumer or customer rights?	V		<p>The Group's [Communication Management Procedures] The procedures aim to implement the management systems, keep the consistency between the information communicated internally and the information on the quality management system, and provide information and responses on the quality management system to execute reliable and effective internal/external communication and stakeholder communication.</p> <p>1. [Customer Service Management Procedures] We offer timely and effective services to customers and make them satisfied with the products provided by the Company to build a good company and product image.</p> <p>[Information Management Procedures]</p> <p>2. Cybersecurity policy: Relevant systems are regularly reviewed to see if they keep up with changes in the business environment and make timely adjustments if necessary. Regular internal audits are conducted to strengthen the Company's information security management.</p> <p>Confidentiality measures for customers' data:</p> <p>a. Data collection method:</p> <p>We and our subsidiaries collect customers' data in marketing activities and transactions with their consent in accordance with the applicable laws and regulations; such data includes publicly disclosed information and the legal data disclosed by government agencies.</p> <p>b. Data storage and retention methods:</p> <p>All customers' data are retained safely in the Company's database. In addition, with respect to access to controlled data, according to the internal management regulations of the Company and our subsidiaries, personnel who are not duly authorized shall not have access to or change customers' data. The confidentiality and integrity are thereby ensured.</p>	No major difference

Item promoted	Implementation			Differences with the Corporate Social Responsibility Best-Practice Principles for TWSE/GTSM Listed Companies, and the reasons for such differences
	Yes	No	Summary	
			<p>c. Data security and protection methods:</p> <p>The Company and its subsidiaries not only adopt encryption for data transmission and storage, but also set up multiple types of firewalls to avoid illegal intrusions and prevent customers' data from being accessed illegally. Meanwhile, customers' passwords are obfuscated to prevent illegal leakage of customer passwords.</p> <p>The Company complies with the RoHS requirements and does not use products made from "conflict minerals."</p>	
(VI) Does the company establish any supplier management policy that requires suppliers to comply with relevant regulations with regard to issues of environmental protection, occupational safety and health or labor rights. What is the status of its implementation?	V		<p>[Supplier Management Procedures] related to the ISO 45001 Occupational Health and Safety Management System</p> <p>Purpose:</p> <ol style="list-style-type: none"> 1. The procedures are used to establish maintenance procedures to ensure compliance with the occupational health and safety requirements in national laws and regulations before purchasing goods and receiving services and to meet all applicable occupational health and safety requirements before use. 2. New suppliers: Purchasing personnel may create a supplier record for suppliers only after confirming their compliance with relevant criteria. <p>The personnel reach out to new suppliers and provide them with a "Basic Supplier Information Form," a "Supplier Survey Form" or "Contractor Survey Form," a "Letter of Commitment to Integrity," a "Declaration for Non-use of Conflict Minerals," an "Occupational Safety and Health Survey Form," and "Supplier/Contractor Social Responsibility Guidelines."</p> <p>Each year, the "Social Responsibility Survey" and "Business Continuity Survey" will be conducted during the supplier evaluation.</p> <ol style="list-style-type: none"> 3. Supplier evaluation: a. Quality evaluation, b. Delivery evaluation, c. Turnover evaluation, d. Service evaluation, e. Others 4. Evaluation results: Purchasing personnel classify/manage suppliers according to the evaluation results. 	No major difference

Item promoted	Implementation			Differences with the Corporate Social Responsibility Best-Practice Principles for TWSE/GTSM Listed Companies, and the reasons for such differences
	Yes	No	Summary	
			<p>The Company does not make transactions with suppliers with a record of major industrial safety accidents or air pollution violations</p> <p>I. Supplier selection:</p> <p>Purchasing units and units with needs shall select suppliers based on their compliance with occupational safety and health regulations as well as required occupational safety and health specifications. Purchasing personnel gather information on suppliers capable of supplying the Company's raw materials, machinery, equipment, and services for preliminary approval by relevant units after assessment. A "Basic Supplier Information Form" is filled out and filed for application. The application is then reviewed in accordance with the procurement regulations. All qualified suppliers are required to sign a "Solomon Group Letter of Commitment to Integrity" and a "Declaration for Non-use of Conflict Minerals," or provide relevant supporting documents.</p> <p>II. Supplier management:</p> <p>A. Periodic evaluation:</p> <p>Supplier evaluation: Suppliers with three or more deliveries made are evaluated semi-annually.</p> <p>Contractor evaluation: Contractors with one or more deliveries made are evaluated semi-annually.</p> <p>For key suppliers, an on-site audit is conducted once every three years.</p> <p>B. Supplier evaluation items:</p> <p>Quality evaluation: Count the deliveries and quality nonconformities during the period to calculate the quality pass rate.</p> <p>Delivery evaluation: Count the deliveries and delayed deliveries during the period to calculate the on-time delivery rate.</p> <p>Transaction rate evaluation: Count the quotations as well as placed and unplaced orders during the period to calculate the transaction rate.</p>	

Item promoted	Implementation			Differences with the Corporate Social Responsibility Best-Practice Principles for TWSE/GTSM Listed Companies, and the reasons for such differences
	Yes	No	Summary	
			<p>Service evaluation: Calculate the service evaluation score based on technical support, warranty and maintenance, education and training, service attitude, and response speed.</p> <p>C. Contractor evaluation items:</p> <p>Quality evaluation: Calculate the quality score based on construction quality and the quality of materials used.</p> <p>Construction period evaluation: Calculate the score based on the ability to control the progress and efficiency.</p> <p>Construction safety evaluation: Calculate the score based on industrial safety and health management capabilities.</p> <p>Service evaluation: Calculate the score based on the acceptance and overall cooperation.</p> <p>III. Evaluation results:</p> <p>Purchasing personnel add up the scores of all evaluation items and assign the supplier to the corresponding level according to its total evaluation score.</p> <p>Level A suppliers: The total evaluation score falls between 90 and 100.</p> <p>Level B suppliers: The total evaluation score falls between 80 and 89.</p> <p>Level C suppliers: The total evaluation score falls between 70 and 79.</p> <p>Level D suppliers: The total evaluation score is less than 70. The personnel shall also fill out a "Supplier Discipline Assessment Form" and request the supplier for clarification and improvement.</p> <p>Level E suppliers: The total evaluation score is less than 70 and inquiry is suspended.</p> <p>Level F suppliers: The total evaluation score is less than 70, with permanent suspension.</p> <p>IV. Implementation:</p>	

Item promoted	Implementation			Differences with the Corporate Social Responsibility Best-Practice Principles for TWSE/GTSM Listed Companies, and the reasons for such differences
	Yes	No	Summary	
			The Group conducted supplier education and training for 11 people, totaling 568 hours, in the current year.	
V. Does the company prepare a sustainable development report and other reports that disclose non-financial information of the company based on internationally accepted report preparation standards or guidelines? Do the foregoing reports receive the assurance or guarantee opinions of any third-party certifying agency?	V		The company has prepared its 2023 (Year 112 of the ROC calendar) Sustainability Report and other reports disclosing non-financial information in accordance with internationally recognized reporting standards or guidelines. As this is the company's first report, it did not obtain assurance or verification opinions from a third-party assurance provider. The preparation of the 2024 (Year 113) Sustainability Report is currently underway.	No major difference
VI. Where the company has established its own principles of sustainable development in accordance with the "Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies," the differences between the operations of the company and such principles must be described: No major difference.				
VII. Other important information useful for understanding the status of promotion of sustainable development: None.				

(VI)–1 The Company’s climate-related information:

1. Climate-related implementation:

Item	Implementation
<ol style="list-style-type: none"> 1. Describe the monitoring and governance of climate-related risks and opportunities by the Board of Directors and the management. 2. Describe how the identified climate risks and opportunities affect the Company’s business, strategy and finance (short, medium, and long term). 3. Describe the financial impact of extreme climate events and transition actions. 4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system. 5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors, and main financial impacts used shall be described. 6. If there is a transition plan in place to manage climate-related risks, specify the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks. 7. If internal carbon pricing is used as a planning tool, the basis for setting the price shall be stated. 8. If climate-related targets are set, the activities covered, the scope of greenhouse gas emissions, the planned schedule, and the progress of each year shall be explained; if carbon offsets or renewable energy certificates (RECs) are used to achieve the targets, the source and number of the carbon offsets or the number of the RECs shall be described. 9. Greenhouse gas inventory and assurance status, as well as reduction targets, strategies, and concrete action plans (indicated in 1-1 and 1-2 separately). 	<p>In Q4 of 2024, the investigation, analysis, evaluation and handling of risk management assessment was conducted. The Risk Management Team will communicate and coordinate with its upper unit, and follow up the risk management action plans for continuous monitoring and improvement. The planning of risk and opportunity management for 2025 was done in Q4 as well.</p>

1-1. The Company’s greenhouse gas inventory and assurance in the most recent two years:

1-1-1. Greenhouse gas inventory information:

Describe the greenhouse gas emissions (metric tons CO₂e), intensity (metric tons CO₂e/NT\$ million), and data coverage for the most recent two years.

2022	2023
<p>Category 1 emissions: 1.9984 (metric tons CO₂e/year)</p> <p>Category 2 emissions: 56.4987 (metric tons CO₂e/year)</p> <p>Category 3 emissions: 101.6652 (metric tons CO₂e/year)</p> <p>Category 4 emissions: 12.5638 (metric tons CO₂e/year)</p> <p>Category 1-4 emissions: 172.7261 (metric tons CO₂e/year)</p> <p>Intensity: 0.8292 (metric tons CO₂e/NT\$ million) 172.7261/208.307</p>	<p>Category 1 emissions: (2.4366 metric tons CO₂e/year)</p> <p>Category 2 emissions: (67.7997 metric tons CO₂e/year)</p> <p>Category 3 emissions: (4.6535 metric tons CO₂e/year)</p> <p>Category 4 emissions: (13.9468 metric tons CO₂e/year)</p> <p>Category 1-4 emissions: (88.8366 metric tons CO₂e/year)</p> <p>Intensity: (0.3429 metric tons CO₂e/NT\$ million) 88.8366/259.042</p>

Note: The inventory for 2024 is still ongoing.

1-1-2 Greenhouse gas assurance information:

Describe the status of assurance in the most recent two years and up to the publication date of the annual report, including the scope of assurance, assurance institution, assurance standard, and assurance opinion.
Assured information on the 2023 greenhouse gas inventory: Scope of assurance: Solomon Data International Corporation Assurance institution: DNV Assurance standard: ISO 14064-1:2018 Assurance opinion: For the level of assurance for the verification statement, Category 1 and Category 2 attained a level of reasonable assurance, and Category 3 and Category 4 attained a level of limited assurance.

1-2. Greenhouse gas reduction targets, strategies, and concrete action plans:

Describe the greenhouse gas reduction base year and its data, reduction targets, strategies, and concrete action plans, and the achievement of the reduction targets.
The base year for Solomon Data International's greenhouse gas inventory is changed to 2023. Carbon reduction plans: 1. Development of management policies for energy saving and carbon reduction, and which were promoted at the end of December 2023. 2. Electricity saving/current measurement for equipment without refrigerant inventory/reduction in electricity consumption. 3. Problem analysis for energy-intensive equipment in Q1 of 2024, with energy-saving measures subsequently developed. 4. Posting of energy saving slogans.

(VII) Status of ethical management, differences with the Ethical Corporate Management Best-Practice Principles for TWSE/GTSM Listed Companies, and the reasons for such differences:

Item assessed	Implementation			Differences with the Ethical Corporate Management Best-Practice Principles for TWSE/GTSM Listed Companies, and the reasons for such differences
	Yes	No	Summary	
I. Establishment of ethical management policies and plans				
(I) Does the company establish any ethical management policy adopted by the board of directors? Do the regulations and external documents of the company specify the policy and practices of ethical management and the commitments of the board of directors and the senior management to actively implementing the ethical management policy?	V		The Group operates based on the philosophy of “Uprightness, Integrity, Diligence, Thrift.” The “Ethical Management Principles” have also been established. We always include an integrity clause in the contracts with suppliers and customers. The Board of Directors and the top management actively live up to the commitments in the business strategies.	No major difference.
(II) Does the company establish any mechanism for the assessment of the risks of unethical behavior to perform regular analysis and assessment of operating activities with higher risks of unethical behavior within the scope of the company’s business? Does the company establish, on the basis of the foregoing, any plan for the prevention of unethical behavior, including at least measures for the prevention of the behavior under Article 7, Paragraph 2 of the “Ethical Corporate Management Best-Practice Principles for TWSE/GTSM Listed Companies”?	V		The Company has established the “Code of Ethical Conduct,” “Corporate Social Responsibility Principles,” “Ethical Management Principles,” and “Corporate Governance Best-Practice Principles.” Furthermore, the Company gives the employees a full understanding of our determination to implement ethical management and relevant policies and preventive programs through education, training and propagation.	
(III) Does the company specify and implement the operating procedures, behavioral guidelines, penalties for violations and complaint system in the plan for the prevention of unethical behavior? Is the foregoing plan reviewed and amended on a regular basis?	V		The Company communicates the prohibition of business activities involving “unethical conduct” and “disclosing confidential information” to the employees at assemblies (meetings).	
II. Implementation of ethical management				
(I) Does the company assess the history of integrity of its business counterparties? Do the contracts between the company and business counterparties include any provisions governing ethical behavior?	V		We have well-developed corporate governance and risk control mechanisms in place. The Auditing Office audits all departments on a regular or irregular basis, implements a monitoring mechanism, and controls risks.	No major difference.
(II) Does the company set up any unit subordinate to the board of directors that is responsible for the promotion of corporate ethical management and gives a report to the board of directors regarding its ethical management	V		The HR Department, Legal Affairs Department, and Infrastructure Team have formed a unit for promoting the Group’s corporate ethical management, conducting audits in accordance with the [Ethical	

Item assessed	Implementation			Differences with the Ethical Corporate Management Best-Practice Principles for TWSE/GTSM Listed Companies, and the reasons for such differences
	Yes	No	Summary	
policy and unethical behavior prevention plan as well as their supervision and implementation on a regular basis (at least annually)?			<p>Management Principles] to assess compliance with the requirements of the principles when measures and procedures are performed; the audit results are reported to the Board of Directors annually.</p> <p>The Group organizes internal and external education and training on ethical management issues (including courses on compliance with ethical management regulations, accounting system, professional technology, internal control, and book club).</p> <p>Internal and External education and training: 465 trainees/909 hours in total</p>	
(III) Does the company establish any policy for prevention of conflicts of interest, provide any appropriate channel for representation, and implement such policy?	V		The Company has established the Employee Ethical Code of Conduct that clearly stipulates that all employees shall act in the best interest of Solomon Group when performing their duties and avoid engaging in any behavior that may constitute a conflict between their interests and those of Solomon Group.	
(IV) Does the company establish effective accounting and internal control systems to ensure the implementation of ethical management? Does the internal audit department establish any relevant audit plan based on the results of the assessment of the risks of unethical behavior? Does the company, in accordance with the foregoing plan, conduct an audit of the compliance with the unethical behavior prevention plan, or engage a CPA to conduct such an audit?	V		We have established effective accounting and internal control systems, and the Auditing Office has formulated relevant audit plans based on the results of the assessment of the risks of unethical behavior. An audit has also been conducted to assess compliance with the unethical behavior prevention plan in accordance with the foregoing plans.	
(V) Does the company organize internal and external training sessions on ethical management on a regular basis?	V		<p>The Group includes integrity and uprightness as core competencies that our employees should possess and provides relevant education, training, and information during orientation training and irregular internal meetings.</p> <p>Internal and External education and training: 465 trainees/909 hours in total</p>	

Item assessed	Implementation			Differences with the Ethical Corporate Management Best-Practice Principles for TWSE/GTSM Listed Companies, and the reasons for such differences
	Yes	No	Summary	
III. Operations of the whistleblowing system of the company				
(I) Does the company establish specific systems for whistleblowing and rewards? Does the company establish any convenient whistleblowing channel and appoint any personnel responsible for dealing with the persons who are the targets of whistleblowing?	V		Procedure for handling unlawful infringement in the workplace: 1. The Group has established a Grievance Committee, which consists of employer and employee representatives. The Grievance Committee shall have one chairperson (HR Department) who shall serve as the meeting chair. If the chairperson is unable to preside over a meeting for any reason, the chairperson may designate another member to act on behalf thereof. The Committee shall have three to seven members and may engage experts and scholars to be its members if necessary, and the female representation in the Committee shall not be less than one-half.	No major difference.
(II) Does the company establish standard operating procedures for the investigation of cases reported by whistleblowers, including subsequent measures required after the completion of the investigation and the relevant confidentiality measures?	V		2. Reporting and handling: Employees are encouraged to voluntarily report all incidents of attack or intimidation and assist in follow-up. The grievance or reporting process must be objective, fair, and impartial. The rights and privacy of the victim, grievant or whistleblower must be kept in full confidentiality to ensure that they will not be retaliated against. 3. Employees who encounter unlawful infringement in the workplace may file a “Report/Grievance Form for Unlawful Infringement in the Workplace” through the grievance channel for handling. The Company shall start the investigation within seven days after receiving or transferring a grievance, and shall complete the investigation within one month. If necessary, the deadline may be extended by one month. 4. After receiving a report, the Grievance Committee will handle it according to the Operating Procedure for Unlawful Infringement in the Performance of Duties. The handling of the report shall be recorded in accordance with the format of the “Report and Handling Form for Unlawful Infringement in the Workplace.” 5. Internal incidents: In case of organizational unlawful infringement, depending on the nature and severity of the incident,	

Item assessed	Implementation			Differences with the Ethical Corporate Management Best-Practice Principles for TWSE/GTSM Listed Companies, and the reasons for such differences
	Yes	No	Summary	
			<p>security guards, security personnel, or the police may be requested to intervene if necessary.</p> <p>6. External incidents: A network must be established with the local police and prosecutors to report unlawful infringement.</p> <p>7. Evaluation and improvement of implementation effectiveness: After an unlawful infringement incident in the workplace occurs, each unit, along with the occupational safety and health and human resources management units, shall review the environment and job accommodation procedures. If hazard prevention or control measures are found to be insufficient, the implementation method or priority shall be adjusted in a timely manner to find room for improvement.</p> <p>8. The investigation reports, meeting minutes, training contents, evaluation reports, notices, medical treatment and compensation records related to the unlawful infringement in the Company's workplace shall also be retained to facilitate annual risk assessment and analysis.</p> <p>9. All investigation reports of unlawful infringement in the workplace shall be recorded in writing and kept for subsequent review.</p> <p>10. The system for whistleblowing and rewards is defined in the "Regulations Governing Reward and Punishment for Employees." Internally, the Group also has a mailbox set up for grievance: hr@solomon.com.tw. Relevant cases are accepted by the Grievance Committee.</p> <p>11. An external party finding any specific evidence that an internal employee violates the guidelines shall make a report via 119@solomon.com.tw. The Chairman personally receives the emails sent to this address and requires that the identity of the whistleblowers shall be kept confidential. The HR Department is designated to handle the reports of employees' unethical behaviors.</p>	

Item assessed	Implementation			Differences with the Ethical Corporate Management Best-Practice Principles for TWSE/GTSM Listed Companies, and the reasons for such differences
	Yes	No	Summary	
			12. If a whistleblowing case involves a director or a senior manager, the case will be further reported to the independent directors. A whistleblower protection system will also be established to keep the identity of the whistleblower and the content strictly confidential, guaranteeing that the whistleblower is protected from any improper treatment stemming from such whistleblowing. 13. The prevention program execution records or documents shall be archived and retained for at least three years, and personal privacy shall be protected. Number of internal and external cases received in 2024: 0. No corruption or anti-competitive behavior occurred in 2024.	
(III) Does the company adopt measures to protect whistleblowers from improper retaliation as a result of whistleblowing?	V		The Company’s guidelines specify that any employee who finds any specific evidence of ethical management violations shall make a report via the e-mail addresses at which the Chairman personally receives emails and require that the identity of the whistleblower shall be kept confidential. If the whistleblowing allows Solomon Group to incur less damage, appropriate rewards may be given.	
IV. Enhancement of information disclosure				
(I) Does the company disclose its ethical management principles and the results of their promotion on its website and the Market Observation Post System?	V		Such website has been set up; we will disclose relevant information on the website https://www.solomon-es.com.tw/ .	No major difference.
V. Where the company has established its own principles of ethical management in accordance with the “Ethical Corporate Management Best-Practice Principles for TWSE/GTSM Listed Companies,” the differences between the operations of your company and such principles must be described: No major difference.				
VI. Other important information useful for understanding the status of ethical management at the company: (e.g. the company’s review and revision of its ethical management principles): We state clearly in sales contracts or orders that unethical business behavior is prohibited.				

- (V) Other important information useful for understanding the status of corporate governance: None.
- (VI) Implementation of the internal control system:
1. Statement of Internal Control: (Please visit MOPS for details)
 2. Review reports from CPAs if CPAs are engaged to review the internal control system: None.
- (VII) Important resolutions adopted at shareholders' meetings and by the Board of Directors in 2024 and as of the publication date of the annual report:
1. Important resolutions adopted at the shareholders' meeting and the implementation thereof: The 2024 annual general meeting was held on June 13, 2024.

Important resolution	Resolution	Implementation
2023 business report.	Reported	
Audit Committee's 2023 audit report.	Reported	
Report on the distribution of remuneration to employees and to directors in 2023.	Reported	1% for employee remuneration: NT\$309,130 2% for remuneration to directors: NT\$618,261 The distribution was completed.
Report on the distribution of shareholder bonuses in 2023.	Reported	Distribution of a cash dividend of NT\$1 per share NT\$20,687,804 in total Ex-dividend date: 2024.7.16; distribution date: 2024.7.25
Ratification of the business report and financial statements for 2023.	Ratified	
Ratification of the earning distribution for 2023.	Ratified	Distribution of a cash dividend of NT\$1 per share NT\$20,687,804 in total Ex-dividend date: 2024.7.16; distribution date: 2024.7.25
Election of the directors of the 13 th Board of Directors. Candidate nomination system adopted Nine directors (including four independent directors) to be elected Term of office: June 13, 2024 to June 12, 2027	Election held	With the following elected <ul style="list-style-type: none"> ● Directors: Chen Cheng-Lung Solomon Smartnet Representative: Chiang Chien-Chih Solomon Smartnet Representative: Lee Jung-En Liang Li-Jen Chen Lu Su-Yue ● Independent directors: Fu Yi-Chung Wen Chi-Jung Chen Hung-Lin Yu Wen-Pin

Lifting of “non-compete restrictions” for the directors of the 13 th Board of Directors.	Discussed	With the number of votes in favor of the lifting exceeding two-thirds of the total number of votes represented by the attending shareholders, the lifting was approved as proposed by the Board of Directors.
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2. Important resolutions adopted by the Board of Directors:

Meeting name	Meeting date	Important resolution and subsequent actions	Matters set forth in Article 14-3 of the Securities and Exchange Act
12 th term, 15 th meeting	2024.3.6	<ul style="list-style-type: none"> • Operating performance report for February 2024. • Report on the discontinuation of the LCM Business Unit and subsequent outsourcing production. • Approval of the acquisition or disposal of securities in February 2024. • Report on the schedule planning for the “Sustainable Development Roadmap of Public Companies” (inventory and verification of greenhouse gas information) for Q1 of 2024. • Audit report. • Board performance self-evaluation report for 2023. • 2023 business report. • Review of “employees’ remuneration” and “directors’ remuneration” for 2023. • Review of the financial statements for 2023. • Review of the earnings distribution (a cash dividend of NT\$1) for 2023 with the ex-dividend date set on July 16, 2024. • Review of the authorization for the Company’s endorsements/guarantees. • Review of the Company’s regular assessment of the independence and AQIs of CPAs. • Review of the issuance of the “Statement of Internal Control” for 2023. • Review of the election of the directors of the 13th Board of Directors. • Review of the lifting of “non-compete restrictions” for the directors of the 13th Board of Directors. • Review of the convening of the annual general meeting in 2024. • Review of the amendment of relevant organizational rules. <p>Opinions from independent directors: None. The Company’s response to independent directors’ opinions: None. Resolution result: The above discussions were approved by all attending directors.</p>	Subparagraphs 1, 5, 7, 9
12 th term, 16 th meeting	2024.4.10	<ul style="list-style-type: none"> ● Operating performance report for March 2023. ● Review of the list of candidates nominated for the directors of the 13th Board of Directors. <p>Opinions from independent directors: None. The Company’s response to independent directors’ opinions: None. Resolution result: The above discussions were approved by all attending directors.</p>	None
12 th term, 17 th meeting	2024.5.7	<ul style="list-style-type: none"> ● Operating performance report for April 2024. ● Report on the progress of schedule planning for the inventory and verification of greenhouse gas information for Q2 of 2024. ● Audit report. ● Review of the financial statements for Q1 of 2024. ● Review of the amendment of relevant regulations and systems. <ul style="list-style-type: none"> ① Rules of Procedure for Board of Directors Meetings ② Organizational Rules of the Audit Committee ③ Organizational Rules of the Sustainable Development Committee 	Subparagraphs 7, 9

Meeting name	Meeting date	Important resolution and subsequent actions	Matters set forth in Article 14-3 of the Securities and Exchange Act
		Opinions from independent directors: None. The Company’s response to independent directors’ opinions: None. Resolution result: The above discussions were approved by all attending directors.	
12 th term, 18 th meeting	2024.5.31	● Re-election of the Chairman of the 12 th Board of Directors.	None
		Opinions from independent directors: None. The Company’s response to independent directors’ opinions: None. Resolution result: All directors unanimously elected the representative of Solomon Smartnet, Director Chen Cheng-Lung, as the Chairman.	
13 th term, 1 st meeting	2024.6.13	● Election of the chair of the 13 th Board of Directors: All directors unanimously elected Director Chen Cheng-Lung as the Chairman. ● Review of the appointment of the members of the 6 th Compensation Committee. The four independent directors, Fu Yi-Chung, Wen Chi-Jung, Yu Wen-Pin and Chen Hung-Lin were appointed to serve as the members. ● Review of the appointment of the members of the 2 nd Sustainable Development Committee. The Chairman, Chen Cheng-Lung, and two independent directors, Wen Chi-Jung and Chen Hung-Lin, were appointed to serve as the members. ● Ratification of the acquisition of property right-of-use assets (buildings in Nangang and Neihu) from the related party, SOLOMON Technology Corporation.	Subparagraph 4
		Opinions from independent directors: None. The Company’s response to independent directors’ opinions: None. Resolution result: The above discussions were approved by all attending directors.	
13 th term, 2 nd meeting	2024.8.6	● Operating performance report for July 2024. ● Approval of the acquisition or disposal of securities between February and July 2024. ● Report on director and supervisor liability insurance taken out for directors (2024.6.1–2025.6.1). ● Report on the progress of schedule planning for the inventory and verification of greenhouse gas information for Q3 of 2024. ● Audit report. ● Review of the financial statements for Q2 of 2024. ● Review of the earnings distribution for the first half of 2024. ● Re-ratification of the acquisition of property right-of-use assets (buildings in Neihu and Nangang) from the related party, SOLOMON Technology Corporation.	Subparagraph 4
		Opinions from independent directors: None. The Company’s response to independent directors’ opinions: None. Resolution result: The above discussions were approved by all attending directors.	
13 th term, 3 rd meeting	2024.11.6	● Operating performance report for October 2024. ● Report on the progress of schedule planning for the inventory and verification of greenhouse gas information for Q4 of 2024. ● Audit report. ● Review of the financial statements for Q3 of 2024. ● Review of the amendment of the “Corporate Governance Best-Practice	Subparagraphs 1, 9

Meeting name	Meeting date	Important resolution and subsequent actions	Matters set forth in Article 14-3 of the Securities and Exchange Act
		Principles.” ● Review of the amendment of the “General Rules for Internal Control System.” ● Review of the amendment of the “Sustainable Information Management Procedure.” ● Review of the establishment of the “Annual Internal Audit Plan for 2025.”	
		Opinions from independent directors: None. The Company’s response to independent directors’ opinions: None. Resolution result: The above discussions were approved by all attending directors.	
13 th term, 4 th meeting	2024.12.13	● Operating performance report for November 2024. ● Report on 2024 ESG implementation and performance and the establishment of 2025 plans and strategies ● Report on the qualification review results of the current independent directors during their tenure in 2024. ● Audit report.	NA
		Opinions from independent directors: None. The Company’s response to independent directors’ opinions: None. Resolution result: The above discussions were approved by all attending directors.	
13 th term, 5 th meeting	2025.3.6	• Operating performance report for February 2025. • Approval of the acquisition or disposal of securities in February 2025. • Report on the schedule planning for the “Sustainable Development Roadmap of Public Companies” (inventory and verification of greenhouse gas information) for Q1 of 2025. • Audit report. • Board performance self-evaluation report for 2024. • 2024 business report. • Review of “employees’ remuneration” and “directors’ remuneration” for 2024. • Review of the financial statements for 2024. • Review of the earnings distribution (a cash dividend of NT\$) for 2024 with the ex-dividend date set on July 16, 2025. • Review of the authorization for the Company’s endorsements/guarantees. • Review of the issuance of the “Statement of Internal Control” for 2024. • Review of the amendment of the Company’s “Articles of Incorporation.” • Review of the convening of the annual general meeting in 2025.	Subparagraphs 1, 5, 7, 9
		Opinions from independent directors: None. The Company’s response to independent directors’ opinions: None. Resolution result: The above discussions were approved by all attending directors.	

(VIII) Different opinions expressed by directors in records or written statements with regard to important resolutions adopted by the Board of Directors: There were no such circumstances in 2024 and as of the publication date of the annual report. Please refer to (XI) for the important resolutions adopted at shareholders' meetings and by the Board of Directors.

IV. Information of Professional Fees for CPAs

Name of CPA firm	Name of CPA	CPA audit period	Audit fees	Non-audit fees	Total	Remarks
PricewaterhouseCoopers Taiwan	Liang Yi-Chang Wen Ya-Fang	2024	1,030	170	1,200	(1) NT\$150 thousand for auditing of profit-seeking enterprise income tax (2) NT\$20 thousand for review of the non-managerial full-time employee salary checklist; NT\$170 thousand in total

- (I) Audit fees paid in the year when the CPA firm was changed that were less than those paid in the previous year: N/A (None).
- (II) Audit fees that were reduced by 10% or more compared to those in the previous year:
1. Reduced amount and percentage: N/A
 2. Reason for the reduction: N/A

V. Information of Change of CPAs: None.

VI. Information of Positions That the Chairman, General Manager or Financial/Accounting Manager of the Company Served in the Firm of the CPAs or Any of Its Associates in the Most Recent Year: None.

VII. Transfers of Shares and Changes in Pledged Shares Held by Directors, Managerial Officers, and Major Shareholders:

- (I) Changes in shares held by directors, managerial officers, and major shareholders: (Please visit MOPS for details)
<https://mopsov.twse.com.tw/mops/web/stapap1>
- (II) Information of transfers of shares: None.
- (III) Information of pledged shares: None.

VIII. Information of shareholders with top 10 shareholdings and the relationship between them

Unit: shares; date: April 15, 2025

Name	Shareholding in own name		Shareholdings of spouse and minor children		Nominee shareholding		Names and relationship of top 10 shareholders who are related parties as defined by the Statements of Financial Accounting Standards No. 6 or are spouses or relatives within the second degree of consanguinity.		Remarks
	Number of shares	Shareholding percentage %	Number of shares	Shareholding percentage %	Number of shares	Shareholding percentage %	Name	Relationship	
SOLOMON Technology Corporation	4,972,676	24.036	0	0	0	0	Moredel Investment Corp. Solomon Smartnet Corp.	Associate	
SOLOMON Technology Corporation Representative: Chen Cheng-Lung	69,000	0.333	0	0	0	0	Moredel Investment Corp. Solomon Smartnet Corp.	Chairman	
Solomon Smartnet Corp.	3,071,117	14.845	0	0	0	0	SOLOMON Technology Corporation Moredel Investment Corp.	Associate	
Solomon Smartnet Corp. Representative: Chen Cheng-Lung	69,000	0.333	0	0	0	0	SOLOMON Technology Corporation Moredel Investment Corp.	Chairman	
Moredel Investment Corp.	2,591,740	12.527	0	0	0	0	SOLOMON Technology Corporation Solomon Smartnet Corp.	Associate	
Moredel Investment Corp. Representative: Chen Cheng-Lung	69,000	0.333	0	0	0	0	SOLOMON Technology Corporation Solomon Smartnet Corp.	Chairman	
Chang Yu-Chun	560,000	2.706	0	0	0	0	None		
Citi Custodian UBS Europe SE Investment Account	92,000	0.444	0	0	0	0	None		
Lai Gui-Ying	85,000	0.410	0	0	0	0	None		
Chen Cheng-Lung	69,000	0.333	0	0	0	0	SOLOMON Technology Corporation Solomon Smartnet Corp. Moredel Investment Corp.	Chairman	
Tseng Yen-Chun	61,000	0.294	0	0	0	0	None		
Peng Rong-Zeng	56,000	0.270	0	0	0	0	None		
Chang Gui-Yuan	51,000	0.246	0	0	0	0	None		

Note 1: The Top 10 major shareholders shall all be specified. For corporate shareholders, their names and the names of their representatives shall be listed separately.

Note 2: The shareholding ratio is calculated based on the shares held by the person and his/her spouse or minor children, or held by the person under others' names.

Note 3: The relationships between the aforementioned shareholders, including corporate and natural persons, shall be disclosed.

IX. Comprehensive Shareholding Percentages

Date: December 31, 2024/unit: shares; %

Investee company	The Company's investment		Investments of directors, supervisors, managerial officers and directly or indirectly controlled companies		Comprehensive investment	
	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage
Cornucopia Innovation Corporation	2,300,000	13.22%	6,460,000	37.12%	8,760,000	50.34%
CENZ Automation Co., Ltd.	80,000	0.94%	250,000	3.43%	330,000	4.37%
Taiwan Truewin Technology Co., Ltd.	148,008	0.23%	296,017	0.47%	444,025	0.70%
AggrEnergy Inc.	110,131,748	16.46%	0	0	110,131,748	16.46%
Ju Xin Energy Inc.	3,600,000	5.00%	0	0	3,600,000	5.00%
Cerulean Asset Management Venture Capital Limited Partnership	-	-	-	-	-	-
Meng-Lue Corporate Type Funds Limited Partnership	-	-	-	-	-	-

Chapter 3. Fundraising status: Capital and shares

I. Sources of share capital

(I) Share capital formation process:

Year/ month	Issue price	Authorized share capital		Paid-in share capital		Remarks		
		Number of shares (shares)	Amount (NT\$)	Number of shares (shares)	Amount (NT\$)	Sources of share capital (NT\$)	Non-cash property used as share payment	Others
1990/5	10	1,000,000	10,000,000	1,000,000	10,000,000	Share capital at the time of foundation	None	-
1992/9	10	2,200,000	22,000,000	2,200,000	22,000,000	Cash capital increase of NT\$12,000,000	None	-
1994/7	10	5,000,000	50,000,000	5,000,000	50,000,000	Capitalization of retained earnings of NT\$22,000,000 Cash capital increase of NT\$6,000,000	None	-
1997/11	Capitalization of retained earnings: NT\$10	60,000,000	600,000,000	19,500,000	195,000,000	Capitalization of retained earnings of NT\$95,000,000 Cash capital increase of NT\$50,000,000	None	-
	Cash capital increase: NT\$15							
1998/9	Capitalization of retained earnings: NT\$10	60,000,000	600,000,000	37,084,029	370,840,290	Capitalization of retained earnings of NT\$100,840,290 Cash capital increase of NT\$75,000,000	None	Letter (1998)- Tai-Cai-Zheng- (I) No. 57165
	Cash capital increase: NT\$25							
1999/9	10	52,194,761	521,947,610	52,194,761	521,947,610	Capitalization of retained earnings of NT\$151,107,320	None	Letter (1999)- Tai-Cai-Zheng- (I) No. 87569
2000/7	10	94,000,000	940,000,000	62,874,702	628,747,020	Capitalization of retained earnings of NT\$54,604,650 Capitalization of capital reserves of NT\$52,194,760	None	Letter (2000)- Tai-Cai-Zheng- (I) No. 56216
2001/6	10	94,000,000	940,000,000	69,933,770	699,337,700	Capitalization of retained earnings of NT\$47,327,040 Capitalization of capital reserves of NT\$23,263,640	None	Letter (2001)- Tai-Cai-Zheng- (I) No. 148371
2002/8	Cash capital increase: NT\$12	94,000,000	940,000,000	79,933,770	799,337,700	Cash capital increase of NT\$100,000,000	None	Letter (2002)- Tai-Cai-Zheng- (I) No. 0910136130
2003/9	10	94,000,000	940,000,000	83,642,799	832,647,990	Capitalization of retained earnings of NT\$33,310,290	None	Letter (2003)- Tai-Cai-Zheng- (I) No. 0920132050

2007/7	10	94,000,000	940,000,000	81,574,799	815,747,990	Cancellation of expired treasury stocks of NT\$16,900,000	None	-
2008/6	10	180,000,000	1,800,000,000	81,574,799	815,747,990	-	None	-
2009/9	10	180,000,000	1,800,000,000	11,122,899	111,228,990	Capital reduction against losses of NT\$704,519,000 Capital reduction rate: 86.3647%	None	Jin-Guan-Zheng-Fa-Zi No. 0980046714 dated 2009.9.17
2009/12	3.84	180,000,000	1,800,000,000	34,122,899	341,228,990	Private placement of common shares of NT\$230,000,000	None	—
2010/5	3.80	180,000,000	1,800,000,000	45,972,899	459,728,990	Private placement of common shares of NT\$118,500,000	None	—
2011/8	10	180,000,000	1,800,000,000	20,687,804	206,878,040	Capital reduction against losses of NT\$252,850,950 Capital reduction rate: 55.000001%	None	Jin-Guan-Zheng-Fa-Zi No. 1000031982 dated 2011.7.18

(II) Type of shares:

Unit: shares

Type of shares	Authorized share capital			
	Outstanding shares (TPEX listed shares)	Private placement of common shares	Unissued shares	Total
Common shares	20,687,804	0	159,312,196	180,000,000

II. List of Major Shareholders

April 15, 2025

Shares Name of major shareholders	Number of shares held (shares)	Shareholding percentage (%)
SOLOMON Technology Corporation	4,972,676	24.036
Solomon Smartnet Corp.	3,07,117	14.845
Moredel Investment Corp.	2,591,740	12.527
Chang Yu-Chun	560,000	2.706
Citi Custodian UBS Europe SE Investment Account	92,000	0.444
Lai Gui-Ying	85,000	0.410
Chen Cheng-Lung	69,000	0.333
Tseng Yen-Chun	61,000	0.294
Peng Rong-Zeng	56,000	0.270
Chang Gui-Yuan	51,000	0.246

III. The Company's Dividend Policy and Its Implementation

(I) Articles of Incorporation:

1. Article 30 of the Articles of Incorporation:

Where the Company has earnings at the year-end closing in a fiscal year, 10% thereof shall be set aside as legal reserve as required by laws after they are used to pay taxes and offset accumulated losses, unless the balance of the legal reserve has accumulated to the same amount as the Company's total capital. Provision for or reversal of special reserves is then required pursuant to laws. The remaining earnings, if any, shall be added to the opening undistributed earnings as accumulated distributable earnings. The Board of Directors shall subsequently draw up a distribution proposal and submit the same to a shareholders' meeting for a resolution on the distribution of bonuses to shareholders.

The distribution of employees' remuneration in cash or in shares and the distribution of directors and supervisors' remuneration in cash are subject to a

resolution adopted with the consent of a majority of all attending directors at a board meeting with more than two-thirds of board members present and shall be subsequently reported at a shareholders' meeting.

The Company's employees, including the employees of the parent or subsidiaries of the Company meeting certain specific requirements, are entitled to receive employees' remuneration paid in shares or cash.

The Company may distribute earnings or offset losses after the end of each half of a fiscal year.

If there are earnings at the half-year-end closing of a fiscal year, they shall first be used to pay taxes, offset accumulated losses, and estimate retained remuneration to employees and to directors and supervisors. There shall be 10% of the earnings also set aside as legal reserve, unless the balance of the legal reserve has accumulated to the same amount as the Company's paid-in capital. Provision for or reversal of special reserves is then required pursuant to laws. The remaining earnings, if any, shall be added to the undistributed earnings carried from the previous fiscal year as the shareholder bonus. The Board of Directors shall draw up a distribution proposal. Distribution of the earnings by issuing new shares is subject to a resolution adopted at a shareholders' meeting; distribution of the earnings in cash is subject to a resolution of the Board of Directors.

Where the Company has earnings at the year-end closing in a fiscal year, 10% thereof shall be set aside as legal reserve as required by laws after they are used to pay taxes and offset accumulated losses, unless the balance of the legal reserve has accumulated to the same amount as the Company's paid-in capital. Provision for or reversal of special reserves is then required pursuant to laws. The remaining earnings, if any, shall be added to the undistributed earnings carried from the first half of the fiscal year as accumulated distributable earnings. The Board of Directors shall subsequently draw up a distribution proposal and submit the same to a shareholders' meeting for a resolution on the distribution of bonuses to shareholders.

The Board of Directors is authorized to adopt a resolution to distribute the abovementioned earnings, legal reserve, and capital reserve in cash at a meeting attended by more than two-thirds of directors with the consent of a majority of all attending directors and the distribution shall be reported at a shareholders' meeting. The distribution of the earnings, legal reserve, and capital reserve by issuing new shares is subject to a resolution adopted at a shareholders' meeting according to the preceding paragraph.

Article 30-1 of the Articles of Incorporation:

The industry where the Company operates is at a stage of steady growth in its development cycle. In consideration of the demand for funds in the future and long-term financial planning, the Company not only distributes earnings in accordance with the preceding article, but also ensures that the percentage of cash dividends distributed is not less than 20% of the shareholders' bonuses distributed in the year. However, if the cash dividends are less than NT\$0.5 per share, the bonuses may be distributed in the form of stock dividends.

The Company may adopt the most appropriate dividend policy and distribution method based on the Company's actual operations in the current year and in consideration of capital budgeting for the following year.

(II) Dividend policy:

1. If there are earnings in a fiscal year, the planned dividend amount is NT\$0–1 per share.
2. The dividend is basically distributed in cash.

(III) Earnings distribution proposed at the annual general meeting:

Solomon Data International Corporation
2024 Statement of Earnings Distribution

Unit: NT\$

Item	Amount
Opening undistributed earnings	135,265,375
Plus (less): Remeasurement of defined benefit plans	1,804,780
Plus (less): Changes in associated enterprises and joint ventures recognized using the equity method	(145,564)
Plus: Net profit after tax in the current year	28,191,150
Less: 10% set aside as legal reserve	(2,985,037)
Plus (less): Reversal (withdrawal) of special surplus reserve	(7,709,222)
Distributable earnings	154,421,482
Distributable items:	
Shareholder bonus (a cash dividend of NT\$1)	(20,687,804)
Closing undistributed earnings	133,733,678

IV. Effects of Bonus Shares Proposed This Year on the Business Performance and Earnings per Share of the Company: N/A.

V. Remuneration to employees and to directors

(I) The percentage range of the remuneration to employees and to directors as specified in the Articles of Incorporation:

Article 30 of the Articles of Incorporation (partial):

The Company shall subtract any accumulated losses from earnings in the year (i.e. pre-tax profit before deduction of the profit distributed as remuneration to employees and to directors). If there are any remaining earnings,

a minimum amount of 1% shall be appropriated as remuneration to employees and a maximum amount of 2% shall be appropriated as remuneration to directors.

The distribution of employees' remuneration in cash or in shares and the distribution of directors' remuneration in cash are subject to a resolution adopted with the consent of a majority of all attending directors at a board meeting with more than two-thirds of board members present, and shall be subsequently reported at a shareholders' meeting.

The Company's employees, including the employees of the parent or subsidiaries of the Company meeting certain specific requirements, are entitled to receive employees' remuneration paid in shares or cash.

- (II) The basis of the estimate of the remuneration to employees and directors, the basis of calculation of the number of shares distributed as the remuneration to employees, and the accounting treatment in case of any difference between the actual amount of distribution and the estimate:

1. Basis of estimate:

The Company shall subtract any accumulated losses from earnings in the year (i.e. pre-tax profit before deduction of the profit distributed as remuneration to employees and to directors). If there are any remaining earnings, a minimum amount of 1% thereof shall be appropriated as remuneration to employees and a maximum amount of 2% shall be appropriated as remuneration to directors and supervisors.

2. Accounting treatment in case of any difference between the actual amount of distribution and the estimate: No difference.

- (III) Distribution of remuneration approved by the Board of Directors:

1. The amount of remuneration distributed, in cash or in shares, to employees and to directors: (Where there is any difference between the amount and the estimated amount in the year when the expenses are recognized, the difference and the reason and treatment therefor shall be disclosed)

(1) Employee remuneration (cash): NT\$293,528 (2024)

(2) Employee remuneration (shares): NT\$0 (2024)

(3) Remuneration to directors: NT\$587,057 (2024)

(4) Description of the differences between the amounts and the estimated amounts in the year when the expenses are recognized: No difference.

2. The amount of stock dividends as remuneration to employees and its ratio to the sum of the profit after tax in the parent-only financial statements and employee remuneration in the current period:

(1) The amount of remuneration distributed in shares to employees: NT\$0

(2) The ratio of the aforesaid remuneration to the sum of the profit after tax and employee remuneration in the current period: N/A.

- (IV) Actual distribution of remuneration to employees, directors and supervisors in the previous year (including the number of shares, the amount distributed, and the stock price) and differences (if any) between the distributed amounts and the recognized amounts of remuneration to employees, directors and supervisors; such differences and the reason and treatment therefor shall be specified:

1. Employee remuneration (cash): NT\$309,130 (2023)

2. Employee remuneration (shares): NT\$0 (2023)
3. Remuneration to directors: NT\$618,261 (2023)
4. Description of the differences between the amounts and the estimated amounts in the year when the expenses are recognized: No difference.

VI. Repurchase of the Company's Own Shares

Repurchase of the Company's shares in 2024 and as of the publication date of the annual report: None.

Chapter 4. Fundraising status: others

I. Issuance of Corporate Bonds

Issuance of corporate bonds in 2024 and as of the publication date of the annual report: None.

II. Issuance of Preferred Shares

Issuance of preferred shares in 2024 and as of the publication date of the annual report: None.

III. Issuance of Depositary Receipts

Issuance of depositary receipts in 2024 and as of the publication date of the annual report: None.

IV. Issuance of Employee Stock Warrants and Restricted Stock Awards for Employees

Issuance of employee stock warrants and restricted stock awards for employees in 2024 and as of the publication date of the annual report: None.

V. Issuance of New Shares with Shares Acquired or Assigned from Other Companies

Issuance of new shares with shares acquired or assigned from other companies in 2024 and as of the publication date of the annual report: None.

VI. Implementation of the Fund Usage Plan

(I) Plan Description

Issues or private placements of securities that have not been completed as of the end of the quarter prior to the publication date of the annual report, or issues or private placements of securities that were completed in the most recent three years of which the planned benefits have not been shown: None.

(II) Implementation

Comparison between the implementation of the aforesaid plans for their purposes and the estimated benefits: None.

Chapter 5. Overview of Operations

I. Information of Business Activities

(I) Scope of business:

1. Information of main business activities and their proportion:

Item	Revenue percentage in 2024 (%)
Energy products	80.55
TFT LCM parts and components	19.45
Total	100

2. Current main products:

Product	Description	Percentage (%)
LCD modules	1. LCD modules such as TN, STN, color STN, and TFT 2. Customized OEM LCD modules and assembly of work-in-progress	19.45%
Inverters/optimizers/accessories	1. Inverters: Single-phase inverters, three-phase inverters, three-phase inverters applicable for mid-voltage grid, and three-phase inverters applicable for mid/high-voltage grid with collaborative technology. 2. Optimizers: One-to-one optimizers, one-to-two optimizers. 3. Accessories: Firefighting gateway, communication system, warranty and sales. 4. Micro-grid/home energy storage system.	80.55%
Energy storage equipment	1. SolarEdge home energy storage system. 2. SolarEdge commercial energy storage system.	0%
Total		100.00

3. New products for which we plan to act as an agent:

Product	Description
BUI	SolarEdge commercial 100 and 250 kVA energy storage backup interface.
PCS	SolarEdge commercial 50 to 250 kW energy storage power regulation system.
Battery	SolarEdge commercial 100 to 1000 kWh energy storage battery.
SE330K	SolarEdge large ground inverter.

(II) Overview of industry:

1. Energy products:

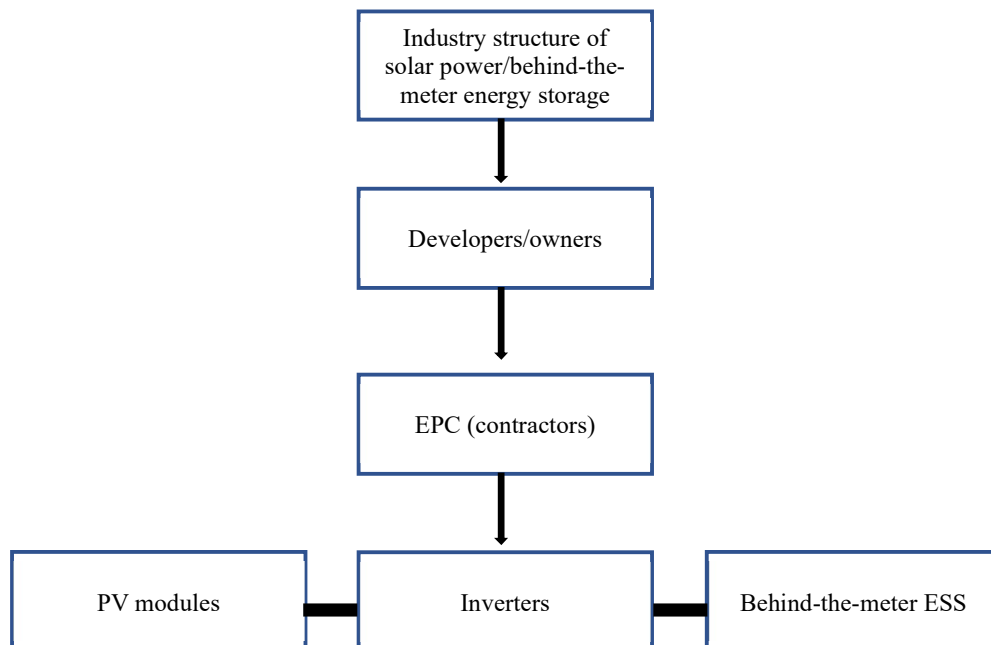
(1) Current status and development of the industry:

The Taiwanese government encourages the development of renewable energy. In August 2024, the total installed solar energy capacity reached the target of 13.6 GW, which is 6.4 GW away from the target of 20 GW by 2025. Since it is clear that the initial target of 20 GW of solar power by 2025 could not be met, the timeframe has been extended to November 2026.

The domestic electricity tariff has been raised twice this year, setting a record high in terms of electricity tariff increase. The average increase rate for both times was nearly 20%, and industrial users were hit particularly hard, facing an average increase rate of nearly 25%. Owing to the increase by 25% in the first half of the year and by 14% in the second half, TSMC's total annual electricity cost has gone up and exceeded NT\$20 billion. The significant electricity tariff hike has also stimulated the companies' demand for solar power installation and energy storage.

The rapid growth of the behind-the-meter energy storage market in Taiwan in 2025 is mainly due to companies' need for reducing energy costs and achieving the goal of carbon neutrality. Many companies, including those in the technology and manufacturing industries, are proactively investing in behind-the-meter energy storage to improve energy efficiency and incorporate renewable energy systems.

(2) Relationship among the upstream, midstream and downstream of the solar power industry:



(3) Development trends of products:

- a. Optimizers – As the import of overseas high-power modules has increased and Taiwanese module manufacturers have launched the TOPCON M10 PV modules this year, the optimizers with the most focus are currently those of P850/P1100 and S1000/S1200 series, and the inventory of P701/P730/P801/P950 is reduced.
- b. Inverters – Large inverters (string-type) and central-type systems will be incorporated with SolarEdge to compete for large ground solar energy projects. In the future, SolarEdge products will not be limited to the projects on roofs or under shadow; projects based on large ground, fishery and electricity symbiosis, and water surfaces will help increase competitiveness.
- c. Home energy storage – SolarEdge introduces the smart micro-grid home energy storage system that can combine the functions of solar power, energy storage and household electricity, and provide emergency backup power. Excessive solar power will be stored in the battery.
- d. Behind-the meter commercial energy storage – The behind-the-meter commercial energy storage system launched by SolarEdge last year is available for sale. The small and medium-sized commercial energy storage system of SolarEdge can be used to respond to the power storage preferential for commercial enterprises in the off-peak period, or to provide excessive solar power in the peak period.

2. TFT LCM parts and components:

(1) Current status and development of the industry:

TFT LCD (thin film transistor liquid crystal display) is still the mainstream technology in the display market, especially in large-scale applications (such as TVs and in-vehicle and industrial equipment). However, the market of monochrome displays is shrinking rapidly; people are turning attention to the TFT technology, instead. The module manufacturers in China are gradually excluded from the procurement strategies of European and American customers due to the intervention of the USA's policy, and the manufacturers in Taiwan, benefited from geopolitical factors, are thus gaining more market opportunities based on the growing demand.

Solomon Data International is actively working with the subsidiaries of Solomon Group (such as Solomon Goldentek Display) to devote effort to the development of high value-added products, covering customized TFT displays, EC-VA, MIP and other applications. These technological advances not only enhance product competitiveness, but also broaden the application scenarios to satisfy a diversity of needs of consumer electronics and industrial control equipment markets.

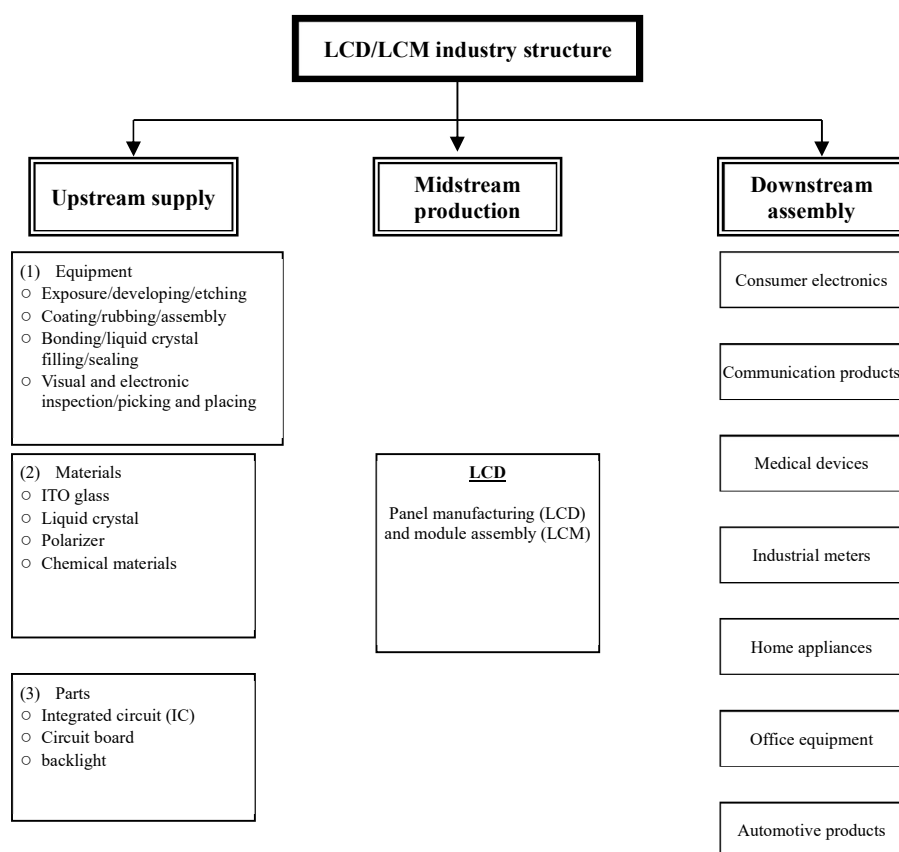
“Made in Taiwan” has become a trusted sign in the international market, especially in terms of quality, reliability and supply chain stability, attracting the attention of European and American customers. Following the re-organization of the global supply chain, the price inquiry to the

manufacturers in Taiwan continues to grow; it is expected that Taiwanese manufacturers' share in the global market will be further expanded in the future.

The European and American markets are having greater demand for Taiwan's displays, especially in the professional application fields of industrial control, which will become an important driver of industry growth. The TFT LCM industry will adopt more environmentally friendly materials in response to the ESG trends to meet the market demand for sustainable development.

In the face of technological and market transformation, Taiwan's TFT LCM industry is steadily advancing toward high-end applications and globalization in accordance with the international policy trends, technology upgrades and international market demand. In the future, by continuous innovation and added value promotion, manufacturers in Taiwan will play a more important role in the display industry.

(2) Relationship among the upstream, midstream and downstream of the LCD/LCM industry:



(3) Development trends of products:

Currently, the competitors in the TFT LCM market are mainly the module manufacturers in China and a few monochrome module manufacturers in Taiwan. However, due to geopolitical impacts, it is expected that orders will gradually shift from China to Taiwan for production in 2025, creating development opportunities for manufacturers in Taiwan. Under this trend, Taiwan's TFT LCM industry will focus on technology upgrades and customized products, undertake more international orders, promote market growth, and consolidate its position in the global supply chain.

(III) Overview of technology, research and development:

1. R&D expense:

Unit: NT\$ thousand

Year	2024	Q1 2025
R&D expense	604	-

2. Successfully developed technologies or products:

Period	2024	2025, as of the publication date of the annual report
Successfully developed products	None	None

(IV) Long-term and short-term business development plans:

Department	Long-term business development plan	Short-term business development plan
Optoelectronics	<ol style="list-style-type: none"> 1. Joint development of TFT LCM applications with the Group's subsidiary, Solomon Goldentek Display. 2. Introduction of EC-VA products to existing customers of monochrome products to provide customers with diversified solutions. 3. Development of large-size TFT models to introduce them to customers with related needs. 	<ol style="list-style-type: none"> 1. Promotion of existing customers' shift from monochrome application to TFT application. 2. Introduction of related new products of the Group's subsidiary, Solomon Goldentek Display, such as EC-VA, MIP, and customized TFT solutions.

Department	Long-term business development plan	Short-term business development plan
Energy	Planning of the business development in the markets of optical storage and micro-grids in response to the business opportunities of solar power generation and energy storage.	1. Development of large power users based on the sharing of the Group's resources. Promotion of solar power and energy storage equipment. 2. Collaboration with EPC contractors for roof solar energy projects. 3. Collaboration with suppliers/owners to recommend the use of SolarEdge in large ground solar energy projects.

II. Overview of Markets and Production/Sales

(I) Market analysis:

1. Description of main products:

Main product	LCD modules	Solar energy
Market share	N/A	N/A
Future market growth and supply and demand	1. The development of portable electronic products drives the demand for light, thin and small LCD designs. 2. The touchscreen application of iPhone has opened a new world to traditional touch applications, leading to the wide use of projected capacitive technology. 3. The demand for 3D image products is rising. 4. There are requirements for high-resolution display of software and hardware. 5. The demand for OLED is growing.	<p>In August 2024, Taiwan's total installed solar energy capacity reached the target of 13.6 GW, which is 6.4 GW away from the target of 20 GW by 2025. Since it is clear that the initial target of 20 GW of solar power by 2025 could not be met, the timeframe has been extended to November 2026. The recent amendments to the Renewable Energy Development Act and the significant decline in the price of the third-place solar modules can stimulate the solar power developers to develop new feed-in tariff projects of electricity for Taipower, or sell electricity to renewable energy sales enterprises that will further sell electricity to enterprise users, thereby enabling domestic companies to obtain green power.</p> <p>The domestic electricity tariff has been raised twice this year, setting a record high in terms of electricity tariff increase. The average increase rate for both times was nearly 20%, and industrial users were hit particularly hard, facing an average increase rate of nearly 25%.</p>

Main product	LCD modules	Solar energy
		The significant electricity tariff hike has also stimulated the companies' demand for solar power installation and energy storage.
Competitive niches	<ol style="list-style-type: none"> 1. The product lines are complete, with flexibility and manufacturing capabilities for high-mix low-volume production. 2. The upstream and downstream resources are integrated to obtain preferential prices based on strategic procurement. 3. The project R&D team provides customers with total solutions to satisfy their purchase requirements in a one-stop manner. 4. Products are delivered on time and of stable quality. 	<ol style="list-style-type: none"> 1. The Company covers diverse green energy, in-depth energy saving, and advanced energy storage to keep up with the government's green energy policy of "second energy transition." 2. The behind-the-meter energy storage system is promoted to help enterprises reduce energy expenses through energy arbitrage during the peak and off-peak period. 3. SolarEdge is a listed company in the US and a world-famous solar inverter provider. Its system is applied in 133 countries worldwide for the monitoring of 1.6 million solar power plants. 4. In terms of the average amortized price for 20 years, SolarEdge inverter is better than other inverters of the peers. 5. Compared to other inverter manufacturers, SolarEdge is able to set more solar modules in the solar energy projects under shadow. 6. Higher electric power is offered to the owners. Meanwhile, a cloud monitoring system is provided to monitor the solar modules. 7. The warranty plan provided is one of the best warranty plans in the market. 8. The inverter solution is one of the safest solutions in the market.
Advantages for development prospects	<ol style="list-style-type: none"> 1. The markets of information, communication and consumer electronics are large, and the markets of medical and industrial control products are growing. The industry demand and the demand for a variety of new applications are constantly rising. 2. With a complete industry chain, Taiwan's LCD industry shows great competitiveness in terms of raw material supply, quality and 	<ol style="list-style-type: none"> 1. The government's green energy policy is implemented, and the demand in the behind-the-meter energy storage market is increasing. 2. For customers, price is one of the main considerations, and whether the maintenance work can be done within the shortest time possible is also an important criterion. A sound logistics unit is one of the conditions to stand out from the market competition as well. 3. Compared to other inverter brands,

Main product	LCD modules	Solar energy
	<p>cost.</p> <p>3. Japanese and Korean manufacturers are gradually withdrawing from this market due to the consideration of cost.</p>	<p>SolarEdge provides one of the safest and best warranty plans on the market. In addition, its inverter has a 20-year average amortized price that is relatively favorable, it enables the installation of more solar modules in the solar energy projects under shadow to provide higher electric power, and offers a cloud monitoring system.</p>
Disadvantages for development prospects	<p>1. TFT brings stronger pressure; more and more customers have turned to TFT panels (mainly for small and medium-sized products), eroding the market of TN/STN.</p> <p>2. The competition among peers is intensified. The number of manufacturers with low wages in China and Southeast Asia is increasing, posing a threat that cannot be overlooked.</p> <p>3. South Korea has almost monopolized the manufacturing and market of OLED.</p>	<p>1. The top 5 inverter providers in Taiwan in 2023 are: PrimeVOLT, Delta, Huawei, SolarEdge, and Allis Electric Co., Ltd.</p> <p>2. The price is higher than that of other brands.</p> <p>3. The manufacturers in Taiwan have constantly been the main choice for the mass market, and PrimeVOLT has launched the 1500 V 320 kW large inverter. Private solar power projects mainly adopt inverters made in Taiwan due to price considerations.</p>
Countermeasures	<p>1. Since TN/STN still have the advantages of competitive price and power saving, they are not completely replaced by TFT. The Company will consolidate the existing market of TN/STN while actively developing high-definition (HD) TFT and OLED module products, in order to respond to the market transformation trend.</p> <p>2. The Company's manufacturing capacity in customized TN/STN LCD modules will be enhanced to improve competitiveness with quality and added value.</p> <p>3. We will increase our management and flexible manufacturing capabilities to conduct market segmentation.</p>	<p>1. We will collaborate with EPC contractors for solar energy projects.</p> <p>2. The Company's products are sold under various large or small projects in cooperation with foreign investors and developers.</p> <p>3. When promoting solar systems, we will also introduce the behind-the-meter energy storage system.</p>

2. Regions of distribution for the Company's major products:

Region \ Year		2023		2024	
		NT\$ thousand	Percentage (%)	NT\$ thousand	Percentage (%)
Domestic sales		214,902	82.96	153,791	82.16
Export	Asia Pacific	11,237	4.34	3,225	1.72
	United States	27,062	10.45	20,066	10.72
	Europe	5,841	2.25	10,107	5.40
Total		259,042	100.00	187,189	100.00

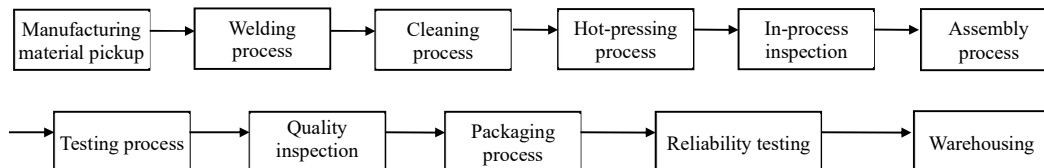
(II) Important applications and manufacturing processes of main products:

1. Main products:

Main product	Important applications
LCD modules	Fire prevention systems, electricity meter displays, industrial control products, and aviation applications (for the displays of remote control in cabins).
Energy storage systems	Energy storage systems are a kind of system that can store and supply energy; they provide the functions of smooth transition, peak shaving, and frequency/pressure regulation. The solar energy and wind power can be smoothly output, reducing the impact on the grid and users caused by the random, intermittent, and volatile power transition. By charging during the off-peak period while discharging during the peak period, the users are able to reduce electricity expenses. Also, in the event of a large grid outage, the systems can run independently to ensure uninterrupted power supply for users.
DC/AC inverters	Solar power generation modules convert light energy from the sun into DC electricity. The main function of inverters is to convert such DC power into AC power, and then transmit the AC power to the grid.
Optimizers	The maximum electric power of solar modules can show non-curvilinear changes due to the environment. Optimizers are designed to help the overall electric power reach the best point of working hours through the intensity of the resistance impedance despite the changes in the environmental temperature and solar exposure, thereby increasing the efficiency and revenue of power generation.

Main product	Important applications
Cloud monitoring platform	With SolarEdge's inverter and optimizer incorporated, the information of real-time electric power, etc., can be uploaded to the cloud, which enables the manager of a solar power plant to monitor each unit and stay on top of the performance and problems of each module in a timely manner.

2. Production and manufacturing process:



(III) Supply of primary raw materials:

Primary raw material	Region of supply (suppliers)	Supply status
LCD	Japan, Taiwan	Stable supply with reasonable price
Integrated circuits	South Korea, Japan, Taiwan	Stable supply with reasonable price
Panels and displays	South Korea, Japan, Taiwan	Stable supply with reasonable price
Energy storage systems	China, Mexico, EU	Stable supply with reasonable price
Inverters	China, Vietnam	Stable supply with reasonable price
Optimizers	China, Vietnam	Stable supply with reasonable price

(IV) List of suppliers and customers accounting for no less than 10% of the total purchases and sales of the Company in any of the most recent two years:

1. Information of major suppliers in the most recent two years:

Unit: NT\$ thousand

Item	2023				2024				2025 as of the previous quarter (Note 2)			
	Name	Amount	Share of annual net purchase [%]	Relationship with the issuer	Name	Amount	Share of annual net purchase [%]	Relationship with the issuer	Name	Amount	Share of net purchase as of the previous quarter in the current year [%]	Relationship with the issuer
1	Solomon Goldentek Display	7,997	5.05	Associate	Solomon Goldentek Display	15,161	11.12	Associate	Solomon Goldentek Display	3,873	12.13	Associate
	Others	150,395	94.95	None	Others	121,206	88.88	None	Others	28,064	87.87	None
	Net purchase	158,392	100.00		Net purchase	136,367	100.00		Net purchase	31,937	100.00	

Note 1: List the names of suppliers accounting for more than 10% of the total purchases in the most recent two years, and the amount and proportion of their purchases. However, as the contract stipulates that the name of the supplier or the counterparty of the transaction who is an individual and a non-related party shall not be disclosed, a code may be used instead.

Note 2: As of the publication date of the annual report, if a company whose stock is listed on the Taiwan Stock Exchange or the Taipei Exchange had the most recent financial information audited or reviewed by a CPA, the information shall also be disclosed.

2. Information of major customers in the most recent two years:

Unit: NT\$ thousand

Item	2023				2024				2025 as of the previous quarter (Note 2)			
	Name	Amount	Share of annual net sales [%]	Relationship with the issuer	Name	Amount	Share of annual net sales [%]	Relationship with the issuer	Name	Amount	Share of net sales as of the previous quarter in the current year [%]	Relationship with the issuer
1	Company D	46,440	17.93	None	Company B	12,188	6.51	None	Company A	6,312	16.55	None
2	Company A	33,480	12.92	None	Company A	10,918	5.83	None	Company C	4,434	11.62	None
3	Company E	17,627	6.80	None	Company E	8,142	4.35	None	Company F	-	-	None
	Others	161,495	62.35	None	Others	155,941	83.31	None	Others	27,398	71.83	None
	Net sales	259,042	100.00		Net sales	187,189	100.00		Net sales	38,144	100.00	

Note 1: List the names of customers accounting for more than 10% of the total sales in the most recent two years, and the amount and proportion of the sales thereto. However, as the contract stipulates that the name of the customer or the counterparty of the transaction who is an individual and a non-related party shall not be disclosed, a code may be used instead.

Note 2: As of the publication date of the annual report, if a company whose stock is listed on the Taiwan Stock Exchange or the Taipei Exchange had the most recent financial information audited or reviewed by a CPA, the information shall also be disclosed.

III. Employees in Service

Year		December 31, 2023	December 31, 2024	March 31, 2025
Number of employees	Administration departments	25	8	6
	Sales departments	5	8	8
	Total	30	16	14
Average age		48.40	51.00	48.80
Average length of service (years)		11.00	10.83	9.91
Distribution of educational level %	Ph.D.	0	0	0
	Master's	16.67	18.75	14.29
	College	50.00	43.75	64.29
	Senior high school	13.33	18.75	7.14
	High school or lower	20.00	18.75	14.28

IV. Information of Environmental Protection Expenses

- (I) If the Company is required by law to apply for a permit for installing pollution facilities or pollutant drainage, or to pay pollution prevention fees, or to appoint a dedicated unit or person for environmental issues, the status of such application, payment or appointment:
As the Company's production process is free of pollution, no permit is required according to laws and regulations.
- (II) Main equipment for pollution prevention, and the purpose and potential benefits thereof: None.
- (III) The process in which the Company improved the environmental pollution in the most recent two years and as of the publication date of the prospectus, and the handling process of pollution disputes (if any): None.
- (IV) The total losses (including any damages) and fines suffered by the Company due to environmental pollution in the most recent two years and as of the publication date of the prospectus, the countermeasures to be taken in the future (including improvement measures), and an estimate of possible expenses that could occur (including an estimated amount of possible losses, fines and damages for not taking any countermeasure; if a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided): None.
- (V) The impact of the current condition of pollution and the improvement thereof on the earnings, competitive position and capital expenditure of the Company, as well as the projected major environment-related capital expenditure for the next two years:

1. The Company's current condition of pollution and the improvement thereof do not have any major impact on the earnings, competitive position and capital expenditure of the Company.
2. Projected major environment-related expenditure for the next two years: None.

V. Labor-Management Relations

(I) Employee welfare measures:

To protect the welfare of employees, the Company has established the Employee Welfare Committee to provide a variety of welfare measures, hold the Welfare Committee meetings, and arrange the use of the employee welfare fund. In addition to the subsidies for marriage, funerals and festivities, the gifts and bonuses for annual holidays, and the annual company trips, the scope of employee welfare also includes:

1. Pension
2. Termination benefits
3. Employee bonuses and remuneration to directors
4. Other company benefits:
 - (1) Basic benefits: The Company enrolls in labor insurance, health insurance, and pension systems and takes out group insurance for all employees to protect their labor rights.
 - (2) Health check-ups: SOLOMON offers a safe and healthy work environment to employees in compliance with the applicable labor laws and regulations and organizes annual health check-ups for regular tracking.
 - (3) Childcare and after-school care: The Group contracts with Hess International Educational Group to provide after-school programs for kindergarten and elementary school children at all branches across Taiwan.

(II) The Company's salary and remuneration policies:

- (1) According to the Articles of Incorporation, the Company shall subtract any accumulated losses from earnings in the year. A minimum amount of 1% of the remaining (if any) shall be appropriated as remuneration to employees and a maximum amount of 2% shall be appropriated as remuneration to directors and supervisors.
- (2) The remuneration to directors includes the compensation and transportation allowance.
- (3) The remuneration to managerial officers and employees includes the monthly salary, bonuses and employee compensation.
- (4) The remuneration to managerial officers and employees is determined based on the level of the industry standard and the individual experience, performance and previous compensation conditions, with the evaluation of individual performance serving as the calculation basis of the compensation.
- (5) The remuneration to directors, managerial officers and employees are discussed and approved by the Compensation Committee, and then submitted to the Board of Directors for discussion and resolution.

(III) Employee training (Group):

The Group organizes internal and external education and training on ethical management issues (including courses on compliance with ethical management regulations, accounting system, professional technology, internal control, and book club).

- The group conducted internal and external training related to the topic of ethical business practices, reaching a total of 465 participants with a cumulative 909 training hours. The categories of the related courses are listed as follows:

Course Category	Course Topic	Number of Participants	Training Hours
Compliance Promotion	6	9	60
Financial/Accounting System Management	5	9	90
Business Training	6	178	354
Business Management	13	268	399
Information Management	1	1	6
Total	31	465	909

- Total Annual Training for All Group Employees:
2,713 participants / 19,612.2 hours
 - Internal Training: 2,348 participants / 17,101.2 hours
 - External Training: 365 participants / 2,511 hours

(IV) Retirement system:

1. Description of the defined contribution plan:

Under the defined contribution plan, pension contributions that shall be made are recognized as pension cost in the current period on an accrual basis. Pre-paid contributions are recognized as assets to the extent that a cash refund or reduction in future payments is available.

2. Description of the defined benefit plan:

- (1) Under the defined benefit plan, net obligations are calculated based on the discounted future benefits earned by employees for services rendered during the current period or in the past and stated at the present value of the defined benefit obligations on the balance sheet date less the fair value of plan assets. The defined benefit obligations are calculated by an actuary using the projected unit credit method every year. The discount rate is the yield rate of government bonds on the balance sheet date.
- (2) Remeasurements arising from the defined benefit plan are recognized as other comprehensive income and recorded in retained earnings in the period of their incurrence.
- (3) Expenses related to the service cost in the previous period are immediately recognized as profit or loss.

3. Implementation of the defined benefit plan:

The Company has established a defined benefit pension plan in accordance with the "Labor Standards Act." The plan is applicable to the length of service of all full-time employees calculated before the "Labor Pension Act" was implemented on July 1, 2005, and the length of service of employees who choose to stay in the pension scheme under the Labor Standards Act calculated after the implementation of the "Labor Pension Act." The pension paid to employees who meet the criteria for retirement is calculated based on their length of service and their average salary for the 6 months prior to their retirement. Employees whose length of service is no more than 15 years (inclusive) will receive two base points for each year of service and employees whose length of service is more than 15 years will receive one base point for each additional year of service. The maximum number of accumulated base points is 45. The Company makes a pension contribution of 2% of the total salary on a monthly basis and deposits it into a special account with the Bank of Taiwan in the name of the Labor Pension Fund Supervisory Committee. In addition, before the end of each fiscal year, if the balance of the labor pension fund account referred to in the preceding paragraph is insufficient to pay the pension calculated above to employees expected to meet the criteria for retirement in the following fiscal year, the Company will make a full, one-off contribution by the end of March of the next fiscal year.

The Company's defined retirement benefit plan fund assets are entrusted by the Bank of Taiwan through contracted management according to the proportion and amount for contracted management items set forth in the annual investment/utilization plan of the fund and within the scope as defined in Article 6 of the Regulations for Revenues, Expenditures, Safeguard and Utilization of

the Labor Retirement Fund (i.e. deposit in domestic or foreign financial institutions, investment in domestic/foreign listed, OTC, or private placement equity securities, and investment in domestic or foreign real estate and its securitization products, etc.) The relevant utilization is supervised by the Labor Pension Fund Supervisory Committee. Regarding the utilization of the fund, the minimum earnings approved to be distributed every year shall not be less than the attainable earnings calculated based on the 2-year time deposit interest rates offered by local banks. Any deficit shall be made up for with the money from the national treasury upon the approval of the competent authority. As the Company has no right to participate in the utilization and management of the fund, the classification of the fair value of plan assets cannot be disclosed in accordance with Paragraph 142 of IAS 19. Please refer to the labor pension fund utilization report for each year published by the government for the fair value of all assets constituting the fund on December 31, 2024 and 2023.

4. Implementation of the defined contribution plan:

Since July 1, 2005, the Company has had its defined contribution plan in place in accordance with the “Labor Pension Act.” The plan is applicable to employees who are of Taiwanese nationality. The Company makes and deposits a labor pension distribution of 6% of the salary of the employees who choose to opt in to the labor pension scheme under the “Labor Pension Act” into their personal accounts with the Bureau of Labor Insurance every month. The pension is paid monthly or at once to the employees based on the amount of money in their personal pension accounts and the accumulated gains.

The pension costs recognized by the Company in accordance with the aforesaid pension plan in 2023 and 2024 were NT\$916 thousand and NT\$ thousand, respectively.

A: The contribution percentage and contribution status under new and old systems:

- (a) New system: Since July 1, 2005, for employees who choose to opt in to the labor pension scheme under the “Labor Pension Act”: a monthly pension contribution of no less than 6% of the employees’ monthly salaries is made and deposited to their personal pension accounts set up by the Bureau of Labor Insurance. This allows the employees’ pensions to accrue wherever they work without being affected by job changes or the factory closure or close-down of business entities. Such pension accounts are owned by the employees.
- (b) Old system: A monthly pension contribution of 2% of employees’ monthly salaries is made and deposited to the dedicated account. If the amount of pension contributions in the account reaches the total present value of pensions required for all employees to apply for payment of their pensions after they meet the criteria for retirement, the making of such contribution may be suspended upon approval by the local competent authority.

- B: Procedure and qualifications for employees to apply for payment of their pensions:

Application Procedure

- (c) An application for retirement must be filed one month before the retirement.
- (d) When applying for retirement, employees should complete a retirement application and a list of tasks that they are responsible for and submit the same to the Company for approval.
- (e) After approving the employees' pension applications, the Company gives a notice to the Labor Pension Fund Supervisory Committee to review such applications.

Qualifications for Application

- (a) Employees who meet any of the following conditions may apply for retirement:
 - Serving the Company for over 15 years and at the age of 55 or more.
 - Serving the Company for over 25 years.
 - Serving the Company for over 10 years and at the age of 60 or more.
- (b) Employees who do not meet any of the following conditions may not be forced into retirement:
 - At the age of 65 or more.
 - Mentally incapacitated or physically disabled to be competent in their jobs.
- (c) Employees who meet the criteria for retirement should apply for retirement in accordance with the "Labor Standards Act."
- (d) For employees transferred within the Group, their length of service and pensions may be calculated on a consolidated basis.
- (e) Employees who die during their employment are considered retired.
- (f) Employees who need long-term recovery from illness during their employment are allowed to apply for project retirement.

- C: Operations of the Pension Management Committee:

The Supervisory Committee holds meetings pursuant to laws and may convene special meetings, if necessary.

- (V) Remuneration to employees and to directors:

Remuneration to employees and to directors is recognized as expense and liabilities when it is subject to legal or constructive obligations and its amount can be estimated reasonably. Any difference between the amount of remuneration actually distributed to employees and to directors as resolved and the estimated amount is treated as an accounting estimate change. If employees' remuneration is distributed in shares, the closing price on the day before the date of the Board's resolution is used as a basis for calculating the number of shares to be distributed.

(VI) Labor-management agreements:

The Company's labor-management agreements are concluded when employees start working in the Company in accordance with the Labor Standards Act and according to the personnel management regulations. In response to the amendment of related labor laws and regulations, the minimum monthly salary in 2024 was NT\$27,470, and the minimum hourly wage was increased to NT\$176. In 2025, the minimum monthly salary is NT\$28,590. The labor insurance premium rate for 2025 is 12.5% (i.e. the labor insurance premium rate for general accidents is 11.5% and the employment insurance premium rate is 1%). We will adjust the corresponding system in accordance with laws and regulations for compliance.

(VII) Measures for the protection of employee rights:

In order to maintain good labor-management relations, the Company convenes labor-management meetings for coordination and communication on opinions in accordance with the Labor Standards Act.

(VIII) The Group's participation in corporate activities and social responsibility:

Item	Activity	Description of participation	Implementation performance
1	Tamkang University's subsidy program for the university's industry-academia collaboration for postdoctoral research fellow development	Corporate donation	NT\$140,000
2	Sponsoring the Development Center for Spinal Cord Injuries for rehabilitation and training expenses	Corporate donation	NT\$9,000
3	Genesis Social Welfare Foundation	Participation of the Group's employees	Donation of invoices and money
4	Cih Yue Charity Foundation	Corporate donation	NT\$500,000
5	Dharma Drum Mountain Buddhist Foundation	Corporate donation	NT\$6,000
6	Wu Sheng Monastery, LJM Buddhist Society	Corporate donation	NT\$6,000
7	Step30's public welfare activity (donation to Africa)	Participation of the Group's employees	152 pairs of old shoes collected
8	Year-end warmth delivery charity sale (Christmas event) Jointly organized by the Genesis Social Welfare Foundation, the I Can Workshop of the Taipei Autism Children Social Welfare Foundation,	Participation of the Group's employees and the employees of other companies in the building where the Company leased	Around NT\$30,000 earned through the charity sale

Item	Activity	Description of participation	Implementation performance
	the Gofe Sheltered Workshop, and the Double Blessing Baptist Church	the office in Neihu	
9	Taiwan Health and Medical Association	Corporate donation	NT\$150,000
10	National Taiwan University College of Medicine, Account 408	Corporate donation	NT\$1,000,000

(IX) Competent authority-designated certificates received by personnel responsible for the transparency of financial information:

Name	Company	Title	Certificate description	Organizer	Continuing education hours
Chen Ssu-Mei	Solomon Data International	Chief Accountant	Continuing Education Workshop for the Principal Accounting Officers of Issuers, Securities Firms, and Securities Exchanges	Accounting Research and Development Foundation	12
Yeh Li-Yu	Solomon Data International	Substitute for the Chief Accountant	Continuing Education Workshop for the Principal Accounting Officers of Issuers, Securities Firms, and Securities Exchanges	Accounting Research and Development Foundation	12
Chueh Hsiu-Ping	Solomon Data International	Chief Auditor	Enhancement of Corporate Sustainable Value and Improvement of the Risk Management System	The Institute of Internal Auditors-Chinese Taiwan	6
Chueh Hsiu-Ping	Solomon Data International	Chief Auditor	Corporate Application and Examples of “ESG” and “Internal Audit and Control Integration”	The Institute of Internal Auditors-Chinese Taiwan	6
Chen Wen-Feng	Solomon Data International	Deputy Auditor	Strategies for Corporate Sustainability Transitions and Internal Audit in Response to ESG Trends	Securities & Futures Institute	6
Chen Wen-Feng	Solomon Data International	Deputy Auditor	Compliance Auditing for Major Financial and Business Activities	Securities & Futures Institute	6
Chen Hsueh-Ping	Solomon Data International	Chief Corporate Governance Officer	2024 WIN: Symposium on Digital and Sustainable Finance under the AI Trend	Taipei Exchange	3
Chen Hsueh-Ping	Solomon Data International	Chief Corporate Governance Officer	Matters to be Noticed for Recent Investment in the US and Mexico	Taipei Exchange	3
Chen Hsueh-Ping	Solomon Data International	Chief Corporate Governance Officer	Methods of Taiwanese Companies’ Deployment for International Taxation and Investment	Taiwan Corporate Governance Association	3
Chen Hsueh-Ping	Solomon Data International	Chief Corporate Governance Officer	2024 Corporate Governance Forum: New Challenges Faced by Chief Corporate Governance Officers	Taiwan Corporate Governance Association	3

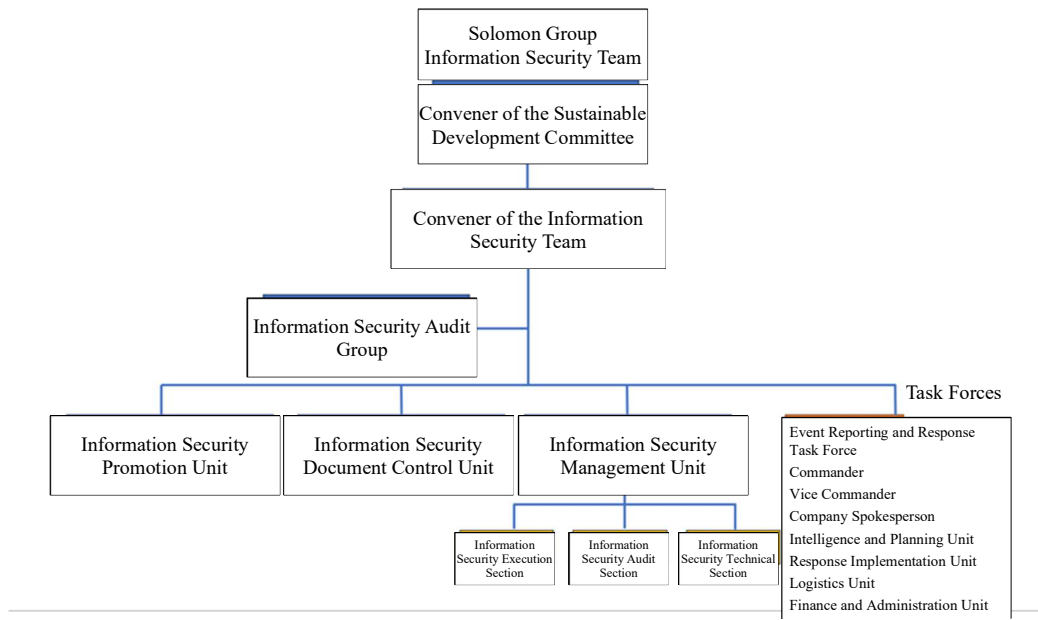
Name	Company	Title	Certificate description	Organizer	Continuing education hours
Chen Hsueh-Ping	Solomon Data International	Chief Corporate Governance Officer	Conference on Compliance with the Regulations Governing the Equity of Insiders in Listed Companies	Taipei Bar Association	3

(X) Losses incurred due to labor–management disputes in the most recent two years and as of the publication date of the annual report: None.

VI. Cybersecurity Management: (Group)

(I) Cybersecurity risk management framework:

- The Company complies with the requirements of the competent authority, the Financial Supervisory Commission, on information security management mechanisms. TWSE/TPEX listed companies are classified into three levels, and the Company is a Level 2 listed company. We have established a dedicated information security unit with an information security supervisor and personnel responsible for information security affairs, information security system planning, and the monitoring and execution of information security management operations in accordance with Level 2 requirements to ensure continuous optimization and mitigate possible cybersecurity risks.
- Organizational operating model: An Information Security Team is established under the Sustainable Development Committee. The team is responsible for developing and disseminating cybersecurity policies and information security operating procedures. All internal departments have a responsibility to promote cybersecurity. The information security management unit is responsible for establishing procedures, organizing personnel education and training, and introducing and implementing cybersecurity policies. As the unit supervising cybersecurity governance, the Auditing Office is responsible for overseeing the implementation of internal cybersecurity measures and conducting cybersecurity risk audits. If any deficiency is found, the office requires the audited units to submit specific relevant improvement plans and tracks the improvement progress regularly in order to reduce internal cybersecurity risks. Every year, the audit results are regularly reported to the Board of Directors.



(II) Cybersecurity policy:

Purpose: Promote the information management system, establish a safe and reliable information operating environment, ensure data, system, equipment and network security, strengthen information security management, ensure the confidentiality, integrity and availability of information assets, and raise the information security awareness of relevant personnel, in order to provide an environment conducive to the continuous operation of the Company's information services, comply with relevant laws and regulations, avoid internal and external deliberate or accidental threats, and improve service quality, achieving the goal of sustainable operations.

Scope:

1. All employees, partners or units of the Company shall comply with this policy.
2. Cybersecurity management covers control measures for four aspects to prevent any possible risks and damages caused to the Company by improper use, leakage, tampering, and damage of information as a result of human negligence, deliberate acts or natural disasters. The control measures are described as follows:
 - 2.1 Organizational control measures.
 - 2.2 Personnel control measures.
 - 2.3 Physical control measures.
 - 2.4 Technical management.

(III) Specific management plans:

As technology advances, the Company continues to install and upgrade information security management systems, implements relevant management measures in a non-stop manner to prevent external cybersecurity threats, and establishes an operating code of conduct for internal personnel in order to improve the security of the Company's overall information environment and reduce internal personnel information security risks.

Category	Description	Relevant measure
Permission management	Personnel account and permission management and management measures for system operations	Management and approval of personnel accounts and permissions
		Regular inventory of personnel accounts and permissions
Access control	Control measures for personnel's access to internal/external systems and data transmission channels	Internal/external access control measures
		Control measures for data leakage channels
External threats	Potential vulnerabilities and viruses on internal systems and protection measures	Regular host/computer updates
		Regular network security inspection and repair
		Virus protection and malware detection

Category	Description	Relevant measure
System availability	System availability status and handling measures in case of service interruptions	Monitoring of the system/network availability status
		Measures in response to service interruptions
		Data backup and redundancy and on-premises/off-site redundancy mechanisms
		Regular disaster recovery drills

(IV) Resources invested in cybersecurity management:

1. Information security education and training are organized to upgrade the information security knowledge and professional skills of all employees. Information security education and training courses are provided for new employees when they report to work, thereby improving the information security awareness of the Company's employees. We also provide related professional skills training for full-time personnel.
2. The Company implements business continuity management procedures, formulates a business continuity plan (BCP), and conducts business continuity exercises every year to ensure continuous operations of the Company's business. This allows us to respond at critical moments and improve our information services.
3. For participation in collaborative cyber defense mechanisms, in order to strengthen our active defense strategy, we have joined the TWCERT/CC Information Security Alliance, through which we can obtain intelligence on information security and cyber hacking from time to time, share threat intelligence, gain industry experience, give internal cybersecurity alerts in a timely manner, review internal equipment and system updates, and constantly enhance the defense capacity to promote key partners' trust in the Company's goodwill and information security level.
4. Introduction of the ISO 27001 information security management system in 2024: The Company intends to obtain third-party international information security certification, and strengthen information security and protection (e.g. through an email security filtering mechanism and SOC cybersecurity monitoring services).
 - Schedule of obtaining the certification: The Company expects to be certified in Q1 2025 and obtain the certification in Q2 2025.
5. Implementation of the IEC 62443 4-1 product safety development in 2024: The Company has been certified in November.
6. Number of employees deployed:
The Company adopts a group-based method for management:
 - (1) Cybersecurity personnel: 2 persons; 4 in total in the Group
 - (2) Information personnel (assisting the cybersecurity personnel): 5 persons
7. Number of discussion meetings in 2024: 10 meetings were held to discuss the proposals regarding ISO 27001 and IEC 62443 4-1, etc.

8. External training:

No.	Course title	hours	Number of trainees
1	ithome Cybersecurity Conference	24 hours	2
2	ithome Cloud Summit Taiwan	8 hours	2
3	Google Cybersecurity Online Courses of the Institute for Information Industry	168 hours	2

- (V) Losses incurred due to major information security incidents, and the possible impacts and response measures thereof:

Period: In the most recent year and as of the publication date of the annual report:

The Company did not have any major information security incidents in 2023. The Company has established a comprehensive set of multi-level defense measures, which include firewalls, intrusion detection, anti-virus systems, vulnerability assessment and repair program management. The Company also regularly commissions well-known information security firms to conduct penetration tests to ensure the continued improvement of the Company's information security defense capabilities. However, in the face of the constantly updated attack methods and the time gap of the defense system, the past defense results cannot guarantee that no incidents will occur in the future. Therefore, the Company's requirements for information security will also continue to be optimized with time. We will exercise due care in information security and perform our management responsibilities to reduce our operational risks, protect customers' interests, and maximize the value and benefits of our shareholders' investments.

VII. Important Contracts:

No.	Nature of contract	Contracting party	Start and expiry dates of contract	Main subject	Restrictions
1	Distribution	SolarEdge Technologies Taiwan Co., Ltd.	2024/01/01~2024/12/31	Serving as an agent for inverters, optimizers, and energy storage products	Non-exclusive agent in Taiwan

Chapter 6. Review and Analysis of the Financial Position and Financial Performance and the Assessment of Risk Events

I. Financial Position

Unit: NT\$ Thousand

Item \ Year	2023.12.31	2024.12.31	Difference	
			Amount	%
Current assets	293,753	291,093	(2,660)	(0.91)
Non-current assets	137,824	132,501	(5,323)	(3.86)
Total assets	431,577	423,594	(7,983)	(1.85)
Current liabilities	42,907	35,833	(7,074)	(16.49)
Non-current liabilities	2,455	92	(2,363)	(96.25)
Total liabilities	45,362	35,925	(9,437)	(20.80)
Share capital	206,878	206,878	0	0.00
Capital reserves	0	0	0	0.00
Retained earnings	179,337	188,500	9,163	5.11
Other equity	0	(7,709)	(7,709)	0.00
Treasury stocks	0	0	0	0.00
Equity attributable to owners of the parent company	386,215	387,669	1,454	0.38
Non-controlling interests	0	0	0	0.00
Total equity	386,215	387,669	1,454	0.38
Description of changes: (if the increase or decrease is 20% or more and the increased or decreased amount reaches NT\$10 million)				
1.The decrease in non-current liabilities was mainly due to a reduction in non-current lease liabilities during the period.				
2.The total liabilities decreased primarily due to a reduction in accounts payable and non-current lease liabilities during the period.				

II. Financial Performance

(I) Operating result comparison:

Unit: NT\$ thousand

Item \ Year	2023	2024	Amount of increase (decrease)	Percentage of change (%)
Operating income	259,042	187,189	(71,853)	(27.74)
Gross operating profit	47,441	42,136	(5,305)	(11.18)
Operating profit (loss)	15,946	18,130	2,184	13.70
Pre-tax profit (loss)	29,985	28,472	(1,513)	(5.05)
Net profit (loss) in the current period	29,204	28,191	(1,013)	(3.47)
Other comprehensive income in the current period (after tax, net)	31	(5,903)	(5,934)	(19,141.94)
Total comprehensive income in the current period	29,235	22,288	(6,947)	(23.76)
Net profit attributable to owners of the parent company	29,204	28,191	(1,013)	(3.47)
Net profit attributable to non-controlling interests	0	0	0	0.00
Total comprehensive income attributable to owners of the parent company	29,235	22,288	(6,947)	(23.76)
Total comprehensive income attributable to non-controlling interests	0	0	0	0.00
Earnings per share	1.41	1.36	(0.05)	(3.55)
<p>Analysis and description of the percentage of changes: (if the increase or decrease is 20% or more and the increased or decreased amount reaches NT\$10 million)</p> <ol style="list-style-type: none"> 1. Operating revenue decreased mainly due to a decline in revenue from energy products during the period. 2. The net amount of other comprehensive income after tax decreased mainly due to the impact of unrealized valuation gains and losses on equity instruments measured at fair value through other comprehensive income. 3. The total comprehensive income for the period decreased mainly due to the impact of unrealized valuation gains and losses on equity instruments measured at fair value through other comprehensive income. 				

- (II) Potential effects of expected sales volumes and their basis on the Company's future finance and business, and measures in response:

The market development of the TFT LCD industry is facing challenges due to the background of chip shortage and supply-demand imbalance. In 2024, the Company will continue to adjust the product items, expand the product markets of the existing and new energy business units, invest resources in businesses with high income or high turnover, and ensure a sound financial structure to keep creating value for the Company and shareholders.

III. Cash flow

- (I) Net cash flow:

Unit: NT\$ thousand				
Item	2023	2024	Increased/decreased amount	Change in ratio (%)
Net cash inflow (outflow) from operating activities	51,152	33,592	(17,560)	(34.33)
Net cash inflow (outflow) from investing activities	(144,289)	(20,423)	123,866	85.85
Net cash inflow (outflow) from financing activities	(22,997)	(23,118)	(121)	(0.53)
Net cash flow	(116,134)	(9,949)	106,185	91.43

1. **Net cash inflow from operating activities:** Mainly due to net cash inflow from operating activities.

2. **Net cash outflow from investing activities:** Mainly due to the increase in acquisitions of financial assets measured at fair value through profit or loss and financial assets measured at amortized cost.

3. **Net cash outflow from financing activities:** Mainly due to the distribution of cash dividends during the period.

- (II) Liquidity analysis for the most recent two years:

Item \ Year	2023 (%)	2024 (%)	Increase (decrease) ratio (%)
Cash flow ratio	119.22	93.75	16.55
Cash flow adequacy ratio	8.73	21.88	150.97
Cash reinvestment ratio	8.59	4.06	(52.73)

Analysis and description of the increase/decrease ratio reaching more than 20%:

1. **Cash flow ratio decreased:** Mainly due to the net cash inflow from operating activities.

2. **Cash flow adequacy ratio increased:** Mainly due to the increase in net cash flow from operating activities over the past five years.

3. **Cash reinvestment ratio decreased:** Mainly due to the increase in working capital and long-term investments over the past five years.

(III) Cash flow analysis for 2025 (estimation):

Unit: NT\$ thousand

Opening cash balance ①	Expected annual cash inflow ②	Expected annual cash outflow ③	Expected cash balance (deficit) ① + ② - ③	Expected remedy for cash deficit	
				Investment plan	Financing plan
59,304	60,000	30,000	89,304	0	0
<p>Analysis of changes in cash flows in the current year:</p> <p>Operating activities: By continuously managing delivery schedules and strengthening the collection of accounts receivable, the net cash inflow from operating activities for the full year reached NT\$99 million.</p>					

IV. Effects of Material Capital Expenditure in 2024 on Finance and Business

The Company did not have material capital expenditure in 2024.

V. Investment Policies for 2024, the Main Reasons for Profits or Losses, the Improvement Plan, and the Investment Plan for 2025

- (I) For the non-listed stocks held by the Company, the fair value is used as the recoverable amount for the impairment test. As of December 31, 2024, the original investment amount was NT\$ 57,897thousand, the assessed fair value was NT\$ 48,838thousand, and the recognized impairment loss was NT\$9,059 thousand.
- (II) Investment plan for 2025: The Company intends to focus on the main business and expand the scale of business in 2025; hence, no investment plan is developed for now.

VI. Risk Events

- (I) Effects of interest rate and exchange rate changes and inflation on the profit/loss of the Company, and future measures in response:
The Company regularly assesses bank borrowing rates and keeps in close touch with banks for lower borrowing rates. For foreign exchange rates, we develop clear foreign exchange operation strategies and strict control procedures to monitor foreign exchange changes.
- (II) Policies on high-risk and high-leverage investments, loaning of funds to others, endorsements/guarantees, and derivative transactions, the main reasons for profits or losses, and future measures in response:
The Company has not engaged in high-risk and high-leverage investments or derivative transactions. The Company's loaning of funds to others and endorsements/guarantees are all handled with the Company's associates and in accordance with laws and regulations.
- (III) Future (2025) R&D plans and expected R&D expense and progress: None.
- (IV) Effects of important changes in domestic or foreign policies and laws on the finance and business of the Company, and measures in response: None.
- (V) Effects of changes in technology and industry on the finance and business of the Company, and measures in response: None.
- (VI) Effects of changes in corporate image on the crisis management of the Company, and measures in response: None.
- (VII) Expected benefits and potential risks of mergers, and measures in response: None.
- (VIII) Expected benefits and possible risks of expansion of plants, and measures in response: None.
- (IX) Risks from the concentration of purchases or sales, and measures in response:
In addition to the economic environment, competition, market value risk and customer credit status, the Company has also set requirements for the order-receiving quantity and control to reduce the risk of minimum order quantity (MOQ).

The Group's largest supplier is Solomon Goldentek Display, which provides LCDs; as it is an associate of the parent company, SOLOMON Technology Corporation, the supply is not affected and there is no relevant risk. The sales are concentrated on certain overseas customers; we are currently improving our marketing team to create new customer groups and achieve the effect of risk diversification.

Furthermore, the Company will develop the markets in new overseas regions, including Eastern Europe (i.e. Russia) and South America, in the hope of increasing the turnover and the gross profit margin.

- (X) Effects and risks of substantial transfers or changes of shares held by directors, supervisors or major shareholders with a shareholding of more than 10% to the Company, and measures in response: None.
- (XI) Effects and risks of changes in management to the Company, and measures in response: None.
- (XII) Litigious or non-litigious events:

Specify the Company and directors, supervisors, general manager, substantial responsible person, major shareholders with a shareholding of more than 10% and subsidiaries that are involved in significant litigious, non-litigious or administrative dispute events with affirmative judgment or pending in the court proceedings; where the result may have a material effect on shareholder's equity or securities price, the dispute fact, claim amount, start date of the event, primary litigation parties, and the handling status as of the publication date of this annual report shall be disclosed:

The Company's appearance	Case name	Amount concerned	Summary and subject matter	Progress made so far
Plaintiff	The Company's claim for damages against Hsieh Chen-Hsueh and Hsieh Yu-Fen, the heirs of the former Chairman Hsieh Wen-Cheng, and Liao Kuo-Tsai and Lin Chun-Liang, the former managerial officers	Around NT\$313,480 thousand	The former Chairman Hsieh Wen-Cheng, the former Vice President and Director Liao Kuo-Tsai, and the former CFO Lin Chun-Liang of Solomon Data International Corporation (formerly Data International Co., Ltd.), are suspected of engaging in fraudulent transactions for the purpose of faking the financial statements of Solomon Data International Corporation from 2005 to 2010, violating the business practices, infringing the Company's assets and credit, and bringing a significant loss of NT\$313,480 thousand to Solomon Data International Corporation (according to the judgment of Jin-Shang-Chong-Su-Zi No. 48 (2020) of the Taiwan High Court, and the legal attest letter of the Securities and Futures Investors Protection Center). Therefore, the Securities and Futures Investors Protection Center sent a letter to remind Solomon Data International Corporation to take relevant measures to claim damages for the losses suffered by the Company and hold them liable for such losses.	Pending in the Taiwan Shilin District Court (Jin-Zi No. 4, 2020).

(XIII) Other major risks and measures in response:

In addition to the risk events disclosed above, the Company has established guidelines for accounts receivable and inventory management in response to customer default risk and inventory obsolescence risk that are of the greatest concern in corporate management. Such guidelines are communicated to and implemented for the sales units, Finance Department, Business Management Department, and Auditing Office during daily management.

Units responsible for managing the aforesaid risks are managed by the project team consisting of the heads of the sales units, Finance Department, Business Management Department, and Auditing Office, based on the nature of projects.

1. The Group's day-to-day operations are affected by multiple financial risks, including market risk (financial risk, exchange rate risk, and price risk), liquidity risk, credit risk, and legal risk: For the management policies, risk assessments, response strategies, and quantitative risk exposure information for such risks, please refer to the risk management policies.
2. Market risk: The Company's business units and management units establish and implement strategies for the business activities they are in charge of and take actions in response based on the results of the analysis and assessment of legal, policy and market changes. The heads of the Business Management Department and business groups are responsible for controlling and handling potential market risks and crises.
3. Strategic and operational risks: The Company keeps track of the operational performance of departments on a continuous basis and adjusts strategic directions based on changes in market competition and customers, when appropriate, to reduce operational risks and thereby align corporate strategies with the Company's vision and achieve operational goals. Factors that affect the operational risks and relevant management mechanisms are listed below:
 - (1) Purchase cost control: We assess procurement risks and control procurement costs.
 - (2) Supplier management: We acquire and maintain the right of agency.
 - (3) Channel analysis and management: We analyze and manage inventory costs, order processes and costs, and foremarket and aftermarket service costs.
 - (4) Management of accounts receivable: We manage the accounts receivable collection risk.
 - (5) Business unit control: We adjust the direction of strategies in a timely manner.
4. Auditing Office: All the Company's material operational decisions are implemented by a resolution of the Board of Directors after being assessed and analyzed by the appropriate responsible departments. The Auditing Office draws up annual audit plans and develops self-assessment procedures and methods through risk assessments in accordance with laws and regulations. The aforesaid potential risks are kept under control by implementing the audit plans and self-assessment procedures and the results are submitted to the Board of Directors on a regular basis.

VII. Other Important Matters: None.

Chapter 7. Special Information

- I. Information of Associates(Please refer to the relevant information on the MOPS.)
 - (I) Consolidated business report of associates: N/A.
 - (II) Consolidated financial statements of associates: N/A.
 - (III) Affiliation report: https://doc.twse.com.tw/server-java/t57sb01?step=1&colorchg=1&co_id=5432&year=&mtype=K&isnew=true
- II. Private Placement of Securities: None.
- III. Other Additional Information Required: None.

Chapter 8. Occurrence of Events with a Material Effect on Shareholders' Equity or Securities Price, as Defined under Article 36, Paragraph 3, Subparagraph 2 of the Securities and Exchange Act, in the Most Recent Year and as of the Publication Date of the Annual Report: (including those defined in Article 11, Paragraph 1, Press Briefings Concerning Material Information, of the Taiwan Stock Exchange Corporation Procedures for Verification and Disclosure of Material Information of Companies with Listed Securities): None.