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**MACRONIX  
INTERNATIONAL Co., LTD.**

# Year 2025 Annual Report

Printed on March 07, 2026

This Annual Report is available at the following Websites:

Taiwan Stock Exchange Market Observation Post System:

<http://mops.twse.com.tw>

Corporate Website: <http://www.macronix.com>

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## **I. Company Spokesperson and Deputy**

Spokesperson: Miin Wu

Tel: 03-5786688

Deputy Spokesperson: Paul Yeh

Tel: 03-5786688

Title: Chairman and CEO

E-mail: [ir@mxic.com.tw](mailto:ir@mxic.com.tw)

Title: Vice President

E-mail: [ir@mxic.com.tw](mailto:ir@mxic.com.tw)

## **II. Headquarters and Factories**

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Tel: 02-25093300

## **III. Stock Transfer Agency**

Investor Relations Office

Address: 2F, No. 162-1, Songjiang Road, Zhongshan Dist., Taipei, Taiwan, R.O.C.

Website: <http://www.macronix.com>

Tel: 02-25638128

## **IV. Auditors**

Accounting Firm: Deloitte & Touche

Accountant: Tung-Hui Yeh, Kuo-Tyan Hong

Address: 6F, No. 2, Zhanye 1st Rd., Science Park, Hsin-chu, Taiwan, R.O.C.

Website: <http://www.deloitte.com.tw>

Tel: 03-5780899

## **V. Overseas Securities Exchanges: None**

## **VI. Company Website: <http://www.macronix.com>**

Macronix's Philosophy

“Honesty”

Macronix's Values

“Innovation, Quality, Efficiency, Service, Team Work”

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# Chapter I. Letter to Shareholders

## Business Environment

The global political and economic situation remained highly volatile in 2025. In particular, the United States has adjusted its tariff policies for various countries around the world, triggering a chain reaction in international trade and exchange rate policies. Multiple factors such as shifts in the global economic and trade conditions, geopolitical risks, and extreme climate change have caused turmoil and uncertainties in overall economic development. In the memory industry, corporate management has faced challenges from market demand fluctuations in the automotive and industrial control sectors; rising energy costs, increasing raw material prices and logistics expenses, and enforcement of carbon emission regulations. In response, the Company has adhered to a prudent and pragmatic approach by making timely adjustments to its operational strategies and capacity allocation, while continuously strengthening cost control and inventory destocking efforts. In the fourth quarter of 2025, operating performance showed positive signs, with gross margin recovery and narrowing losses. For the full year 2025, consolidated revenue increased by 12% compared to 2024, demonstrating the effectiveness of the Company's strategies and its steady progress toward profitability.

## Operating Performance

The Company's operating results for 2025 are summarized as follows:

- Consolidated net revenue totaled NT\$28.9 billion;
- Consolidated gross profit amounted to NT\$5.1 billion, with an average gross margin of 17.8%;
- Net loss after tax was NT\$3.3 billion, with a loss per share of NT\$1.77;
- Net Cash inflow from operating activities was NT\$4.838 billion, while cash outflow from investing activities was NT\$1.724 billion;
- Cash and cash equivalents at year-end totaled approximately NT\$14.913 billion;
- Net inventory amounted to NT\$9.813 billion;
- Debt ratio was 41.6%;
- Net Asset per share was NT\$23.74.

Overall, the Company maintained a sound financial structure.

## Technology and Innovation

The Company remains committed to the innovation and independent research and development, with a long-term focus on non-volatile memory technologies. Intellectual property serves as one of the core drivers of its operations, the Company has established a multi-layered protection network for its key technologies. In addition to trade secrets, as of the end of 2025, the Company held a total of 9,911 patents and 356 registered trademarks worldwide. By building a robust intellectual property portfolio that emphasizes both quality and quantity, the Company strengthens the protection of "products" and "technologies" of its brand, fortifying its leading position in the global non-volatile memory market. In 2025, the Company was honored with the EE Awards Asia — Best Memory and Popular Star — 5th Anniversary Special Award from EE Awards Asia, marking another remarkable milestone with its outstanding performance of winning benchmark awards for five consecutive years.

## Production and Quality

In terms of manufacturing processes and products, ROM accounted for 16% of the Company's total revenue in 2025. The Company will continue to support its customers' business growth staying aligned with its major customers and meeting their seasonal demand. NOR Flash accounted for 61% of total revenue in 2025. Of this, high-quality, high-value-added applications — including automotive, industrial, medical, and aerospace accounted for 38%. Among these sectors, the automotive industry is in steady recovery, with intelligent driving emerging as a key growth driver. In addition, servers and communication applications

exhibited strong growth momentum. With respect to NAND Flash, it accounted for 16% of total revenue in 2025, representing a significant increase of 62% compared to 2024. This growth was primarily driven by a substantial increase in shipments of eMMC products, which are widely used in industrial applications, networking and communication products, advanced driver-assistance system (ADAS), and smart medical devices. Revenue from NAND Flash is expected to experience strong growth in 2026. In response to the market's high expectations, the Company will continue to leverage its proprietary 3D NAND process technology to develop higher-capacity eMMC products, positioning them as a key driver of the Company's sustained and stable growth.

## **Marketing and Strategy**

The Company has long been active in the industrial control, automotive, and communications markets. Its high-performance products have successfully passed a series of rigorous automotive-grade qualifications, and obtained multiple key qualifications for high-reliability applications, including aerospace and space sectors. These achievements demonstrate the Company's products possess superior competitive advantages and have won massive support from its customers. To capitalize on the momentum driven by artificial intelligence (AI), semiconductor innovation, and next-generation technologies, the Company has continued to collaborate with major international manufacturers to develop enterprise solid-state storage solutions (Enterprise SSD). With superior product quality and outstanding manufacturing technology, the Company has also deepened its collaboration with top-tier global GPU customers to expand in high-end, third-generation servers and high-performance computing (HPC).

With the rapid expansion for AI, large-scale data processing, and cloud infrastructure, the global memory market is experiencing substantial growth potential. Major memory manufacturers have increasingly shifted production capacity toward leading-edge, high-end process nodes, thereby crowding out the supply of conventional memory products and resulting in a structural supply shortages. In light of this significant market transition, the Company is well-positioned to capture emerging opportunities. Building on its comprehensive Flash portfolio — including NOR, SLC NAND, 3D NAND, and eMMC — the Company provides memory solutions spanning from Mb, Gb to GB capacities, along with professional technical support, positioning itself as a key enabler in the restructuring of the memory supply chain in the AI era. Accordingly, in 2026, the Company will prioritize resource allocation toward its core strengths — high-quality and in-demand product lines. Through cross-functional integration, the Company aims to accelerate improvements in production efficiency and yield rates. At the same time, the Company has launched a capital expenditure plan of NT\$22 billion to expand its 12-inch wafer fabrication capacity. Looking ahead, the Company will adopt a dual-track strategy for NOR and NAND Flash, enabling both product lines to drive accelerated and scalable revenue growth.

## **Sustainability and Corporate Social Responsibility**

In response to the impacts of climate change and growing global focus on sustainability, the Company has aligned its initiatives with international trends, as well as the Financial Supervisory Commission (FSC)'s Corporate Governance 3.0 – Sustainable Development Roadmap and the Sustainable Development Action Plans for TWSE- and TPEX-Listed Companies (2023). Through concrete actions, the Company actively fulfills its corporate social responsibility and advances its long-term sustainable development. From a governance perspective, the Company has initiated the adoption of the IFRS Sustainability Disclosure Standards, aiming to align its sustainability disclosures in line with international standards. In addition, at the 2025 shareholders' meeting, three female directors were elected, further enhancing board diversity. Furthermore, the Company has also established a Sustainability Development Committee under the Board of Directors to oversee sustainability-related matters. From a social perspective, the Company, together with the Macronix Education Foundation, has long been committed to cultivating young technology talent in Taiwan while supporting domestic cultural development through diverse initiatives. In 2025, the Company invested NT\$3 million in related programs, including acquiring and exhibiting works by renowned Taiwanese sculptors at the Company's headquarters to enhance employees' cultural literacy and bring art closer to employees and visitors.

The Company also annually commissions Taiwanese contemporary artists to design award trophies for the Macronix Golden Silicon Awards and the Macronix Science Awards, fostering the integration of art and technology. From an environmental perspective, the Company has long sponsored and maintained a 6-hectare green park “Macronix Park (Wangyuan)” located in the Hsinchu Science Park. The Park has become an important ecological and environmental education venue in the region, demonstrating the Company’s commitment to environmental stewardship and sustainability.

In 2025, the Company received several prestigious recognitions, including the first place in the Hsinchu City Environmental Education Awards presented by the Environmental Protection Bureau of the Hsinchu City Government, the 2025 Healthy Workforce Sustainability Leadership Award granted by the Occupational Safety and Health Administration (OSHA) of the Ministry of Labor (MOL), and the 2025 SGS ISO 45001 Plus Benchmark Award for Excellence in Risk Management. In addition, Chairman Miin Wu has also received the honor of “Outstanding Sustainability Leader” award at the 2025 Taiwan Corporate Sustainability Awards (TCSA). These achievements reflect strong recognition of the Company’s long-standing commitment and contributions. The Company not only continues to strengthen Taiwan’s technology but also contributes meaningful and positive impact on sustainable development across industry and society.

### **Future Outlook**

The advent of the artificial intelligence (AI) era represents a paradigm shift comparable to the Industrial Revolution and the rise of the Internet. Standing at this critical inflection point in technological advancement, the Company will dedicate itself to building corporate resilience and strength to maintain its leading position in the memory industry amid future opportunities and challenges.

We sincerely appreciate the continued support of our shareholders and customers. The management team, together with all employees, will remain united in purpose and direction, working collectively to enhance the Company’s operational fundamentals. By actively advancing the development and deployment of Flash and eMMC products, the Company aims to navigate industry transformations with stability and confidence, drive next-generation growth, and deliver strong operation performance.

Chairman: Miin Wu

President: C. Y. Lu

## Chapter II. Corporate Governance Report

### I . Profile of Directors, Supervisors, the President, Vice Presidents, Assistant Managers, and Department Directors

#### (I) Directors and Supervisors

##### 1. Profile of Directors and Supervisors

February 28, 2026

Title	Nationality or Place of registration	Name	Gender/Age	Date Elected	Term (yrs)	Date First Elected	Shareholding When Elected		Shares currently held		Shares held by spouse and underage children		Education/ work experience	Other positions at the Company or elsewhere
							Shares	%	Shares	%	Shares	%		
Chairman	R.O.C	Miin Wu (Note2)	Male 77	2025.05.23	3	1989.11.25	13,440,809	0.72%	13,440,809	0.68%	None	None	M.S. degree in Material Science and Engineering from Stanford University	Chairman & CEO of Macronix International Co., Ltd Director of Macronix America, Inc Director of Macronix (BVI) Co., Ltd Representative (Director) of Hui Ying Investment Ltd Representative (Director) of Run Hong Investment Ltd Chairman of Mxtran Inc Director of Phoenix 3 Venture Capital Co., Ltd Director of Phoenix 4 Venture Capital Co., Ltd Director of Macronix Europe N.V Director of Macronix (Hong Kong) Co., Ltd Executive Director of Macronix Microelectronics (Suzhou) Co., Ltd Director of Macronix (Asia) Limited Managing Director of Eastern Electronics Co., Ltd
Director	R.O.C	Shun Yin Investment Ltd. (Note3)	-	2025.05.23	3	2004.06.18	22,587,265	1.22%	22,587,265	1.14%	None	None	None	None
	Japan	Representative: Masashi Kuramoto	Male 58	2025.05.23	3	2024.08.20	None	None	None	None	None	None	B.S. degree in Chemical Engineering from Doshisha University	None
	Japan	Representative: Yoshimasa Hayashi	Male 68	2025.06.21	3	2025.06.21	None	None	None	None	None	None	B.S degree in Department of Electrical Engineering from Kyoto Institute of Technology	Director of MegaChips Corporation Director of MegaChips LSI USA Corporation
Director	R.O.C	C. Y. Lu	Male 75	2025.05.23	3	2003.04.18	2,941,766	0.16%	2,941,766	0.15%	None	None	PhD degree in Physics from Columbia University	President of Macronix International Co., Ltd Chairman of Macronix America, Inc Director of Macronix Europe N.V. Director of Macronix (Hong Kong) Co., Ltd Chairman & CEO of Ardentec Corporation Director of Ardentec Korea Co., Ltd Director of Ardentec Singapore Pte. Ltd Representative (Chairman) of Sheng Tang Investment Co., Ltd Representative (Chairman) of Ardentec Semiconductor Co. Ltd Representative (Chairman) of Giga Solution Tech. Co., Ltd Director of Feng Chia University
Director	R.O.C	Stacey Lee(Note1)	Female 66	2025.05.23	3	2007.06.29	19,446	0.00%	19,446	0.00%	None	None	PhD degree in Law, University of the Pacific	Adjunct Professor of National Yang Ming Chiao Tung University Adjunct Associate Professor of Soochow University Director of Mxtran Inc

Title	Nationality or Place of registration	Name	Gender/Age	Date Elected	Term (yrs)	Date First Elected	Shareholding When Elected		Shares currently held		Shares held by spouse and underage children		Education/ work experience	Other positions at the Company or elsewhere
							Shares	%	Shares	%	Shares	%		
Director	R.O.C	Yan-Kuin Su	Male 77	2025.05.23	3	2007.06.29	None	None	None	None	None	None	PhD degree in Electrical Engineering from National Cheng Kung University	Independent Director of Himax Technologies, Inc Independent Director of Epileds Technologies, Inc Honorary Professor of National Cheng Kung University Professor of Kun Shan University Honorary Dean of Academy of Innovative Semiconductor and Sustainable Manufacturing of National Cheng Kung University
Director	R.O.C	Sung-Jen Fang	Male 58	2025.05.23	3	2022.05.27	457,159	0.02%	505,159	0.03%	30,000	0.00%	PhD degree in Material Science and Engineering from Stanford University	Chairman of Darwin Venture Management Corporation Director of TECO Image Systems Co., Ltd Director of Quantek, Inc Independent Director of Scientech Corporation
Director	R.O.C	Tom Yiu	Male 73	2025.05.23	3	1995.06.05	6,681,322	0.36%	6,600,322	0.33%	1,182,084	0.06%	M.S. degree in Electronic Engineering from University of California, Berkeley	Senior V.P. & Chief Marketing Officer of Macronix International Co., Ltd Director of Macronix America, Inc Representative (Director) of Mxtran Inc Independent Director of Chipbond Technology Corporation
Director	R.O.C	F. L. Ni	Male 67	2025.05.23	3	2007.06.29	2,067,933	0.11%	2,067,933	0.10%	340,333	0.02%	M.S. degree in Electronic Engineering from University of Michigan	Vice President of Macronix International Co., Ltd Chairman of Macronix Europe N.V. Director of Macronix Pte Ltd Director of Macronix (Hong Kong) Co., Ltd Director of Wolley Inc
Director	R.O.C	Hui Ying Investment Ltd. (Note4)	-	2025.05.23	3	2001.04.19	1,956,619	0.11%	1,956,619	0.10%	None	None	None	None
	R.O.C	Representative: Paul Yeh	Male 69	Omitted	Omitted	2007.07.18	Omitted	Omitted	2,649,174	0.13%	4,985	0.00%	MBA, degree in Business Administration of National Chengchi University	Vice President of Macronix International Co., Ltd Director of New Trend Technology Inc Director of Macronix Europe N.V. Director of Macronix (Hong Kong) Co., Ltd Representative (supervisor) of Mxtran Inc
Independent Director	R.O.C	Tyzz-Jiun Duh	Male 66	2025.05.23	3	2019.06.18	None	None	None	No/nc	None	None	Ph.D., Institute of Forestry, National Taiwan University	Independent Director of USI Corporation Independent Director of Walsin Lihwa Corporation
Independent Director	R.O.C	Chiang Kao	Male 73	2025.05.23	3	2007.06.29	None	None	None	None	None	None	Ph.D. degree in Forest Management from Oregon State University	Honorary Professor of Department of Industrial and Information Management of National Cheng Kung University
Independent Director	R.O.C	Chien-Kuo Yang	Male 67	2025.05.23	3	2022.05.27	None	None	None	None	None	None	B.S. degree in International Trade from Tamkang University	CPA of Diwan & Company Accounting Firm Chairman of Diwan International Management Consulting Inc Independent Director of Leadtrend Technology Corporation Independent Director of Andes Technology Corporation Independent Director of Youngtek Electronics Corporation Chairman of Tien Da Investment Co., Ltd
Independent Director	R.O.C	Huey-Jen Su (Note 1)	Female 66	2025.05.23	3	2025.05.23	None	None	None	None	None	None	Sc.D., Environmental Health Sciences, School of Public Harvard University	Professor Emeritus of National Cheng Kung University Independent Director of SinoPac Financial Holdings Company Limited Independent Director of E Ink Holdings Incorporated Independent Director of Novatek Microelectronics Corporation

Title	Nationality or Place of registration	Name	Gender/Age	Date Elected	Term (yrs)	Date First Elected	Shareholding When Elected		Shares currently held		Shares held by spouse and underage children		Education/ work experience	Other positions at the Company or elsewhere
							Shares	%	Shares	%	Shares	%		
Independent Director	R.O.C	Hsuan-Lien Chu (Note 1)	Female 56	2025.05.23	3	2025.05.23	None	None	None	None	None	None	Ph.D., Department of Accounting, National Taiwan University	Professor of Accounting, National Taipei University Deputy Vice President for Finance and Sustainability, National Taipei University Independent Director of Data Image Corporation Independent Director of Mirle Automation Corporation Independent Director of BenQ Medical Technology Corporation

Note 1: Achi Capital Limited, Chien Hsu Investment Corporation and Mr. Che-Ho Wei resigned at the end of the 12th Term of the Board of Director, while Mrs. Stacey Lee was elected as the Company's director, and Ms. Huey-Jen Su and Ms. Hsuan-Lien Chu were elected as independent director on 13th Term of the Board of Directors on May 23, 2025.

Note 2: Where the chairman and president or equivalent position (the highest-level of the managerial officer) is the same person, the reasonableness, necessity, and response measures must be disclosed:

Mr. Miin Wu founded Macronix in 1989 and served as its President. He has been elected as the Chairman since 2005 and successfully had the Company become the global leader in non-volatile memory (NVM) with his breadth of vision and innovative business strategy. In 2025, he was elected as the chairman and CEO of the 13th Term of the Board of Directors. Considering that the Company has five independent directors, and more than half of its directors are non-employees nor managers of the Company, the independence of the Board of Directors can be ensured. Also, in view of the repeated success of Chairman Miin Wu in leading the Company through challenging times, and to respond to the turbulent and uncertain international political and economic landscape, the restructuring of the semiconductor supply chain, as well as the unpredictable and ever-changing situations involving carbon taxes and tariffs, it is reasonable and necessary for Chairman Miin Wu to continue serving as the Company's Chief Executive Officer (CEO). This will ensure the continuation of the forward-looking and innovative business philosophy, and maintenance of the Company's worldwide reputation, image, and competitiveness, improving the operational efficiency and decision-making, and further enhancing its value.

Note 3: Mr. Yoshimasa Hayashi was reassigned as representative on June 21, 2025 by Shun Yin Investment Ltd.

Note 4: Mr. Paul Yeh was appointed by Hui Ying Investment Ltd. to attend the 13th Term of the Board of Directors and represent the company exercising any and all Director's rights thereof.

Note 5: Directors held shares by nominee arrangement: Mr. Sung-Jen Fang in the name of other persons held a total of 60,000 of the Company's shares, constituting 0.00% of shareholding; other directors: none.

Note 6: Managers or Directors who are spouses or within second-degree relative of consanguinity to the directors: None.

## Major Shareholders of Institutional Shareholders

Name of institutional shareholder	Major shareholders of institutional shareholders
Shun Yin Investment Ltd.	MegaChips Corporation (Japan) (100%)
Hui Ying Investment Ltd.	Macronix International Co., Ltd. (100%)

## Major Shareholders Who are Institutional Investors and Their Major Shareholders

Name of institutional shareholder	Major shareholders of institutional shareholders
MegaChips Corporation (Japan)	<p>The Master Trust Bank of Japan, Ltd. (Trust Account) (11.18%)</p> <p>Shindo and Associates (7.83%)</p> <p>Shindo Co., Ltd. (7.70%)</p> <p>Aya Nomura (6.86%)</p> <p>Custody Bank of Japan, Ltd. (Trust Account) (4.95%)</p> <p>Masahiro Shindo (3.48%)</p> <p>Ritsuko Shindo (3.33%)</p> <p>Noriko Matsui (3.15%)</p> <p>Mika Aoki (3.07%)</p> <p>MUFG Bank, Ltd (3.03%)</p>
Macronix International Co., Ltd.	<p>Yuanta Commercial Bank is entrusted with trust property account (1.84%)</p> <p>Vanguard Total International Stock Index Fund, A Series of Vanguard Star Funds (1.35%)</p> <p>New Labor Pension Fund (1.32%)</p> <p>Vanguard Emerging Markets Stock Index Fund, A Series of Vanguard International Equity Index Funds (1.22%)</p> <p>Shun Yin Investment Ltd. (1.22%)</p> <p>Robeco Capital Growth Funds (1.19%)</p> <p>Cathay Life Insurance (1.16%)</p> <p>Curie Industrial Co., LTD. (0.93%)</p> <p>Miin Wu (0.72%)</p> <p>Vanguard Fiduciary Trust Company Institutional Total International Stock Market Index Trust II (0.71%)</p>

2 Disclosure of the Professional Qualifications of Directors and Supervisors and the Independence of Independent Directors

Name	Criteria	Professional Qualifications and Work Experiences (Note 1)	Independence Criteria	Number of Other Public Companies in which Serves Concurrently as an Independent Directors
Miin Wu	<p>Chairman Miin Wu is the founder of Macronix, Before that, Mr. Wu served in several semiconductor companies, such as VLSI Technology Inc., Intel Corp., Rockwell International, and Siliconix Inc. He is currently the chairman and CEO of Macronix and the chairman of Mxtran Inc., the subsidiary of Macronix. He has over 30-year experience in the field of semiconductors and the background in industry technology and marketing.</p> <p>Mr. Miin Wu graduated with an MS in Material Science and Engineering from Stanford University, and has earned many recognitions including the Premier Award on Contemporary Business Leader (Taiwan Business Weekly), Top Executive(Electronic Business Asia), The 25 Industry executives who made a difference (Electronic Buyers News), Cover People of Forbes, Outstanding Contribution Award (The Electronics Devices and Materials Association), and The Stars of Asia (Business Week). He was also awarded an “Honorary Doctorate” by National Chiao Tung University, National Cheng Kung University, and National Tsing Hua University, “Outstanding Achievement Award” by National Cheng Kung University and “Outstanding Alumni Award” by National Taichung First Senior High School, “Outstanding Entrepreneur” by the General Chamber of Commerce of the R.O.C., a Fellow and “Outstanding Performance Award in the Field of Management of Technology” of Chinese Society for Management of Technology, “Professor Shen Wenzhen Memorial Award” for his outstanding contribution to the integrated circuits and system design fields. In addition, he received the Social Education Contribution Awards from Ministry of Education, “Country Winner” and “Business Paradigm Entrepreneur” from EY Entrepreneur Of The Year, “Digital Transforming Leader Award” from Harvard Business Review, Industrial Technology Research Institute (ITRI) Laureate, “Lifetime Achievement Award” from Global Views Leaders Forum, “Presidential Innovation Award”, “Executive of the Year” from EE Awards Asia, “Outstanding Corporate Sustainability Leader” of Taiwan Corporate Sustainability Awards and Pan Wen Yuan Prize.</p>	<p>No spouse or relative within the second degree of kinship serves as the Company's director, in compliance with Article 26-3 of the Securities and Exchange Act.</p>	0	

<p>Shun Yin Investment Ltd. (Note 3) Representative Yoshimasa Hayashi</p>	<p>Director Yoshimasa Hayashi graduated with a B.S. degree in Electrical Engineering from Kyoto Institute of Technology and has a background in industry technology. Mr. Hayashi is currently the appointed representative of Shun Yin Investment Ltd., the elected director of Macronix. His current position is a director of MegaChips Corporation, and Director of MegaChips LSI USA Corporation. Shun Yin Investment Co., Ltd. is a subsidiary of MegaChips Corporation.</p>	<p>No spouse or relative within the second degree of kinship serves as the Company's director, in compliance with Article 26-3 of the Securities and Exchange Act.</p>	<p>0</p>
<p>C. Y. Lu</p>	<p>Director C. Y. Lu has a PhD degree in Physics from Columbia University, and was previously the president of Vanguard International Semiconductor Corporation. He has a background in industry technology, education, and marketing. Mr. Lu has worked as a professor at National Chiao Tung University and participated in the research of the Bell Labs. He has also served as the deputy director of the Electronics Research &amp; Service Organization (ERSO), Industrial Technology Research Institute (ITRI) and was responsible for the Submicron Project of the Ministry of Economic Affairs, in which he successfully developed the first 8-inch high-density DRAM/SRAM manufacturing technology in Taiwan. He has been the president of Macronix and is currently the chairman and CEO of Ardentec Technology Inc.</p> <p>Mr. Lu has been fellow of the Institute of Electrical and Electronics Engineers (IEEE), the American Physical Society (APS), and the Chinese Society for Management of Technology. Mr. Lu has received many honors, such as the 2012 IEEE Frederik Philips Award, the IEEE Millennium Medal, the National Science and Technology Medal from the Executive Yuan, the Outstanding Research Award from Pan Wen Yuan Foundation, the Special Contribution Award from the Physical Society of Taiwan, the Golden Merchants Award from the General Chamber of Commerce of R.O.C., the Outstanding Alumni Award from National Taiwan University, an Honorary Doctorate from National Yang Ming Chiao Tung University, the ITRI Laureate, the Presidential Science Prize from the Ministry of Science and Technology, the Engineering Sciences Award from the World Academy of Sciences (TWAS) Prize in Engineering Sciences and his Fellowship, the Technology Management Award from the Chinese Society for Management of Technology, Fellow of the National Academy of Inventors, the Academician of Academia Sinica, the Materials Technology Contribution Award from the Materials Research Society-Taiwan (MRS-T), the George E. Pake Prize from the American Physical Society (APS), and the Future Science Prize.</p>	<p>No spouse or relative within the second degree of kinship serves as the Company's director, in compliance with Article 26-3 of the Securities and Exchange Act.</p>	<p>0</p>

Stacey Lee(Note 2)	<p>Director Stacey Lee graduated with a J.D. from University of the Pacific and has received attorney licenses by passing Bar Examinations in Taiwan and California, USA, respectively; she has over 40-year experience in the practice of law and qualifications of a patent attorney and an arbitrator in Taiwan. She has held numerous prominent roles, including advisor to the Straits Exchange Foundation, committee member of the Chinese National Federation of Industries, domain name dispute panelist at the Institute for Information Industry, Lecturer of the Judicial Officer Training Workshop, legal consultant to the Institute for Information Industry, and consultant to many institutions, including the Taiwan Invention Association, the VDU Office of the Ministry of Economic Affairs. She also served as the chairperson of the North Area Fellowship and the director of the Council for Industrial and Commercial Development, chairperson of the Cross-Strait Affair Committee and a committed member of the Board of Council of the Taiwan Patent Attorneys Association. Furthermore, Mrs. Lee served as an associate professor at Tamkang University and Central Police University, and was an international senior partner of Baker McKenzie.</p> <p>Furthermore, Mrs. Lee served as the Legislator of the 8<sup>th</sup> and 10<sup>th</sup> Legislative Yuan of Republic of China (Taiwan) and has over 30-year teaching experience as a professor at National Yang Ming Chiao Tung University and an adjunct professor at Soochow University, and specialized in cross border transactions, intellectual property, venture capital, incorporation, corporate financing, securities, mergers and acquisitions, licensing and negotiation, international dispute, as well as emerging areas, such as cryptocurrency, fintech and AI-related legal practice. She is a frequent speaker and media contributor on financial, technological, and legal issues, and possesses extensive professional experience across the industry, law, academia, and public affairs.</p>	No spouse or relative within the second degree of kinship serves as the Company's director, in compliance with Article 26-3 of the Securities and Exchange Act.	0
Yan-Kuin Su	<p>Director Yan-Kuin Su graduated with a PhD in electrical engineering from National Cheng Kung University, and has passed the Civil Service Senior Examination of the Construction Personnel, Electrical Engineering Division, Electric Power Section; Mr. Su has a background in industry technology and education. He has been a professor of the Department of Electrical Engineering at National Cheng Kung University and the president of Kun Shan University. Also, he has been an academician of the IEEE. Mr. Su is currently the Honorary Dean of Academy of Innovative Semiconductor and Sustainable Manufacturing at National Cheng Kung University, Honorary Professor at National Cheng Kung University and a chair professor at Kun Shan University, and has a background in industrial technology. a background in the industry technology and education.</p>	No spouse or relative within the second degree of kinship serves as the Company's director, in compliance with Article 26-3 of the Securities and Exchange Act.	1
Sung-Jen Fang	<p>Director Sung-Jen Fang has a PhD in Material Science and Engineering from Stanford University, and formerly worked in the R&amp;D department of Texas Instruments. He formerly held the position of vice president at United Microelectronics Corporation and adjunct assistant professor at Yuan Ze University. He is currently the chairman of Darwin Venture Management, and has a background in industrial technology, financial accounting, education, and marketing.</p>	No spouse or relative within the second degree of kinship serves as the Company's director, in compliance with Article 26-3 of the	1

		Securities and Exchange Act.	
Tom Yiu	Director Tom Yiu graduated with an MS in Electrical Engineering from the University of California, Berkeley, and was previously the Company's COO. He is currently the Company's senior vice president and chief marketing officer, and is the representative of the Company's legal entity director and subsidiary Mxtran Inc. Before joining Macronix, Mr. Yiu has worked in many IC design companies in the United States, such as VLSI Technology Inc, and founded Dynasty Technology Inc. As a result, he has acquired vast experience in memory R&D, design, and marketing, with nearly 100 patents in the United States, Europe, Japan, and Taiwan, etc., and has a background in industrial technology and marketing.	No spouse or relative within the second degree of kinship serves as the Company's director, in compliance with Article 26-3 of the Securities and Exchange Act.	1
F. L. Ni	Director F. L. Ni graduated with an MS in Electrical Engineering from the University of Michigan and has a background in industry technology. Mr. Ni is currently the vice president of the Microelectronics and Memory Solution Group of Macronix and the director of its subsidiary Macronix (Hong Kong) Co., Ltd. and has a background in industrial technology.	No spouse or relative within the second degree of kinship serves as the Company's director, in compliance with Article 26-3 of the Securities and Exchange Act.	0
Hui Ying Investment Ltd. (Note 4) Representative: Paul Yeh	Director Paul Yeh graduated with an MBA from National Chengchi University and has a background in industry technology and financial accounting. Mr. Yeh is the vice president of the Financial Center of Macronix and the appointed representative of Hui Ying Investment Ltd., a juridical person that is a director of Macronix. He has over 30-year vast experience in financial management. He was awarded the 13th edition of the Outstanding Financial Manager from the Chinese Professional Management Association in 1995 and has a background in industrial technology and financial accounting.	No spouse or relative within the second degree of kinship serves as the Company's director, in compliance with Article 26-3 of the Securities and Exchange Act.	0
Tyzz-Jiun Duh	Independent Director Tyzz-Jiun Duh graduated with a PhD in forestry from National Taiwan University and has a background in industry technology and education. He has been the Vice Premier of R.O.C., the Minister of the National Development Council, and an adjunct professor at Soochow University. He is currently a consultant of the Taiwan Electrical and Electronic Manufacturers' Association, and has a background in industrial technology and education.	Independent directors have signed the independent director qualification statement for the Company, and were verified to be in compliance with the independence requirements set out in the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies", which	2

		was reported to the board of directors in 2026 Q1.	
Chiang Kao	Independent Director Chiang Kao graduated with a PhD in forest management from Oregon State University and has a background in industry technology, financial accounting, and education. He has been the president of National Cheng Kung University and a professor at the Department of Computer Science of Texas State University and is currently a chair professor of the Honorary Professor of Department of Industrial and Information Management at National Cheng Kung University, and has a background in industrial technology, financial accounting, and education.	Independent directors have signed the independent director qualification statement for the Company, and were verified to be in compliance with the independence requirements set out in the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies”, which was reported to the board of directors in 2026 Q1.	0
Chien-Kuo Yang	Independent Director Chien-Kuo Yan has a bachelor degree in international trade from Tamkang University, has passed the national entrance examination for accountants, was previously an accountant at Ernst & Young, Taiwan, and is currently an accountant at Diwan & Company, the chairperson of Diwan International Management Consulting Inc., and the chairperson of Tien Da Investment Co., Ltd. and has a background in industrial technology and financial accounting.	Independent directors have signed the independent director qualification statement for the Company, and were verified to be in compliance with the independence requirements set out in the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies”, which was reported to the board of directors in 2026 Q1.	3
Huey-Jen Su (Note 2)	Independent Director Huey-Jen Su has a Sc.D. in Environmental Health Sciences from the School of Public Health, Harvard University. She has served as the president of National Cheng Kung University, a member of the Executive Yuan’s National Council For Sustainable Development, and an expert member of the committee that prepared the World Health Organization’s report concerning guidelines for biological agents in indoor environments. She has also received numerous awards, including the Science and Technology Management Award from the Chinese Society for Management of Technology, the Leadership Award in Public Health Practice from	Independent directors have signed the independent director qualification statement for the Company, and were verified to be in compliance with the independence	3

	the Harvard T.H. Chan School of Public Health, being named one of the Asian Scientist 100 by the Asian Scientist Magazine, the Outstanding Professional Award from the Global Corporate Sustainability Awards (GCSA), and is a member of the Nicolaus Copernicus Academy in Poland. She is currently an honorary professor at National Cheng Kung University and an independent director of Novatek Microelectronics Co., Ltd. and has a background in industry, technology, and education.	requirements set out in the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies”, which was reported to the board of directors in 2026 Q1.	
Hsuan-Lien Chu (Note 2)	Independent Director Hsuan-Lien Chu has a Ph.D. in Accounting from National Taiwan University. She has served as a Managing Director of the Land Bank of Taiwan and a Department Head and Institute Director at National Taipei University. She is currently the Vice President for Finance and Sustainable Development at National Taipei University and Independent Director at Mirle Automation Co., Ltd. and has a background in finance, accounting, and education.	Independent directors have signed the independent director qualification statement for the Company, and were verified to be in compliance with the independence requirements set out in the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies”, which was reported to the board of directors in 2026 Q1.	3

Note 1: None of the directors and the appointed representatives appointed by the directors of the legal person have been or are subject to any circumstances stated in Article 30 of the Company Act.

Note 2: Achi Capital Limited, Chien Hsu Investment Corporation and Mr.Che-Ho Wei resigned at the end of the 12th Term of the Board of Director, while Mrs. Stacey Lee was elected as the Company’s director, and Ms. Huey-Jen Su and Ms. Hsuan-Lien Chu were elected as independent director on 13th Term of the Board of Directors on May 23, 2025.

Note 3: Mr. Yoshimasa Hayashi was reassigned as representative on June 21, 2025 by Shun Yin Investment Ltd.

Note 4: Mr. Paul Yeh was appointed by Hui Ying Investment Ltd. to attend the 13th-Term of the Board of Directors and represent the company to exercise director duties on its behalf with respect to all agenda items.

### 3. Diversity and Independence of the Board of Directors

#### (1) Diversity of the Board of Directors:

The Company planned and implemented Board diversity goals based on its business model and development needs as follows:

- The Board of Directors is required to have members with professional knowledge, technology, or experience in, at a minimum, industrial technology, law, and accounting, in which more than half of all directors must have a background or experience in industrial technology, at least 1 director must be a legal expert, and at least 1 director must be an accounting expert.
- The Board of Directors should include at least two genders.

#### (2) The qualifications of our Board members meet the Company's development needs and the Board diversity policy.

Implementation of the Board diversity objectives in 13th-Term of the Board of Directors is as follows:

- Over 90% of directors have a background or experience in industrial technology, in addition to that, 1 has a background in law, 5 have a background in accounting, 8 have a background in education, 4 have a background in marketing, and 1 has a background in public relations.
- Among the 14 current director seats, 3 are held by female directors, accounting for 21.43%. The composition of the Company's Board members is primarily based on their professional knowledge, skills, and experience. However, in response to the trends of gender diversity and equality, we will actively plan to recruit Board members of different genders who possess expertise essential to the Company's development.

Name	Gender	Professional Background					
		Industrial Technology	Law	Financial Accounting	Education	Marketing	Public Relations
Miin Wu	Male	✓				✓	
Shun Yin Investment Ltd. Representative: Yoshimasa Hayashi	Male	✓					
C. Y. Lu	Male	✓			✓	✓	
Stacey Lee	Female	✓	✓		✓		✓
Yan-Kuin Su	Male	✓			✓		
Sung-Jen Fang	Male	✓		✓	✓	✓	
Tom Yiu	Male	✓				✓	
F. L. Ni	Male	✓					
Hui Ying Investment Ltd. Representative: Paul Yeh	Male	✓		✓			
Tyzz-Jiun Duh	Male	✓			✓		
Chiang Kao	Male	✓		✓	✓		
Chien-Kuo Yang	Male	✓		✓			
Huey-Jen Su	Female	✓			✓		
Hsuan-Lien Chu	Female			✓	✓		

## (2) Independence of the Board of Directors

There are 5 independent directors among all the 14 directors, which is 35.71% of the Board of Directors. None of the directors (including independent directors) is a spouse or a relative within two generations of other directors. Please refer to page 8 of this annual report for the independence of the Board of Directors.

## 4. Succession Plan for Board Members and Management

### (1) Succession Plan for Board Members

The Company's Articles of Incorporation clearly state that the candidate nomination system is used for director election. Board composition is planned in accordance with the Corporate Governance Principles, Regulations for Director/Supervisor Election, and Nomination Committee Charter, and professionals in industrial technology, law, and accounting are recruited in coordination with the Company's development blueprint and Board diversity policy. Besides irregularly providing directors with continuing education information, the Company regularly schedules directors to take continuing education courses, which include corporate governance, internal control system, and financial reporting responsibility. Completion of such courses will continue to improve directors' professional knowledge and skills, and provide for director succession planning and candidates arrangements.

### (2) Succession Plan for Management

Courses for supervisors are offered every year to train managers at all levels and cultivate sufficient managerial talent. Senior executives periodically participate in important cross-departmental business and strategy planning meetings with the president. Discussions during the meetings serve as the basis for establishing the succession team. We also established a talent pool system to examine high-potential talent at any time, and accurately select a succession team.

## (II) President, Vice Presidents, Assistant Managers, and Department Directors

February 28, 2026

Title	Nationality	Name	Gender	Date appointed	Shares currently held		Shares held by spouse and underage children		Shares held in the name of others		Education/work experience	Other positions at the Company or elsewhere	Other officer, director or supervisor who is a spouse or a relative within second degree		
					Shares	%	Shares	%	Shares	%			Title	Name	Relation
CEO	R.O.C	Miin Wu (Note 1)	Male	2007.07.30	13,440,809	0.68%	None	None	None	None	M.S. degree in Material Science and Engineering from Stanford University	Director of Macronix America, Inc. Director of Macronix (BVI) Co., Ltd. Representative (Director) of Hui Ying Investment Ltd. Representative (Director) of Run Hong Investment Ltd. Director of Phoenix 3 Venture Capital Co., Ltd. Director of Phoenix 4 Venture Capital Co., Ltd. Chairman of Mxtran Inc. Director of Macronix Europe N.V. Director of Macronix (Hong Kong) Co., Ltd. Executive Director of Macronix Microelectronics (Suzhou) Co., Ltd. Director of Macronix (Asia) Limited Managing Director of Eastern Electronics Co., Ltd.	None	None	None
President	R.O.C	C. Y. Lu	Male	2007.07.30	2,941,766	0.15%	None	None	None	None	PhD degree in Physics from Columbia University	Chairman of Macronix America, Inc. Director of Macronix Europe N.V. Director of Macronix (Hong Kong) Co., Ltd. Chairman & CEO of Ardentec Corporation Director of Ardentec Korea Co., Ltd. Director of Ardentec Singapore Pte. Ltd. Representative (Chairman) of Sheng Tang Investment Co., Ltd. Representative (Chairman) of Ardentec Semiconductor Co. Ltd. Representative (Chairman) of Giga Solution Tech. Co., Ltd. Director of Feng Chia University	None	None	None
Senior Vice President & Chief Marketing Officer	R.O.C	Tom Yiu	Male	2007.01.01	6,600,322	0.33%	1,182,084	0.06%	None	None	M.S. degree in Electronic Engineering from University of California, Berkeley	Director of Macronix America, Inc. Representative (Director) of Mxtran Inc. Independent Director of Chipbond Technology Corporation	None	None	None
Vice President	R.O.C	F. L. Ni	Male	2006.06.27	2,067,933	0.10%	340,333	0.02%	None	None	M.S. degree in Electronic Engineering from University of Michigan	Chairman of Macronix Europe N.V. Director of Macronix Pte Ltd. Director of Macronix (Hong Kong) Co., Ltd. Director of Wolley Inc.	None	None	None
Vice President	R.O.C	Paul Yeh	Male	2007.10.30	2,649,174	0.13%	4,985	0.00%	None	None	MBA degree in Business Administration, of National Chengchi University	Director of New Trend Technology Inc. Director of Macronix Europe N.V. Director of Macronix (Hong Kong) Co., Ltd. Representative (supervisor) of Mxtran Inc.	None	None	None
Vice President	R.O.C	Yen-Hie Chao	Male	2013.05.02	1,616,541	0.08%	35,108	0.00%	None	None	B.S. degree in Materials Science and Engineering of National Tsing Hua University	Representative (Director) of Ardentec Corporation	None	None	None
Vice President	R.O.C	Chun-Hsiung Hung	Male	2015.10.28	260,000	0.01%	None	None	None	None	M.S. degree in Electronics Engineering of National Yang Ming Chiao Tung University	None	None	None	None
Vice President	R.O.C	Jui-Kun Chen	Male	2016.12.20	548,040	0.03%	None	None	None	None	M.S. degree in Accounting of	None	None	None	None

Title	Nationality	Name	Gender	Date appointed	Shares currently held		Shares held by spouse and underage children		Shares held in the name of others		Education/work experience	Other positions at the Company or elsewhere	Other officer, director or supervisor who is a spouse or a relative within second degree				
					Shares	%	Shares	%	Shares	%			Title	Name	Relation		
											National Taiwan University						
Vice President	R.O.C	Jon-Ten Chung	Male	2018.02.01	800,774	0.04%	158,059	0.01%	None	None	M.S. degree in Economics of University of Arizona	Director of Macronix Pte Ltd. Director of Macronix Europe N.V. Director of Macronix (Hong Kong) Co., Ltd.	None	None	None		
Vice President	R.O.C	Kuang-Chao Chen	Male	2022.02.25	921,448	0.05%	1,511	0.00%	None	None	M.S. degree in Chemistry of National Sun Yat-sen University	None	None	None			
Head of Emerging R&D	R.O.C	Ke-Zhong Wang	Male	2022.02.25	144,534	0.01%	None	None	None	None	PhD in Physics of California Institute of Technology	None	None	None			
Senior Associate V.P.	R.O.C	Wen-Pin Lu	Male	2022.02.25	440,037	0.02%	None	None	None	None	M.S. degree in Electronic Engineering of National Taiwan University	None	None	None			
Executive Director	R.O.C	Ting-Chang Lin	Male	2020.04.28	109,378	0.01%	None	None	None	None	M.S. degree in Astronomy of National Central University	None	None	None			
Executive Director	R.O.C	Kun-Lung Chang	Male	2020.04.28	102,253	0.01%	None	None	None	None	M.S. degree in Electronics Engineering of National Yang Ming Chiao Tung University	None	None	None			
Executive Director	R.O.C	Ta-Hone Yang	Male	2022.07.26	253,312	0.01%	None	None	None	None	M.S. degree in Chemistry of National Tsing Hua University	None	None	None			

Note 1: Where the chairman and president or equivalent position (the highest level manager) is the same person, the reasonableness, necessity, and response measures must be disclosed:

Mr. Miin Wu founded Macronix in 1989 and served as its President. He has been elected as the Chairman since 2005 and successfully had the Company become the global leader in non-volatile memory (NVM) with his breadth of vision and innovative business strategy. In 2025, he was elected as the chairman and CEO of the 13th-Term of the Board of Directors. There are five independent directors of the current 14 board of directors, and more than half of its directors are non-employees nor managers of the Company, the independence of the Board of Directors can be ensured. Also, in view of the repeated success of Chairman Miin Wu in leading the Company through challenging times, and to respond to the turbulent and uncertain international political and economic landscape, the restructuring of the semiconductor supply chain, as well as the unpredictable and ever-changing situations involving carbon taxes and tariffs, it is reasonable and necessary for Chairman Miin Wu to continue serving as the Company's Chief Executive Officer (CEO). This will ensure the continuation of the forward-looking and innovative business philosophy, and maintenance of the Company's worldwide reputation, image, and competitiveness, improving the operational efficiency and decision-making, and further enhancing its value.

Note 2: Executive Director Mr. Kai-Wen Tu passed away on January 24, 2026.

## II. Remuneration of Directors, Supervisors, President, and Vice Presidents in the Most Recent Fiscal Year

### (I) Remuneration of Directors and Independent Directors

December 31, 2025

Unit: NT\$ thousands

Title	Name	Remuneration								The Total of Remuneration (A+B+C+D) and the Ratio Between it and Net Income (%)		Relevant Remuneration Received by Directors Who are Also Employees						The Total of Compensation (A+B+C+D+E+F+G) and the Ratio Between it and Net Income (%)		Remuneration received from invested companies other than subsidiaries or the parent company		
		Base Compensation (A)		Severance Pay (B) (Note 1)		Directors Compensation(C)		Allowances (D)				Salary, Bonuses, and Allowances (E)		Severance Pay (F) (Note 1)		Employee Compensation (G)						
		The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	Cash	Stock	Cash	Stock		The Company	Companies in the consolidated financial statements
Chairman	Miin Wu	0	0	0	0	0	0	120	120	120 (0.00%)	120 (0.00%)	17,229	17,229	828	828	0	0	0	0	18,177 (0.55%)	18,177 (0.55%)	0
Director	Shun Yin Investment Ltd. Representative: Yoshimasa Hayashi (Note 2)	0	0	0	0	0	0	120	120	120 (0.00%)	120 (0.00%)	0	0	0	0	0	0	0	0	120 (0.00%)	120 (0.00%)	0
Director	C. Y. Lu	0	0	0	0	0	0	120	120	120 (0.00%)	120 (0.00%)	13,964	13,964	828	828	0	0	0	0	14,912 (0.45%)	14,912 (0.45%)	87,637
Director	Stacey Lee (Note 3)	0	0	0	0	0	0	73	73	73 (0.00%)	73 (0.00%)	0	0	0	0	0	0	0	0	73 (0.00%)	73 (0.00%)	0
Director	Tom Yiu	0	0	0	0	0	0	120	120	120 (0.00%)	120 (0.00%)	8,131	8,131	828	828	0	0	0	0	9,079 (0.27%)	9,079 (0.27%)	1,010
Director	F. L. Ni	0	0	0	0	0	0	120	120	120 (0.00%)	120 (0.00%)	9,798	9,798	828	828	0	0	0	0	10,746 (0.32%)	10,746 (0.32%)	0
Director	Yan-Kuin Su	0	0	0	0	0	0	120	120	120 (0.00%)	120 (0.00%)	0	0	0	0	0	0	0	0	120 (0.00%)	120 (0.00%)	0
Director	Sung-Jen Fang	0	0	0	0	0	0	120	120	120 (0.00%)	120 (0.00%)	0	0	0	0	0	0	0	0	120 (0.00%)	120 (0.00%)	0
Director	Hui Ying Investment Ltd.	0	0	0	0	0	0	120	120	120 (0.00%)	120 (0.00%)	0	0	0	0	0	0	0	0	120 (0.00%)	120 (0.00%)	0
Director	Achi Capital Limited(Note 3)	0	0	0	0	0	0	47	47	47 (0.00%)	47 (0.00%)	0	0	0	0	0	0	0	0	47 (0.00%)	47 (0.00%)	0
Director	Chien Hsu Investment Corporation (Note 3)	0	0	0	0	0	0	47	47	47 (0.00%)	47 (0.00%)	0	0	0	0	0	0	0	0	47 (0.00%)	47 (0.00%)	0
Director	Che-Ho Wei(Note 3)	0	0	0	0	0	0	47	47	47 (0.00%)	47 (0.00%)	0	0	0	0	0	0	0	0	47 (0.00%)	47 (0.00%)	0
Independent Director	Tyzz-Jiun Duh	3,600	3,600	0	0	0	0	120	120	3,720 (0.11%)	3,720 (0.11%)	0	0	0	0	0	0	0	0	3,720 (0.11%)	3,720 (0.11%)	0
Independent Director	Chiang Kao	3,600	3,600	0	0	0	0	120	120	3,720 (0.11%)	3,720 (0.11%)	0	0	0	0	0	0	0	0	3,720 (0.11%)	3,720 (0.11%)	0
Independent Director	Chien-Kuo Yang	3,600	3,600	0	0	0	0	120	120	3,720 (0.11%)	3,720 (0.11%)	0	0	0	0	0	0	0	0	3,720 (0.11%)	3,720 (0.11%)	0
Independent Director	Huey-Jen Su(Note 3)	2,187	2,187	0	0	0	0	73	73	2,260 (0.07%)	2,260 (0.07%)	0	0	0	0	0	0	0	0	2,260 (0.07%)	2,260 (0.07%)	0
Independent Director	Hsuan-Lien Chu (Note 3)	2,187	2,187	0	0	0	0	73	73	2,260 (0.07%)	2,260 (0.07%)	0	0	0	0	0	0	0	0	2,260 (0.07%)	2,260 (0.07%)	0

1. Please describe the policy, system, standard, and structure of remuneration to independent directors, and the correlation between duties, risk, and time input with the amount of remuneration:

The Board of Directors is authorized to determine the remuneration of independent directors based on participation in the Company's operations, value of contributions, and domestic and overseas industry standards in accordance with the Articles of Incorporation. The independent director's remuneration is a fixed monthly remuneration and does not participate in the Company's earnings distribution

2. Other than as disclosed in the above table, the remuneration earned by Directors providing services to the Company and all consolidated entities in the latest fiscal year: None.

Note 1: Estimated amount.

Note 2: Mr. Yoshimasa Hayashi was reassigned as representative on June 21, 2025 by Shun Yin Investment Ltd.

Note 3: Achi Capital Limited, Chien Hsu Investment Corporation and Mr. Che-Ho Wei resigned at the end of the 12th Term of the Board of Directors, while Mrs. Stacey Lee was elected as the Company's director, and Ms. Huey-Jen Su and Ms. Hsuan-Lien Chu were elected as independent director on 13th Term of the Board of Directors on May 23, 2025.

Note 4: Explanation of the correlation and rationality of after-tax changes in the profit and remuneration.

- (1) As the result of an after-tax net loss of our company in 2024 and 2025, the director remuneration and employee compensation were not distributed.
- (2) Considering the professionalism and contributions of "independent directors," they receive a fixed monthly compensation and transportation expenses regardless of the company's profit or loss. However, they do not participate in profit distribution, which is deemed reasonable. As for "non-independent directors," in the absence of company profits, not receiving director remuneration (only transportation expenses) is also considered reasonable.
- (3) The Company's directors underwent total reelection in 2025, and the number of independent directors was increased to 5. As a result of the increase in the fixed monthly remuneration, the "Remuneration of Directors" and average value increased compared to the previous year (2024).

## (II) Remuneration of the President and Vice Presidents

December 31, 2025  
Unit: NT\$ thousands

Title	Name	Salary (A)		Severance Pay (B) (Note)		Bonuses and Allowances (C)		Employee Compensation (D)				The Total of Remuneration (A+B+C+D) and the Ratio Between it and Net Income (%)		Remuneration received from invested companies other than subsidiaries or the parent company
		The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company		Companies in the consolidated financial statements		The Company	Companies in the consolidated financial statements	
								Cash	Stock	Cash	Stock			
CEO	Miin Wu	80,292	80,292	8,284	8,284	14,088	14,088	0	0	0	0	102,664 (3.10%)	102,664 (3.10%)	88,647
President	C. Y. Lu													
Senior Vice President & Chief Marketing Officer	Tom Yiu													
Vice President	F. L. Ni													
Vice President	Paul Yeh													
Vice President	Yen-Hie Chao													
Vice President	Chun-Hsiung Hung													
Vice President	Jui-Kun Chen													
Vice President	Jon-Ten Chung													
Vice President	Kuang-Chao Chen													

Note :Estimated amount.

## Range of Remuneration for Presidents and Vice Presidents

Range of Remuneration Paid to Each President and Vice President	Name of President and Vice Presidents	
	The Company	Companies in the consolidated financial statements (Note)
Under NT\$1,000,000		
NT\$1,000,000 (inclusive) – NT\$2,000,000 (exclusive)		
NT\$2,000,000 (inclusive) – NT\$3,500,000 (exclusive)		
NT\$3,500,000 (inclusive) – NT\$5,000,000 (exclusive)		
NT\$5,000,000 (inclusive) – NT\$10,000,000 (exclusive)	Tom Yiu / Jon-Ten Chung / Paul Yeh /Yen-Hie Chao/ Chun-Hsiung Hung /Kuang-Chao Chen	Tom Yiu / Jon-Ten Chung / Paul Yeh /Yen-Hie Chao/ Chun-Hsiung Hung/ Kuang-Chao Chen
NT\$10,000,000 (inclusive) – NT\$ 15,000,000 (exclusive)	C. Y. Lu/ F. L. Ni / Jui-Kun Chen	F. L. Ni / Jui-Kun Chen
NT\$15,000,000 (inclusive) – NT\$ 30,000,000 (exclusive)	Miin Wu	Miin Wu
NT\$30,000,000 (inclusive) – NT\$50,000,000 (exclusive)		
NT\$50,000,000 (inclusive) – NT\$ 100,000,000 (exclusive)		
Over NT\$100,000,000		C. Y. Lu
Total	10	10

Note: The total amount of A+B+C+D and remuneration received from subsidiaries or the parent company other than invested companies.

## (III) The compensation of the top five highest-paid executives.

December 31, 2025

Unit: NT\$ thousands

Title	Name	Salary (A)		Severance Pay (B) (Note)		Bonuses and Allowances (C)		Employee Compensation (D)				The Total of Remuneration (A+B+C+D) and the Ratio Between It and Net Income (%)		Remuneration received from invested companies other than subsidiaries or from the parent company
		The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company		Companies in the consolidated financial statements		The Company	Companies in the consolidated financial statements	
								Cash	Stock	Cash	Stock			
CEO	Miin Wu	14,451	14,451	828	828	2,778	2,778	0	0	0	0	18,057 (0.55%)	18,057 (0.55%)	0
President	C. Y. Lu	12,112	12,112	828	828	1,852	1,852	0	0	0	0	14,792 (0.45%)	14,792 (0.45%)	87,637
Vice President	Jui-Kun Chen	8,688	8,688	828	828	1,416	1,416	0	0	0	0	10,932 (0.33%)	10,932 (0.33%)	0
Vice President	F. L. Ni	8,391	8,391	828	828	1,407	1,407	0	0	0	0	10,626 (0.32%)	10,626 (0.32%)	0
Vice President	Jon-Ten Chung	7,556	7,556	828	828	1,260	1,260	0	0	0	0	9,644 (0.29%)	9,644 (0.29%)	0

Note :Estimated amount.

## (IV). Employees Compensation Distributed to Management Team

December 31, 2025  
Unit: NT\$ thousands

	Title	Name	Stock (Fair Market Value)	Cash	Total	Ratio of Total Amount to Net Income (%)
Managers	CEO	Miin Wu	0	0	0	0%
	President	C. Y. Lu				
	Senior Vice President & Chief Marketing Officer	Tom Yiu				
	Vice President	F. L. Ni				
	Vice President	Paul Yeh				
	Vice President	Yen-Hie Chao				
	Vice President	Chun-Hsiung Hung				
	Vice President	Jui-Kun Chen				
	Vice President	Jon-Ten Chung				
	Vice President	Guang-Chao Chen				
	Head of Emerging R&D	Ke-Zhong Wang				
	Senior Associate V.P.	Wen-Bin Lu				
	Executive Director	Kai-Wen Tu (Note)				
	Executive Director	Ting-Chang Lin				
	Executive Director	Kun-Lung Chang				
Executive Director	Ta-Hone Yang					

Note : Executive Director Mr. Kai-Wen Tu passed away on January 24, 2026.

(V)The Ratio of Total Remuneration Paid by the Company and by All Companies Included in the Consolidated Financial Statements for the Two Most Recent Fiscal Years to Directors, Supervisors, President and Vice Presidents of the Company, to the Net Income as Well as the Policies, Standards, and Portfolios for the Payment of Remuneration, the Procedures for Determining Remuneration, and the Correlation with Risks and Business Performance

1. The ratio of the total remuneration paid by the Company and by all companies included in the consolidated financial statements for the two most recent fiscal years to directors, supervisors, president and vice presidents of the Company, to the net income.

	2024		2025	
	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements
Directors	(0.43%)	(0.43%)	(0.51%)	(0.51%)
Presidents and Vice Presidents	(3.27%)	(3.27%)	(3.10%)	(3.10%)

2. The policy, standards and packages of remunerations, the procedures for such decisions and relation to business performance and future risks.

(1) Remuneration to the Company's directors and managers are distributed in accordance with the Articles of Incorporation and the law, after referring to industry standards in Taiwan and overseas, the length of the tenure of related members, actual participation, and contributions. Remunerations are summarized below:

- Independent Director: Receives NT\$300,000 and travel allowance on a monthly basis regardless of the Company's profit or loss, but does not participate in earning distribution.
- Non-Independent Director: Calculated and distributed based on the director's (including representatives) performance evaluation items (e.g. attendance in Board meetings and shareholders' meetings and continuing education), length of tenure, actual participation, and contributions in accordance with the Company's Articles of Incorporation and the law, after referring to industry standards in Taiwan and overseas, provided that it does not exceed 2% of profits after deducting accumulated losses.

(2) Transportation allowance for directors: NT\$10,000 per month.

(3) Compensation for managers: Reviewed and resolved by the Compensation Committee after referencing manager performance evaluation items, which include financial indicators (e.g., revenue and EPS, etc.) and non-financial indicators (e.g., decision-making ability and performance improvement, etc.), and corporate sustainability promotion index (e.g., leading the corporate net zero and sustainability information disclosure, etc.), and submitted to the Board of Directors for resolution.

(4) Others: With consideration to future changes in the economic environment, remuneration paid to our management team will be carefully established in accordance with the law, based on business performance and future risks, as well as industry standards in Taiwan and overseas.

### III. Implementation of Corporate Governance

#### (I) Board of Directors

1. A total of 7 (A) meetings of the Board of Directors were held in the previous period. The attendance of director and supervisor were as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) (B/A) (Note)	Remarks
Chairman	Miin Wu	7	0	100%	Re-elected
Director	Shun Yin Investment Ltd. Former Representative: Masashi Kuramoto	4	0	100%	Mr. Yoshimasa Hayashi was reassigned as the representative on June 21, 2025.
	Representative: Yoshimasa Hayashi	3	0	100%	
Director	C. Y. Lu	7	0	100%	Re-elected
Director	Achi Capital Limited Representative: Stacey Lee	3	0	100%	Former
Director	Stacey Lee	4	0	100%	Newly elected
Director	Chien Hsu Investment Corporation Representative: Ching-Yun Li	3	0	100%	Former
Director	Che-Ho Wei	3	0	100%	Former
Director	Yan-Kuin Su	7	0	100%	Re-elected
Director	Sung-Jen Fang	7	0	100%	Re-elected
Director	Tom Yiu	7	0	100%	Re-elected
Director	F. L. Ni	6	1	86%	Re-elected
Director	Hui Ying Investment Ltd. Representative: Paul Yeh	7	0	100%	(1) Re-elected. (2) Mr. Paul Yeh has been appointed to attend the 13th-Term of the Board of Directors and represent the company exercising any and all of a director's rights thereof.
Independent Director	Tyzz-Jiun Duh	7	0	100%	Re-elected
Independent Director	Chiang Kao	7	0	100%	Re-elected
Independent Director	Chien-Kuo Yang	7	0	100%	Re-elected
Independent Director	Huey-Jen Su	4	0	100%	Newly elected
Independent Director	Hsuan-Lien Chu	4	0	100%	Newly elected

Note: The Company fully re-elected the directors at the Shareholders' meeting on May 23, 2025. A total of 7 meetings were convened by the Board of Directors in the most recent year. The 12th Term convened 3 meetings and the 13th-Term convened 4 meetings. Attendance rate (%) is calculated based on the number of meetings convened by the Board of Directors and the actual attendance during the service term.

2. If any of the following circumstances occur to the operation of the Board of Directors, the date of the meeting, session, content of the motion, all independent directors' opinions, and the Company's response to independent directors' opinions should be specified:

(1) Matters referred to in Article 14-3 of the Securities and Exchange Act.

Board of Directors Date/ Term	Motion	Independent Directors' Opinions	The Company's Response to Independent Directors' Opinions
2025.03.04 The 17th meeting of the 12th Term	Submitted for approval of fund raising by issuance of new shares, overseas depository receipts through cash capital increase, and/or the private placement of common shares and/or domestic or overseas convertible bonds.	Approved	Not applicable
2025.07.30 The 1st meeting of the 13th Term	Submitted for approval of the 2025 salary adjustment of the Company Managers.	Approved	Not applicable
2025.10.29 The 2nd meeting of the 13th Term	Pursuant to the amended rules of authority, it is hereby proposed to amend the Company's "Rules Governing Financial and Business Matters between the Company and its Affiliated Enterprises".	Approved	Not applicable
2025.12.18 The 3rd meeting of the 13th Term	Submitted for approval of the Company's financial and tax accountants for the year 2026 and resolved by the Audit Committee.	Approved	Not applicable
	Submitted for approval of the fees and expenses of CPAs in 2026 and resolved by the Audit Committee.	Approved	Not applicable
	Submitted for approval of the transactions (sales & purchases) with related party, MegaChips Corporation, in 2026 and resolved by the Audit Committee.	Approved	Not applicable
	Pursuant to the amended rules of authority, it is hereby proposed to amend the Company's Internal Control System for Shareholders Services Process.	Approved	Not applicable
	Submitted for approval of the "Junior Staffs" of the Company into the internal control system.	Approved	Not applicable

(2) In addition to the aforementioned matters, other motions resolved by the Board of Directors that are objected to by Independent Directors or expressed reservations and recorded or declared in writing: None.

3. If there is Directors' avoidance of motions in conflicts of interest, the Directors' names, content of the motion, causes of avoiding conflicts of interest, and the voting participation should be specified:

Name of Directors who avoid conflict of interest	Motion	Causes of Avoiding Conflicts of Interest	Voting Participation
Tom Yiu, F. L. Ni, the representative of Hui Ying Investment, Ltd.: Paul Yeh	Submitted for approval of the retirement pension of Manager Hsin-Cheng Liu.	Related persons	Recusal and no participation in the resolution by proxy.
Miin Wu, C.Y. Lu, Tom Yiu , the representative of Hui Ying Investment, Ltd.: Paul Yeh	Submitted for approval of the 2025 salary adjustment of the Company Managers.	Related persons	Recusal and no participation in the resolution by proxy

4. Evaluation of the board of directors:

Internal performance evaluations of the entire board of directors, individual board members, and functional committees (including the Audit Committee, Remuneration Committee, and Nomination Committee) for the year 2025 were conducted in January 2026. Evaluation results are shown in the table below and were reported to the Nomination Committee and Board of Directors meeting on March 5, 2026.

Assessment cycle	Assessment period	Assessment scope	Assessment method	Assessment content	Evaluation result
Performed once per year	January 1, 2025 to December 31, 2025	Entire Board of Directors	Self-assessment of the board of directors	<ol style="list-style-type: none"> <li>1. Participation in the Company's Operations</li> <li>2. Raising the Quality of the Board of Directors' Decisions</li> <li>3. Composition and Structure of the Board of Directors</li> <li>4. Election and Continuing Education of Directors</li> <li>5. Internal controls</li> </ol>	Overall average 4.97 (out of 5)
Performed once per year	January 1, 2025 to December 31, 2025	Each member of the board of directors	Self-assessment of each member of the board of directors	<ol style="list-style-type: none"> <li>1. Understanding of the Company's Objectives and Tasks</li> <li>2. Directors' Responsibilities</li> <li>3. Participation in the Company's Operations</li> <li>4. Management and Communication of Internal Relations</li> <li>5. Directors' Expertise and Continuing Education</li> <li>6. Internal controls</li> </ol>	Overall average 4.94 (out of 5)
Performed once per year	January 1, 2025 to December 31, 2025	Audit Committee	Self-assessment of the Audit Committee	<ol style="list-style-type: none"> <li>1. Participation in the Company's Operations</li> <li>2. Audit Committee's Responsibilities</li> <li>3. Raising the Quality of the Audit Committee's Decisions</li> <li>4. Composition and Membership of the Audit Committee</li> <li>5. Internal controls</li> </ol>	Overall average 5.00 (out of 5)

Assessment cycle	Assessment period	Assessment scope	Assessment method	Assessment content	Evaluation result
Performed once per year	January 1, 2025 to December 31, 2025	Compensation Committee	Self-assessment of the Compensation Committee	<ol style="list-style-type: none"> <li>1. Participation in the Company's Operations</li> <li>2. Compensation Committee's Responsibilities</li> <li>3. Raising the Quality of the Compensation Committee's Decisions</li> <li>4. Composition and Membership of the Compensation Committee</li> </ol>	Overall average 5.00 (out of 5)
Performed once per year	January 1, 2025 to December 31, 2025	Nomination Committee	Self-assessment of the Nomination Committee	<ol style="list-style-type: none"> <li>1. Participation in the Company's Operations</li> <li>2. Nomination Committee's Responsibilities</li> <li>3. Raising the Quality of the Nomination Committee's Decisions</li> <li>4. Composition and Membership of the Nomination Committee</li> </ol>	Overall average 5.00 (out of 5)

5. Measures taken to strengthen the functions of the Board (for example, establishing an Audit Committee and enhancing information transparency) for the current year and the most recent year and the implementation:

The Company has functional committees, including the Audit Committee, Compensation Committee, Nomination Committee and Sustainability Development Committee, to review and resolve proposals within its authority and to submit to the Board of Directors for decision to enhance supervision and strengthen management. Board members continue to participate in continuing education to enhance their professional knowledge as well as communication to improve the Board's performance. In order to encourage the Directors to continue studies, Sustainable Development, the Company regularly arranges corporate governance courses and provides the course information from external institutions for the Directors' reference. Please refer to page 82 of this annual report for the Company's Director training in the most recent year.

## (II). Audit Committee

### 1. Authority

The Company's Audit Committee is comprised of all independent directors to carry out supervision under applicable laws and regulations, including fair presentation of the Company's financial reports, hiring or dismissal, independence, and performance of CPAs, effective implementation of internal control system, compliance with applicable laws and regulations, and management of the Company's existing and/or potential risks. In the most recent year, the Audit Committee has duly reviewed and resolved the following matters:

- (1) Assessment of the internal control system and efficiency.
- (2) The offering, issuance, or private placement of equity securities.
- (3) Engagement and/or dismissal of auditing CPA and the compensation.
- (4) Annual and first quarter to third quarter financial reports.
- (5) Business report and Profit and deficit appropriation.
- (6) A matter involving personal interest of a director.

2. A total of 7 (A) Audit Committee meetings were held in the most recent year. The attendance of the independent directors was as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) (B/A) (Note 1)	Remarks
Convener	Tyzz-Jiun Duh	7	0	100%	Re-elected
Member	Chiang Kao	7	0	100%	Re-elected
Member	Chien-Kuo Yang	7	0	100%	Re-elected
Member	Huey-Jen Su	4	0	100%	Newly elected
Member	Hsuan-Lien Chu	4	0	100%	Newly elected

Note 1. The Company fully re-elected the directors at the Shareholders' meeting on May 23, 2025. A total of 7 meetings were convened by Audit Committee in the most recent year. The 12th-Term convened 3 meetings and the 13th-Term convened 4 meetings. Attendance rate (%) is calculated based on the number of meetings convened by the Audit Committee and the actual attendance during the service term.

Note 2. According to Audit Committee Professional Qualifications and Experience, please refer to page 8 of this annual report for information on directors and supervisors.

3. When one of the following situations has occurred to the operations of the Audit Committee, the convening date, term, and agenda of the Audit Committee, the objections, reservations, and major comments of independent directors, resolution of the Audit Committee, and the Company's response to the comments of the Audit Committee shall be stated:

#### (1) Items specified in Article 14-5 of the Securities and Exchange Act

Audit Committee Date / Term	Motion	The objections, reservations, and major comments of independent directors	Resolution of the Audit Committee	The Company's response to the comments of the Audit Committee
2025.02.13 The 16th meeting of the 12th Term	Submitted for approval of the Company's 2024 "Internal Control System Statement"	None	Unanimously approved by all the members attending the meeting and will be submitted to the Board of Directors meeting for approval.	Not applicable
2025.03.04 The 17th meeting of the 12th Term	Year 2024 Financial Statements	None	Unanimously approved by all the members attending the meeting and will be submitted to the	Not applicable

Audit Committee Date / Term	Motion	The objections, reservations, and major comments of independent directors	Resolution of the Audit Committee	The Company's response to the comments of the Audit Committee
	Submitted for approval of fund raising by issuance of new shares, overseas depository receipts through cash capital increase, and/or the private placement of common shares and/or domestic or overseas convertible bonds.	None	Board of Directors meeting for approval.  Unanimously approved by all the members attending the meeting and will be submitted to the Board of Directors meeting for approval.	Not applicable
2025.04.29 The 18th meeting of the 12th Term	The company 2025 Q1 Consolidated Financial Statements.	None	Unanimously approved by all the members attending the meeting and will be submitted to the Board of Directors meeting for approval.	Not applicable
2025.07.30 The 1st meeting of the 13th Term	The company 2025 Q2 Consolidated Financial Statements.	None	Unanimously approved by all the members attending the meeting and will be submitted to the Board of Directors meeting for approval.	Not applicable
2025.10.29 The 2nd meeting of the 13th Term	The company 2025 Q3 Consolidated Financial Statements.	None	Unanimously approved by all members attending the meeting and will be submitted to the Board of Directors meeting for approval.	Not applicable
	Pursuant to the amended rules of authority, it is hereby proposed to amend "Rules Governing Financial and Business Matters between the Company and its Affiliated Enterprises"	None	Unanimously approved by all members attending the meeting and will be submitted to the Board of Directors meeting for approval.	Not applicable
2025.12.18 The 3rd meeting of the 13th Term	Submitted for approval of the Company's 2026 Internal Audit Plan.	None	Unanimously approved by all the members attending the meeting and will be submitted to the Board of Directors meeting for approval.	Not applicable
	Submitted for approval of the "Junior Staffs" of the Company into the internal control system.	None	Unanimously approved by all the members attending the meeting and will be submitted to the Board of Directors	Not applicable

Audit Committee Date / Term	Motion	The objections, reservations, and major comments of independent directors	Resolution of the Audit Committee	The Company's response to the comments of the Audit Committee
			meeting for approval.	
	Pursuant to the amended rules of authority, it is hereby proposed to amend the Company's Internal Control System for Shareholders Services Process.	None	Unanimously approved by all the members attending the meeting and will be submitted to the Board of Directors meeting for approval.	Not applicable
	Submitted for approval of the Company's financial and tax accountants for Year 2026 resolved by the Audit Committee.	None	Unanimously approved by all the members attending the meeting and will be submitted to the Board of Directors meeting for approval.	Not applicable
	Submitted for approval of the fees and expenses of Year 2026 CPAs resolved by the Audit Committee.	None	Unanimously approved by all the members attending the meeting and will be submitted to the Board of Directors meeting for approval.	Not applicable
	In compliance with the "International Code of Ethics for Professional Accountants", it is proposed to engage the independent certified public accountants (Deloitte & Touche) to perform non-assurance services for the Company and the entities included in its consolidated financial statements.	None	Unanimously approved by all the members attending the meeting.	Not applicable
	Submitted for approval of the estimated sales and/or purchases with related party, MegaChips Corporation, in 2026 resolved by the Audit Committee.	None	Unanimously approved by all the members attending the meeting and will be submitted to the Board of Directors meeting for approval.	Not applicable

- (2) Except the items in the preceding issues, other resolutions approved by two-thirds of all Directors but yet to be approved by the Audit Committee: None.
4. Names, content of the motion, cause of the conflict of interest, and participation in the voting of Independent Directors who have abstained from voting for proposals that are considered to present conflicts of interest: None.
  5. Communication between Directors and the head of internal audit and CPAs (including important issues, audit methods, and results related to the Company's finance and business):
    - (1) The Company's head of internal audit, in addition to regularly sending various audit reports to

independent directors, also attends and reports to the Audit Committee quarterly. The head of internal audit also responds at all times to any questions that the independent directors may have, and the interactions between them were good.

- (2) CPAs appointed by the Company attended the Audit Committee quarterly, where they explained financial/accounting matters to the independent directors, and the interactions between them were good.
- (3) The head internal audit and CPAs shall contact the independent directors alone at least once per year as well as directly contact independent directors at any times and according to need, and the communication channel between them is unimpeded.
- (4) Summary of communications between independent directors, internal audit supervisors and accountants in the most recent fiscal year are as follows:

Date/Meeting	Attendees	Key points of communication	Results of communication
2025.02.13 Audit Committee	<ul style="list-style-type: none"> <li>• Independent Director: Tyzz-Jiun Duh, Chiang Kao, Chien-Kuo Yang</li> <li>• Head of internal audit: Hong-Chi Wang</li> <li>• CPAs: Tung Hui Yeh, Kuo Tyan Hong</li> </ul>	<ul style="list-style-type: none"> <li>• 2024 Statement on Internal Control</li> </ul>	Full attendance No objections from Independent Directors
2025.03.04 Audit Committee	<ul style="list-style-type: none"> <li>• Independent Director: Tyzz-Jiun Duh, Chiang Kao, Chien-Kuo Yang</li> <li>• Head of internal audit: Hong-Chi Wang</li> <li>• CPAs: Tung Hui Yeh, Kuo Tyan Hong</li> </ul>	<ul style="list-style-type: none"> <li>• Audit report</li> <li>• Review results and key review items for the 2024 stand-alone and consolidated financial statements</li> </ul>	
2025.04.29 Audit Committee	<ul style="list-style-type: none"> <li>• Independent Director: Tyzz-Jiun Duh, Chiang Kao, Chien-Kuo Yang</li> <li>• Head of internal audit: Hong-Chi Wang</li> <li>• CPAs: Tung Hui Yeh, Kuo Tyan Hong</li> </ul>	<ul style="list-style-type: none"> <li>• Results of review of the consolidated financial statements for Q1 2025</li> </ul>	
2025.07.30 Audit Committee (Note)	<ul style="list-style-type: none"> <li>• Independent Director: Tyzz-Jiun Duh, Chiang Kao, Chien-Kuo Yang, Huey-Jen Su, Hsuan-Lien Chu</li> <li>• Head of internal audit: Hong-Chi Wang</li> <li>• CPAs: Tung Hui Yeh, Kuo Tyan Hong</li> </ul>	<ul style="list-style-type: none"> <li>• Audit report</li> <li>• Results of review of the consolidated financial statements for Q2 2025</li> </ul>	
2025.10.29 Audit Committee	<ul style="list-style-type: none"> <li>• Independent Director: Tyzz-Jiun Duh, Chiang Kao, Chien-Kuo Yang, Huey-Jen Su, Hsuan-Lien Chu</li> <li>• Head of internal audit: Hong-Chi Wang</li> <li>• CPAs: Tung Hui Yeh, Kuo Tyan Hong</li> </ul>	<ul style="list-style-type: none"> <li>• Audit report</li> <li>• Results of review of the consolidated financial statements for Q3 2025</li> </ul>	
2025.12.18 Audit Committee	<ul style="list-style-type: none"> <li>• Independent Director: Tyzz-Jiun Duh, Chiang Kao, Chien-Kuo Yang, Huey-Jen Su, Hsuan-Lien Chu</li> <li>• Head of internal audit: Hong-Chi Wang</li> <li>• CPAs: Tung Hui Yeh, Kuo Tyan Hong</li> </ul>	<ul style="list-style-type: none"> <li>• Audit report</li> <li>• The 2026 Audit Plan</li> </ul>	

Note. The Company re-elected its directors in 2025. Following the re-election on July 24, 2025, the internal audit head reported to the newly elected Independent Directors the Company's "Annual Audit Plan and Implementation Status" as of that date.

(III) Corporate Governance Implementation Status and Deviations from the “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons

The Company attaches great importance to corporate governance. Not only has it introduced the corporate governance systems in advance by taking overseas norms into consideration, but has also adopted the “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” as its guideline. In 2003, the Company added two independent directors to the Board of Directors in accordance with the US Securities Laws and Regulations. The following year, three Independent Directors were elected. The Company also established an Audit Committee, which was later renamed the Auditing Committee. The Compensation Committee was set up in 2005, with internal auditing being directly subordinate to the Board.

In 2007, the Company adopted the candidate nomination system for the first time for the election of the Board and Supervisors (including three Independent Directors). In June 2009, the Company set up the Audit Committee to replace Supervisors in accordance with Article 14-4 of the Securities and Exchange Act. In January 2019, the “Compensation Committee” was set up in accordance with Article 14-6 of the Securities and Exchange Act. In January 2019 and December 2025, the Company voluntarily set up the “Nomination Committee” and “Sustainable Development Committee” to assist the operation of Board.

In 2007 and 2011, the company passed the Taiwan Corporate Governance Association CG6002 and CG6006 evaluations in the corporate governance system respectively and was ranked in the top 5% of the listed companies in the first corporate governance evaluation in 2014.

The Company was ranked in the top 10% of electronics companies with a market cap of NT\$10 billion and above in the 8th (2021) evaluation, reaffirms the Company’s implementation and active promotion of corporate governance.

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
I. Does the company establish and disclose the “Corporate Governance Best-Practice Principles” based on “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies”?	✓		The Company has established the “Corporate Governance Principles” based on “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and disclosed them on the company website.	None
II. Shareholding structure & shareholders’ rights (I) Does the company establish an internal operating procedure to deal with shareholders’ suggestions, doubts, disputes, and litigations, and implement based on the procedure?	✓		(I) The Company has established an Investor Relations Office and a legal center. Dedicated personnel are assigned to address issues such as shareholder suggestions, inquiries, and disputes. The legal actions taken by the shareholders are also properly addressed through internal operating procedures, and records are kept for future reference.	None

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
(II) Does the company possess the list of its major shareholders as well as the ultimate owners of those shares?	✓		(II) The Company possesses the list of its directors, managers, and shareholders with more than 10% of the shares as well as their major shareholders. Relevant information is routinely disclosed.	None
(III) Does the company establish and execute the risk management and firewall system within its conglomerate structure?	✓		(III) The Company has established the “Rules Governing Financial and Business Matters Between this Corporation and its Related Person” and “Regulations of the Supervision and Management of Subsidiaries” to clearly distinguish the assets, finance, and operations between the Company and its affiliated companies, as well as execute the risk management and firewall system.	None
(IV) Does the company establish internal rules against insiders trading with undisclosed information?	✓		(IV) Please refer to page 82 of this Annual Report for the Company’s internal material information handling principles, and the Company has established the “Code of Business Conduct and Ethics” and “Preventing Insider Trading” to clearly regulate matters regarding the staff purchasing the Company’s securities.	None
III. Composition and Responsibilities of the Board of Directors				
(I) Does the board of directors formulate and implement the diversity policies and the specific administration objectives?	✓		(I) The Company’s corporate governance principles stipulate that the composition of the Board of directors shall take diversity into consideration. The authorized Nomination Committee shall also formulate criteria regarding the diversity and independence of the directors’ professional knowledge, expertise, experience, and gender. These criteria will be adopted in the search, review, and nomination of director candidates. Please refer to page14 of this Annual Report for Board diversity policy, objectives and the implementation status.	None

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
(II) Does the company voluntarily establish other functional committees in addition to the Compensation Committee and the Audit Committee?	✓		(II) The Company voluntarily set up the Nomination Committee and Sustainable Development Committee respectively on January 22, 2019 and December 18, 2025, please refer to page 42 and page 44 of this Annual Report for the members and operations.	None
(III) Does the Company establish standards and methods for evaluating board performance, conduct annual performance evaluations, submit performance evaluation results to the Board, and use the results as a basis for determining the remuneration and nomination renewal of individual directors?	✓		(III) The Company has established the “Rules for Board of Directors Performance Assessments” to clearly regulate the evaluation cycle, period, scope, execution unit, and procedures. The results were submitted to the Company’s Nomination Committee and Board of Directors. Please refer to page 27 of this Annual Report for implementation status in 2025.	None
(IV) Does the company regularly evaluate the independence of CPAs?	✓		(IV) The Company evaluates the independence and competence of the accountants based on the following matters each year. The review is carried out by the Audit Committee, which submits evaluation results and appointment (extension) of the accountants to the Board of Directors for discussion and approval: 1. Not appointing the same accountant to perform audits for more than seven consecutive years. 2. Obtaining a statement of independence, including but not limited to whether the accountant, audit team, or family members have direct or indirect significant financial interests in the Company; whether there is kinship or business relations that might have an impact on the independence with the Company’s directors, supervisors and managers; whether they concurrently serve as the Company’s directors and supervisors during	None

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			<p>the audit period or hold positions that have direct and significant influence on the audit.</p> <p>3.Information on the accounting firm's AQI: AQI information consists of 13 items in five aspects. The Company verified that the accountants' audit experience and the accounting firm's quality support ability and training hours were higher than the industry average. Additionally, according to this firm, it has implemented cloud-based audit platform and tools, utilized digital technologies, and expanded the audit support center to enhance audit quality and efficiency.</p>	
IV. Does the TWSE listed company have a suitable number of competent corporate governance personnel, and has it appointed a corporate governance supervisor responsible for corporate governance matters (including but not limited to providing information for directors and supervisors to perform their duties, assisting directors and supervisors with regulatory compliance, handling matters related to Board meetings and shareholders' meetings, and preparing proceedings for Board meetings and shareholders' meetings)?	✓		<p>The Board of Directors has designated the Board Secretariat Department to handle administrative matters for the Board. On March 12th, 2019, the Corporate Governance Officer position was established. Mr. Paul Yeh, Vice President, who has over three years of experience in financial management in publicly traded companies, was appointed to oversee and manage director requests and supervise matters related to corporate governance. The terms of reference are set out below:</p> <p>(1) Responsibilities:</p> <ol style="list-style-type: none"> <li>1.Matters related to the meetings of the Board of Directors and shareholders' meetings in accordance with the law;</li> <li>2.Prepare the minutes of the Board and Shareholders' Meeting;</li> <li>3.Assist the directors and supervisors in continuous education;</li> <li>4.Provide information necessary for the Directors and Supervisors;</li> <li>5.Assist Directors and Supervisors to comply with the laws and regulations;</li> </ol>	None

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			<p>6. Report to the Board of Directors results of whether independent directors had the qualifications required by law during their nomination, election, and term.</p> <p>7. Handle matters related to the change of directors.</p> <p>8. Other matters stipulated in the Articles of Incorporation or the contract.</p> <p>(2) Please refer to page 82 of this annual report for education of corporate governance supervisor in 2025.</p>	
V. Does the company establish a communication channel and build a designated section on its website for stakeholders (including but not limited to shareholders, employees, customers, and suppliers), as well as handle all the issues they care for in terms of corporate social responsibilities?	✓		The Company understands and responds to the stakeholders' reasonable expectations for the Company, needs, and topics of concern through a number of communication channels. Please refer to page 86 of this annual report and the Company's ESG Report. Communications with stakeholders are reported to the Board of Directors every year. The Company has set up a special area, “Contact Us” ( <a href="https://www.macronix.com/zh-tw/about/contacts/Pages/default.aspx">https://www.macronix.com/zh-tw/about/contacts/Pages/default.aspx</a> ), on the company website, for the related parties to contact, communicate with, ask questions or express opinions to the Company.	None
VI. Does the company appoint a professional shareholder service agency to deal with shareholder affairs?		✓	The Company has set up an Investor Relations office since 1997 dedicated to handling matters related to the Company's shareholders. All shareholders' equity operations are carried out in accordance with the “Standards for the Internal Control System of the Stock Department”, and the same applies to shareholders' meetings.	Please refer to Implementation Status on the left hand side

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
<p>VII. Information Disclosure</p> <p>(I) Does the company have a corporate website to disclose both financial standings and the status of corporate governance?</p> <p>(II) Does the company have other information disclosure channels (e.g., building an English website, appointing designated people to handle information collection and disclosure, creating a spokesman system, webcasting investor conferences)?</p> <p>(III) Does the company announce and report annual financial statements within two months after the end of each fiscal year, and announce and report Q1, Q2, and Q3 financial statements, as well as monthly operation results, before the prescribed time limit?</p>	<p>✓</p> <p>✓</p>		<p>(I) The Company has established a corporate website to disclose information on financial operations and corporate governance.</p> <p>(II) The Company has established an English website to disclose relevant information and set up dedicated departments for collecting and disclosing company information. Furthermore, to implement the spokesperson system, the Company has designated a spokesperson and a deputy spokesperson to disclose material inside information on behalf of the Company, unless otherwise stipulated by the law or regulations. The briefing and procedures of investor conferences are available in the “About Us/Investor Relations/Financial Information/Quarterly Results” section of the company website.</p> <p>(III) The Company was announced the 2024 financial statements on March 5, 2025 and reports annual, quarterly financial statements and monthly operation results within the prescribed time limit.</p>	<p>None</p> <p>None</p> <p>Please refer to Implementation Status on the left hand side</p>
<p>VIII. Is there any other important information to facilitate a better understanding of the company’s corporate governance practices (e.g., including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors’ and supervisors’ training records, the implementation</p>	<p>✓</p>		<p>1. Status of employee rights, employee wellness, investor relations, supplier relations, and the rights of stakeholders: Please refer to the Company’s ESG Report.</p> <p>2. Status of risk management policies and risk evaluation: Please refer to on Page 46 of this annual report for important information.</p>	<p>None</p>

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing insurance for directors and supervisors)?			<p>3. Directors’ training: The Company arranges training courses for directors annually. Each director also participates in relevant courses organized by external institutions when necessary. All directors received 6 hours of training in 2025. Please refer to page 82 of this annual report for Directors’ training records.</p> <p>4. Directors’ Liability Insurance: The Company has taken out liability insurance for Directors and Supervisors since October 15th, 1999. For the status of maintaining the insurance and submission to the Board of Directors, please refer to the Market Observation Post System (MOPS).</p>	
<p>IX. Please describe the improvements your company has made based on the corporate governance evaluation results released by the Corporate Governance Center of Taiwan Stock Exchange in the most recent year, and list priorities and measures for matters that still require improvement.</p> <p>The Corporate Governance Center announced the results of the 2024 (11th) Corporate Governance Evaluation in April 2025. The Company ranked within the 21-35% bracket among all listed companies and within the 21-40% bracket among electronics companies with a market capitalization of NT\$10 billion or above.</p> <p>Key improvements implemented in 2025 include:</p> <ol style="list-style-type: none"> <li>1. Increasing the proportion of independent directors to at least one-third of the Board;</li> <li>2. Contributing NT\$3 million to support domestic cultural development initiatives; and</li> <li>3. Enhancing disclosures regarding the Company’s “ Rules Governing Financial and Business Matters Between this Corporation and its Related Person” and “ Measures for the Report on Illegal, Immoral and Dishonest Acts” and linkage between executive compensation and ESG performance. Going forward, the Company will continue to strengthen its corporate governance practices with reference to international trends and relevant guidance issued by the Financial Supervisory Commission, including the “Corporate Governance 3.0 – Sustainable Development Roadmap” and “Sustainable Development Action Plans for TWSE- and TPEX-Listed Companies,” with the aim of achieving long-term sustainable development.</li> </ol>				

#### (IV) Composition, Functional Authority, and Operations of the Compensation Committee

##### 1. Authority:

- (1) Establishes and periodically reviews the performance evaluation and policies, system, standards, and structure of the compensations for Directors, supervisors, and managers.
- (2) Periodically evaluates and establishes compensations and benefits for Directors, supervisors, and managers.

##### 2. Information on Committee Members:

December 31, 2025

Title	Criteria Name	Professional Qualifications and Experience	Independence	Number of Other Public Companies In Which The Member Concurrently As A Member of Their Compensation Committee
Independent Director / Convener	Chiang Kao	(Note)	(Note)	0
Independent Director	Tyzz-Jiun Duh			2
Independent Director	Huey-Jen Su			3

Note: Please refer to page 8 of this annual report for information on directors and supervisors.

##### 3. Implementation Status:

- (1) The Company held a complete re-election of the Board of Directors on May 23, 2025, and the Board of Directors appointed the members of the Compensation Committee on the same date.
- (2) This term's Compensation Committee is composed of 3 members, and the service term of the current members is from May 23, 2025 to May 22, 2028.
- (3) The Compensation Committee convened 4 times (A) in the last fiscal year. The qualifications of the members and attendance are as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%)(B/A) (Note)	Remarks
Convener	Chiang Kao	4	0	100%	Re-elected
Committee Member	Tyzz-Jiun Duh	4	0	100%	Re-elected
Committee Member	Huey-Jen Su	2	0	100%	Newly appointed
Committee Member	Chien-Kuo Yang	2	0	100%	Former

Note: The Company fully re-elected the directors at the Shareholders' meeting on May 23, 2025. A total of 4 meetings were convened by the Compensation Committee in the most recent year. The 12th-Term convened 2 meetings and the 13th-Term convened 2 meetings. Attendance rate (%) is calculated based on the number of meetings convened by the Compensation Committee and the actual attendance during the service term.

4. The main items that discussed in the meetings of the Compensation Committee in the most recent year are as follows:

Compensation Committee Date/ Term	Motion	Resolution results of the Compensation Committee	The Company's response to the comments of the Compensation Committee
2025.02.13 The 9th meeting of the 12th Term	Submitted for approval of the patents award to C.H. Hung, K.C. Chen, K.L. Chang and Ta-Hone Yang ("Managers").	Unanimously approved by all members attending the meeting and will be submitted to the Board of Directors meeting for approval.	Not applicable
	Submitted for approval of the R&D incentive bonus to K.L. Chang. ("Manager").		
	Submitted for approval of the retirement pension of Manager Hsin-Cheng Liu.		
2025.04.29 The 10th meeting of the 12th Term	Submitted for approval of the Company's 2025 employee salary adjustment.	Unanimously approved by all members attending the meeting and will be submitted to the Board of Directors meeting for approval.	Not applicable
2025.05.23 The 1st Provisional Meeting of the 13th Term	Proposal to elect the convener of the 13th-Term Compensation Committee.	Chiang Kao was elected as the convener of the committee by all attending committee members.	Not applicable
2025.07.30 The 1st meeting of the 13th Term	Submitted for approval of the 2025 salary adjustment of the Company Managers.	Unanimously approved by all members attending the meeting and will be submitted to the Board of Directors meeting for approval.	Not applicable

5. If the Board of Directors chooses not to adopt or revise recommendations proposed by the Compensation Committee, the date of the meeting, term, agenda, resolution results, and the Company's response to the comments provided by the Salary and Compensation Committee shall be described (if the compensation passed by the Board of Directors is higher than recommended by the Compensation Committee, the difference and reason shall be described): None.

6. For the decisions made by the Compensation Committee, if there are documented records of members who veto or withhold from expressing their opinions, the date, term, agenda, all members' comments, and the measures for handling these comments shall be elaborated: None.

## (V) Operation of the Nomination Committee

### 1. Qualifications and Duties

The Nomination Committee is comprised of 3 to 5 directors, in which more than half shall be the independent directors. With authorization from the board of directors, the Nomination Committee will faithfully perform the following duties with a duty of care and then submit them to the Board of Directors for discussion:

- (1) Establish the standards for directors and senior executives, such as expertise, skills, experience, and gender. As well as searching, reviewing, and nominating directors and senior executive candidates based on such standards.
- (2) Establish and develop organizational structure of the Board of Directors and each committee. Evaluate the performance of the Board of Directors, each committee, directors, senior executives, and the independence of independent directors.
- (3) Establish and regularly review the programs for continuing education of directors and succession plan of senior executives.
- (4) Other matters entrusted to the committee by resolution of the Board of Directors.

### 2. Professional Qualifications, Experience and the Operation

- The Company held a complete re-election of the Board of Directors on May 23, 2025, and the Board of Directors appointed the members of the Nomination Committee on the same date.
- (1) This term's Nomination Committee is comprised of 3 members. An independent director is a chair and convener in meetings of the Nomination Committee, and the term of the incumbent member is from May 23, 2025 to May 22, 2028. The Committee shall be composed of the Chairman and two independent directors, with an independent director serving as the convener and chair.
  - (2) The Nomination Committee convened 5 meetings (A) in the most recent year. The professional qualifications and experience of the members, and the attendances and motions that discussed in the meetings are as follows:

Title	Name	Professional Qualifications and Experience	Attendance in Person(B)	By Proxy	Attendance Rate (%) (B/A)( Note1)	Remarks
Convener / Independent Director	Chiang Kao	(Note 2)	5	0	100%	Re-elected
Committee Member/ Chairman	Miin Wu		5	0	100%	Re-elected
Committee Member/ Independent Director	Tyzz-Jiun Duh		5	0	100%	Re-elected

Note 1: The Company fully re-elected the directors at the Shareholders' meeting on May 23, 2025. A total of 5 meetings were convened by the Nomination Committee in the most recent year. The 12th-Term convened 2 meetings and the 13th-Term convened 3 meetings. Attendance rate (%) is calculated based on the number of meetings convened by the Nomination Committee and the actual attendance during the service term.

Note 2: Please refer to page 8 of this annual report for information on directors and supervisors.

3. The main items that discussed in the meetings of Compensation Committee in the most recent year are as follows

Nomination Committee Date/ Term	Motion	Nomination Committee's Opinions or Objections	Resolution results of the Nomination Committee	Nomination Committee Date/ Term
2025.02.13 The 11th meeting of the 12th Term	The 2024 Performance Assessments Report of the Company Managers.	None	All attending members are in agreement and no other comments and will be submitted to the Board of Directors meeting for approval.	Not applicable
2025.03.04 The 12th meeting of the 12th Term	The 2024 Performance Assessments Report of the Board of Directors.	None	All attending members are in agreement and no other comments and will be submitted to the Board of Directors meeting for approval.	Not applicable
	Propose for the number of seats of the 13th-Term of the Board of Directors.	None	Unanimously approved by all members attending the meeting and will be submitted to the Board of Directors meeting for approval.	Not applicable
	Propose to nominate the candidates of the 13th-Term of the Board of Directors.	None	Unanimously approved by all members attending the meeting and will be submitted to the Board of Directors meeting for approval.	Not applicable
2025.05.23 The 1st Provisional Meeting of the 13th Term	Proposal to elect the convener of the 13th-term Nomination Committee.	None	Chiang Kao was elected as the convener of the Committee by all attending committee members.	Not applicable
2025.07.30 The 1st meeting of the 13th Term	It is hereby proposed to determine the assessed units and assessment method of the Company's 2025 "Board of Directors Performance Assessments".	None	Unanimously approved by all members attending the meeting and will be submitted to the Board of Directors meeting for approval.	Not applicable
2025.12.18 The 2nd meeting of the 13th Term	2025 "Board of Directors Performance Evaluation" self-evaluation questionnaire.	None	Unanimously approved by all members attending the meeting.	Not applicable
	Propose the 2026 advanced study plan of the directors.	None	Unanimously approved by all members attending the meeting and will be submitted to the Board of Directors meeting for approval.	Not applicable

## (VI) Operation of the Sustainability Development Committee

### 1. Qualifications and Duties:

The Sustainability Development Committee of the Company shall comprise no fewer than three members, all appointed by resolution of the Board of Directors, and shall be responsible for the following:

- (1). Reviewing and recommending the company's sustainability policies, annual plans, and strategies.
- (2). Reviewing and monitoring the implementation and effectiveness of the annual sustainability plans approved by the Board of Directors.

### 2. Professional Qualifications, Experience and Operation:

- (1) The Company established the Sustainable Development Committee on December 18, 2025.
- (2) The current Sustainability Development Committee consists of five members, serving a term from December 18, 2025 to May 22, 2028, comprising the Chairman and four other directors (including one director and three independent directors).
- (3) The Sustainability Development Committee convened one meetings (A) during the most recent fiscal year. The professional qualifications and experience of members, their attendance, and the matters discussed are summarized as follows:

Title	Name	Professional Qualifications and Experience	Attendance in Person(B)	By Proxy	Attendance Rate (%) (B/A)( Note 1)	Remarks
Convener /Chairman	Miin Wu	(Note 2)	1	0	100%	
Committee Member / Director	Stacey Lee		1	0	100%	
Committee Member / Independent Director	Tyzz-Jiun Duh		1	0	100%	
Committee Member / Independent Director	Chiang Kao		1	0	100%	
Committee Member / Independent Director	Huey-Jen Su		1	0	100%	

Note 1: Attendance rate (%) is calculated based on the number of meetings convened by the Board of Directors and the actual attendance during the service term.

Note 2: Please refer to page 8 of this annual report for information on directors and supervisors.

### 3. The main items that discussed in the meetings of the Sustainability Development Committee in the most recent year are as follows:

Sustainability Development Committee Date/ Term	Motion	Sustainability Development Committee Opinions	The Company's Response to Sustainability Development Committee Opinions
2025/12/18 1st Provisional Meeting of the 13th Term	Proposal to elect the convener of the 13th-Term Sustainability Development Committee	Chairman Miin Wu was unanimously approved by all members of the Sustainability Development Committee to serve as the convener of the Committee.	Not applicable

(VII) The Implementation Status of the Company's Promotion of Sustainable Development, and differences between it and the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies with Reasons

Items of the Promotion	Implementation Status			Differences Between the Implementation Status and the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies with Reasons
	Yes	No	Summarized Explanation	
I. Has the company established the governance framework for sustainable development and established a fully (or partially) dedicated sustainable development unit? Does the Board of Directors authorize the senior management to handle such matters under its supervision?	✓		The Board of Directors serves as the highest governing body for the Company's sustainable development. On December 18, 2025, the Board resolved to establish the "Sustainable Development Committee" under the Board to oversee the Company's sustainability objectives and governance. The Committee comprises the Chairman and four other directors (including one director and three independent directors), with the Chairman serving as convener. To distinguish it from the "Sustainable Development Committee," previously established on February 22, 2022 under the leadership of the President, the latter has been renamed the "Sustainable Development Implementation Committee." This Committee is responsible for sustainability-related risk assessments, strategic planning and recommendations, and the execution of sustainability initiatives approved by the Board. The Implementation Committee includes representatives from across the Company, with the Environment Safety and Health Center acting as the executive secretariat. It convenes quarterly to monitor the progress of strategic initiatives and regularly reports sustainability matters and performance to the Sustainable Development Committee and the Board. In 2025, seven initiatives including: Lead the Company's Net Zero Strategy-Phased Carbon Reduction Targets ; Lead the Company's Net Zero Strategy-GHG Inventory	None

Items of the Promotion	Implementation Status			Differences Between the Implementation Status and the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies with Reasons
	Yes	No	Summarized Explanation	
			and Verification ; Reinforce Sustainability Disclosure-Environmental Protection ; Reinforce Sustainability Disclosure-Occupational Health and Safety ; Fortify Corporate Sustainability Governance Culture-Training ; Fortify Corporate Sustainability Governance Culture-Labor and Human Rights ; Reinforce Sustainability Disclosure-IFRS) were implemented in alignment with the Company's 2050 net-zero emissions target, and all initiatives were completed as planned.	
II. Does the company assess ESG risks associated with its operations based on the principle of materiality, and establish related risk management policies or strategies?	✓		The Company plans its ESG strategy and assesses risks based on requirements of GRI (Global Reporting Initiative) Standards, which include all sites of the Company in Taiwan. The materiality assessment is determined by how much attention the stakeholders pay and how serious the influence will be on the Company's operations, and those issues will be managed and responded after being sorted by the materiality. The ESG risks are identified every year, and the risk level (high/medium/low) items will be managed. Please refer to page 70 of this annual report for other important information that will help understand the ESG operations. We formed the TCFD (Task Force on Climate-related Financial Disclosures) Group in response to the impact of climate change on the operation of the company, and the group has already proposed effective strategies for the risk of climate change. According to the Company gradually implemented risk management mechanisms according to the Corporate Governance	None

Items of the Promotion	Implementation Status			Differences Between the Implementation Status and the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies with Reasons
	Yes	No	Summarized Explanation	
			3.0 – Sustainable Development Roadmap of the Financial Supervisory Commission and already established the "Risk Management Principles" which were approved by the board of directors as the highest guiding principles for the Company's risk management. The Company's risk management policies, organization & structure, risk control and management and relating disclosures shall be approved by the Company's Board of Directors ("BOD") in accordance with applicable laws and regulations. Thereafter, the implementation and/or enforcement of such BOD approved items shall be supervised by the Audit Committee of the BOD ("AC"), which shall also propose to BOD its recommendations to the required disclosure and/or improvement. For more information are available in the "About Us/Sustainability/Risk Management" section of the company website.	
<p>III. Environmental issues</p> <p>(I) Has the Company established a suitable environmental management system based on the characteristics of the industry?</p>	✓		(I) The Company established an environmental management system in 1997 and obtains ISO 14001 certification every year to ensure that the system complies with PDCA (Plan-Do-Check-Act) of ISO management systems, thereby achieving continuous improvement goals. All sites of the Company have obtained the environmental management system certification (ISO 14001:2015) confirmation. In addition to the environmental management of the factory area, in 2007, the IECQ QC 080000 Hazardous Substance Process Management System has	None

Items of the Promotion	Implementation Status			Differences Between the Implementation Status and the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies with Reasons
	Yes	No	Summarized Explanation	
(II) Is the Company committed to improving the efficiency of various resources and utilizing renewable materials to reduce the environmental impact?	✓		<p>continuously maintained its effectiveness, and passed to promote environmental management of both the operational and product aspects.</p> <p>(II) The Company continues to carry out energy conservation and carbon reduction work each year, and continues to be recognized by Hsinchu City Government. The Energy Conservation Service Team has been established since 2008, which has since been responsible for improving energy efficiency across its facilities. The Company conducts annual reviews of energy-saving strategies and measures and continuously enhances its energy management.</p> <p>Besides installing solar power generation facilities, we will continue to actively implement energy conservation and carbon reduction policies. We have also taken the following measures:</p> <ol style="list-style-type: none"> <li>1. Replacing the original equipment with variable-frequency equipment or more energy efficient equipment to improve equipment efficiency.</li> <li>2. Improving and upgrading components of existing equipment to reduce equipment power consumption.</li> <li>3. Optimize equipment operation procedures.</li> <li>4. Enhance cleanroom airtightness and adjust pressure settings as well as airflow design to reduce the load and energy consumption of air conditioning systems.</li> <li>5. Fine-tune environmental control parameters to reduce energy consumption. The measures above</li> </ol>	None

Items of the Promotion	Implementation Status			Differences Between the Implementation Status and the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies with Reasons
	Yes	No	Summarized Explanation	
(III) Does the company evaluate potential risks and opportunities brought by climate change, and take response measures to climate-related issues?	✓		<p>are estimated to reduce electricity consumption by 11,022,727 kWh and carbon emissions by 5,225 metric tons. This shows that the Company has spared no effort in improving resource efficiency and implementing green production to reduce the environmental impact of its operations and enhance its competitiveness.</p> <p>Every month, the Company monitors the materials based on permits issued by government agencies to ensure that the use of materials is within the maximum approved amount. Our engineering department often checks for potential reductions in the use of materials based on manufacturing process requirements, including increasing inner box packaging capacity to reduce carton usage, reusing packaging material scraps to enhance the protective strength and drop resistance of product cartons, and reducing packaging volume to minimize filler material use and achieve optimal packaging.</p> <p>(III) The Company referenced the TCFD recommendations when evaluating the impact of climate change on the Company, and gathered specialists of each center to form a TCFD work team, applying the TCFD framework to identify climate risks and opportunities, come up with ways to manage impacts, and quantify the financial impact of material risks and opportunities through scenario analysis, in order to take response measures that will lower the impact on the Company's operations.</p>	None

Items of the Promotion	Implementation Status			Differences Between the Implementation Status and the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies with Reasons
	Yes	No	Summarized Explanation	
			<p>The Company defines short-term as within 1 year, mid-term as 1-8 years, and long-term as 8 years and above. The TCFD analyzed and identified main climate risks and opportunities at the company-level based on job characteristics. Sources include the transition risk of carbon tax and low carbon technologies in the mid-term, and physical risks from changes in average temperature. Long-term risks include transition risk of total emission control/emissions trading and physical risks of sea level rise. In terms of opportunities, production processes are short-term, low carbon products/services and adaptation/mitigation plans are mid-term, and changes in customer behavior and searching for new business opportunities are the Company's long-term development opportunities.</p> <p>The Company will face transformation risk that will directly impact operating costs in the short-, mid-, and long-term. Hence, we actively track international trends and regulatory developments, and ensure that our climate management is in full compliance with government laws. For green energy management, we are maintaining the efficiency of the solar power generation system at 80% or above and formulating a green energy purchasing policy. For technology transformation, we are actively purchasing new process machinery, lowering the carbon emission of products, and producing low-carbon products that meet the expectations of our customers to enhance our</p>	

Items of the Promotion	Implementation Status			Differences Between the Implementation Status and the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies with Reasons
	Yes	No	Summarized Explanation	
(IV) Does the company compile statistics of greenhouse gas emissions, water use, and total weight of waste in the past two years, and does it establish policies for energy conservation & carbon reduction, greenhouse gas emission reduction, water use reduction, and other waste management?	✓		<p>competitiveness for sustainability. Long-term risks: Establish a weather forecast and refrigerating machine optimization mechanism, replace machinery with more efficient machinery, and require two or more sources for suppliers that are assessed to be high risk, in order to respond to the potential impact of risks and opportunities.</p> <p>(IV) The Company cooperates with the Ministry of Environment's annual inspection of Greenhouse Gas (“GHG”) emissions and files reports accordingly. The Company set the policy of energy conservation and carbon reduction in its ISO 14001 Environmental Management System, and promotes water conservation, waste reduction, and waste recycling and reuse based on the Company EHS policy and CSR management approach.</p> <p>We compiled a GHG inventory for all plants, excluding the subsidiaries, according to ISO 14064-1, GHG Protocol and domestic environmental protection laws and regulations, and the GHG inventory was verified by a third party. A total of 7 types of GHG was verified, including carbon dioxide, methane, nitrous oxide, HFCs, PFCs, sulfur hexafluoride, and nitrogen trifluoride. Statistics of GHG emissions in 2024 and 2025 are as follows:</p>	None

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			<p>Remark:</p> <ol style="list-style-type: none"> <li>1. An external verification of 2025 data is scheduled to be conducted from March 24 to April 9 in 2026. The technical review of the third party is still required; the final verified data will be disclosed in the sustainability report.</li> <li>2. With consideration to the direct association with operations and reasonableness of indicators, intensity is not included in Scope 3 “Other Indirect Omissions” and “Subsidiaries”.</li> <li>3. On February 5, 2024, Ministry of Environment announced the Greenhouse Gas Emission Factors, and the Company immediately conducted the inventory and calculation of the GHG emissions for 2023.</li> </ol>																																							

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			<p>4. The GHG emissions of subsidiaries , covering Scope 1 and 2, was completed in the first inventory check in 2025, with the first external verification Scope1~3 will be completed in April 2026.</p> <p>5. Disclosure of Scope 3 emissions of the Company and its subsidiaries in accordance with the categories of significant and substantial indirect GHG emissions:</p> <table border="1"> <thead> <tr> <th colspan="2">Item 1~15</th> <th>Emissions (tonCO<sub>2</sub>e)</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Purchased goods and services</td> <td>126,246.8172</td> </tr> <tr> <td>3</td> <td>Fuel- and energy-related activities</td> <td>50,755.6477</td> </tr> <tr> <td>4</td> <td>Upstream transportation and distribution</td> <td>1,027.0869</td> </tr> <tr> <td>5</td> <td>Waste generated in operations</td> <td>1,607.4515</td> </tr> <tr> <td>7</td> <td>Employee commuting</td> <td>2,262.2784</td> </tr> <tr> <td>9</td> <td>Downstream transportation and distribution</td> <td>7,570.2040</td> </tr> </tbody> </table> <p>The Company's GHG reduction policy is listed in the EHS policy and takes the perspective of hazard prevention as the starting point to implement hazard identification, risk assessment, environmental impact analysis, hazardous sources control, implementation of energy conservation, carbon reduction, greenhouse gas reduction, water conservation, and waste reduction. Since Ministry of Environment announced that newly announced GHG emission coefficients will apply starting from 2024, based on ISO 14064-1:2018, article 6.4.2 Review of base-year GHG inventory, rule (b) we adjusted the inspection baseline year for the GHG inventory as</p>	Item 1~15		Emissions (tonCO <sub>2</sub> e)	1	Purchased goods and services	126,246.8172	3	Fuel- and energy-related activities	50,755.6477	4	Upstream transportation and distribution	1,027.0869	5	Waste generated in operations	1,607.4515	7	Employee commuting	2,262.2784	9	Downstream transportation and distribution	7,570.2040	
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			<p>2023, and emission was determined to be 375,001.280 tonCO<sub>2</sub>e after third party verification, after deduction of the FAB 1 emissions it equals 392,366.59 tonCO<sub>2</sub>e. The reduction goal of the Company is <math>\geq 1\%</math> per year. Supporting the government's pathway and plans for net zero emissions to set the goal to achieve Scope 1 and 2 for net zero emissions by 2050, and will be adjusted according to government laws and regulations, customer needs, and international trends.</p> <p>Carbon reduction measures implemented in response to climate change include but are not limited to:</p> <ol style="list-style-type: none"> <li>1. Compiling a greenhouse gas inventory every year to understand changes in emissions from plants.</li> <li>2. Managing PFCs emissions, which has high GHG potential, every month and reviewing emissions quarterly.</li> <li>3. Evaluating the feasibility of carbon reduction measures and continuing to encourage energy conservation and carbon reduction plans, managing the quarterly progress of projects using the EHS goal planning system, and summarizing the results of energy conservation plans each year.</li> <li>4. Active participation in projects of the Ministry of Environment and making an effort to obtain carbon reduction quota. The Company has currently passed the Environmental Protection Administration, and the machinery in the project are periodically monitored to</li> </ol>	

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			<p>ensure carbon reduction effectiveness. The project's carbon reduction potential is approximately 11,821 tonCO<sub>2</sub>e every year. After the third party verification, total reduction during the monitoring period of December 31, 2020 to December 31, 2021 was 8,836 tonCO<sub>2</sub>e. In October 2024, the Company passed the review by the Climate Change Administration and obtained its first reduction quota. The second monitoring report was completed in 2025. It is expected that the reduction during the second monitoring period, from January 1, 2022 to December 31, 2024, will exceed 20,000 tons CO<sub>2</sub>e. Third party verification is currently in progress.</p> <p>5. Continue to evaluate the feasibility of purchasing and installing renewable energy devices; solar PV devices with the capacity of approximately 430 kW were installed on the rooftop of some facilities at the end of 2023, and generated more than 527 thousand kWh of green electricity in 2025. We have also started to purchase 23.702 million kWh of green electricity usage ratio 4%, reducing carbon emissions by 11,500 tonCO<sub>2</sub>e per year.</p> <p>6. Greenhouse gas emissions in 2025 was 294,521.978 tons CO<sub>2</sub>e, a reduction of more than 30% compared to the projected emissions of 434,183 tons CO<sub>2</sub>e for the target review year of 2025, and outperforming the original target</p>	

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			<p>of a 20% reduction. It is the reduction measures in 2025 include the installation of fluorine gas reduction equipment, increasing the utilization rate of green electricity and energy saving to achieve the target.</p> <p>For water management, the water consumption data and water balance chart submitted to the Science Park Bureau each month are used to regularly track and manage water resource usage information, as well as to conduct risk assessments and management. Our internal units also monitor the process water recycling rates on a daily basis through wastewater recycling technology and a supervisory control and data acquisition (SCADA) system. Our water consumption (Head Office, Fab 2, Fab 5 and Testing Plant) was 2,685 million liters in 2025 and we achieved a water recycling rate of 89.14% (target <math>\geq 82\%</math>) for 8-inch wafer fab (Fab 2) processes and 88.15% (target <math>\geq 85\%</math>) for 12-inch wafer fab (Fab 5) processes. The average process water recycling rate across all fabs reached 88.47%, and the water consumption per wafer was 0.242 (m<sup>3</sup>/12-inch equivalent wafer photomask layer) (Target: <math>\leq 0.266</math>). Our internal units also monitor the process water recycling rate on a daily basis through wastewater recycling technology and the SCADA system. We set up a rainwater harvesting tank at our head office and store rainwater in the water tower. The water is then used to water plants and flush toilets. We are continuing to actively develop a water resource recycling</p>	

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			<p>strategy to achieve the water conservation and increase the efficiency of water use.</p> <p>The 2026 water resource management targets are as follows: the process water recycling rate is <math>\geq 82\%</math> for the 8-inch wafer fab and <math>\geq 85\%</math> for the 12-inch wafer fab. The target for water consumption per wafer is <math>\leq 0.226</math> (<math>m^3/12</math>-inch equivalent wafer photomask layer). As for waste reduction, we compile statistics of waste storage, generation, and clearance on a monthly basis to determine the generation of waste in our plants. We reduce waste by cutting down the consumption of materials through the joint efforts of engineering departments based on a feasible reduction plan. As for improving waste recycling and reuse, prior to waste disposal, we verify if the way contractors process the waste is appropriate, giving priority to reuse. We (Head Office, Fab 2, Fab 5 and Testing Plant) generated nearly 11,073 metric tons of waste in 2025. General waste and hazardous waste are mainly recycled and reused with a recycling/reuse rate reaching 95.86% (general waste) and 99.75% (hazardous waste), and overall recycling/reuse rate reaching 98.22% (target:95.5%); hazardous waste recycling/reuse rate <math>\geq 99.75\%</math> (target:98%). The target for waste management in 2026 includes maintaining a waste resource recovery rate of <math>\geq 95.5\%</math> and a hazardous waste recycling rate of <math>\geq 98\%</math>. We established a cross-departmental waste management platform, and periodically convene meetings for review and improvement. It is</p>	

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			expected to reduce the environmental load caused by the production through the vendor selection, partner vendor audits, and self-management inspections, achieving the ultimate goal of green production and waste reduction.	
<p>IV. Social issues</p> <p>(I) Has the Company formulated management policies and procedures in accordance with relevant laws and regulations as well as the International Bill of Human Rights?</p>	✓		<p>(I) The Company supports the Universal Declaration of Human Rights, ILO international labor standards, SA8000, and RBA CoC, and formulated the Macronix Human Rights Policy according to requirements of the international standards on human rights protection. This policy was drafted by the Committee for the Promotion of Ethical Corporate Management and applies to all managers and employees. The Committee for the Promotion of Ethical Corporate Management, as the primary body responsible for the protection of human rights, also responsible for promoting and managing of human rights policy. The Company strive to “build an excellent human resources management system and labor system through comprehensive planning and execution.” The Company’s goal is to comply with applicable laws and regulations and it has already committed to corporate social responsibility norms to ensure the protection of human rights. The Company conducts thorough due diligence according to the RBA CoC to ensure that its conduct reaches or exceeds the standards, and uses the Self-Assessment Questionnaire (SAQ) designed by the Responsible Business</p>	None

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			<p>Alliance for self-assessment of labor, health and safety, ethics, and environment. The Company identifies social and environmental risks on this basis and continues to monitor implementation results of improvement plans.</p> <p><b>Summary of Human Rights Policy and Specific Measures</b></p> <table border="1"> <thead> <tr> <th>Human Rights Policy</th> <th>Specific Measures</th> </tr> </thead> <tbody> <tr> <td>Provide our employees a safe, healthy, and amiable working environment</td> <td>Work environment monitoring is performed semi-annually. Environmental, safety, and health education and training and occupational hazard prevention promotions are organized regularly. Employee health promotion events are organized regularly.</td> </tr> <tr> <td>Provide our employees with work-life balance</td> <td>Employees are provided with an excellent work environment, and various approaches are promoted to take care of employees' health.</td> </tr> <tr> <td>Respect the freedom of collective bargaining, association, and peaceful assembly, and do not allow any discrimination on racial difference, religious belief, and gender, etc.</td> <td>Various meetings are organized regularly as channels of communication. The "No Topic is Off Limits" suggestion box is established for staff to raise questions, provide suggestions, and file complaints so that the firm can help resolve employee issues. Employment, work assignment, and promotion are based on individual abilities and potential, and are not affected by race, religion, gender, or other factors.</td> </tr> </tbody> </table>	Human Rights Policy	Specific Measures	Provide our employees a safe, healthy, and amiable working environment	Work environment monitoring is performed semi-annually. Environmental, safety, and health education and training and occupational hazard prevention promotions are organized regularly. Employee health promotion events are organized regularly.	Provide our employees with work-life balance	Employees are provided with an excellent work environment, and various approaches are promoted to take care of employees' health.	Respect the freedom of collective bargaining, association, and peaceful assembly, and do not allow any discrimination on racial difference, religious belief, and gender, etc.	Various meetings are organized regularly as channels of communication. The "No Topic is Off Limits" suggestion box is established for staff to raise questions, provide suggestions, and file complaints so that the firm can help resolve employee issues. Employment, work assignment, and promotion are based on individual abilities and potential, and are not affected by race, religion, gender, or other factors.	
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(II) Does the company have reasonable employee benefit measures (including salaries, leave, and other	✓		<table border="1"> <thead> <tr> <th>Human Rights Policy</th> <th>Specific Measures</th> </tr> </thead> <tbody> <tr> <td>Prohibit the employment of child labor, as well as involuntary labor</td> <td>Workers under the age of 16 may not be hired. The ID documents of new employees are inspected when they report for work; the Regulations on Child Labor Remedies were established to investigate, handle, and remedy situations when child labor is hired by accident. All employees have freedom of movement and dormitories do not have a curfew. Employees have the freedom to terminate their labor contract according to the applicable law.</td> </tr> <tr> <td>Conduct the due diligence on our suppliers/subcontractors according to the applicable law</td> <td>The requirements of our CSR policy are extended to suppliers, and relevant training courses and promotion are strengthened. In 2025, a total of 43 suppliers passed the Company's Risk Assessment of Suppliers (RAS) audit.</td> </tr> </tbody> </table>	Human Rights Policy	Specific Measures	Prohibit the employment of child labor, as well as involuntary labor	Workers under the age of 16 may not be hired. The ID documents of new employees are inspected when they report for work; the Regulations on Child Labor Remedies were established to investigate, handle, and remedy situations when child labor is hired by accident. All employees have freedom of movement and dormitories do not have a curfew. Employees have the freedom to terminate their labor contract according to the applicable law.	Conduct the due diligence on our suppliers/subcontractors according to the applicable law	The requirements of our CSR policy are extended to suppliers, and relevant training courses and promotion are strengthened. In 2025, a total of 43 suppliers passed the Company's Risk Assessment of Suppliers (RAS) audit.	None
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Please refer to the company website ( <a href="https://www.mxic.com.tw/zh-tw/about/ESG/Pages/human-right-policy.aspx">https://www.mxic.com.tw/zh-tw/about/ESG/Pages/human-right-policy.aspx</a> ) for information on the Company's human rights policy.										
(II) The Company has established and implemented reasonable employee benefit measures; please refer to V. Labor Relations on page 113 of this Annual Report. The Company's performance is reflected by the employees' and directors'										

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<p>benefits), and do business performance or results reflect on employee salaries?</p> <p>(III) Has the Company provided employees with a safe and healthy working environment, and routinely implemented safety and health education for employees?</p>	✓		<p>salaries; please refer to (V) Compensation for Employees, Directors, and Supervisors on page 100 of this Annual Report.</p> <p>(III) Based on the ideal of providing a warm and pleasant environment for employee's growth, the Company has established a safe and healthy work environment that is better than at another companies. The Company provides comprehensive training for the employees, which has received recognition from the competent authorities, including the National Occupational Safety and Health Enterprise Benchmarking Award from the Ministry of Labor, Contribution to Work Opportunity Creation from the Ministry of Economic Affairs, and the Excellent Employee Assistance Program Award from the Ministry of Labor.</p> <p>The Company's core philosophy is "people orientation". We fully understand the effect of employees' safety and health on our competitiveness, and constantly promote occupational safety and health concepts through training and promotion measures. We work together with employees and vendors to jointly create a healthy, safe, and comfortable working environment.</p> <p>There were no major occupational or fire accidents in 2025. There were 4 accidents that resulted in minor injuries, and the injury rate (IR) was 0.11. Following the occupational safety and health management system, we immediately carry out root</p>	None

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(IV) Has the Company established an effective career developmental plan for its employees?	✓		cause analysis and corrective measures for occupational injuries, made improvements to management and construction tools, and verified its effectiveness. (IV) The individual development plan of the Company employees is closed connected to the performance management system. The Company conducts a performance review once every year to examine individual and organizational performance. In order to gradually develop various professional knowledge and skills, employees can have face-to-face discussions with their supervisor to develop their personalized development plan based on their performance and the career development needs.	None
(V) Does the company comply with relevant regulations and international standards and establish rights protection policies for consumers and clients and complaint procedures in issues like customer health and safety, customer privacy, marketing, and labeling?	✓		(V) The Company's products have green product. The products meet the requirements of the European Union's RoHS directive SVHC (Substances of Very High Concern) and ELV (End-of-Life Vehicle). We comply with NDAs with customers and the Personal Data Protection Act to maintain customer privacy, and we also established a personal data protection policy, which employees are required to comply with when performing work that may not be disclosed.  In compliance with the regulations of the Commodity Labeling Act, the Company provides clear product specifications, manufacturing details, and other necessary information through datasheets, external packaging markings and labels to ensure information transparency and regulatory compliance. In	None

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(VI) Does the company have a supplier management policy, require suppliers to comply with applicable laws and regulations on environmental protection, occupational safety and health, and labor rights, and what is its implementation status?	✓		<p>addition, the Company has established a comprehensive customer complaint handling mechanism, having a dedicated unit and standardized management processes to respond to customer requirements promptly and appropriately, enhancing product and service quality.</p> <p>(VI) We proposed due diligence for suppliers in our CSR policy for supplier management. We make suppliers aware of the importance of CSR during annual supplier meetings, and require suppliers to jointly achieve RBA Code of Conducts requirements together with us. We also transformed our expectations for suppliers into actual management requirements on the Code of Conducts Compliance Certificate, which suppliers must sign and submit to us. Responsible units conduct on-site audits or documentary audits of suppliers each year based on their risk, so as to verify whether or not suppliers met our requirements.</p> <p>We also transformed our expectations for suppliers into actual management requirements on the Code of Conducts Compliance Certificate (CoC) that shall be signed by suppliers then submitted to us. The CoC requires suppliers to obtain ISO14001 (environmental protection) and ISO45001 (Occupational safety and Health) certifications. Responsible units conduct on-site audits or documentary audits of suppliers each year based on their risk to verify whether suppliers met</p>	None

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			our requirements. Standards are set in the Company's normative documents.	
V. Does the company reference internationally accepted reporting standards or guidelines, and prepare reports that disclose non-financial information of the company, such as ESG reports? Have the reports above obtained assurance from a third-party verification unit?	✓		The Company began structuring its CSR Report in accordance with the GRI Standards in 2014, and obtained a third-party assurance report that there are no deviations in the CSR Report. Over the years, we have obtained assurance according to AA1000AP(2018) through third party certification companies, such as SGS and BV.	None
VI. If the Company has established corporate social responsibility principles based on "Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies" , please describe any discrepancy between the principles and their implementation: There was no substantial difference.				

VII Other important information that will help understand the ESG operations:

1. The honors and recognitions that our company has received for promoting sustainable development in the most recent (2025) year are as follows. For more information, please refer to the ESG Report of the Company and websites of the Company and the Macronix Education Foundation relevant information. (<http://www.macronix.com>).

- Mr. Miin Wu, Chairman & CEO of the Company was awarded of 19th "Pan Wen Yuan Prize".
- Recognized as an Outstanding Enterprises in the 2025 "Occupational Health and Safety Performance Evaluation of Corporate Sustainability Reports," from the Ministry of Labor.
- Fab 2 awarded the Outstanding Occupational Safety and Health Self-Management Unit with Accredited OSH Management System Performance in 2025 from the Occupational Safety and Health Administration of the Ministry of Labor.
- Awarded the 2025 SGS ISO 45001 Plus Benchmark Award: Risk Management Excellence Award.
- Awarded First Place in Hsinchu City in the 2025 National Environmental Education Award from the Hsinchu City Environmental Protection Bureau.

2. Risk Management Implementation and Reporting

(1) The Company has reported the status of risk management implementations to the AC and the BOD on an annual basis, including on December 19, 2023, October 29, 2024, and October 29, 2025. A summary of the relevant information is provided below:

To implement the Company's risk management framework, each department conducts risk identification, risk analysis, risk assessment, risk monitoring, and risk documentation within the scope of its respective duties, in accordance with the risk management policies and procedures approved by the BOD, and with reference to matters related to short-term, medium-term, and long-term objectives and operational responsibilities. Relevant information shall be disclosed in accordance with applicable laws and regulations. The President of the Company will continue monitoring risks and conducts quarterly reviews of the risk management, operations, and implementation. The results of above shall be reported to the AC and the BOD on annual basis, which shall include status of implementation and preventive measures for the various risks faced during such year. For example, the risks reported to the BOD in 2025 covers strategic risk, operational risk, financial risk, compliance risk, information security risk, climate-related risk, and geopolitical risk.

(2) The section below summarizes the projects, management policies, or strategies in response to material ESG-related issues and emerging risks that may pose operational risks as well as opportunities:

Material Issues	Risk Assessment Item	Risk Management Policy, or Strategy
Environment	Environmental protection	Introduced and passed the ISO 14001 Environmental Management System Certification. We ensure that our environmental management systems fully comply with the Plan-Do-Check-Act (PDCA) operations of the ISO system to maintain a healthy and safe environment, and continuously make improvements to reach our goal.
Environment	climate Change management	1. The Company is dedicated to reducing energy use and consumption every year. We follow the instructions provided by the Bureau of Energy, Ministry of Economic Affairs each year to report our energy conservation audit system for energy users. 2. In response to the trend of greenhouse gas control and reduction in the supply chain due to global warming, we planned for greenhouse gas checks, control, and reduction, and described the process of compiling ISO14064-1 GHG inventory in the report.

Material Issues	Risk Assessment Item	Risk Management Policy, or Strategy
Society	Epidemic disease	<ol style="list-style-type: none"> <li>1. Convened the epidemic prevention meetings to formulate anti-epidemic policies and various management measures, and to establish a standard operating procedure, a reporting mechanism, and countermeasures.</li> <li>2. Assigned dedicated staff to track and pay attention to the epidemic prevention and management measures. Daily pop-ups on computers remind employees about health and safety anti-epidemic measures, and rolling reviews are conducted for the results inspection.</li> </ol>
Society	Occupational health and safety	In accordance with the Occupational Safety and Health Act and the operational requirements of the ISO 45001 for occupational health and safety management systems, trained and qualified personnel conduct risk assessments to identify hazards and risks associated with both routine and non-routine work activities involving employees, visitors, and contractors. A risk grading management is implemented, along with the establishment of improvement processes and the adoption of preventive control measures.
Corporate Governance	Centralized procurement	<ol style="list-style-type: none"> <li>1. Establish emergency procurement procedures</li> <li>2. Prepare a safety stock</li> <li>3. Audit suppliers' capability to plan regarding business continuity</li> <li>4. Continue to develop alternative suppliers</li> <li>5. Sign supply contracts with major suppliers</li> </ol>
Corporate Governance	Information system services	<ol style="list-style-type: none"> <li>1. Block malicious attacks with a firewall</li> <li>2. Use a mail and website filtering system to intercept malware</li> <li>3. Regularly update computer software and deploy end point protection software</li> <li>4. Regularly back up important data</li> <li>5. Cyber-attack simulation drills</li> <li>6. Install uninterruptible power supply (UPS)</li> <li>7. Remote backup</li> <li>8. Simulate information system disruptions</li> </ol>
Corporate Governance	Geopolitics	<ol style="list-style-type: none"> <li>1. Offsite backup shipping</li> <li>2. Provide overseas warehouse services</li> </ol>
Corporate Governance	Water and Power supply interruption	<ol style="list-style-type: none"> <li>1. Establish a water tanker transport plan</li> <li>2. Develop an operational maintenance plan for water supply interruptions</li> <li>3. Simulate water source disruptions caused by drought conditions</li> <li>4. Dual-circuit power supply design with Taiwan Power Company</li> <li>5. Install emergency power generators and uninterruptible power systems (UPS)</li> <li>6. Simulate emergency power outages</li> </ol>
Corporate Governance	Earthquake	<ol style="list-style-type: none"> <li>1. Seismic resistant design of buildings and machines</li> <li>2. Human resource service orders with major suppliers</li> <li>3. Earthquake emergency response drill</li> </ol>

Material Issues	Risk Assessment Item	Risk Management Policy, or Strategy
Corporate Governance	Fire or chemical spill	The Company will keep observing, conducting reviews and taking actions as needed.
Corporate Governance	Green materials management	<ol style="list-style-type: none"> <li>1. Comply with EU RoHS regulations on banned/restricted substances (2011/65/EU)</li> <li>2. Adhere to the European Chemicals Agency REACH requirements for Substances of Very High Concern</li> <li>3. Comply with international standards (IEC 61249-2-21, JPCA-ES01 2003, IPC 4101) for halogen-free products</li> <li>4. Prohibit the use and procurement of conflict minerals and trace the sources of gold (Au), tantalum (Ta), tin (Sn), tungsten (W), and other minerals extracted through inhumane practices in products to ensure they come from certified smelters and non-conflict regions. In addition, continuously require suppliers to meet this standard to comply with customer requirements</li> </ol>
Corporate Governance	Quality management	Based on the ISO 9000 system and strict quality standards, with certification obtained for ISO/TS 16949. Partnering packaging and testing outsourcing factories are certified under the ISO 9000 system.
Corporate Governance	Information security	Established a dedicated information management unit and related management procedures to protect the safety of computer systems, prevent the risk of data leakage, and provide the basis for compliance by employees and responsible units.
Corporate Governance	Laws and Code of Ethics, etc.	Continuous verification and the establishment of systems should be implemented to ensure the effective enforcement of relevant regulations.
Corporate Governance	Ethical corporate management, prevention of improper benefits and protection of whistleblower identity, etc.	<ol style="list-style-type: none"> <li>1. Comply with applicable laws and regulations</li> <li>2. Effectively implement company policies and codes of ethical conduct through the established Ethical Corporate Management Best Practice Principles, the Code of Business Conduct and Ethics, and the Corporate Social Responsibility Policy</li> <li>3. Effectively implement relevant regulations through internal and external mechanisms</li> <li>4. Establish risk management mechanisms</li> <li>5. Establish a violation reporting system and protect the reporting channels in accordance with the law</li> <li>6. Enhance on-the-job education and ethics training</li> </ol>
Corporate Governance	Sexual harassment, stalking, personal data protection and legal compliance	Establish relevant grievance mechanisms, investigation procedures, and awareness campaigns to ensure compliance with and implementation of laws and regulations.
Corporate Governance	Use of critical materials	Continuous monitoring, with periodic reviews and responsive actions. Please refer to Supply Chain Management of the Sustainability Report for details.
Corporate Governance	U.S. Tariff measures	Ongoing implementation or immediate improvement as required.

## Climate-Related Information of TWSE/TPEX Listed Company

### 1. Implementation of Climate-Related Information

Item	Implementation status
<p>1. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.</p> <p>2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).</p>	<p>1. The Board of Directors is the highest oversight and governance body for sustainability and climate, and a Sustainable Development Committee was established under the Board of Directors in 2025. The vice president of Administration Service Center summarizes the Company's sustainability performance, progress, and implementation results in the past year, including carbon inventory management, and reports it to the Board of Directors in the first quarter of each year. The report contents include: Material issues such as performance in sustainability, results of communication with stakeholders, management of energy and climate change. The Company's managers, together with the TCFD (Task Force on Climate-related Financial Disclosures) task force group composed of members appointed by the directors of each center, which jointly reviews internal and external risks, and formulates risk response strategies for material risk issues. Starting in 2025, in response to the introduction of the IFRS Sustainability Disclosure Standards, the content of the TCFD task force will be integrated into the IFRS project to meet the requirements of the Financial Supervisory Commission.</p> <p>2. In the climate risks and opportunities analysis model, the Company defines short-term as within 1 year, mid-term as 1-8 years, and long-term as 8 years and above. The TCFD analyzed and identified main climate risks and opportunities that require attention based on job characteristics, including the transition risk of carbon tax and low carbon technologies and physical risks from changes in average temperature for mid-term risks. Long-term risks include transition risk of total emission control/emissions trading and physical risks of sea level rise. In terms of opportunities, production processes are short-term, low carbon products/services and adaptation/mitigation plans are mid-term, and changes in customer behavior and searching for new business opportunities are the Company's long-term development opportunities. The Company will face transformation risk that will directly impact operating costs, and must continue to track international trends and regulatory developments, and ensures that we are 100% in compliance with government laws for climate management. In terms of green energy management, we cooperate with national policy by evaluating the installation of solar panels and formulation of a green energy purchasing policy. For technology transformation, we are actively purchasing low-carbon (new process) machinery, lowering the carbon emission of products, and producing low-carbon products</p>

Item	Implementation status
<p>3. Describe the financial impact of extreme weather events and transformative actions.</p> <p>4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.</p> <p>5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.</p> <p>6. If there is a transition plan for managing climate-related</p>	<p>that meet the expectations of our customers to enhance the sustainability competitiveness. For long-term risks, we established a weather forecast and refrigerating machine optimization mechanism and replaced machinery with more efficient models.</p> <p>3. Extreme weather events, such as the change in average temperature has been listed as a major risk in the risk identification results. The impact of average temperature rise will lead to an increase in air conditioning load, power consumption, and electricity bills, resulting in an increase in the Company's direct operating costs. Transition actions, such as the use of new technologies and machinery to meet market expectations for energy conservation and carbon reduction goals of manufacturing, may lead to adjustments in process-related technologies and increases in production cost, which will cause the Company's R&amp;D cost increase.</p> <p>4. The Company divides the TCFD task force into following five working groups based on the correlation between climate opportunities and risks with various businesses: product customers, finance, fab environmental protection, supply chain, and logistics support. The members of each working group include middle and senior management. Each working group, based on executive business and professional judgment, reaches a consensus on risks and opportunities that the Company may face, and confirms a list of such risks and opportunities. The current situation is reviewed based on TCFD identification results, and project management is implemented by the Sustainable Development Committee based on the risk and opportunity review results. Each working group will formulate a material risk management approach based on the feasibility, and assess the financial impact and effect on the Company's operations.</p> <p>5. Positing regulatory pressures in transition risks as the main object for scenario analysis, and forecasting emissions growth based on historical data and future operational growth. The Company assumes three scenarios of external pressures from rising temperatures: 1.5°C, 2°C, and NDC. Future carbon costs and expenses are projected for these three scenarios, and the financial impact of carbon fees, carbon tax, and renewable energy are analyzed. Analysis results show that the main financial impact will come from the purchase of renewable energy and carbon taxes (fees) up to 2040. Using renewable energy as a means of reducing carbon emissions can reduce overall emissions by over 60%, while carbon fees or excess emission fees will need to be paid based on the current control system for emissions that cannot be reduced.</p> <p>6. In response to the risk identification results, the Company set the long-term carbon reduction</p>

Item	Implementation status
<p>risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.</p> <p>7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.</p> <p>8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.</p> <p>9. Greenhouse gas inventory and assurance status and reduction targets, strategy, and concrete action plan (separately fill out in points 1-1 and 1-2 below).</p>	<p>target to achieve net-zero emissions by 2050 in the face of physical and transformation risks, and set a target review year every five years. Reduction measures are flexibly introduced or established according to production capacity planning during the period. The indicator is set as annual greenhouse gas emissions with the target of net zero emissions by 2050.</p> <p>7. The Company has not established an internal carbon pricing mechanism yet, but already activated the training program and internal assessment on 2026.</p> <p>8. The Company set the long-term carbon reduction target of net-zero emissions by 2050, and set a target review year every five years (the first review point is 2025). Reduction measures are flexibly introduced or established according to production capacity planning during the period. The scope covers all locations in Taiwan (Fab 2, Fab 5, Head Office and Testing Plant), and covers Scope 1 and Scope 2 emissions. The short-term annual target is to reduce the annual emissions by <math>\geq 1\%</math> on average compared with the baseline year. The medium-term target is to reduce emissions in 2025 by 20% compared with estimated emissions, reduce emissions in 2030 by 35% compared with estimated emissions and the long-term target is for the Company's Taiwan locations to achieve net-zero emissions by 2050, in line with the national goal. In addition to focusing on process improvement, energy efficiency improvement, increasing the proportion of renewable energy use, and planning to obtain carbon rights, the Company is also actively evaluating participation in government guidance projects. Greenhouse gas emissions in 2025 was 294,521.978 tons CO<sub>2</sub>e, a reduction of more than 30% compared to the projected emissions of 434,183 tons CO<sub>2</sub>e for the target review year of 2025, and outperforming the original target of a 20% reduction. It is expected that the reduction measures in 2025 include the installation of fluorine gas reduction equipment, increasing the utilization rate of green electricity and energy-saving.</p> <p>9. Please see the descriptions in 1-1 and 1-2 below.</p>

## 1-1. Greenhouse Gas Inventory and Assurance Status for the Most Recent 2 Fiscal Years

### 1-1-1 Greenhouse Gas Inventory Information

Describe the emission volume (metric tons CO<sub>2</sub>e), intensity (metric tons CO<sub>2</sub>e/NT\$ million), and data coverage of greenhouse gases in the most recent 2 fiscal years.

The scope of information that should be disclosed at least according to the sustainable development roadmap of listed companies is as follows:

1. The parent company should start the inventory from 2024.
2. The subsidiaries of consolidated financial statements should start the inventory from 2027.

The Company has established a greenhouse gas inventory mechanism in accordance with the Sustainable Development Roadmap for Listed Companies and the ISO14064-1 issued by the International Organization for Standardization (ISO) and GHG Protocol. Greenhouse gas emissions are consolidated based on the operational control approach. A summary of the greenhouse gas inventory data for the most recent two years is as follows:

Scope	Scope	2024		2025	
		Carbon emissions (metric tons CO <sub>2</sub> e/year)	Intensity (metric tons CO <sub>2</sub> e /NT\$1,000,000)	Carbon emissions (metric tons CO <sub>2</sub> e/year)	Intensity (metric tons CO <sub>2</sub> e /NT\$1,000,000)
Macronix	Scope 1	115,938.0001	/	59,517.8830	/
	Scope 2	251,429.1829		235,004.0953	
	Total of Scope 1 and 2	367,367.183		294,521.978	
	Scope 3	204,910.0493		192,465.9734	
	Total of Scope 1, 2, and 3	572,277.232		486,987.952	
Subsidiaries of consolidated financial statements	Scope 1	99.7574		142.7890	
	Scope 2	797.0357		785.8934	
	Total of Scope 1 and 2	896.793		928.6824	
	Scope 3	-		914.2657	
	Total of Scope 1, 2, and 3	896.793		1,842.948	
Total		573,174.025	14.2	488,830.900	10.2

Note: With consideration to the direct association with operations and the reasonableness of the indicators, intensity is not included in Scope 3, other indirect emissions, and subsidiaries' emissions.

### 1-1-2 Greenhouse Gas Assurance Information

Specify the greenhouse gas reduction base year and its data, the reduction targets, strategy and concrete action plan, and the status of achievement of the reduction targets.

The Company has established a greenhouse gas inventory mechanism in accordance with the Sustainable Development Roadmap for Listed Companies and the ISO14064-1 and GHG Protocol issued by the International Organization for Standardization (ISO). Greenhouse gas emissions are consolidated based on the operational control approach. A summary of the greenhouse gas inventory data for the most recent two years is as follows; the final verified data will be announced in the sustainability report.

Scope of assurance information		2024 Emissions (metric tons of CO <sub>2</sub> e)	2025 Emissions (metric tons of CO <sub>2</sub> e)
Macronix	Scope 1	115,938.0001	59,517.8830
	Scope 2	251,429.1829	235,004.0953
	Total	367,367.183	294,521.978
	Percentage of the inspection data disclosed in the section 1-1-1 above	100%	100%
	Entity providing the assurance	Bureau Veritas Certification (Taiwan) Co., Ltd. (BV)	Bureau Veritas Certification (Taiwan) Co., Ltd. (BV)
	Assurance situation description	ISO 14064-3:2019 Reasonable Assurance	Complete assurance information will be disclosed in the sustainability report.
	Assurance opinion/conclusion	Unqualified conclusion/opinion	Complete assurance information will be disclosed in the sustainability report
Subsidiaries of consolidated financial statements	Scope 1	99.7574	142.7890
	Scope 2	797.0357	785.8934
	Total	896.793	928.6824
	Percentage of the inspection data disclosed in the section 1-1-1 above	100%	100%
	Entity providing the assurance	-	Bureau Veritas Certification (Taiwan) Co., Ltd. (BV)
	Assurance situation description	-	Complete assurance information will be disclosed in the sustainability report
	Assurance opinion/conclusion	-	Complete assurance information will be disclosed in the sustainability report

## 1-2 Greenhouse Gas Reduction Targets, Strategy, and Concrete Action Plan

Specify the greenhouse gas reduction base year and its data, the reduction targets, strategy and concrete action plan, and the status of achievement of the reduction targets.

- Baseline year for reduction: 2011 is maintained as the baseline year.
- Baseline year emissions (Scope 1 and 2): 392,366.585 metric tons of CO<sub>2</sub>e.
- Reduction target: In the short term, the goal is to reduce projected emissions by 20% compared to emissions in 2025. The next five-year target is to reduce the projected emissions in 2030 by 35%. In the medium to long term, the goal is to achieve net-zero in Scope 1 and 2 emissions at the Taiwan location of the parent company by 2050.
- Strategy: Focus on process improvement, energy efficiency improvement, increasing the proportion of renewable energy use, and making plans to obtain carbon rights.
- Specific action plans: 2025 is the first target review point, the key reduction strategy is to reduce fluorine-containing gases. The Company added 32 local scrubbers, and achieve a 20% reduction of emissions compared with estimates using of solar power self-generated for self-use and purchased renewable energy. The review point for the second target is the same as the 2030 carbon reduction strategy, and carbon reduction measures will be implemented each year in conjunction with the carbon fee voluntary reduction plan.
- Achievement of reduction targets: Greenhouse gas emissions in 2025 was 294,521.978 tons CO<sub>2</sub>e, a reduction of more than 30% compared to the projected emissions of 434,183 tons CO<sub>2</sub>e for the target review year of 2025, and outperforming the original target of a 20% reduction. It is reduction measures in 2025 include the installation of fluorine gas reduction equipment, increasing the utilization rate of green electricity and energy saving to achieve the level target.

(VIII) Ethical Corporate Management, and Departure from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, and Reasons Thereof

Evaluation Item	Implementation Status			Deviations from “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
I. Establishment of ethical corporate policies and programs				
(I) Does the Company establish a board-approved ethical corporate management policy and state in its regulations or external correspondence the policies and practices of the ethical corporate management policy? Are the board of directors and the managerial officers committed to fulfilling this commitment?	✓		(I) The “Ethical Corporate Management Principles” and the “Code of Business Conduct and Ethics” of the Company are approved by the board of directors and published on the Company website and internal electronic bulletin board, and they require our employees and the employees of subsidiaries included in our consolidated financial statements to exhibit honest and ethical conduct when performing their duties.	None
(II) Does the Company establish mechanisms to assess the risks of unethical conduct and perform regular analysis and assessment of operating activities with higher risks of unethical conduct? Does the Company implement programs to prevent unethical conduct based on the above and ensure the programs cover at least precautionary measures described in Article 7, Paragraph 2 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies?	✓		(II) The Company developed ethical and social responsibility risk assessments for each department, which are carried out on a regular basis and cover all departments of the Company. The Company has established the “Ethical Corporate Management Principles” and “Code of Business Conduct and Ethics” which prohibit giving and taking bribes, receiving unreasonable gifts, benefits, and other improper benefits (avoiding conflicts of interest); intellectual property rights, confidential information, and personal data infringement; and unfair competition and discrimination. The above regulations apply to all the Company staff. The promotion is further strengthened for departments with a higher risk of integrity violation. The effectiveness is regularly evaluated. Suppliers must sign the "Code of	None

Evaluation Item	Implementation Status			Deviations from "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
(III) Does the Company establish procedures, guidelines of conduct, punishment for violation, and reporting system clearly stated in the mechanisms to prevent unethical conduct? Does the Company enforce the programs effectively and perform regular reviews of the preceding?	✓		<p>Conducts Compliance Certificate" which stipulates that supplier shall not conduct any inappropriate commercial behavior such as bribery. Should any incidents occur, the Company can terminate the contract or transactions with the supplier as well as request compensation for any damages.</p> <p>(III) The Company has established the "Ethical Corporate Management Principles" and "Code of Business Conduct and Ethics". In addition to promoting these principles to the Directors and managers, the Company has also included relevant educational training and testing for employees as well as taking the employees' implementation status into consideration in the annual performance evaluation. The task force, established under the Company's Committee for the Promotion of Ethical Corporate Management Best Practice Principles, hosts regular meetings to establish and enhance relevant measures as well as follow-up procedures of the Ethical Corporate Management based on related laws and regulations, the Company's Ethical Corporate Management Best Practice Principles, resolutions of the board of directors and functional committees, and procedures of the Committee for the Promotion of Ethical Corporate Management Best Practice Principles.</p>	None

Evaluation Item	Implementation Status			Deviations from “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
<p>II. Fulfill operations integrity policy</p> <p>(I) Does the company evaluate business partners’ ethical records and include ethics-related clauses in business contracts?</p>	✓		(I) Before engaging in business, the Company conducts a credit investigation on the potential partner's records to avoid doing business with those who have records of illegal or unethical behavior. The Company has drafted the "Code of Conducts Compliance Certificate" to regulate supplier behavior. Should a supplier engage in improper business conduct such as bribery, the Company may terminate the contract or transaction at any time as well as request damages.	None
<p>(II) Does the Company have a unit under the board of directors to promote ethical corporate management on a full-time basis, report ethical corporate management, and regularly report on the programs for the prevention of unethical conduct (at least once a year) to the board of directors, and oversee the operations thereof?</p>	✓		(II) In addition to establishing functional committees under the board of directors, the Company also established the Committee for the Promotion of Ethical Corporate Management, which should be convened at least one time per year, under the management executives that consists of the president as the chairperson and level-1 managers of all departments as committee members. The committee aims to establish an ethical corporate management policy that will be submitted for discussion during the meeting of the board of directors and report the implementation status of the policy to the board at least once a year in accordance with the law. The Company’s Committee for the Promotion of Ethical Corporate Management shall hold a meeting at least once a year. The task forces established under the committee should host	None

Evaluation Item	Implementation Status			Deviations from “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
(III) Does the company establish policies to prevent conflicts of interest and provide appropriate communication channels, and implement it?	✓		regular meetings to establish and enhance relevant measures as well as follow-up procedure of the Ethical Corporate Management based on related laws and regulations, the Company’s Ethical Corporate Management Best Practice Principles, resolutions of the board of directors and functional committees, and procedures of the Committee for the Promotion of Ethical Corporate Management Best Practice Principles.  (III) The Company has established the "Ethical Corporate Management Principles" and "Code of Business Conduct and Ethics" to prevent conflicts of interests. The Audit Committee has been set up to assist the Board in overseeing the Company’s implementation status. Directors shall be excused from voting or discussions during the Board meeting when their interests as individuals or representatives of institutions are in potential conflicts.	None
(IV) Does the Company have an effective accounting system and internal control system set up to facilitate ethical corporate management? Does the internal audit unit follow the results of unethical conduct risk assessments and devise audit plans to audit compliance to the prevention of unethical conduct? Or are the audits commissioned to a CPA?	✓		(IV) The Company’s accounting and internal control systems are approved by the Audit Committee and the Board. The internal auditing unit is responsible for auditing the actual operations as well as preparing the draft and report of the audit results for the Audit Committee. The goal is to effectively prevent malpractices and oversee the implementation of the Company’s policies and ensure the effectiveness of the internal control system.	None

Evaluation Item	Implementation Status			Deviations from “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
(V) Does the company provide educational training on corporate social responsibility on a regular basis?	✓		<p>(V) The Company has established the “Ethical Corporate Management Principles” and “Code of Business Conduct and Ethics” which are published on the Company’s website and the internal e-bulletin system. The employees' implementation status is taken into consideration in the annual performance evaluation. To implement ethical corporate management and ethical behavior, the Company arranges courses for directors and online courses for employees every year and organizes educational courses on business secrets, domestic and international data privacy regulations, information security management, and the prevention of insider trading for the purpose of raising the awareness of corporate ethics and compliance. In 2025, there were a total of 17,125 participants, and the number of training hours amounted to 9,143. Suppliers were also invited to the courses to ensure that they understand the regulations of the Company’s ethical corporate management.</p> <p>The Company organizes training and promotion events every year to prevent insider trading, and gave a report on the prevention of insider trading to the Board of Directors on December 18, 2025. We offered and announced online courses for employees in the second half of the year. The content of the courses includes insider trading regulations, structure elements, legal liabilities,</p>	None

Evaluation Item	Implementation Status			Deviations from “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			prohibited conduct, prevention items etc. In 2025, there were a total of 3,337 participants, and the number of training hours amounted to 278. In 2025, there were a total of 255 supplier participations, and the number of training hours received amounted to 148.	
III. Operation of the integrity channel				
(I) Does the company establish both a reward/punishment system and an integrity hotline? Can the accused be reached by an appropriate person for a follow-up?	✓		(I) The Company has set up a “No Topic is Off Limits” suggestion box and a hotline. The staff can report any fraud they discover to prevent damages to the Company’s image caused by dishonest behavior. The Company also enhanced internal and external reporting channels, and set up an audit office hotline (03-5786688 ext. 78119). In addition, the Company established “Measures for the Report on Illegal, Immoral and Dishonest Acts”. Once a case is reported and accepted for processing, a task force is established based on the nature and type of the case the case is sent to the relevant units for investigation. The board of directors will also be informed.	None
(II) Does the Company establish standard operating procedures for investigating reported cases, the follow-up measures after investigations, and relevant confidentiality mechanisms?	✓		(II) All cases reported through the “No Topic is Off Limits” suggestion box, the reporting hotline, and the audit office hotline will be given file numbers, documented, investigated, handled, and stored as required by the law. Once a case is reported and accepted for processing, a task force is established based on the	None

Evaluation Item	Implementation Status			Deviations from “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
(III) Does the company provide proper whistleblower protection?	✓		<p>nature and type of the case, the case is sent to relevant units for investigation. The board of directors will also be informed.</p> <p>The Company takes measures to maintain the confidentiality of previous cases to guarantee the legal rights of members.</p> <p>(III) The management regulations of the “No Topic is Off Limits” suggestion box and the reporting hotline specify that the Company will strictly fulfill its responsibility to maintain the confidentiality of whistleblowers and prohibit retaliation against reports made with good intentions. The Company will impose an appropriate penalty for any violations thereof. The Company takes measures to maintain the confidentiality of cases reported through the audit office hotline to guarantee the legal rights of members.</p>	None
<p>IV. Strengthening information disclosure</p> <p>(I) Does the company disclose its ethical corporate management policies and the results of its implementation on the company’s website and MOPS?</p>	✓		<p>The Company has disclosed the content and relevant effectiveness of the Company’s “Code of Business Conduct and Ethics” on the Company’s website and MOPS. The content of the "Ethical Corporate Management Principles" is disclosed on the Company’s website.</p> <p>Implementation results of the ethical corporate management were reported to the Board of Directors on February 13, 2025.</p>	None

Evaluation Item	Implementation Status			Deviations from “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			The annual meeting of the Committee for the Promotion of Ethical Corporate Management was convened on February 10, 2025. Completed the Ethical Corporate Management Best Practice Principles related training in 2025.	
V. If the company has established the ethical corporate management policies based on the Ethical Corporate Management Best-Practice Principles for TWSE/GTSM Listed Companies, please describe any discrepancy between the policies and their implementation: There was no substantial difference.				
VI. Other important information to facilitate a better understanding of the company’s ethical corporate management policies (e.g., review and amend its policies) The Company believes that a corporate culture of integrity is a key factor for the sustainable and sound development of the Company. Therefore, the Company has actively complied with the Responsible Business Alliance (RBA) code of conduct. The Company holds a supplier conference annually to announce and promote important policies and messages. The Company also conducts regular training courses for its suppliers to ensure their quality. In the future, the Company will continue to pay attention to the development of domestic regulations related to integrity and review relevant Company regulations accordingly in order to enhance the effectiveness of the Company's corporate governance.				

## (IX) Other Important Information for Better Understanding of Implementation of Corporate Governance

### 1. Handling of Company's Internal Material Information

The Company established the Procedures for Disclosing Material Insider Information to provide effective mechanisms to handle and disclose material insider information, prevent information leakage, and ensure the consistency and correctness of information announced by the Company. The procedures cover confidentiality and evaluation of material information, preservation of approval records, and violations handling.

The handling and disclosure of material insider information is in accordance with related laws, orders, and the Company's Procedures for Disclosing Material Insider Information. The Company has three principles for public disclosure: (1) accurate, complete and timely; (2) information disclosure shall have a solid base; and (3) fair disclosure to ensure that the interests of the Company and all stakeholders are protected.

Furthermore, the Company has established the "Code of Business Conduct and Ethics" and "Preventing Insider Trading." Besides periodic promotion, the content is provided on the company website for all directors, managers, and employees to avoid violation.

### 2. Directors' training records

The Directors' training records for the most recent year are set out in the table below. For further information, please refer to the Market Observation Post System (MOPS).

Title	Name	Date	Organizer	Course Name	Hours
Chairman	Miin Wu	2025.03.04	Taiwan Corporate Governance Association	2025 Global Economic Outlook	3
		2025.10.29	Independent Director Association Taiwan	Discussion on the Development and Global Trends of Artificial Intelligence Governance	3
Director Representative of the Corporation	Yoshimasa Hayashi	2025.07.09	Taiwan Stock Exchange	2025 Cathay Sustainable Finance and Climate Change Summit	6
		2025.09.17	Corporate Operating and Sustainable Development Association	Trump 2.0: Corporate Response Strategies for Global Tax Reform and Supply Chain Restructuring	3
		2025.10.29	Independent Director Association Taiwan	Discussion on the Development and Global Trends of Artificial Intelligence Governance	3
Director	C.Y. Lu	2025.03.04	Taiwan Corporate Governance Association	2025 Global Economic Outlook	3
		2025.04.24	Taiwan Corporate Governance Association	Trump 2.0: the Death of Globalization and Upcoming Regional Wars	3
		2025.10.29	Independent Director Association Taiwan	Discussion on the Development and Global Trends of Artificial Intelligence Governance	3
		2025.10.30	Taiwan Corporate Governance Association	The Miracle of Nvidia's Three Trillion Empire: The Semiconductor Industry Revolution Behind Artificial Intelligence. Trends in Applications and Governance of Generative AI.	3
Director	Stacey Lee	2025.03.04	Taiwan Corporate Governance Association	2025 Global Economic Outlook	3
		2025.09.05	Taipei Foundation of Finance	A Perspective on Fintech Through Stablecoins: Blockchain Practices and	3

Title	Name	Date	Organizer	Course Name	Hours
				Future Development	
		2025.10.29	Independent Director Association Taiwan	Discussion on the Development and Global Trends of Artificial Intelligence Governance	3
Director	Yan-Kuin Su	2025.03.04	Taiwan Corporate Governance Association	2025 Global Economic Outlook	3
		2025.10.29	Independent Director Association Taiwan	Discussion on the Development and Global Trends of Artificial Intelligence Governance	3
Director	Sung-Jen Fang	2025.03.04	Taiwan Corporate Governance Association	2025 Global Economic Outlook	3
		2025.05.02	Taiwan Corporate Governance Association	Employee Incentive Programs and Case Highlights	3
		2025.10.29	Independent Director Association Taiwan	Discussion on the Development and Global Trends of Artificial Intelligence Governance	3
Director	Tom Yiu	2025.03.04	Taiwan Corporate Governance Association	2025 Global Economic Outlook	3
		2025.10.29	Independent Director Association Taiwan	Discussion on the Development and Global Trends of Artificial Intelligence Governance	3
Director	F. L. Ni	2025.03.04	Taiwan Corporate Governance Association	2025 Global Economic Outlook	3
		2025.10.29	Independent Director Association Taiwan	Development and Global Trends of Artificial Intelligence Governance	3
Director Representative of the Corporation	Paul Yeh	2025.03.04	Taiwan Corporate Governance Association	2025 Global Economic Outlook	3
		2025.06.26~2025.06.27	Accounting Research And Development Foundation	Continuing Education Course for Chief Accounting Officers of Issuers, Securities Firms, and Securities Exchanges	12
		2025.09.19	Chinese National Association of Industry and Commerce	The Impact of Emerging Global Political and Economic Dynamics on Taiwanese Enterprises	3
		2025.10.29	Independent Director Association Taiwan	Development and Global Trends of Artificial Intelligence Governance	3
		2025.12.19	Taipei Foundation of Finance	2026 Outlook: An Analysis of Key Indicators and Trends in the Global Political and Economic Environment	3
Independent Director	Tyzz-Jiun Duh	2025.02.21	Taiwan Corporate Governance Association	Strategy Planning and Sustainable Development for the Stainless Steel Business	3
		2025.03.04	Taiwan Corporate Governance Association	2025 Global Economic Outlook	3
		2025.05.09	Taiwan Corporate Governance Association	Development Strategy for Digital Manufacturing	3

Title	Name	Date	Organizer	Course Name	Hours
		2025.05.16	Taiwan Corporate Governance Association	Digital Transformation for Value Creation - Driving Change Through Data and Unlocking Opportunities for AI Industrialization	2
		2025.07.29	Securities & Futures Institute	Industry Case Studies on Smart Manufacturing and Digital Decision-Making	3
		2025.10.03	Taiwan Corporate Governance Association	Amid the Tide – Energy Infrastructure Driving Sustainable Transformation	3
Independent Director	Chiang Kao	2025.03.04	Taiwan Corporate Governance Association	2025 Global Economic Outlook	3
		2025.10.29	Independent Director Association Taiwan	Development and Global Trends of Artificial Intelligence Governance	3
Independent Director	Chien-Kuo Yang	2025.03.04	Taiwan Corporate Governance Association	2025 Global Economic Outlook	3
		2025.05.16	Securities & Futures Institute	2025 Insider Trading Prevention Seminar	3
		2025.10.29	Independent Director Association Taiwan	Development and Global Trends of Artificial Intelligence Governance	3
Independent Director	Huey-Jen Su	2025.07.09	Taiwan Stock Exchange	2025 Cathay Sustainable Finance and Climate Change Summit	6
		2025.07.29	Taiwan Corporate Governance Association	Personal Data Security Auditing	3
		2025.07.29	Taiwan Corporate Governance Association	Enhancing Corporate Governance Resilience: Practical Applications of Sustainable Information Disclosure and Internal Control Mechanisms	3
		2025.10.29	Independent Director Association Taiwan	Development and Global Trends of Artificial Intelligence Governance	3
Independent Director	Hsuan-Lien Chu	2025.04.11	Taiwan Institute of Directors	Elevating Corporate Governance: Forging New Frontiers in Talent Competitiveness	3
		2025.07.09	Taiwan Stock Exchange	2025 Cathay Sustainable Finance and Climate Change Summit	6
		2025.10.29	Independent Director Association Taiwan	Development and Global Trends of Artificial Intelligence Governance	3
		2025.11.13	Independent Director Association Taiwan	Mastering IFRS 18: The New Era of Financial Statement Presentation and Disclosure.	3
		2025.11.21	Securities & Futures Institute	2025 Insider Equity Trading Compliance Seminar	3

3. Education of corporate governance supervisor within the most recent year is shown in the table below:

Date	Organizer	Course Name	Hours
2025.03.04	Taiwan Corporate Governance Association	2025 Global Economic Outlook	3
2025.09.19	Chinese National Association of Industry and Commerce	The Impact of Emerging Global Political and Economic Dynamics on Taiwanese Enterprises	3
2025.10.29	Independent Director Association Taiwan	Development and Global Trends of Artificial Intelligence Governance	3

Date	Organizer	Course Name	Hours
2025.12.19	Taipei Foundation of Finance	2026 Outlook: An Analysis of Key Indicators and Trends in the Global Political and Economic Environment	3
Total Hours of Education within the most recent year of Appointment			12

#### 4. Manager Training Records

Miin Wu, C. Y. Lu, Tom Yiu, F. L. Ni, and Paul Yeh are also managers of the Company. Please refer to the table above for the training records. Corporate governance training records for other managers and the audit supervisors of the Company in the most recent year are as follows:

Title	Name	Date	Organizer	Course Name	Hours
Vice President	Yen-Hai Chao	2025.03.04	Taiwan Corporate Governance Association	2025 Global Economic Outlook	3
		2025.04.24	Taiwan Corporate Governance Association	Trump 2.0: the Death of Globalization and Upcoming Regional Wars	3
		2025.10.29	Independent Director Association Taiwan	Discussion on the Development and Global Trends of Artificial Intelligence Governance	3
		2025.10.30	Taiwan Corporate Governance Association	The Miracle of Nvidia's Three Trillion Empire: The Semiconductor Industry Revolution Behind Artificial Intelligence. Trends in Applications and Governance of Generative AI.	3
Deputy Director of the Auditing Office	Hong-Chi Wang	2025.03.04	Taiwan Corporate Governance Association	2025 Global Economic Outlook	3
		2025.10.08	The Institute of Internal Auditors-Chinese Taiwan	Generative AI and AI Data Protection: Essential Knowledge for Internal Auditors	6
		2025.10.15	The Institute of Internal Auditors-Chinese Taiwan	The Era of Smart Auditing: AI System Auditing and AI-assisted Auditing	6
		2025.10.29	Independent Director Association Taiwan	Discussion on the Development and Global Trends of Artificial Intelligence Governance	3

(VI). Topics of Concern and communication channels of various stakeholder categories :

Stakeholders	Topics of Concern	Communication channels
<b>Investors</b>	<ul style="list-style-type: none"> <li>• Shareholder equity</li> <li>• Corporate Governance</li> <li>• Overview of Investments</li> <li>• Innovative R&amp;D</li> <li>• Industry development</li> <li>• Intellectual Property Rights</li> <li>• Dividends distribution</li> <li>• Corporate operations</li> <li>• Product price</li> <li>• Product use</li> </ul>	<ul style="list-style-type: none"> <li>• Corporate Sustainability Website and Sustainability Report (annually)</li> <li>• Corporate website, financial statements (annually)</li> <li>• Shareholders' meeting (annually)</li> <li>• Self-organized investor seminars (quarterly)</li> <li>• Participate in forums/visits by investors/visits to investors (irregularly)</li> <li>• Investor service mailbox/phone calls (irregularly)</li> </ul>
<b>Customers</b>	<ul style="list-style-type: none"> <li>• Product lead time/price/technology/quality</li> <li>• Green Products</li> <li>• Future direction of products</li> <li>• Corporate Social Responsibility</li> <li>• Customer application services</li> <li>• Business Continuity Management</li> <li>• Net zero greenhouse gas emissions</li> </ul>	<ul style="list-style-type: none"> <li>• Customer satisfaction survey (annual)</li> <li>• Suppliers' conference (at the request of customers)</li> <li>• Customer communication platform (available 24-7)</li> <li>• Visits in person (irregularly)</li> <li>• Supplier audits (at the request of customers)</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>• Employee Communication</li> <li>• Labor Relations</li> <li>• Compensation &amp; Benefits</li> <li>• Human rights policy</li> <li>• Training System</li> <li>• Performance evaluation results</li> <li>• Occupational safety and health</li> <li>• Key points of the amendment to the Labor Standards Act</li> <li>• Calculation/qualifications of retirement pension</li> </ul>	<ul style="list-style-type: none"> <li>• Various open-discussion meetings (held periodically and ad hoc)</li> <li>• "No Topic is Off Limits" suggestion box (available 24-7)</li> <li>• Reporting hotline (available 24-7)</li> <li>• Printed copies and electronic bulletin boards (to irregularly communicate information)</li> <li>• Employee Relationship Management Portal (available 24-7)</li> <li>• Learning map platform (available 24-7)</li> <li>• Performance evaluation procedure (annual)</li> <li>• Health consultation/promotion (held periodically and ad hoc)</li> <li>• Employees seek advice in person or by phone (irregularly)</li> </ul>
<b>Suppliers</b>	<ul style="list-style-type: none"> <li>• Occupational safety and health</li> <li>• Supplier evaluation</li> <li>• Green product requirements</li> <li>• Corporate Social responsibility</li> <li>• Compliance with Business Ethics</li> <li>• Quality improvement procedure</li> <li>• Supply and demand of important materials</li> <li>• Supply chain information security</li> </ul>	<ul style="list-style-type: none"> <li>• Suppliers' conference (annual)</li> <li>• Supplier audits (performed annually based on risk levels)</li> <li>• Supplier evaluation (quarterly and annually)</li> <li>• Quality improvement meeting (irregularly)</li> <li>• Material supply/demand tracking (periodically and ad hoc)</li> <li>• Contractor training courses(as necessary)</li> <li>• Contractor coordination organization meetings (as necessary)</li> </ul>
<b>Government</b>	<ul style="list-style-type: none"> <li>• Compliance with regulations</li> <li>• Corporate Governance</li> <li>• Labor Relations</li> <li>• Occupational safety and health</li> <li>• Greenhouse gas Net-zero emissions</li> <li>• Water resource management</li> <li>• Waste Management</li> <li>• The Sustainable Disclosure Standards Introduction Plan of IFRS</li> <li>• Charity event participation</li> <li>• Employee benefits and average salary</li> <li>• Key points of the amendment to the Labor Standards Act</li> <li>• Impact of the U.S.-China Trade War</li> <li>• Employee overload management</li> <li>• Odor</li> <li>• Noise</li> <li>• Corporate sponsorship/funding</li> </ul>	<ul style="list-style-type: none"> <li>• Official document delivery (as necessary)</li> <li>• Participation in presentations/ promotions/seminars/forums (irregularly)</li> <li>• Competent authority audits (as necessary)</li> <li>• Phone call or e-mail (as necessary)</li> <li>• Communication through the Allied Association for Science Park Industries and Chinese National Federation of Industries (as necessary)</li> <li>• Visited competent authorities (as necessary)</li> <li>• PUBCSR communication mailbox</li> <li>• Charity organizations</li> </ul>
<b>Social public</b>	<ul style="list-style-type: none"> <li>• Operational performance</li> <li>• Innovative research and development</li> <li>• Industrial development</li> <li>• General information about the Company</li> <li>• Compensation &amp; Benefits</li> <li>• Executive management dynamics</li> </ul>	<ul style="list-style-type: none"> <li>• Public Information</li> <li>• Investor seminars (quarterly)</li> </ul>
<b>School</b>	<ul style="list-style-type: none"> <li>• Macronix Golden Silicon Awards</li> <li>• Macronix Science Awards</li> <li>• Macronix science competition organization process and achievements</li> <li>• Recruitment and appointment</li> </ul>	<ul style="list-style-type: none"> <li>• Registration website</li> <li>• Campus promotion</li> <li>• Facebook Fan Page</li> <li>• Macronix Science Awards Association</li> </ul>

(X) Implementation of Internal Control System:

1. Please refer to “Market Observation Post System > Individual Company > Corporate Governance > Company Regulations/Internal Control > Internal Control Statement Announcements,” website: <https://mops.twse.com.tw/mops/#/web/t06sg20>.
2. If the company engages an accountant to examine its internal control system, disclose the CPA examination report: None.

(XI) Major Resolutions of Shareholders’ Meeting and Board Meetings during the Most Recent Fiscal Year and Up to the Printing Date of this Annual Report:

1. 2025 Major Resolutions of Shareholders’ Meeting

Major Resolutions	Review of Implementation
1. Ratification of the 2024 Business Report and Financial Statements	Resolution announced in accordance with Article 230 of the Company Act.
2. Ratification of the Company’s 2024 Profit and deficit appropriation	Executed in accordance with the decision of the Shareholders’ Meeting.
3. Approval of amending Company’s Articles of Incorporation ("AOI").	Implemented pursuant to the revised provisions approved at the Shareholders' Meeting and duly registered in accordance with the law.
4. Approval of fund raising by issuance of new shares, overseas depositary receipts through cash capital increase, and/or the private placement of common shares and/or domestic or overseas convertible bonds	The capital increase proposal was approved but was not carried out in 2025. The capital increase proposal was approved by the Board of Directors again on March 5, 2026 and submitted to the 2026 Annual Shareholders’ Meeting.
5. Election of the Directors of the 13th Terms of the Board of Directors	Elected 14 directors (including 5 independent directors), the elected list is as follows. The elected directors were approved and registered by the Hsinchu Science Park Bureau on June 10, 2025. Director: Miin Wu, Shun Yin Investment Ltd. Representative: Masashi Kuramoto, C. Y. Lu, Stacey Lee, Yan-Kuin Su, Sung-Jen Fang, Tom Yiu, F. L. Ni, Hui Ying Investment Ltd. Independent Director: Tyzz-Jiun Duh, Chiang Kao, Chien-Kuo Yang, Huey-Jen Su, Hsuan-Lien Chu.
6. Approval of releasing competition restrictions of the directors	Resolution and announcement according to law.

2. Major Resolutions Adopted by the Board of Directors in the Most Recent Year up to the Publication Date

Board of Directors	Date	Major Resolutions
The 17th meeting of the 12th-Term of the Board of Directors	2025.03.04	1. Approval of the Company’s 2024 Financial Statements. 2. Approval of the Company’s 2024 Profit and deficit appropriation. 3. Approval of fund raising by issuance of new shares, overseas depositary receipts through cash capital increase, and/or the

Board of Directors	Date	Major Resolutions
		private placement of common shares and/or domestic or overseas convertible bonds 4. Board of Directors resolved to convene the 2025 Annual Shareholders Meeting.
The 18th meeting of the 12th-Term of the Board of Directors	2025.04.29	Approval of the Company's First Quarter 2025 Financial Statements.
The 1st Provisional Meeting of the 13th Term of the Board of Directors	2025.05.23	1. Elected the Chairman & CEO and appointed the President. 2. Approval of appointing the member of the Compensation Committee. 3. Approval of appointing the member of the Nomination Committee.
The 1st meeting of the 13th-Term of the Board of Directors	2025.07.30	Approval of the Company's Second Quarter 2025 Financial Statements.
The 2nd meeting of the 13th-Term of the Board of Directors	2025.10.29	Approval of the Company's Third Quarter 2025 Financial Statements.
The 3rd meeting of the 13th-Term of the Board of Directors	2025.12.18	1. Approval of the capital expenditure budget. 2. Appointed its Sustainability Development Committee and members. 3. Board of Directors approved the donation to Macronix Education Foundation
The 5th meeting of the 13th-Term of the Board of Directors	2026.03.05	1. Approval of the Company's 2025 Financial Statements. 2. Approval of the Company's 2025 profit deficit appropriation 3. Approval of fund raising by issuance of new shares, overseas depositary receipts through cash capital increase, and/or the private placement of common shares and/or domestic or overseas convertible bonds 4. Board of Directors resolved to convene the 2026 Annual Shareholders Meeting.

(XII) Major Issues of Record or Written Statements Made by Any Director or Supervisor Dissenting to Important Resolutions Passed by the Board of Directors: None.

#### IV. Information on the Professional Fees of the Attesting CPAs

Unit: NT\$ thousands

Accounting Firm	Name of CPAs	Period Covered by CPA's Audit	Audit Fee	Non-Audit Fee	Total	Remarks
Deloitte & Touche	Tung-Hui Yeh	2025.01.01 ~2025.12.31	5,435	2,025	7,460	Non-audit fees mainly included tax certification fee NT\$960,000, transfer pricing report service fee NT\$380,000, bonded inventory NT\$230,000, a corporate bond re-audit fees of NT\$150,000 and other services NT\$305,000.
	Kuo-Tyan Hong					

- (I) Where The Accounting Firm Changed the Audit Partners and the Audit Fee Paid for the Year is Less than that of the Previous Year, the Sum, Proportion, and Cause of the Reduction Shall be Disclosed: Not applicable.
- (II) Where the Audit Fee Paid for the Year is Reduced by more than 10% Compared to that of the Previous Year, the Sum, Proportion, and Cause of the Reduction Shall be Disclosed: Not applicable.

## V. CPA Replacement Information:

### (I) Regarding the former CPA

Replacement Date	December 18, 2025			
Replacement reasons and explanations	The Company's accountants were originally Tung-Hui Yeh and Kuo-Tyan Hong from Deloitte & Touche. Starting in 2026Q1, Suner Lin and Vincent Cheng are appointed to audit the Company's financial statements in coordination with adjustments to internal operations by Deloitte & Touche.			
Describe whether the Company terminated or the CPA did not accept the appointment	Parties	CPA	The Company	
	Status			
	Termination of appointment	-	-	
	No longer accepted (continued) appointment	-	-	
Other issues (except for unqualified issues) in the audit reports within the last two years	None			
Differences with the company	Yes	-	Accounting principles or practices	
		-	Disclosure of Financial Statements	
		-	Audit scope or steps	
		-	Others	
	None	✓		
	Remarks/specify details:-			
Other Revealed Matters	None			

**(II).Regarding the successor CPA**

Name of accounting firm	Deloitte & Touche
Name of CPA	Suner Lin and Vincent Cheng
Date of appointment	December 18, 2025
Consultation results and opinions on accounting treatments or principles with respect to specified transactions and the company's financial reports that the CPA might issue prior to the engagement.	None
Succeeding CPA's written opinion of disagreement toward the former CPA	None

**(III). Former accountants' written reply to matters specified in Article 10, Paragraph 6, Subparagraph 1 and Subparagraph 2-3 of the Regulations: Not applicable.**

**VI. If Chairman, President, or Chief Financial Officer Holding Positions at the Independent Audit Firm or its Affiliated Company within the Most Recent Fiscal Year: None.**

**VII. Equity Transfer and Pledge by Directors, Supervisors, Managers and/or Shareholders, Who Hold More Than 10% of Outstanding Shares, in the Most Recent Fiscal Year and Up to the Printing Date of this Annual Report**

- (1) Equity transfer: Please refer to "Market Observation Post System > Individual Company > Equity Transfer Information/Issuer Of Securities > Post-Shareholding Change Declaration Form for Insiders," website: [https://mops.twse.com.tw/mops/#/web/query6\\_1](https://mops.twse.com.tw/mops/#/web/query6_1).
- (2) Equity transfer and pledge changes: Please refer to "Market Observation Post System > Individual Company > Equity Transfer Information/Issuer Of Securities > Pledge Change Information > Announcement of Pledge Changes for Insiders," website: [https://mopsov.twse.com.tw/mops/web/STAMAK03\\_1](https://mopsov.twse.com.tw/mops/web/STAMAK03_1).
- (3) The counterparts of equity transfer or equity pledges in the Most Recent Fiscal Year and Up to the Printing Date of this Annual Report are not related parties.

## VIII. Relationship Among the Top Ten Shareholders

March 25, 2025  
Unit: shares / %

Name	Current Shareholding		Spouse's/minor's Shareholding		Shareholding by Nominee Arrangement		Name and Relationship Between the Company's Top Ten Shareholders, or Spouses or Relatives Within Two Degrees		Remarks
	Shares	%	Shares	%	Shares	%	Name	Relationship	
Yuanta Commercial Bank is entrusted with trust property account Trustor: Syue-Rong Shen	34,170,000	1.84%	None	None	None	None	Curie Industrial Co., LTD.	Person in charge of the company and the settlor of the trust property account are the same person.	
Vanguard Total International Stock Index Fund, A Series of Vanguard Star Funds	25,097,546	1.35%	None	None	None	None	None	None	
New Labor Pension Fund	24,583,471	1.32%	None	None	None	None	None	None	
Vanguard Emerging Markets Stock Index Fund, A Series of Vanguard International Equity Index	22,639,737	1.22%	None	None	None	None	None	None	
Shun Yin Investment Ltd.	22,587,265	1.22%	None	None	None	None	None	None	
Representative Masashi Kuramoto (Note 1)	None	None	None	None	None	None	None	None	
Robeco Capital Growth Funds	22,170,000	1.19%	None	None	None	None	None	None	
Cathay Life Insurance Representative: Ming-Ho Hsiung	21,526,000	1.16%	None	None	None	None	None	None	
Curie Industrial Co., LTD. Representative: Syue-Rong Shen	17,265,000	0.93%	None	None	None	None	Yuanta Commercial Bank is entrusted with trust property account Trustor: Syue-Rong Shen	Person in charge of the company and the settlor of the trust property account are the same person.	

Name	Current Shareholding		Spouse's/minor's Shareholding		Shareholding by Nominee Arrangement		Name and Relationship Between the Company's Top Ten Shareholders, or Spouses or Relatives Within Two Degrees		Remarks
	Shares	%	Shares	%	Shares	%	Name	Relationship	
Miin Wu	13,440,809	0.72%	None	None	None	None	None	None	
Vanguard Fiduciary Trust Company Institutional Total International Stock Market Index Trust II	13,093,000	0.71%	None	None	None	None	None	None	

Note 1: Mr. Yoshimasa Hayashi was reassigned as representative on June 21, 2025 by Shun Yin Investment Ltd.

Note 2: The shareholding record date is the book closure date of the Company's 2025 shareholders' meeting

Note 3: There was no information on the person responsible for the investment account.

**IX. The Total and Combined Shareholding in a Single Enterprise by the Company, its Directors, Supervisors, Managers, and the Directly or Indirectly Controlled Entities**

December 31, 2025  
Unit: shares / %

Affiliated Enterprises (Note)	Ownership by the Company		Direct or Indirect Ownership by Directors/Supervisors/ Managers		Total Ownership	
	Shares	%	Shares	%	Shares	%
Macronix America, Inc.	100,000	100.00%	0	0%	100,000	100.00%
Macronix (BVI) Co., Ltd.	182,589,357	100.00%	0	0%	182,589,357	100.00%
Macronix (Hong Kong) Co., Limited.	89,700,000	100.00%	0	0%	89,700,000	100.00%
Macronix Pte Ltd.	174,000	100.00%	0	0%	174,000	100.00%
Hui Ying Investment Ltd.	None	100.00%	None	0%	None	100.00%
Run Hong Investment Ltd.	None	100.00%	None	0%	None	100.00%
Mxtran Inc.	69,627,323	90.43%	3,824,600	4.97%	73,451,923	95.39%

Note: Invested by the Company using the equity method.

## Chapter III. Capital Overview

### I. Capital and Shares

#### (I) Source of capital

Year/ month	Issue price	Authorized capital		Paid-up capital		Comments		
		Shares (1,000 shares)	Amount (NT\$1,000)	Shares (shares)	Amount (NTD)	Source of capital	Subscriptions paid with property other than cash	Other
1989.12	-	150,000	1,500,000	81,583,000	815,830,000	Established with a capital of NT\$815,830,000	5,200,000 technology shares	-
1990.12	10	300,000	3,000,000	209,717,000	2,097,170,000	Cash capital increase in the amount of NT\$1,281,340,000	-	Note 1
1992.06	10	300,000	3,000,000	239,717,000	2,397,170,000	Cash capital increase in the amount of NT\$300,000,000	-	Note 2
1993.05	10	300,000	3,000,000	300,000,000	3,000,000,000	Cash capital increase in the amount of NT\$602,830,000	-	Note 3
1995.02	28.5	500,000	5,000,000	350,000,000	3,500,000,000	Cash capital increase in the amount of NT\$500,000,000	-	Note 4
1995.08	-	500,000	5,000,000	433,218,172	4,332,181,720	Capital increase out of earnings in the amount of NT\$832,181,720	-	-
1995.12	40	500,000	5,000,000	500,000,000	5,000,000,000	Cash capital increase in the amount of NT\$667,818,280	-	Note 5
1996.05	48	850,000	8,500,000	600,000,000	6,000,000,000	Issuance of GDRs in the amount of NT\$1,000,000,000 for cash capital increase	-	Note 6
1996.08	-	1,160,000	11,600,000	941,676,940	9,416,769,400	Earnings and capital surplus in the amount of NT\$3,416,769,400 transferred to capital	-	-
1997.04	-	1,160,000	11,600,000	945,824,135	9,458,241,350	Corporate bonds conversion in the amount of NT\$41,471,950	-	-
1997.07	-	2,500,000	25,000,000	1,274,939,621	12,749,396,210	Earnings and capital surplus in the amount of NT\$3,291,154,860 transferred to capital	-	-
1997.08	-	2,500,000	25,000,000	1,415,586,910	14,155,869,100	Corporate bonds conversion in the amount of NT\$1,406,472,890	-	-
1997.12	-	2,500,000	25,000,000	1,441,815,433	14,418,154,330	Corporate bonds conversion in the amount of NT\$262,285,230	-	-
1998.03	-	2,500,000	25,000,000	1,442,334,998	14,423,349,980	Corporate bonds conversion in the amount of NT\$5,195,650	-	-
1998.08	-	2,500,000	25,000,000	1,785,823,693	17,858,236,930	Earnings and capital surplus in the amount of NT\$3,434,886,950 transferred to capital	-	-
1999.09	-	2,500,000	25,000,000	1,964,406,063	19,644,060,630	Capital surplus in the amount of NT\$1,785,823,700 transferred to capital	-	-
2000.03	30	2,500,000	25,000,000	2,099,996,063	20,999,960,630	Cash capital increase in the amount of NT\$1,355,900,000	-	Note 7
2000.03	-	2,500,000	25,000,000	2,126,074,584	21,260,745,840	Convertible bonds conversion in the amount of NT\$260,785,210	-	-
2000.03	-	2,500,000	25,000,000	2,127,526,851	21,275,268,510	Convertible bonds conversion in the amount of NT\$14,522,670	-	-
2000.07	-	3,500,000	35,000,000	2,404,105,343	24,041,053,430	Earnings and capital surplus in the amount of NT\$2,765,784,920 transferred to capital	-	-
2000.07	-	3,500,000	35,000,000	2,472,586,493	24,725,864,930	Corporate bonds conversion in the amount of NT\$684,811,500	-	-
2000.12	-	3,500,000	35,000,000	2,474,409,144	24,744,091,440	Corporate bonds conversion in the amount of NT\$18,226,510	-	-
2001.06	-	4,500,000	45,000,000	3,359,342,613	33,593,426,130	Earnings and capital surplus in the amount of NT\$8,849,334,690 transferred to capital	-	-

Year/ month	Issue price	Authorized capital		Paid-up capital		Comments		
		Shares (1,000 shares)	Amount (NT\$1,000)	Shares (shares)	Amount (NTD)	Source of capital	Subscriptions paid with property other than cash	Other
2002.08	-	5,350,000	53,500,000	3,691,276,875	36,912,768,750	Capital surplus in the amount of NT\$3,319,342,620 transferred to capital	-	-
2003.04	-	5,350,000	53,500,000	3,733,149,529	37,331,495,290	Corporate bonds conversion in the amount of NT\$418,726,540	-	-
2003.07	-	5,350,000	53,500,000	3,779,349,500	37,793,495,000	Corporate bonds conversion in the amount of NT\$461,999,710	-	-
2003.11	-	5,350,000	53,500,000	3,927,758,305	39,277,583,050	Corporate bonds conversion in the amount of NT\$1,484,088,050	-	-
<b>2003.12</b>	<b>8.11</b>	<b>6,550,000</b>	<b>65,500,000</b>	<b>4,402,758,305</b>	<b>44,027,583,050</b>	<b>Cash capital increase in the amount of NT\$4,750,000,000</b>	-	<b>Note 8</b>
2004.03	-	6,550,000	65,500,000	4,430,251,943	44,302,519,430	Corporate bonds conversion in the amount of NT\$274,936,380	-	-
2004.04	10.9	6,550,000	65,500,000	4,955,251,943	49,552,519,430	Issuance of GDRs in the amount of NT\$5,250,000,000 for cash capital increase	-	Note 9
2004.05	-	6,550,000	65,500,000	5,003,704,439	50,037,044,390	Corporate bonds conversion in the amount of NT\$484,524,960	-	-
2004.09	-	6,550,000	65,500,000	5,034,928,514	50,349,285,140	Corporate bonds conversion in the amount of NT\$312,240,750	-	-
2004.11	-	6,550,000	65,500,000	5,035,296,328	50,352,963,280	Corporate bonds conversion in the amount of NT\$3,678,140	-	-
2005.09	-	6,550,000	65,500,000	4,995,296,328	49,952,963,280	Decrease in treasury stock in the amount of NT\$400,000,000	-	-
2006.03	-	6,550,000	65,500,000	2,915,821,786	29,158,217,860	Capital reduction in the amount of NT\$20,794,745,420	-	Note 10
<b>2006.03</b>	<b>8.07</b>	<b>6,550,000</b>	<b>65,500,000</b>	<b>2,915,921,786</b>	<b>29,159,217,860</b>	<b>Private placement in the amount of NT\$1,000,000</b>	-	-
2007.02	-	6,550,000	65,500,000	2,916,157,808	29,161,578,080	Exercise of employee stock options in the amount of NT\$2,360,220	-	-
2007.04	-	6,550,000	65,500,000	2,916,415,946	29,164,159,460	Exercise of employee stock options in the amount of NT\$2,581,380	-	-
2007.09	-	6,550,000	65,500,000	2,917,058,354	29,170,583,540	Exercise of employee stock options in the amount of NT\$6,424,080	-	-
2007.10	-	6,550,000	65,500,000	2,978,817,751	29,788,177,510	Capital increase out of earnings in the amount of NT\$617,593,970	-	-
2007.11	-	6,550,000	65,500,000	3,050,653,298	30,506,532,980	Exercise of employee stock options in the amount of NT\$718,355,470	-	-
2008.02	-	6,550,000	65,500,000	3,060,226,622	30,602,266,220	Exercise of employee stock options in the amount of NT\$95,733,240	-	-
2008.05	-	6,550,000	65,500,000	3,062,751,980	30,627,519,800	Exercise of employee stock options in the amount of NT\$25,253,580	-	-
2008.08	-	6,550,000	65,500,000	3,063,677,465	30,636,774,650	Exercise of employee stock options in the amount of NT\$9,254,850	-	-
2008.09	-	6,550,000	65,500,000	3,124,019,472	31,240,194,720	Capital increase out of earnings in the amount of NT\$603,420,070	-	-
2008.11	-	6,550,000	65,500,000	3,126,296,368	31,262,963,680	Exercise of employee stock options in the amount of NT\$22,768,960	-	-
2009.02	-	6,550,000	65,500,000	3,126,775,749	31,267,757,490	Exercise of employee stock options in the amount of NT\$4,793,810	-	-
2009.02	-	6,550,000	65,500,000	3,123,962,749	31,239,627,490	Decrease in treasury stock in the amount of NT\$28,130,000	-	-

Year/ month	Issue price	Authorized capital		Paid-up capital		Comments		
		Shares (1,000 shares)	Amount (NT\$1,000)	Shares (shares)	Amount (NTD)	Source of capital	Subscriptions paid with property other than cash	Other
2009.05	-	6,550,000	65,500,000	3,135,134,847	31,351,348,470	Exercise of employee stock options in the amount of NT\$111,720,980	-	-
2009.08	-	6,550,000	65,500,000	3,147,538,945	31,475,389,450	Exercise of employee stock options in the amount of NT\$124,040,980	-	-
2009.09	-	6,550,000	65,500,000	3,272,552,230	32,725,522,300	Capital increase out of earnings in the amount of NT\$1,250,132,850	-	-
2009.11	-	6,550,000	65,500,000	3,289,772,530	32,897,725,300	Exercise of employee stock options in the amount of NT\$172,203,000	-	-
2010.02	-	6,550,000	65,500,000	3,303,027,880	33,030,278,800	Exercise of employee stock options in the amount of NT\$132,553,500	-	-
2010.05	-	6,550,000	65,500,000	3,330,319,836	33,303,198,360	Exercise of employee stock options in the amount of NT\$272,919,560	-	-
2010.08	-	6,550,000	65,500,000	3,350,388,992	33,503,889,920	Exercise of employee stock options in the amount of NT\$200,691,560	-	-
2010.11	-	6,550,000	65,500,000	3,355,417,899	33,554,178,990	Exercise of employee stock options in the amount of NT\$50,289,070	-	-
2011.02	-	6,550,000	65,500,000	3,362,301,642	33,623,016,420	Exercise of employee stock options in the amount of NT\$68,837,430	-	-
2011.05	-	6,550,000	65,500,000	3,378,174,280	33,781,742,800	Exercise of employee stock options in the amount of NT\$158,726,380	-	-
2011.08	-	6,550,000	65,500,000	3,381,545,259	33,815,452,590	Exercise of employee stock options in the amount of NT\$33,709,790	-	-
2011.11	-	6,550,000	65,500,000	3,382,456,382	33,824,563,820	Exercise of employee stock options in the amount of NT\$9,111,230	-	-
2012.02	-	6,550,000	65,500,000	3,384,748,566	33,847,485,660	Exercise of employee stock options in the amount of NT\$22,921,840	-	-
2012.05	-	6,550,000	65,500,000	3,392,196,696	33,921,966,960	Exercise of employee stock options in the amount of NT\$74,481,300	-	-
2012.08	-	6,550,000	65,500,000	3,392,302,064	33,923,020,640	Exercise of employee stock options in the amount of NT\$1,053,680	-	-
2012.08	-	6,550,000	65,500,000	3,521,142,831	35,211,428,310	Capital increase out of earnings in the amount of NT\$1,288,407,670	-	-
2012.11	-	6,550,000	65,500,000	3,521,369,314	35,213,693,140	Exercise of employee stock options in the amount of NT\$2,264,830	-	-
2013.02	-	6,550,000	65,500,000	3,521,462,303	35,214,623,030	Exercise of employee stock options in the amount of NT\$929,890	-	-
2014.02	-	6,550,000	65,500,000	3,521,473,020	35,214,730,200	Exercise of employee stock options in the amount of NT\$107,170	-	-
2015.01	-	6,550,000	65,500,000	3,558,773,970	35,587,739,700	New restricted employee shares in the amount of NT\$373,009,500	-	-
2015.08	-	6,550,000	65,500,000	3,620,052,730	36,200,527,300	New restricted employee shares in the amount of NT\$612,787,600	-	-
2015.08	-	6,550,000	65,500,000	3,618,598,730	36,185,987,300	Reduction of new restricted employee shares in the amount of NT\$14,540,000	-	-

Year/ month	Issue price	Authorized capital		Paid-up capital		Comments		
		Shares (1,000 shares)	Amount (NT\$1,000)	Shares (shares)	Amount (NTD)	Source of capital	Subscriptions paid with property other than cash	Other
2015.11	-	6,550,000	65,500,000	3,617,848,930	36,178,489,300	Reduction of new restricted employee shares in the amount of NT\$7,498,000	-	-
2016.02	-	6,550,000	65,500,000	3,617,159,130	36,171,591,300	Reduction of new restricted employee shares in the amount of NT\$6,898,000	-	-
2016.05	-	6,550,000	65,500,000	3,616,471,930	36,164,719,300	Reduction of new restricted employee shares in the amount of NT\$6,872,000	-	-
2016.08	-	6,550,000	65,500,000	3,615,716,830	36,157,168,300	Reduction of new restricted employee shares in the amount of NT\$7,551,000	-	-
2016.11	-	6,550,000	65,500,000	3,615,353,570	36,153,535,700	Reduction of new restricted employee shares in the amount of NT\$3,632,600	-	-
2017.01	-	6,550,000	65,500,000	3,672,829,150	36,728,291,500	New restricted employee shares in the amount of NT\$574,755,800	-	-
2017.02	-	6,550,000	65,500,000	3,672,063,730	36,720,637,300	Reduction of capital for new restricted employee shares in the amount of NT\$7,654,200	-	-
2017.05	-	6,550,000	65,500,000	3,671,002,330	36,710,023,300	Reduction of capital for new restricted employee shares in the amount of NT\$10,614,000	-	-
2017.07	-	6,550,000	65,500,000	1,805,895,303	18,058,953,030	Capital reduction in the amount of NT\$18,651,070,270	-	Note 11
2017.09	-	6,550,000	65,500,000	1,805,028,142	18,050,281,420	Reduction of capital for new restricted employee shares in the amount of NT\$8,671,610	-	-
2017.11	-	6,550,000	65,500,000	1,804,938,491	18,049,384,910	Reduction of capital for new restricted employee shares in the amount of NT\$896,510	-	-
2018.02	-	6,550,000	65,500,000	1,804,775,803	18,047,758,030	Reduction of capital for new restricted employee shares in the amount of NT\$1,626,880	-	-
2018.05	-	6,550,000	65,500,000	1,804,478,493	18,044,784,930	Reduction of capital for new restricted employee shares in the amount of NT\$2,973,100	-	-
2018.09	-	6,550,000	65,500,000	1,840,574,009	18,405,740,090	Capital increase out of earnings in the amount of NT\$360,955,160	-	-
2018.11	-	6,550,000	65,500,000	1,840,291,935	18,402,919,350	Reduction of capital for new restricted employee shares in the amount of NT\$2,820,740	-	-
2019.02	-	6,550,000	65,500,000	1,840,166,993	18,401,669,930	Reduction of capital for new restricted employee shares in the amount of NT\$1,249,420	-	-
2019.05	-	6,550,000	65,500,000	1,840,144,856	18,401,448,560	Reduction of capital for new restricted employee shares in the amount of NT\$221,370	-	-
2019.08	-	6,550,000	65,500,000	1,840,013,422	18,400,134,220	Reduction of capital for new restricted employee shares in the amount of NT\$1,314,340	-	-
2019.11	-	6,550,000	65,500,000	1,839,927,014	18,399,270,140	Reduction of capital for new restricted employee shares in the amount of NT\$864,080	-	-
2020.03	-	6,550,000	65,500,000	1,839,908,862	18,399,088,620	Reduction of capital for new restricted employee shares in the amount of NT\$181,520	-	-
2020.07	-	6,550,000	65,500,000	1,856,309,082	18,563,090,820	New restricted employee shares in the amount of NT\$164,002,200	-	-
2020.08	-	6,550,000	65,500,000	1,856,301,702	18,563,017,020	Reduction of capital for new restricted employee shares in the amount of NT\$73,800	-	-

Year/ month	Issue price	Authorized capital		Paid-up capital		Comments		
		Shares (1,000 shares)	Amount (NT\$1,000)	Shares (shares)	Amount (NTD)	Source of capital	Subscriptions paid with property other than cash	Other
2021.02	-	6,550,000	65,500,000	1,856,186,402	18,561,864,020	Reduction of capital for new restricted employee shares in the amount of NT\$1,153,000	-	-
2021.05	-	6,550,000	65,500,000	1,856,127,002	18,561,270,020	Reduction of capital for new restricted employee shares in the amount of NT\$594,000	-	-
2021.08	-	6,550,000	65,500,000	1,856,046,002	18,560,460,020	Reduction of capital for new restricted employee shares in the amount of NT\$810,000	-	-
2021.11	-	6,550,000	65,500,000	1,856,017,802	18,560,178,020	Reduction of capital for new restricted employee shares in the amount of NT\$282,000	-	-
2022.02	-	6,550,000	65,500,000	1,855,976,783	18,559,767,830	Reduction of capital for new restricted employee shares in the amount of NT\$410,190	-	-
2022.05	-	6,550,000	65,500,000	1,855,925,783	18,559,257,830	Reduction of capital for new restricted employee shares in the amount of NT\$510,000	-	-
2022.08	-	6,550,000	65,500,000	1,855,884,320	18,558,843,200	Reduction of capital for new restricted employee shares in the amount of NT\$414,630	-	-
2022.11	-	6,550,000	65,500,000	1,855,854,341	18,558,543,410	Reduction of capital for new restricted employee shares in the amount of NT\$299,790	-	-
2023.03	-	6,550,000	65,500,000	1,855,827,941	18,558,279,410	Reduction of capital for new restricted employee shares in the amount of NT\$264,000	-	-
2023.05	-	6,550,000	65,500,000	1,855,826,441	18,558,264,410	Reduction of capital for new restricted employee shares in the amount of NT\$15,000	-	-
2025.11	-	6,550,000	65,500,000	1,857,348,176	18,573,481,760	Corporate bonds conversion in the amount of NT\$15,217,350		
2026.02	-	6,550,000	65,500,000	1,931,082,818	19,310,828,180	Corporate bonds conversion in the amount of NT\$737,346,420		

Note 1: Letter Tai-Cai-Zheng (1)-Zi No. 03305 dated December 7, 1990  
Note 2: Letter Tai-Cai-Zheng (1)-Zi No. 03489 dated December 24, 1991  
Note 3: Letter Tai-Cai-Zheng (1)-Zi No. 00335 dated February 15, 1993  
Note 4: Letter Tai-Cai-Zheng (1)-Zi No. 43729 dated November 5, 1994  
Note 5: Letter Tai-Cai-Zheng (1)-Zi No. 49345 dated September 25, 1995  
Note 6: Letter Tai-Cai-Zheng (1)-Zi No. 18164 dated March 26, 1996  
Note 7: Letter Tai-Cai-Zheng (1)-Zi No. 95699 dated November, 1999  
Note 8: Letter Tai-Cai-Zheng-1-Zi No. 0920139445 dated October 15, 2003  
Note 9: Letter Tai-Cai-Zheng-1-Zi No. 0920161647 dated January 30, 2004  
Note 10: Letter Jin-Guan-Zheng-1-Zi No. 0940156791 dated February 3, 2006  
Note 11: Letter Jin-Guan-Zheng-Fa-Zi No. 1060022715 dated June 26, 2017

March 7, 2026  
Unit: shares

Type of stock	Authorized capital			Remarks
	Shares issued and outstanding (Note 1)	Un-issued shares	Total	
Common stocks	1,931,082,818	4,618,917,182	6,550,000,000	Note 2

Note 1: 1,931,027,167 shares are public shares; 55,651 shares are private placement shares.

Note 2: Retained 650,000,000 shares of authorized capital for employee stock option certificates, and authorized the Board of Directors to issue the certificates in batches as needed. Retained 864,703,672 for conversion to corporate bonds, which may be adjusted by resolution of the Board of Directors in view of the market situation and business needs.

## (II) Major Shareholders

March 25, 2025

Name of Shareholders	Shares	Shareholding	Shareholding Percentage (%)
Yuanta Commercial Bank is entrusted with trust property account		34,170,000	1.84%
Vanguard Total International Stock Index Fund, A Series of Vanguard Star Funds		25,097,546	1.35%
New Labor Pension Fund		24,583,471	1.32%
Vanguard Emerging Markets Stock Index Fund, A Series of Vanguard International Equity Index Funds		22,639,737	1.22%
Shun Yin Investment Ltd.		22,587,265	1.22%
Robeco Capital Growth Funds		22,170,000	1.19%
Cathay Life Insurance		21,526,000	1.16%
Curie Industrial Co., LTD.		17,265,000	0.93%
Miin Wu		13,440,809	0.72%
Vanguard Fiduciary Trust Company Institutional Total International Stock Market Index Trust II		13,093,000	0.71%

Note: The shareholding record date is the book closure date of the Company's 2025 shareholders' meeting

## (III) Dividend Policy and Implementation

### 1. Dividend policy in the articles of incorporation

If there is a surplus in the Company's annual final accounts, it will first be used to pay taxes and make up for accumulated losses before the next 10% is taken for legal capital reserve (except when the legal capital reserve has reached the amount of the total capital). A special capital reserve is listed or reversed in accordance with relevant regulations. The remaining balance and the undistributed surplus of the previous year are the shareholder dividends.

The Company belongs to a capital-intensive industry. In line with the long-term financial planning, all or part of the shareholder dividends in the preceding paragraph may be reserved as undistributed earnings depending on the resolution by the shareholders' meeting. The dividends will then be distributed in the following year, together or separately.

The Company prioritizes cash dividends for surplus distribution. However, the Company shall still be able to distribute the surplus as shares depending on the financial, business, or operational status. The ratio follows the principle of not exceeding 50% of the total distributable surplus for the year.

2. Distribution of dividend proposed at the shareholders' meeting: on March 5, 2026, the Board of Directors proposed not to distribute dividends and submitted the proposal for approval at the Annual Shareholders' Meeting on May 27, 2026.
3. Expected material changes to the dividend policy: None.

## (IV) Effect to Business Performance and EPS of the Proposed Stock Dividends Distribution: Not applicable.

## (V) Compensation for Employees, Directors, and Supervisors

1. Percentage or scope of compensation for employees, directors and supervisors provided in the Company's Articles of Incorporation:

According to the Articles of Incorporation, if there is profit for the year, 15% of the remaining profit after deducting the accumulated losses ("Annual Profit") shall be allocated as employee compensation, with 20% thereof for Junior Staffs. As to directors compensation, it shall not exceed 2% of the Annual Profit, and as a general principle, shall be 2%. Employee compensation should also be distributed to employees of subordinate companies that meet certain conditions. As such, the definition of "Junior Staffs" shall be determined by the Board of Directors in accordance with applicable laws and regulations, and will be regularly reviewed and evaluated to determine if adjustment is required.

2. The basis for estimating the amount of employee, director, and supervisor compensation, for calculating the number of shares to be distributed as employee compensation, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated figure, for the current period. The company incurred a loss for the fiscal year 2025. In accordance with the company bylaws, no provision has been made for employee and director remuneration.
3. Distribution of compensation approved in the board of directors meeting: None.
4. Information of distribution of compensation of employees, directors, and supervisors for the previous year, and, if there are any discrepancies between the actual distribution and the recognized employee, director, or supervisor compensation, and the discrepancy, cause, and its treatment:  
As the Company incurred a loss in 2024, in accordance with the provisions of the Company's Articles of Incorporation and Shareholder's resolution, no employee compensation or director remuneration was distributed, and therefore, no estimation was required.

(VI) Redemption of Common Stock: None.

## II. Corporate Bonds

### (I) Issuance of corporate bonds

Type of corporate bonds	Second Domestic Unsecured Convertible Bonds
Issue (transaction) date	March 24, 2025
Face Value	NT\$ 100,000
Issuance and transaction place	Republic of China (Taiwan)
Issuing Price	Issued at the Face Value of 100.5%
Total Amount	NT\$3 billion
Interest rate	Coupon Rate 0%
Maturity	Term: 3 years; Maturity Date: March 24, 2028
Guarantor	None
Entrustee	Bank SinoPac Co., Ltd
Underwriter	KGI Securities Co., Ltd.
Certified Lawyer	None
Attesting CPA	None
Method of Repayment	According to Article 5 of the Company's Second Domestic Unsecured Convertible Corporate Bond Issuance and Conversion Regulations (hereinafter referred to as "the Regulation"), the coupon rate of this convertible corporate bond is 0% per annum, therefore there is no need to specify interest payment dates and methods. The Company shall repay the bonds in cash in one lump sum at face value within ten business days (inclusive) from the day following the maturity date of these convertible corporate bonds, except for when the holders of these convertible corporate bonds

		(hereinafter referred to as “bondholders”) convert them into ordinary shares of the Company in accordance with Article 10 of the Regulations, or the Company redeems them in advance in accordance with Article 18 of the Regulations, or the Company buys them back and cancels them at the securities firm's business office. If the aforementioned date falls on a day when the securities trading market is closed, it will be postponed to the next business day.
Outstanding principal		NT\$131,200,000
Redemption or early paying off conditions		According to the Offering and Conversion terms of the 2nd DCB.
Restrictive Clauses		None
Name of credit rating agency, date of credit rating, and credit rating results of corporate bond		None
Other Rights	Amount of converted (exchanged or subscribed) ordinary shares, depositary receipts overseas or other securities as of the publication date of the annual report	As of March 7, 2026, a total of 28,688 corporate bonds have been accepted for conversion, amounting to NT\$2,868,800,000, and a total of 124,730,218 ordinary shares have been converted.
	Issuance and conversion (exchange or subscription of shares) measures	The Measures have been announced on the Market Observation Post System.
Impact of measures for issuance and conversion, exchange or subscription of shares, and issuance conditions on potential dilution and existing shareholder's interests		Based on the assessment data submitted by the Company to the competent authority, the maximum possible dilution effect of this second domestic convertible corporate bond issuance on the original shareholders' equity is 6.57%. When convertible bonds are converted into common stock, in addition to reducing debt, shareholders' equity will also increase, thereby increasing net asset value per share. Over the long term, this provides better protection for the equity of existing shareholders.
Name of the custodian institution of the conversion subject		NA

(II). Information on conversion of corporate bonds:

Unit: NT\$

Types of Corporate Bonds		Second Domestic Unsecured Convertible Bonds	
Year		2025	As of March 7, 2026
Market price of conversion of corporate bonds	Highest	176	515
	Lowest	90.5	190
	Average	122.49	354.70
Conversion Price		NT\$23	NT\$23
Issue Date and Conversion Price at the Time of Issue		Issue Date : 2025/03/24 Conversion Price at the Time of Issue : NT\$23	
Way of performing the conversion obligation		Upon conversion of these convertible corporate bonds into ordinary shares of the Company, the converted ordinary shares shall be listed and traded on the Taiwan Stock Exchange Corporation (here in after referred to as the "TWSE") from the date of delivery. The Company shall announce the above matters after obtaining the consent of the TWSE. The Company's common stock is issued without physical form, and the converted common stock will be listed and traded on the TWSE without physical form from the date of delivery.	

**III. Preferred Shares:** None.

**IV. Global Depository Receipts:** None.

**V. Employee Stock Options:** None.

**VI. Employee Restricted Stock Awards:** None.

**VII. Mergers, Acquisitions or Issuance of New Shares for Acquisition of Shares of other Companies:** None.

**VIII. Financing Plans and Implementation:**

Please refer to "Market Observation Post System > Individual Company > Transfer Information/Issuer Of Securities > Raise Fund > Raise Fund Plan Execution," website: [https://mopsov.twse.com.tw/mops/web/bfhtm\\_q2](https://mopsov.twse.com.tw/mops/web/bfhtm_q2).

## Chapter IV. Operation Summary

### I. Business Activities

#### (I) Scope of Business:

##### 1. Main Business:

The Company and subsidiary main business concentrates on the design, manufacture, sales, and foundry services of integrated circuits and memory chips, as well as the commissioned design, development, and consultancy of relevant products. The Company concurrently engages in the import and export of relevant affairs.

##### 2. Business Proportion

Unit: NT\$ thousands

Products	2024		2025	
	Net Revenue	%	Net Revenue	%
Flash	18,325,092	70.80%	22,395,882	77.55%
ROM	5,403,832	20.88%	4,625,353	16.02%
Foundry	2,143,461	8.28%	1,858,460	6.43%
Others	11,090	0.04%	291	0.00%
Total	25,883,475	100.00%	28,879,986	100.00%

##### 3. Current Products and Service of the Company

Product and Service Category	Main Projects
Non-Volatile Memory IC	Flash Memory (NOR Flash, NAND Flash)
	Embedded Multi Media Card ( eMMC )
	Read-Only Memory (ROM)
Wafer Foundry Services	Sub-micron logic process / high voltage CMOS and BCD process
	BCD and logic processes of embedded non-volatile memory (NVM)

The Company, an integrated device manufacturer in the non-volatile memory (NVM) market, provides memory IC and storage solutions with a wide range of specifications and capacities, including ROM, NOR Flash Memory, NAND Flash Memory, and eMMC. The summary is as follows:

- The ROM product line mainly focuses on customized applications.
- The NOR Flash Memory product line provides comprehensive storage capacity support, delivering high quality, high performance, low power consumption, portability, and competitive costs to address the market needs of various applications.
- The NAND Flash Memory product line focuses on SLC products, offering higher storage capacity than the NOR product line to meet the growing demand for higher capacity in diverse applications.
- Leveraging 2D MLC NAND and 3D TLC NAND technology, the eMMC product line employs advanced memory read/write control capabilities to produce high-quality, high-performance, low-power, compact solutions with increased storage capacity.

In the embedded applications market, the Company has three product lines: NOR Flash Memory, NAND Flash Memory and eMMC, forming a complete layout of low, medium, and high-capacity solutions.

#### 4. Plans for New Product Development

- ※ 3D NAND Flash: Projects for the third and fourth generations.
- ※ eMMC control chip improving project for 3D NAND Flash.
- ※ NOR Flash: 42-nanometer product series plan.
- ※ NOR Flash: High-speed interface enhancement plan for protective and encrypted storage chips.
- ※ 3D NOR Flash: Plan for the industry's highest single-chip NOR Flash storage capacity.

## (II) State of the Industry

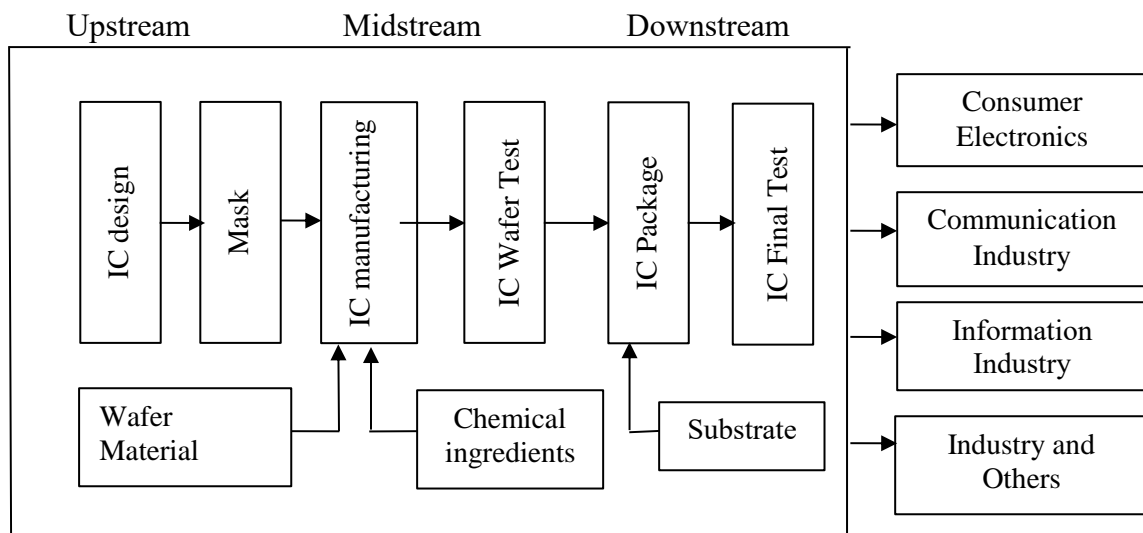
### 1. Industry Development and Competition

Memory IC can be divided into two types according to their functions. Volatile memory refers to the memory that loses data when the power has been switched off, such as DRAM and SRAM. On the other hand, non-volatile memory retains the memory even when the power is switched off. The Company specializes in non-volatile memory, especially Flash Memory and ROM (read-only memory).

Flash Memory can be read and written repeatedly, and is widely used in consumer electronics, communications, information, mobile phones, automotive, smart medical devices and industrial fields. The Company is the world's leading supplier of NOR Flash and SLC NAND Flash. It has the advantages of sound finance, stable supply, a 12-inch wafer lab, and production capacity. It will grow with the development of emerging applications in the future.

The special feature of ROM is that the data cannot be modified after storage. The main advantage is large storage capacity with low cost. Its application focuses on electronic gaming cards, electronic toys, and game consoles. The industry has become application-oriented. The Company has long been ranked as the largest ROM supplier in the world, with more than half of the market share.

### 2. Correlation with Upstream, Midstream, and Downstream Sections of the Industry



Source: ITRI Industrial Economics and Knowledge Center

The Company provides customers with a complete range of flexible solutions from R&D, manufacturing to backend package testing and is one of the few professional suppliers in the world that specialize in non-volatile memory.

### (III) Overview of Technology and Research & Development

#### 1. R&D Expenses

Unit: NT\$ thousands

Item \ Year	2024	2025
R&D expenses	6,730,413	5,713,852
Operating Revenue	25,883,475	28,879,986
% of R&D expenses to Operating Revenue	26.00%	19.78%

#### 2. Successfully Developed Technologies or Products

In recent years, the Company has successfully implemented product and technology innovations to extend its superior product competitiveness.

##### (1) Technology Innovation

- ※ Adopt big data and artificial intelligence (AI) to establish an exclusive system platform for improving the performance and quality control of semiconductor mass production. Become the world's first semiconductor company to elevate the product defect rate measurement indicator from PPM (parts per million) to PPB (parts per billion) level.
- ※ Use various AI technologies to establish an exclusive production process R&D platform to improve resource efficiency and shorten development time.
- ※ Build proprietary design and mass production process technology of 3D NAND flash.
- ※ The Company's mature proprietary 0.11  $\mu\text{m}$  embedded non-volatile memory technology and 0.18  $\mu\text{m}$  BCD (Bipolar-CMOS-DMOS) technology are integrated into foundry services to meet demands of the MCU and analog IC-related markets.

##### (2) Product Innovation

- ※ For automotive electronics and Internet of Things applications, the Company has proposed an innovative protection and encryption ArmorFlash product series, and won the "Best Memory Product of the Year" at the "EE Awards 2021 (Asia Award)."
- ※ In response to the design and development trend of lower power consumption and energy-saving efficiency, the Company launched the 1.2V SPI NOR flash product series, which saves more than 50% power than the 1.8V product series, and won the "Best Memory Product of the Year" at the "EE Awards 2022."
- ※ To meet the demand for high performance, the Company proposed the OctaFlash product series, which doubled the maximum speed of SPI NOR flash in the industry and won the "Best Memory Product of the Year" at the "EE Awards 2023."
- ※ In response to the need for upgrading encryption protection in existing systems, the Company has introduced the ArmorBoot product series to meet various protection strength requirements. The series was recognized as the "Best Memory Solution" of the Year at the "EE Awards Asia 2024."
- ※ Continued to lead the global NVM market with the Company's strong capabilities in high-performance NOR, NAND, ROM, and eMMC technologies, receiving the 5th Anniversary Honorary Achievement Award at EE Awards Asia 2025.
- ※ Due to our independent development and mass-production of 3D NAND Flash, the Company has become one of the few suppliers in the industry that has high-quality products of both NOR flash and NAND flash in the world.

##### (3) Intellectual Property Management

- ① Philosophy: Guided by a spirit of innovation and independent research and development, the Company has long been engaged in technological advancement and industry development. The Company takes intellectual property ("IP") as one of its core business

engines with an aim to enhance international competitiveness, and to resist encroachment by global competitors to maintain and further consolidate its leadership in memory industry, and to foster a sustainable technology ecosystem founded on the principle of “Innovation Protection, Value Realization, and Knowledge Circulation.

- ② Strategy: As global competition has evolved into an era characterized by strategic competition centered on intellectual property rights and legal enforcement, the Company, being a leading provider of comprehensive global solutions, has long transcended the traditional notion that intellectual property is merely a legal specialty. Instead, the Company has proactively planned, deployed, generated, and accumulated high-quality and high-value IP assets, while establishing a comprehensive legal strategy networks for global enforcement mechanisms. These efforts serve as both a shield to protect innovation and a spear to expand market frontiers, thereby safeguarding the Company’s assets, products, and services, while supporting sustainable corporate growth and long-term operations. In short, the Company’s approach to IP management has evolved beyond mere “layout,” “ownership,” and “protection,” advancing further toward active “utilization,” “defense,” and “value activation,” transforming intangible assets into tangible returns.
- ③ Incentives: To encourage employees actively engaging in innovation, invention, and technological development, the Company has established IP management and incentive programs to integrate, manage, and implement the creation, maintenance, and utilization of IP.
- ④ Protection: The Company has adopted a comprehensive and multi-layered protection framework for its core technologies, including but not limited to patents, trademarks, trade secrets, and copyrights.
  - Take patent and trademark as examples, the Company has been granted, by the end of 2025, 3,627 patents in the United States, 3,535 patents in Taiwan(the Republic of China), 2,345 patents in Mainland China, and 404 patents elsewhere, with more than 1,100 patent applications currently pending worldwide.
  - Trademarks: As of the end of 2025, the Company has accumulated 356 approved trademarks worldwide, including 34 in the United States, 77 in Taiwan, 70 in the People’s Republic of China, and 175 in other countries. We will continue driving the Portfolio strategy of product trademarks around the globe in accordance with our policies and goals in order to protect the brand, the rights, and the interests of the Company, thereby ensuring our market competitiveness and long-term growth.
- ⑤ Enforcement and Defense: The Company has collaborated with leading domestic and international law firms and professional experts, and successfully countered threats from global corporations and non-practicing entities, whether through negotiations, consultations, litigation, and/or arbitration. The Company has also proactively taken offensive actions, achieving decisive victories against major U.S. as well as Japanese corporations in litigation across boarder, and has won substantial remedies (refer to the Company’s announcement of the respective year at MOPS )
- ⑥ Reporting: Matters relating to IP management are regularly reported to the Company’s Board of Directors (“BOD”). Taking fiscal year 2025 as an example, IP management was reported on a quarterly basis at BOD meetings on February 13, April 29, July 30, and October 29.

#### (IV) Short/Long-Term Business Development Plans

##### 1. Short-term

- ※ Develop 3D NAND Flash customized product solutions for video games and entertainment to enhance the business growth of niche-based applications.
- ※ Promote the compact nature of NOR Flash in order to increase adoption in consumer electronics, information applications, and IoT.
- ※ Make good use of the high quality of the Company’s products and the excellent production management to develop high value-added business in automotive electronics and medical electronics.

※ The Company's mature proprietary embedded non-volatile memory logical platform and BCD (Bipolar-CMOS-DMOS) technology are integrated to provide foundry services in MCU, IoT, and analog and smart power management IC related markets and make international leaders in related markets our long-term clients.

## 2. Long-term

※ Develop high-capacity NOR Flash and 3D NAND Flash technologies and products to provide solutions for high-value storage.

## II. Market and Sales Overview

### (I) Market Analysis

#### 1. Net Revenue by Geography

Unit: NT\$ thousands

Year		2024		2025	
		Net revenue	%	Net revenue	%
Domestic		6,446,336	24.90	6,705,884	23.22
Export	Japan	6,200,788	23.96	5,648,483	19.56
	USA	1,908,983	7.37	1,872,702	6.48
	Europe	3,265,744	12.62	3,402,657	11.78
	Asia	8,061,624	31.15	11,250,260	38.96
	Subtotal	19,437,138	75.10	22,174,102	76.78
Total		25,883,475	100.00	28,879,986	100.00

#### 2. Market Share

##### (1) ROM

The Company's ROM products account for more than 50% of the global market and has been firmly established as the market leader.

##### (2) NOR Flash

We remain a global leader in non-volatile memory devices with the market share of our NOR flash product line reaching approximately 16.9% in 2025.

#### 3. Competitive Niches

The Company has been developing ROM and Flash technology and products for more than 30 years. The continuous innovation enhances competitiveness while maintaining stable product quality and supply. Recently, IoT, smart medical devices and automotive electronics applications are in the ascendant. One of the trends is the need to integrate NOR Flash into compact wafer products. The Company's emphasis on quality and supply is its competitive advantage.

#### 4. Favorable and Unfavorable Factors Affecting the Company's Development Prospects and Corresponding Countermeasures

The Company's operations and finance are currently sound and stable. The independent technologies and production of Flash Memory and ROM, and stable supply has won customers' trust as The Company's competitive advantage.

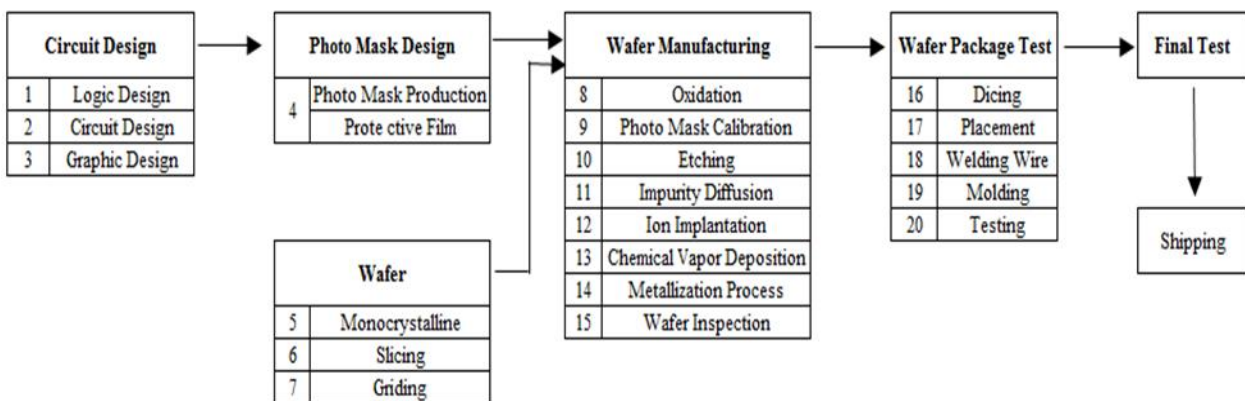
In order to achieve sustainable development, the Company will continue to develop advanced non-volatile memory technology and update the 12-inch fab equipment to create an advanced R&D environment and production base. Our goal is to provide customers with superior products and services in order to gain a stable foothold in the industry.

## (II) Important Applications and Production Processes of the Primary Products

### 1. Major Uses of the Primary Products

Product Category	Primary Products	Use and Function
Non-Volatile Memory IC	Flash Memory	Used in mobile phones, set-top boxes, IoT, personal computers, artificial intelligence, automotive electronics, medical technology, industrial applications, storage equipment, network devices, tablets, wireless communications (Bluetooth, WLAN, 5G), and large entertainment equipment.
	eMMC	Mainly used in industrial and network communication products, automotive assisted driving control and audio-visual entertainment systems, smart medical equipment, etc.
	ROM	Mainly used in TV game cards, electronic entertainment equipment, electronic toys and so on.
Wafer Foundry Services	Sub-micron logic process / high voltage CMOS and BCD process	Providing high-voltage CMOS manufacturing technology in order to serve analog IC design customers.
	BCD and logic processes of embedded non-volatile memory (NVM)	Provides integrated technology of BCD and logic processes of embedded NVM to serve microcontroller and smart power management IC design customers.

### 2. Production Process



### (III) Supply of Primary Raw Materials

The ICs manufactured by our fabs are mainly made of silicon wafers, photoresist chemicals, and special gases. The suppliers are well-known large factories at home and abroad, with stable supply and excellent quality.

### (IV) Suppliers/Customers Accounted for at Least 10% of Purchase/Sales and Respective Amount and Percentage

#### 1. Information on Major Suppliers in the Last Two Fiscal Years

Unit: NT\$ thousands

Item	2024				2025			
	Name	Amount	Percentage of Annual Net Purchase (%)	Relationship with the Issuer	Name	Amount	Percentage of Annual Net Purchase (%)	Relationship with the Issuer
1	Supplier A	550,618	8.06	Related party	Supplier A	674,522	12.12	Related party
	Others	6,283,803	91.94		Others	4,889,251	87.88	
	Net Purchase	6,834,421	100.00		Net Purchase	5,563,773	100.00	

Note 1: Names of suppliers taking up more than 10% of the total purchase for the last two years and the amount as well as percentage are listed. However, because the contract stipulates that the name of the supplier should not be disclosed, or the counterparty is an individual but not a related party, it can be represented by a code instead.

Note 2: The increase/decrease is caused by changes in market trends and customer demands.

#### 2. Information on Major Customers in the Last Two Fiscal Years

Unit: NT\$ thousands

Item	2024				2025			
	Name	Amount	Percentage of Annual Net Sales (%)	Relationship with the Issuer	Name	Amount	Percentage of Annual Net Sales (%)	Relationship with the Issuer
1	Customer A	5,456,930	21.08	Related party	Customer A	4,667,102	16.16	Related party
	Others	20,426,545	78.92		Others	24,212,884	83.84	
	Net Sales	25,883,475	100.00		Net Sales	28,879,986	100.00	

Note 1: Names of customers taking up more than 10% of the total sales for the last two years and the amount as well as percentage are listed. However, because the contract stipulates that the name of the customer should not be disclosed, or the counterparty is an individual but not a related party, it can be represented by a code instead.

Note 2: The increase/decrease is caused by fluctuating customer needs.

### III. Employees Information

#### (I) Company Employees Information

Year		2024	2025	By the End of March 7, 2026
Number of employees	Management Personnel	667	613	605
	R&D and Technical Personnel	1,721	1,591	1,562
	Operators	1,425	1,207	1,267
	Total	3,813	3,411	3,434
Average age		38.8 years old	39.9 years old	39.9 years old
Average Length of Service		12 years and 5 months	13 years and 7 months	13 years and 6 months
Education Level (%)	PhD	2	1.9	1.9
	Master's Degree	33.5	33.2	32.2
	Bachelor's	46.1	44.1	45.4
	High School	19.2	20.7	20.3
	Below High School	0.2	0.1	0.1

#### (II) Subsidiary Employees information

Year		2024	2025	By the End of March 7, 2026
Number of employees	Management Personnel	108	102	104
	R&D and Technical Personnel	160	152	152
	Operators	0	0	0
	Total	268	254	256
Average age		41.4 years old	42.1years old	42.2years old
Average Length of Service		10 years and 7months	11years and 8 months	11 years and 8 months
Educational Level (%)	PhD	0.8	0.8	0.8
	Master's Degree	39.2	37.0	36.3
	Bachelor's	57.8	59.8	60.2
	High School	2.2	2.4	2.7
	Below High School	0.0	0.0	0.0

## IV. Environmental Protection Expenditures

- (I) Any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to environmental pollution incidents (including any compensation paid and any violations of environmental protection laws or regulations found in environmental inspection, specifying the disposition dates, disposition reference numbers, the articles of law violated, and the content of the dispositions), and disclosing an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided.

The Company has not been penalized for polluting the environment in the most recent fiscal year and up to the printing date of this annual report. The Company will continue to keep up with equipment maintenance and the implementation of an environmental management system in the future.

### (II) Countermeasures and Expenditures

1. The Company's investment and improvement fees in environmental protection engineering, equipment operation maintenance fee, depreciation expenses for environmental protection equipment, clearance and disposal fees, and detection, project research, and training expenses amounted to NT\$323,784,000 in 2025.

2. Impact on competitive position and capital expenditures:

- (1) The Company promotes energy-saving, water-saving, and waste reduction by investing in and maintaining various pollution prevention equipment. The Company continues to work toward the goal of establishing a green wafer plant that is high in efficiency and low in pollution.
- (2) The Company has established the "ISO 14001 Environmental Management System", "ISO 14064-1 Guidelines for quantification and reporting of greenhouse gas emissions and removals at the organization level", "IECQ QC 080000 Hazardous Substance Process Management System", etc., and continues to invest manpower in the promotion and maintenance of strengthening its competitive edge on the international stage.
- (3) The Company has received the Green Partner certificate from customers in meeting their requirements for "Green Products".
- (4) The Company has been recognized and praised by competent authorities, associations and customer numerous times over the years. The awards received in 2025 are as follows:
  - Won the "Award of Excellence" in the 2025 Clean Air Zone Adoption presented by the Ministry of Environment.
  - Awarded First Place in Hsinchu City in the 2025 National Environmental Education Award from the Hsinchu City Government.
  - Recognized as an "Excellent Green Procurement Unit" among private enterprises and organizations by Hsinchu City in 2024
  - Certificate of Appreciation for Adopting Hsinchu City Eco-Friendly Bicycle Paths by the Hsinchu City Government.
  - Awarded Waste Reduction and Circular Economy Outstanding Enterprise Award from Hsinchu Science Park Bureau.
  - Awarded Environment, Safety, Health and Sustainability Action - ESG Excellence Award and Environment Award from Hsinchu Science Park Bureau.
  - Awarded Safety, Health and Sustainability Action - Distinguished Partner Award Award from Hsinchu Science Park Bureau.
  - Awarded Taiwan Corporate Sustainability Awards (TCSA) - Outstanding Professional Award Awarded from Taiwan Institute of Sustainable Energy (TAISE)

- Awarded customer-conferred “Supplier Sustainability Development Award for achieving greenhouse gas reduction targets Awarded from Taiwan Institute of Sustainable Energy (TAISE).
- (5) Purchase domestic and overseas products and services with eco-friendly, energy conservation, and water conservation marks and carbon reduction labels and renewable energy to fulfill our corporate social responsibility.
- (6) Based on respect and care toward social responsibility, the Company will continue to engage and invest in environmental protection in order to achieve the goal of sustainable development.

### (III) The Company’s Measures in Response to Restriction of Hazardous Substances (RoHS)

With the trend of green consumption awareness and the increasingly strict international environmental protection regulations, the Company strives to manage chemical substances in product components in addition to efforts of reducing environmental pollution caused by the production process. Our efforts in the green products area include:

#### 1. Green Products

- (1) The products comply with the requirements of the European Union's Restriction of Hazardous Substances (RoHS).
- (2) The products meet the requirements of the European Union's Substance of Very High Concern (SVHC) and ELV (End-of-Life Vehicle).
- (3) No "conflict minerals" are used in the products (conflict minerals refer to minerals such as gold, tin, tungsten, tantalum and those related to labor exploitation in the Democratic Republic of the Congo and its adjoining countries).
- (4) The products have obtained green product certificates from internationally renowned customers such as Sony.

#### 2. Management System

- (1) In September 2007, the Company passed the certification of the IECQ QC 080000 Hazardous Substance Process Management System. It obtained the certification once again in 2025, which ensured the effectiveness of green products management.
- (2) The Company Implements Risk Assessment of Suppliers (RAS) to ensure that the EU RoHS Directive and the requirements of SVHC are implemented both for the upstream and downstream of the supply chain, in compliance with international regulations and customer specifications.

## V. Labor Relations

### (I) Employee Benefits

1. Labor insurance and national health insurance: Employees' insurance and national health insurance coverage is handled according to laws and regulations. The employees enjoy the protection of both labor insurance and national health insurance from the first day of work.
2. Group insurance: Employees are covered by the Company’s group insurance policies since the first day of work. The premiums are paid by the Company according to their positions. Group insurance is also open to the employees' family members provided that the employees pay the premiums, which provides extra protection and care for their families.
3. Cancer insurance: The employees receive cancer insurance coverage from the first day of work with the premiums borne by the Company. The employees can opt to pay for the same coverage for their spouses and children.
4. Travel insurance for business trips abroad: Employees' travel insurance is provided by the Company during business trips, covering incidents such as accidental death, injuries, and medical care.

5. Restaurants, accommodation, transportation, free parking space, and healthcare services.
6. Bonuses and employee benefits.
7. Employee recreation and fitness center: The center is equipped with a 50-meter heated swimming pool, a hydrotherapy SPA, a children's swimming pool, an aerobics classroom, a fitness room, a massage room, karaoke, courses for billiard, table tennis, badminton, and squash, a family reading room, a children's play room, a video game room, and a common room.
8. Employee Welfare Committee: In order to promote employee welfare, the Company has set up the Employee Welfare Committee in accordance with the provisions of the Employee Welfare Fund Act. The Company sets aside employee welfare fund to organize various welfare measures, activities, and the operation and management of employee clubs.

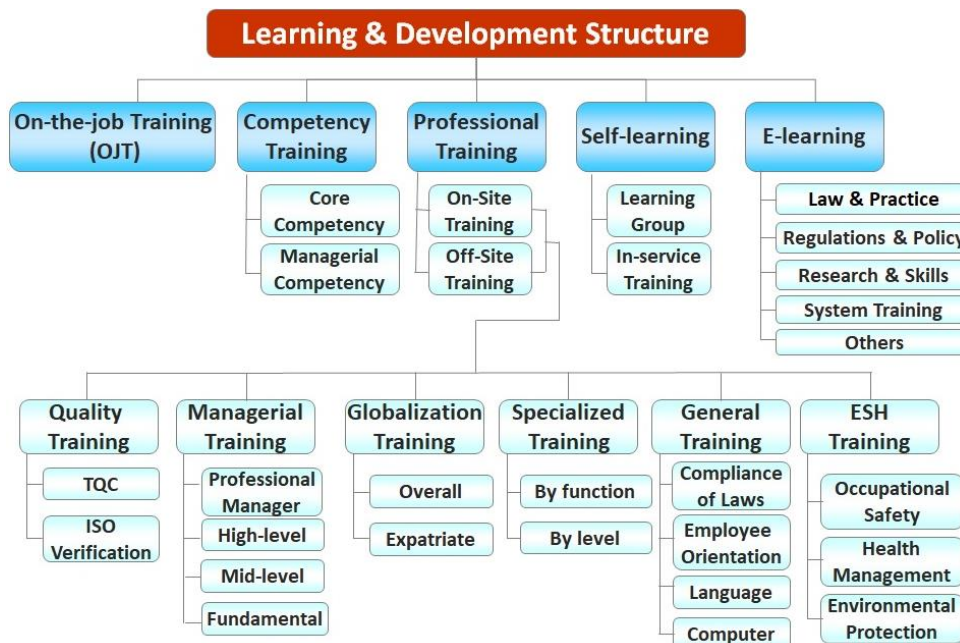
## (II) Staff Training and Development

The Company held a total of 2,247 internal and external training courses in 2025. The average training hours of employees were 78.4 hours. The total number of trainees was 75,112 and the total number of their training hours was 269,430 hours. The total training cost was NT\$15,055,556.

The Company's performance management system is closely integrated with individual development plans. Performance interviews are conducted twice a year to examine the setting of individual performance goals and the achievement of individual performance goals and organizational goals. Employees can communicate and discuss with supervisors face-to-face based on the individual job performance and career development needs. A personal development plan is customized to develop various professional knowledge and skills in a step-by-step manner.

### ※ Comprehensive Learning Development System

The learning development system of the Company is planned according to its strategies, job requirements, and individual development.



The Company's training is designed based on the principles of advancement, function, planning, and continuity. Through a clear and strategically oriented system structure, the Company provides clear and detailed learning maps for the employees to understand their learning path.

1. The Company's learning roadmap system consists of four categories:

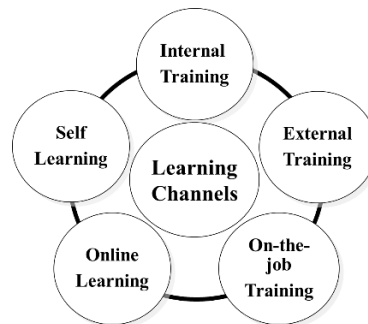
- (1) A newcomer roadmap is designed for new recruits to shorten the adjustment period and quickly integrate into corporate culture.
- (2) A competency roadmap is developed in accordance with the Company's values, in the hope that employees can demonstrate behavior in line with the Company's expectations.
- (3) The management roadmap is developed for different management levels in order to strengthen their management capacity step-by-step.
- (4) Professional roadmaps are developed according to professional competences required in different fields of work; internal and external lecturers are employed to carry out professional training courses to strengthen employees' professional capacity.

2. Other training courses:

- (1) Providing language learning in line with individual needs to strengthen employees' language skills and competitiveness; organizing computer application software courses to improve work efficiency.
- (2) Offering opportunities for employees to participate in foreign academic seminars to understand the latest development trends of technology and industry abroad; providing opportunities of working overseas which can increase international vision and personal competitiveness

※ Diverse Learning Channels

The Company offers different learning channels to meet different employee learning needs.



1. Internal training:  
The Company hires internal and external lecturers to hold various training courses in the Company.
2. External training:  
The employees can participate in external training courses and seminars that are closely related to work.
3. On-the-job training:  
Through professional learning in the workplace, the employees can "learn by doing" and acquire the knowledge and skills necessary for work.
4. Online learning:  
The employees can use the Internet to learn without the limits of time and space and learn according to their individual learning speed.
5. Self-learning:  
The employees can engage in cross-disciplinary learning of knowledge, skills, etc. according to their personal career plan. They can also advance individual learning through reading or participating in on-the-job training courses.

※ Comprehensive Training Facilities

The Company Academy's comprehensive facilities and professional equipment enable each employee to study in a good environment.

1. Audio-visual study room: With multimedia computers, books, CDs, video tapes, and audio tapes, the rich learning channel allows employees to learn without boundaries.
2. Training classroom: Several lecture halls and group discussion rooms provide appropriate learning environment according to the curriculum design.
3. Computer classroom: One person is equipped with one computer to maximize learning efficiency.
4. International lecture hall: The hall can accommodate 250 people, and it is the ideal venue for large-scale training, seminars, and lectures.
5. Library: There are a large number of books, periodicals, and audio-visual materials to meet diverse reading needs.

### (III) Retirement system

The Company has set up its retirement policies according to the related regulations in the Labor Standards Act. We have established the Pension Supervisory Commission to supervise and manage pension reserve funds, appropriation calculation, and management and operations of other pension related issues. The Company appropriates the pension reserve funds according to the regulations of the Labor Pension Act. We invite professional accountants and consultants to conduct the actuarial valuation of the Company's pension funds each year, in order to ensure sufficient funding for future employee pension payments.

(1) Pension Contribution Under the Labor Standard Act:

The Company appropriates 2% of the total monthly wages of our employees, and deposits it to a designated account for pension reserve funds in the Bank of Taiwan every month. As of the end of 2025, the fair value of assets was NT\$1,445,071 thousand. Expenses recognized in 2025 were NT\$14,516 thousand and net defined benefit liability is listed at NT\$960,821 thousand as of the end of 2025.

(2) Pension Contribution Under the Labor Pension Act:

For those who are eligible for the new pension system, the Company will contribute 6% of their labor pension level to the individual pension account of employees every month, and employees may also choose to contribute 6% of their pension to the individual pension account at his or her own will. The amount of expenses recognized in 2025 was NT \$212,275 thousand.

### (IV) Employee Working Environment and Personal Safety Protection Measures

In order to achieve sustainable management, the Company implements Environmental Safety and Health Policy and lays emphasis on corporate social responsibility. It has obtained outstanding achievements in protecting the environment as well as the safety and health of employees. It has won many awards from the government and recognition from customers. The specific management measures include:

#### 1. Management System

- (1) Passed verification from ISO 14001 Environmental Management System, ISO 45001 Occupational Safety and Health Management System, and TOSHMS Taiwan Occupational Safety and Health Management System demonstrating operational excellence, our management system in Fab 2 was honored with its "Outstanding Performance" in TOSHMS by the Occupational Safety and Health Administration, Ministry of Labor, in 2025.
- (2) Verified by the IECQ QC080000 Hazardous Substance Process Management System. The products meet the requirements of EU RoHS and have obtained the Green Product (GP) certificates from international customers.
- (3) Passed the verification "IOS 14064-1 Guidelines for quantification and reporting of greenhouse gas emissions and removals at the organization level".

## 2. Environmental Protection and Safety Management

- (1) Implementing strict and comprehensive monitoring of the work environment and monitoring air quality on site 24 hours a day to ensure the health and safety of employees.
- (2) Complying with laws and regulations as well as customer requirements to regularly identify and review environmental safety management measures.
- (3) Setting up various environmental pollution prevention measures (water, air, waste, toxic waste, and noise) and strictly monitoring the quality of the environment.
- (4) Implementing "Green Procurement" to purchase equipment or product with the domestic and foreign Environmental Protection Label, such as "Environmental Protection Label" from the Environmental Protection Administration or the "Energy Conservation Label" and "Water Conservation Label" from the Ministry of Economic Affairs, which include energy-saving lamps, water dispensers, personal computers and their peripheral equipment, etc. to realize corporate social responsibility; recognized as an Excellent Green Procurement Unit in the private sector by the Hsinchu Municipal Government in 2025.
- (5) Fully providing employees with personal protective equipment (PPE) and comprehensive safety, health, and environmental protection training.
- (6) Establishing an Emergency Response Team (ERT) with dedicated staff on call 24 hours a day and establishing a Business Continuity Plan (BCP), implementing training, to ensure the safety of all employees and the Company's factory buildings.
- (7) Regularly inspecting the fire safety equipment and complying with the buildings' public safety; regularly holding evacuation drills to improve staff resilience.
- (8) Regularly improving and reviewing human factors in the work environment to provide employees with a comfortable work environment.
- (9) Established risk assessment standards. Identified and evaluated risks — such as workplace fire or explosion, incidents causing injury or fatality, operational disruptions, unlawful workplace infringement, or health and psychological hazards requiring medical attention — are prioritized for mitigation, with appropriate control and improvement measures implemented.
- (10) Assisting the Hsinchu Science Park Administration Bureau to organize the work safety and environmental protection promotion month.
- (11) Adopting the Hsinchu Environmental Bikeway and implementing environmental protection public welfare events; receiving the Air Quality Purification Areas Excellence Award from the Ministry of Environment.

## 3. Health Management

- (1) Regularly holding employee health promotion activities and providing quality health management services.
- (2) Regularly bringing doctors on site to provide employee health consultation and health promotion activities, as well as conducting health risk assessment and graded health management.
- (3) The responsible unit collects the latest epidemic prevention information to strengthen the epidemic prevention management, provides vaccination services and gives "anti-epidemic packages" for employees on business trips abroad to protect their health.
- (4) According to the domestic and international pandemic situation, review and adjust emergency response plans to prevent the impact of the pandemic on Company operations and to protect the health of our employees and visitors.
- (5) Improving the employee assistance program and providing the best psychological counseling services.

- (6) Implementing maternal health protection measures to take care of pregnant employees and implementing the principle of three noes (no night shifts, no carrying heavy loads, and no engaging in free radiation operations) to build a friendly workplace.
- (7) Regularly monitoring the work environment to ensure a good working environment and protect employee health.
- (8) Conducting spot checks of food ingredients such as meat, oil, and flour products in the Company's kitchen; entrusting government-accredited institution to inspect and ensure the safety of employees' food.
- (9) Setting up a "breastfeeding room" for employees, which has gained employee satisfaction with its lovely environment and comprehensive equipment and received the triennial "Excellence Award" from the Hsinchu City Public Health Bureau.

**(V) Measures for Safeguarding Labor Agreements and Employees' Rights and Interests**

1. The Company regularly organizes various meetings as channels of communication, including orientation, departmental meetings, cadre meetings, and labor-management meetings, etc. The goal is to facilitate communication and ensure all opinions are heard.
2. The Company has set up the "No Topic is Off Limits" suggestion box for the employees to communicate and express their opinions. Employees can make inquiries, suggestions, and complaints through the suggestion box.
3. The Company has set up a paper and digital bulletin board to facilitate timely delivery of information that is relevant to the employees' rights and interests.
4. "Regulations Governing Sexual Harassment" has been developed to prevent sexual harassment and maintain gender equality at work, detailing the prevention, complaint filing, and punishment of sexual harassment.
5. The Company has set up the "Our Family Employee Relationship Portal Website" as a channel of communication with features including an interface for communicating employee needs directly with the management team, information sharing, lifestyle tips sharing, passing on culture, and employee assistance. Positive behavior is encouraged to enhance motivation and maintain a harmonious labor-management relationship.

**(VI) List any Losses Suffered by the Company in the Most Recent Fiscal Years and Up to the Annual Report Publication Date Due to Labor Disputes, Including any Violations of the Labor Standards Act found in Labor Inspection, Specifying the Disposition Dates, Disposition Reference Numbers, the Articles of Law Violated, the Substance of the Legal Violations, and the Content of the Dispositions, and Disclosing an Estimate of Possible Expenses that Could be Incurred Currently and in the Future and Measures Being or to Be Taken. If a Reasonable Estimate Cannot Be made, an Explanation of the Facts of Why It Cannot Be Made Shall Be Provided.**

Over the years the Company has earned many high recognitions by the competent authorities and also was awarded the following awards: Sports Enterprise Certification /Sports Administration, Ministry of Education, Platinum Level / Responsible Business Alliance, Exemplary Enterprise Award for Manufacturing in Health and Labor Force Sustainability Leadership /Occupational Safety and Health Administration, Ministry of Labor. For more award records please refer to the Company's Sustainability Report.

## VI. Information Security Management

### (I) Information Security Strategy, Framework, and Effectiveness

The Company's information security strategy includes the establishment of information security policies, the formation of a dedicated information security organization, and the implementation of security management in accordance with a structured governance framework. The results of these initiatives are summarized as follows:

#### (1) Information Security Policy

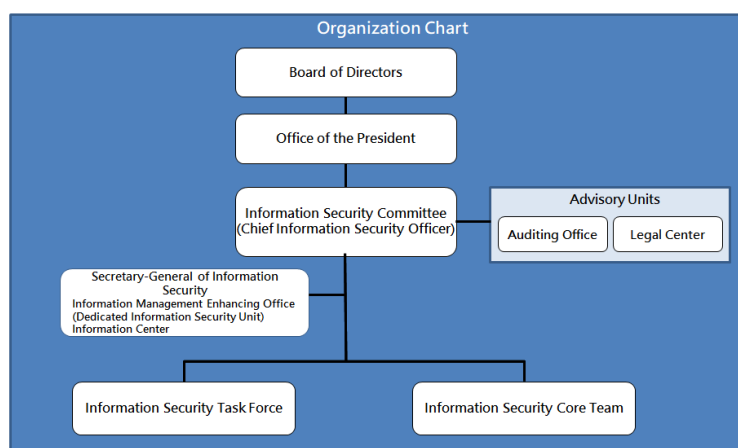
Information security is an important issue for the Company's operation. The Company has formulated the information security policy and established related management systems, which are announced on the company website, to protect the Company's information assets from internal, external, intentional, or accidental threats and damages, lower the incidence of information security incidents and mitigate risks arising from the incidents to an acceptable level.

With proactive action to protect the confidentiality, integrity, and availability, the Company shall comply with applicable laws and regulations and ensure the normal operation of the Company's business.

#### (2) Information Security Management Organization and Its Responsibilities

The Company appointed a chief information security officer in accordance with the "Regulations Governing the Establishment of Internal Control Systems by Public Companies" to strengthen the information security administration and information protection. Furthermore, to implement our information security policies and ensure the purposes of information security management could be achieved, we established the Information Security Committee led by the Chief Information Security Officer and the highest-level management from all divisions and business units serving as representatives. In addition, we formed the Information Security Core Team and the Information Security Task Force to implement related affairs.

The Information Security Committee convenes annually on a regular basis, covering a wide range of



topics, including information security policy, management, review and improvement, annual budget, work plans, and results reports. Additionally, the president reports important results to the Board of Directors quarterly.

【Picture】 Organization Chart

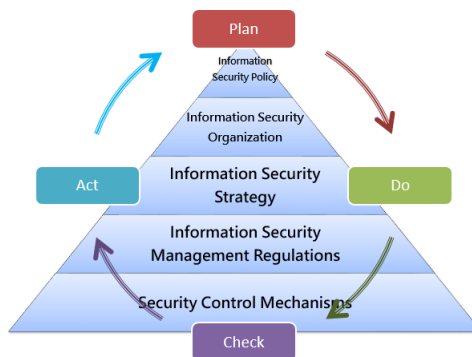
Organization	Work Responsibilities
Information Security Committee	<ol style="list-style-type: none"> <li>1. Draft the Company's information security policy</li> <li>2. Review and implement various information security management systems</li> <li>3. Formulate or review major working plans for information security</li> </ol>
Information Security Core Team	<ol style="list-style-type: none"> <li>1. Formulate the objectives and implementation scope of the information security management system</li> <li>2. Formulate the information security management system and related</li> </ol>

Organization	Work Responsibilities
	regulations 3. Approve the information security audit plan and track improvements 4. Review the implementation progress of information security management operations 5. Supervise the implementation of BCP drills 6. Review and implement the management methods of information security of each unit 7. Review the implementation status of information security awareness training 8. Execute the resolutions of the Information Security Committee 9. Promote and implement information security maintenance and management measures 10. Coordinate the Information Security Task Force's implementation of information security operations
Information Security Task Force	1. Perform information security maintenance and management operations 2. Act as the information security window of each unit and assist in the promotion of security maintenance and management measures 3. Promote and communicate information security related matters 4. Execute the resolutions of the Information Security Core Team 5. Propose recommendations for the improvement of information security maintenance and management measures

【Chart】 Information Security Organizations and Its Responsibilities

### 3. Information Security Management Framework

The Company's information security management framework includes information security policy, information security organization, information security strategy, information management regulations, and security control mechanisms. To achieve its information security objectives and ensure the confidentiality, integrity, and availability of information assets, the Company has established information security management regulations and implemented control mechanisms such as a cybersecurity defense network and data protection framework. An intelligent security alert system is deployed to monitor and handle abnormal events. The Plan-Do-Check-Act (PDCA) cycle is adopted to regularly review and improve the framework's completeness to reduce the risk of cybersecurity incidents, and minimize their impact on business operations—safeguarding the information security of the Company, its shareholders, employees, customers, and suppliers.



### 4. Specific Objectives for Information Security Management

To enhance employees' awareness of information security, the Company conducts awareness programs to remind employees to comply with its information security management standards. Activities include social engineering drills, the publication of bilingual (Chinese and English) information security newsletters, and the organization of Information Security Task Force meetings. These meetings cover a range of topics, including intellectual property, trade secrets, confidential information, personal data

protection requirements, as well as real-world examples of antivirus, anti hacking, and anti-fraud measures—strengthening employees’ understanding and practices of information security protection. To ensure that business partners are also aware of the Company’s information security regulations, all suppliers and contractors must acknowledge and agree to comply with the relevant information security clauses outlined in the Code of Conducts website: <https://www.mxic.com.tw/zh-tw/about/corporate-governance/Pages/code-of-conduct.aspx> Compliance Certificate before initiating cooperation. In addition, personnel are required to complete and pass an information security training course before entering the Company.

To protect against the different types of information security threats and protect the Company’s information assets, the Company continues to strengthen its information security defense and data protection networks. Access control mechanisms are implemented for the use of computers, IT equipment, and network resources. The company also uses the data loss prevention (DLP) system, data encryption, file management and other tools to protect sensitive data from leakage.

Also in order to prevent and reduce the damage caused by hacker attacks, the Company has established relevant protection mechanisms and systems, including firewalls and intrusion prevention systems. It is mandatory for the factory equipment to be scanned for virus to prevent malware from entering the Company’s network to block malware from infiltrating the Company’s systems. Network partition control is implemented to prevent the spread of computer viruses across regions. Furthermore, the endpoint devices are protected through anti-virus and anti-hacking measures. Real time monitoring and anomaly response are carried out via the integrated network security operations center (SOC) and an intelligent information security alert system. the Company also invites the business units to participate in the security incident response and disaster recovery drill to ensure organizational resilience. To strengthen the information security protection level of the supply chain and reduce related risks, thereby preventing potential operational impacts from information security incidents involving suppliers, the Company conducts annual supplier information security audits through its core information security team and follows up on corrective actions for identified deficiencies.

To supervise the strength of the information security system, the Company adopts a third-party information security assessment tool, Security Scorecard and the information security risk rating service provided by SEMI (Semiconductor Equipment and Materials International), to monitor weaknesses. Regular vulnerability scans are conducted on critical information systems, and ethical hackers (white-hat hackers) are commissioned to perform red team exercises, and external experts are engaged on a regular basis to perform information security assessments. In addition, to ensure the effectiveness of the information security management measures, the Information Security Core Team reviews the implementation results of relevant operations every month.

## 5. Achievements of the Promotion of Information Security

In 2025, the Company implemented multiple information security strengthening initiatives. In addition to successfully completing the ISO 27001:2022 recertification for information security management systems, third-party information security assessment tools Security Scorecard and Panorays both rated the Company above 96 points, exceeding the global manufacturing industry average. An information security insurance consultant evaluated the Company’s information security maturity based on 106 standards across the six core functions of the National Institute of Standards and Technology Cyber Security Framework (NIST CSF). In the Govern (GV), Identify (ID), Protect (PR), Detect (DE), and Recover (RC) functions, the Company has shown significant improvement compared with last year.

In 2025, there were no reported incidents of personal data or privacy breaches involving employees, customers, or suppliers.

Management Framework	Specific Management Plan	Implementation Results
Information security management regulations	Compliance with information security regulations	<ul style="list-style-type: none"> <li>• ISO/IEC 27001:2022 recertification passed (with zero nonconformities) in December 2025</li> </ul>
	Implementation of information security management system	<ul style="list-style-type: none"> <li>• 100% of global employees with external email accounts participated in phishing email social engineering exercises (a total of 32,494 participants)</li> <li>• Information security e-newsletters in both Chinese and English issued to promote information security knowledge and company regulations (a total of 24 editions published)</li> <li>• 100% of global employees completed information security awareness and regulation promotion classes (a total of 11,292 participants)</li> </ul>
Security control mechanisms	Strengthening of the information security defense network	<ul style="list-style-type: none"> <li>• Host security configuration monitoring integrated into the digital security framework, with an intelligent information security reporting system covering 20 monitoring items</li> <li>• Integrated NAC network management system and intelligent information security reporting system to immediately report and block any unregistered connecting devices upon detection (more than 13,000 devices monitored)</li> <li>• Established an automated SIEM blocking and report mechanism (a total of 320 cases proactively blocked and blacklisted)</li> <li>• Automated recovery systems implemented for critical business operations to ensure efficient recovery and fulfill requirements for operation resilience. (more than 900 systems)</li> </ul>
	Strengthening of the data protection network	<ul style="list-style-type: none"> <li>• Strengthened the monitoring of information and communication records with a system that automatically notifies responsible supervisors for audits based on the severity of the user's violation (mild, moderate, or severe) (more than 2,500 cases audited)</li> <li>• Regularly audited sensitive application systems, IT services, and high-privilege accounts (more than 36,000 accounts)</li> <li>• Dedicated a special zone for generative AI usage, restricting employees to only access generative AI in that zone. File transfers require employees to apply in advance. The system automatically greenlights the transfer once the applicants gain their supervisors' permission, thereby protecting the company's confidential information</li> <li>• File content scanning included for supplier data transmission in addition to account authorization and data encryption for strengthening data protection</li> </ul>
	Strengthening of the supply chain information security management	<ul style="list-style-type: none"> <li>• Required key suppliers in the supply chain to establish information security systems and implement sensitive data protection; any information security incidents must be reported within 24 hours (100 suppliers)</li> <li>• Conducted information security questionnaires to score major suppliers' information security capabilities (70 suppliers surveyed) and ranked them according to their scores as a procurement reference for internal personnel</li> <li>• Conducted on-site audits on suppliers with low information security scores and tracked their corrective actions for deficiencies (2 suppliers audited)</li> </ul>

## 6. Investment of Resources in Information Security Management

In order to meet the needs of information security management, the Company has invested relevant resources in the establishment and maintenance of defensive measures and hedging mechanisms, including more than 100 information security-related personnel, and the amount of information security accounts for over 10% of the information-related budget. The monitoring coverage for information assets is 100% (all IT/OT assets are included in the scope of the Company's cybersecurity defense-in-depth protection and monitoring).

### (II) In the Most Recent Year and Up to the Publication Date of this Annual Report, If the Losses, Possible Impacts, and Response Measures Caused by Major Information Security Incidents Cannot Be Reasonably Estimated, an Explanation of the Facts of Why They Cannot be Estimated Shall be Provided.

The Company has established information security incident reporting and handling procedures to enhance information security risk management, so that information security incidents can be immediately reported and handled when they occur. There were no material information security incidents in the past three years and up to the date of report.

## VII. Important Contracts

Number	Contract	Party	Dates	Main Content	Restriction terms
1	Technology Transfer	Industrial Technology Research Institute	From February 1997	Technology transfer of MPEG-2 Audio Decoder	Intellectual property rights, use, confidentiality and other restrictions
2	License Agreement	Cybernetics, USA	From April 2000	Low Rate Coder technology license	Use, confidentiality and other restrictions
3	License Agreement	Saifun Semiconductors, Israel	From May 2000 until the end of Saifun NROM patent validity period	“NROM” technology license	Intellectual property rights, use, confidentiality and other restrictions
4	License Agreement	Zoran, USA	From June 2000	Technology license of TV decoder/TV signal decoder+3Ddimensional color signal enhancement function	Intellectual property rights, use, confidentiality and other restrictions
5	License Agreement	ARM, England	From August 2002	Obtained ARM technology license	Intellectual property rights, use, confidentiality and other restrictions
6	License Agreement	Saifun Semiconductors, Israel	From April 2004	MLC Flash technology license	Intellectual property rights, use, confidentiality and other restrictions
7	License Agreement	Mentor Graphics, Ireland	From July 2005	Work system technology license	Intellectual property rights, use, confidentiality and other restrictions
8	Strategic Alliance	Tower Semiconductor, Israel	From December 2000	Strategic alliance investment in Tower Semiconductor	Confidentiality and other obligations
9	License Agreement	Qimonda	From March 2011	Obtained a specific flash memory design related license	Use, confidentiality and other restrictions
10	Joint Development	IBM, USA	January 22, 2019- January 21, 2025	Joint research for phase-change non-volatile memory	Intellectual property rights, use, confidentiality and other restrictions
11	License Agreement	Creative Integrated Systems, Inc., USA	From April 2014	U.S. Patent 5,241,497 and 5,812,461 and related licensing	License, warranties, exemption, confidentiality and other terms
12	Settlement Agreement	Spanion, USA	From January 2015	Reached a settlement for both parties’ litigation and disputes over global patents, and was granted cross-licensing of disputed patents.	Special patent license, settlement fee, confidentiality and other terms

<b>Number</b>	<b>Contract</b>	<b>Party</b>	<b>Dates</b>	<b>Main Content</b>	<b>Restriction terms</b>
13	License Agreement	RPX Corporation, USA	December 15, 2019-December 14, 2025	RPX and Round Rock technology license	License, use, confidentiality and other terms
14	Distribution Agreement	Avnet, Inc.	From September 2017	Expanded product sales on the international market	Confidentiality, license, liability and other terms
15	Settlement and License Agreement	Toshiba Corporation/ Toshiba Memory Corporation	From October 9, 2018	Settlement of patent litigation in the United States, Japan and Taiwan and cross-licensing patents	Special patent license, settlement fee, confidentiality and other terms
16	Assets Transaction	Hon Hai Precision Industry Co., Ltd.	From August 05, 2021	Transaction of the 6-inch wafer fab	Use, intellectual property rights, confidentiality, liability for damages and other terms
17	License Agreement	IBM, USA	From November 23, 2021	Obtained a AI technology license	License, disclaimer, confidentiality and other terms
18	License Agreement	Synopsys	From February 25, 2022	Technologies related to SSD Controller	License, use, confidentiality and other terms
19	Joint Research	National Cheng Kung University	April 1, 2023-March 31, 2025	Computing in memory circuit setup	Intellectual property rights, confidentiality and other terms
20	Joint Development	IBM, USA	December 31, 2023-December 30, 2026	Joint development of Enterprise SSD Storage	Intellectual property rights, use, confidentiality and other restrictions
21	Joint Research	National Yang Ming Chiao Tung University	January 1, 2024-December 31, 2025	Research on AI algorithm optimization- technics for enhancing the diversity and generalization of dataset distillation	Intellectual property rights, confidentiality and other terms
22	Joint Research	National Taiwan Normal University	January 1, 2024-December 31, 2025	Design and performance optimization study of in-storage computing architecture for database operations	Intellectual property rights, confidentiality and other terms
23	Share transfer	Hui Ying Investment Ltd., Polaris Biopharmaceuticals, Inc.	From January 30, 2024	Genovior Biotech Corporation common stock	Settlement, confidentiality, compensation liability and other terms
24	Share transfer	Run Hong Investment Ltd., Polaris Biopharmaceuticals, Inc.	From January 30, 2024-	Genovior Biotech Corporation common stock	Settlement, confidentiality, compensation liability and other terms
25	License Agreement	Andes Technology Corporation	March 11, 2024-March 10, 2034	Microprocessor IP license	Intellectual property rights, use, confidentiality and other restrictions

<b>Number</b>	<b>Contract</b>	<b>Party</b>	<b>Dates</b>	<b>Main Content</b>	<b>Restriction terms</b>
26	License Agreement	Silicon Motion, Inc., Wolley (Taiwan) Ltd., Macronix Microelectronics (Suzhou) Co., Ltd.	From May, 15, 2024	SDK software license related to SSD controller chips	License, use, confidentiality and other restrictions
27	Joint Research	National Taiwan University	July 1, 2024- June 30, 2027	Simulation and process development of next generation memory devices and materials	Intellectual property rights, confidentiality and other terms
28	Joint Research	National Tsing Hua University	March 1, 2025- February 28, 2027	High-speed non-volatile memory circuit design	Intellectual property rights, confidentiality and other terms
29	License Agreement	RPX Corporation	December 15, 2025- December 14, 2028	RPX Corporation and Round Rock patent license	License, use, confidentiality and other restrictions
30	Joint Research	National Taiwan University	January 1, 2026- December 31, 2027	Storage System Designs and In-Storage Computing Strategies for Efficient and Scalable Large Language Model Reasoning	Intellectual property rights, confidentiality and other terms
31	Joint Research	National Taiwan University	January 1, 2026- December 31, 2027	Accelerating Retrieval-Augmented Generation with Computational Storage	Intellectual property rights, confidentiality and other terms

## Chapter V. Review, Analysis, and Risks of Financial Position and Performance

### I. Analysis of Financial Status

Unit: NT\$ thousands

Item	2025	2024	Difference	Increase/Decrease (%)
Current Assets	29,425,027	29,253,996	171,031	0.58%
Non-current Assets	49,075,358	48,622,358	453,000	0.93%
Total Assets	78,500,385	77,876,354	624,031	0.80%
Current Liabilities	12,403,846	10,320,395	2,083,451	20.19%
Non-current Liabilities	20,288,938	23,576,236	(3,287,298)	(13.94%)
Total Liabilities	32,692,784	33,896,631	(1,203,847)	(3.55%)
Equity Attributed to Shareholders of the Parent	45,802,485	43,977,313	1,825,172	4.15%
Non-controlling Interest	5,116	2,410	2,706	112.28%
Total Equity	45,807,601	43,979,723	1,827,878	4.16%
<p>If the difference in comparison with the previous period exceeds 20%, and the main reason and the impact are analyzed as follows:</p> <ul style="list-style-type: none"> <li>• Current Liabilities: Increased compared to 2024, mainly due to current portion of long-term liabilities increase in accounts payable in 2025.</li> <li>• Non-controlling Interests: Increased compared to 2024, primarily due to an increase in equity of subsidiaries with less than 100% ownership in 2025.</li> </ul>				

## II. Analysis of Financial Performance

Unit: NT\$ thousands

Year Item	2025	2024	Difference	%
Net Operating Revenue	\$28,879,986	\$25,883,475	\$2,996,511	11.58%
Operating Costs	23,748,974	19,784,273	3,964,701	20.04%
Gross Profit	5,131,012	6,099,202	(968,190)	(15.87%)
Realized Gross Profit	5,131,012	6,099,202	(968,190)	(15.87%)
Operating Expenses	8,828,599	10,023,080	(1,194,481)	(11.92%)
Loss from Operations	(3,697,587)	(3,923,878)	226,291	5.77%
Non-operating Income and Expenses	64,188	377,649	(313,461)	(83.00%)
Net Loss before Tax	(3,633,399)	(3,546,229)	(87,170)	(2.46%)
Income Tax Benefit	(328,428)	(333,945)	5,517	1.65%
Net Loss for the Year	(3,304,971)	(3,212,284)	(\$92,687)	(2.89%)
Other Comprehensive Income (Loss)	3,315,573	(207,013)	3,522,586	1701.63%
Total Comprehensive Income for the Year	\$10,602	(\$3,419,297)	\$3,429,899	100.31%

Analysis of any increase/decrease in ratio exceeding 20%:

- Operating Costs: Increased compared to 2024, mainly due to increase in Manufacturing cost in year 2025.
- Non-operating Income and Expenses: Non-operating Income decreased compared to 2024, mainly due to the decrease in exchange rate in year 2025.
- Other Comprehensive Income (Loss): Increased compared to 2024, mainly due to increase in Unrealized valuation gains and losses in the year 2025.
- Total Comprehensive Income for the Year: Increased compared to 2024, mainly due to the increase in Unrealized valuation gains and losses in the year 2025.

### III. Analysis of Cash Flow

#### (I) Cash Flow Analysis and Remedy for Liquidity Shortfall

Unit: NT\$ thousands

Cash Balance 12/31/2024 <sup>①</sup>	Net Cash Provided by Operating Activities in 2025 <sup>②</sup>	Net Cash used in Investing and Financing Activities in 2025 <sup>③</sup>	Cash Balance 12/31/2025 ①+②+③	Remedy for Liquidity Shortfall	
				Investing Plan	Financing Plan
11,623,489	4,837,543	(1,548,365)	14,912,667	—	—

Note 1: Analysis of net cash change in 2025:

- (1) NT\$4,837,543,000 net cash used in operating activities; mainly from operating cash inflows exceeding cash outflows.
- (2) NT\$1,724,477,000 net cash used in investing activities; mainly due to the expansion of plant operations, expenditures for purchasing machinery.
- (3) NT\$395,973,000 net cash generated by financing activities; primarily for long-term debt proceeds and Second Domestic Unsecured Convertible Bonds.
- (4) NT\$(219,861,000) net decrease was effect of exchange rate changes

Note 2: Remedial Actions for Liquidity shortfall: Not applicable.

#### (II) Cash Flow Projection for Next Year:

The Company plan to pay capital expenditures and bank repayment by bank financing and cash on hand.

### IV. Major Capital Expenditures and Impact on Financial and Business in the Most Recent Fiscal Year

#### (I) Capital Expenditure and Source of Funds

Unit: NT\$ thousands

Project	Actual or Planned Source of Capital	Actual use of Capital			Total Amount
		2023	2024	2025	
Facility engineering, production equipment and advanced process equipment	Self-owned funds, bank borrowings	7,609,696	5,392,109	1,840,798	14,842,603

#### (II) Expected Benefits

The capital expenditure mentioned above is for expanding capacity of high-end production and accelerating the development of advanced processes (including 3D NAND); its aim is lowering unit costs and enhancing product competitiveness.

## **V. Reinvestment Policy for the Most Recent Fiscal Year, the Main Reasons for the Profits/Losses Generated Thereby, the Plan for Improving Re-Investment Profitability, and Investment Plans for the Coming Year**

The Company's reinvestment policy is in line with its operating policies and long-term strategic purposes. Most of the investee companies are consolidated financial statements entities. The value of non-consolidated entities accounts for 9% of the total assets. The dividend income for fiscal year 2025 was NT\$194,193 thousand on a consolidated basis.

## **VI. Analysis of Risk Management in the Most Recent Fiscal Year and Up to the Printing Date of this Annual Report**

### **(I) Effects of Changes in Interest Rates, Foreign Exchange Rates and Inflation on Corporate Finance, and Future Response Measures**

#### **1. Interest rate**

Following the impact of U.S. tariffs in 2025, global economic growth remained moderate. The inflation rate has continued to decline from its peak following the outbreak of the Russia-Ukraine war. Considering both domestic and international economic conditions, the recent U.S.-Iran conflict has caused an increase in oil prices. Global interest rate decisions in 2026 are expected to depend on developments in the conflict. Although Taiwan's Central Bank decided to keep policy interest rates unchanged at its board meeting on December 18, 2025, the outlook remains subject to numerous uncertainties, including the economic benefits of AI business models, developments in U.S. trade policies, and geopolitical risks.

The Company regularly assesses the changes in bank loan rates. Moreover, it negotiates with banks to secure financing credits with more favorable interest rates through project loans, the aim of which is to reduce the impact of interest rate fluctuations on the Company's overall operations.

#### **2. Foreign exchange rate**

As more than 90% of the Company's revenue is denominated in US dollars or Japanese yen, and about 30% of operating expenses as well as 60% of capital expenditure are paid in US dollars or Japanese yen, exchange rate fluctuations in New Taiwan dollar against the US dollar and Japanese yen naturally have an impact on the Company's financial position. However, to mitigate risks, the Company continues to implement natural hedging for its foreign currency positions and adopts hedging measures such as selling US dollars (or Japanese yen) or pre-selling forward foreign exchange contracts, aiming to reduce the impact of exchange rate fluctuations on the Company. In 2025, the US dollar appreciated against New Taiwan dollar from 32.785 at the beginning of the year to 31.43. The Japanese yen depreciated against the New Taiwan dollar from 0.2099 at the beginning of the year to 0.2008. The Company's net loss on foreign exchange in 2025 was NT\$ 153,324 thousand.

#### **3. Inflation**

Since 2025, domestic inflation has generally maintained a gradual downward trend. Strong demand for emerging technologies, such as artificial intelligence (AI), has supported production activities in Taiwan's information and electronics industries. Taiwan's central bank forecasts an economic growth rate of 3.67% for this year (2026). In terms of prices, the second half of 2025, fruit and vegetable prices stabilized due to exemptions and reductions in taxes on certain goods, coupled with favorable weather. As a result, the inflation rate continued its slow decline. Looking ahead to next year, following the electricity price increase at the end of October 2025, the minimum wage is also expected to rise. However, due to continued tax reductions on certain goods, service-sector inflation is projected to remain on a gradual decline. Overall, the inflation rate for 2026 is forecasted at 1.63%. Recent increases in oil prices driven by the U.S.-Iran conflict highlight that geopolitical risks remain a significant uncertainty influencing future inflation. To mitigate the impact of inflation, the Company plans to strengthen long-term cooperation agreements and inventory management. Additionally, it will continue identifying more competitive qualified suppliers while optimizing cost reduction and enhancing the added value of products to address these challenges.

## (II) Policies, Main Causes of Gain or Loss and Future Response Measures with Respect to High-risk, High-leveraged Investments, Loans of funds to Others or Endorsement Guarantees, and Derivatives Transactions

1. As of the beginning of 2025 to the printing date of this Annual Report, the Company has not engaged in high-risk and leveraged financial investments. Neither did the Company loan any funds or provide any endorsements/guarantees to other parties.
2. The Company's derivative trading transactions are mainly hedged. The choice of the option for commodity trading is aimed at avoiding risks arising from the Company's business operations and hedging for the expected foreign exchange net position. In addition, the transaction and settlement difference contributed to the profit and loss of the transaction.
3. The Company has established the Procedures for Loaning of Funds to Others, the Operating Procedures for Endorsements and Guarantees, the Procedures for Handling Derivatives Transactions, and the Procedures for Acquisition and Disposal of Assets. All processes adhere strictly to these procedures in order to keep operation and financial risks under control.

## (III) Future R&D Projects and the Expected Expenditure

### ※ Four Domains of the R&D Plan:

1. Advanced technology
  - (1) The core technology and patents of the 3D NAND Flash
  - (2) The core technology and patents of AI Application Memory
2. Manufacturing process
  - (1) The manufacturing process of the 3D NAND Flash and subsequent derivative developments.
  - (2) The manufacturing process of the 42 nm NOR Flash and subsequent derivative developments.
3. Product
  - (1) High-capacity 3D NAND Flash.
  - (2) Encryption protected NOR Flash.
  - (3) Ultra-low power consumption NOR Flash.
  - (4) eMMC
4. Quality and Testing
  - (1) Development of quality certification and management processes for automobiles.

### ※ Expected Expenditure for R&D:

The estimated R&D expenditure for 2026 is approximately NT\$ 4.8 billion. (The expenditure includes personnel costs, equipment royalty, patent rights, trademark application fee, etc.)

## (IV) Changes in Domestic and Overseas Policies and Laws That Have an Impact on the Company's Financial and Business and the Countermeasures:

The Company has always complied with policies and laws and keeps a close eye on significant changes in policies and laws that may affect the Company's financial position and business performance, and makes adjustments accordingly. There were no changes to policies and laws that had a material impact on the Company's financial position and business performance in 2025 and up to the date of report.

## (V) Impact of Changes in Technology and Industry to the Company's Finance and Business and the Countermeasures

Different sectors have begun to value and emphasize ESG (Environmental, Social, and Governance) and sustainable development issues in recent years, and this has accelerated the industry's participation

in carbon reduction projects and eco-friendly measures. The Company has fabs and focuses on GHG reduction items. Preliminary plans and implementation results include: (1) Increasing the percentage of green electricity (2) Smart energy conservation and monitoring (3) Replacing old equipment with new ones and a year-by-year budget allocation.

Information security and intellectual property protection are important items of operational risk, and the information security concept of the new generation is “the right people have the right access rights on the right devices for limited and secure access, which is continuously monitored and analyzed.” The Company uses digital automated management technologies to replace the manual management method, and has established a strict modernized information security management system to ensure that business operations are not interrupted and to protect intellectual property rights, effectively lowering operational risk.

In recent years, the ever-innovating technology applications, such as mobile devices and the Internet, has greatly improved convenience and efficiency for individuals and corporations but also created potential threats of information security for corporations. Once a major information security incident occurs, the Company’s information assets will be under internal, external, intentional, or accidental threats and damage, which could harm the confidentiality, usability, and integrity of the Company’s confidential information. In addition, it will damage the Company’s competitiveness, sales and operations, and even further affect the Company’s financial results, image, and reputation.

To address these risks, the Company has implemented comprehensive cybersecurity and data protection networks to mitigate evolving threats. Confidential information and trade secrets are managed through classification, labeling, least-privilege access controls, and encryption to ensure secure storage and transmission. The Company has also deployed monitoring mechanisms and backup systems to prevent and mitigate malware attacks, reduce recovery time, and enhance operational resilience.

Notwithstanding these measures, cybersecurity risks cannot be entirely eliminated. Accordingly, the Company has established incident reporting and response procedures to ensure timely mitigation and response. In addition, the Company maintains cybersecurity insurance coverage to provide financial protection and reduce the potential impact of such incidents.

#### (VI) Impact of Corporate Image Change on Risk Management and Response Measures:

The Company is determined to uphold the business philosophy of honesty. By adhering to such major values, as innovation, quality, efficiency, service, and teamwork, we have established and implemented corporate governance and risk management mechanisms to create the business environment for sustainable development. To effectively prevent and control risks and meet expectations of competent authorities, customers, investors and related parties, the Company is committed to implementing the risk management in such areas as operational, financial, legal compliance, information security and climate change. This way the Company fulfills its social responsibilities and ensures the Company’s international competitiveness and sustainable operation.

The Company understands that it is vital to communicate with competent authorities, customers, investors and related parties. Therefore, the Company has established the diverse communication channels to gain understanding of and respond to reasonable expectations, requirements and issues of concern towards the Company. All related parties can contact the Company and express their opinions through the Company website (<http://www.macronix.com>).

#### (VII) Expected Benefits and Potential Risks of Merger and Acquisition: Not applicable.

#### (VIII) Expected Benefits, Potential Risks, and Countermeasures of Factory Expansion

Amid the rapid growth in demand for artificial intelligence (AI), cloud data centers, and high-performance computing (HPC) in 2025, the memory market — particularly high-bandwidth memory (HBM), DRAM, and NAND Flash — has entered a phase of structural, accelerated expansion in 2026, resulting in a sustained supply-demand imbalance globally. To meet customer demand, the Company plans to initiate a 12-inch wafer fab capacity expansion, with an estimated capital expenditure of NT\$22 billion to build flexible, high-performance 3D-NAND Flash production capacity in order to strengthen the Company’s position in the eMMC market, while continuing to provide high-quality NOR Flash products and deepen long-term partnerships with AI and data center customers.

The Company remains committed to innovation and high-quality standards, and continues to invest in the development of advanced high-density 3D NOR Flash and 3D NAND Flash technologies to enhance global competitiveness. In connection with the planned expansion, the Company has also taken into consideration production flexibility, product portfolio optimization, and both domestic and overseas inventory management. In addition, the Company closely monitors customer demand trend and maintains a responsive production and sales management mechanism, enabling timely adjustments to operations in response to evolving market conditions, thereby mitigating operational risks.

#### (IX) Risks Relating to the Concentration of Purchasing or Sales and the Countermeasures

The Company's primary raw materials are silicon wafers, raw chemicals, and gases used for processing. In order to ensure the stable supply and gain recognition and trust of our customers, the relationship with suppliers is established based on a long-term, smooth and stable supply. Company's procurement policy has always aimed at establishing long-term and excellent collaborative relationships and decentralized sources for purchasing. Furthermore, in order to reduce the impact of raw materials and price fluctuation risks, we continue to improve our inventory monitoring system and increase the accuracy of demand forecasting. Therefore, the Company ensures that the supply chain maintains appropriate inventory levels and reduces unpredictable risks.

Furthermore, our largest customer accounted for 21% and 16% of our revenue in 2024 and 2025, respectively, while the revenue contribution from any other single customer did not exceed 10%. Overall, sales concentration remains within a reasonable range. The Company's major customers are primarily internationally recognized electronics and technology companies. Through years of collaboration, these relationships have become long-term and stable. The Company's products are mainly applied in long-lifecycle markets, including automotive electronics, industrial control, and communication equipment, which typically result in enduring and stable customer partnerships. To further diversify sales concentration and strengthen operational stability, the Company continues to invest in new product development and technological innovation, while actively expanding into application markets with long-term growth potential. These include high-quality sectors such as automotive electronics, medical equipment, industrial control, and data centers. By expanding into these markets, the Company aims to optimize its product portfolio and customer base, thereby enhancing overall market competitiveness.

Moreover, the Company's largest customer accounted for 21% and 16% of revenue in 2024 and 2025, respectively, while no other single customer contributed more than 10%.

(X) The Impact of Mass Transfer or Change of Equity by Directors, Supervisors, or Shareholders Holding More than 10% of Shares on the Company, Associated Risks and Response Measures: Not applicable.

(XI) The Impact of Change of Operating Rights on the Company, Associated Risk and Response Measures: Not applicable.

(XII) Litigious or Non-litigious Events: Company's main litigation cases of 2025 are the foreign trademark opposition

1. Trademark opposition case: Desmak Teknoloji Anonim Şirketi applied the trademark "Macronix" through the Turkish Patent and Trademark Office, which is similar to the Company's English trademark. Therefore, on the Company on June 7, 2022 and February 17, 2023 separately filed the opposition and appeal with the Turkish Patent and Trademark Office and the appeal authority. On January 5, 2023 the appeal authority determined that the Company is the true owner of the disputed trademark and decided to revoke the registration of the disputed trademark. Currently, the Company has also filed a trademark application for "MXIC" with the Turkish Patent and Trademark Office, which was approved and published by the Turkish Patent and Trademark Office on July 18, 2024.
2. People's Republic of China patent litigation: Canadian company Mosaid has filed a lawsuit for patent infringement against Gao Jie Xin Cheng of Shenzhen and the Company under the publication numbers CN101617372B ("Patent CN372") and CN101159264B ("Patent CN264"). In addition, Mosaid has filed three lawsuits for patent infringement against Bihan Internet Technology), Shenzhen Sundan and the

Company under the publication number CN1971912B (“Patent CN912”) and required the Company and the local defendants be jointly and severally liable to compensate for each case in the amount of RMB 5M. The total claim amount for the three cases is RMB 15M. Although the Company firmly believes that there is no infringement involved or that the patents in question should be invalidated, to prevent any harm to the Company rights, we have already entrusted the lawyer from the People’s Republic of China to handle a non-infringement defense and have also filed a request for patent invalidation with the China National Intellectual Property Administration of People’s Republic of China to challenge the validity of the patents. All three patents were declared invalid by China National Intellectual Property Administration, and Mosaid withdrew all related infringement claims.

### (XIII) Other Important Risks and Countermeasures:

#### Tax risks

Tax Policy: the Company seeks to manage its tax risks in the best way, and devotes itself to information transparency and compliance. The Company also supports government tax policy to drive economic development and sustainability. The Company’s 6 guidelines for tax management are as follows:

- (1) All operations comply with tax laws and regulations of Taiwan.
- (2) Transactions between affiliated enterprises comply with the internationally recognized pricing principles announced by the OECD, and BEPS related regulations, so that the pricing policy of related parties complies with the arm's length principle.
- (3) In response to the global trend of anti-tax evasion, avoid using countries with low tax rates in tax planning with the purpose of tax evasion.
- (4) Make information in tax reports transparent; submit the Country-by-Country Report, Master File, and Local File to the tax authority, so that tax disclosure complies with laws, regulations, and guidelines.
- (5) The Company’s tax planning and decisions all take into consideration the effect of tax risks.
- (6) Establish a good interaction with the tax authority based on the principles of mutual trust and information transparency.

### VII. Other Significant Events: None.

## Chapter VI. Special Disclosure

### **I. Summary of Affiliated Companies:**

Please refer to “Market Observation Post System > Individual Company > Electronic Document Download > Related Party Transactions Disclosure Section,”  
website: [https://mopsov.twse.com.tw/mops/web/t57sb01\\_q10](https://mopsov.twse.com.tw/mops/web/t57sb01_q10).

### **II. Private Placement Securities of the Most Recent Fiscal Year and Up to the Printing Date of this Annual Report:** None.

### **III. Other Necessary Supplements:** None.

### **IV. The Events Resulting in Significant Impact to Shareholders’ Equity or Stock Prices Under Article 36(3)(ii) of Securities and Exchange Act in the Most Recent Fiscal Year and Up to the Printing Date of this Annual Report:** None.

**Macronix International Co., Ltd.**

**Chairman: Miin Wu**