

eMemory Technology Inc.  
**2025 Annual Report**



Annual report is available at :  
Market Observation Post System <https://mops.twse.com.tw>  
eMemory Website <https://www.ememory.com.tw>

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Notice to Readers

This document is prepared in accordance with the Chinese version and is for reference only. In the event of any inconsistency between the English version and the Chinese version, the Chinese version shall prevail.

1. Spokesperson

Name : Chris Lu

Title : Executive Vice President and Chief Operating Officer

Tel : 886-3-560-1168

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

Acting Spokesperson

Name : Joseph Hsia

Title : Financial Officer

Tel : 886-3-560-1168

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

2. eMemory Address and Tel Number

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Jhubei Office Address : 8F, No. 5, Tai-Yuan 1<sup>st</sup> Street, Jhubei City, Hsinchu County, Taiwan

Tel : 886-3-560-1168

3. Stock Transfer Agent

Company : KGI Securities Co., Ltd. Brokerage Registry and Transfer Services Department

Address : 5F, No.2, Sec.1, Chongqing S. Road, Taipei City, Taiwan

Tel : 886-2-2389-2999

Website : [https:// www.kgi.com.tw](https://www.kgi.com.tw)

4. Independent Auditor

Accounting Firm : Deloitte & Touche

Auditors : Cheng-Chih Lin and Ya-Yun Chang

Address : 20F, No. 100, Songren Road, Taipei City, Taiwan

Tel : 886-2-2725-9988

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

5. Name of any exchanges where the company's securities are traded offshore, and the method by which to access information on said offshore securities : None

6. eMemory Website : <https://www.ememory.com.tw>

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## I. Letter to Shareholders

Dear Shareholders,

Looking back on 2025, the global semiconductor industry remained in a phase of high uncertainty. Nevertheless, eMemory demonstrated solid performance across operational results, technology deployment, and organizational effectiveness, laying a more robust foundation for the next stage of growth.

- Operations and Financial Performance:
  - Consolidated revenue for 2025 reached a record high of NT\$3,849,053 thousand, representing a 6.7% YoY increase. Royalties accounted for 67.5% of revenue, up 5.1%, while license fees accounted for 32.5%, up 10.4%. Despite unfavorable exchange rate movements, the Company achieved new highs, reflecting the long-term competitiveness of our technology roadmap, application expansion, and customer collaboration. Revenue from PUF-based security IP showed the most significant growth compared with the previous year, highlighting the rapidly increasing demand for information security protection driven by European and U.S. regulatory requirements, Caliptra standards, and the rapid expansion of global computing power. Consolidated operating profit reached NT\$2,252,337 thousand, up 13.4% year-on-year, with an operating margin of 58.5%, both historic highs. Net profit after tax was NT\$1,911,849 thousand, up 4.2%, and earnings per share after tax reached NT\$25.60, also a record level.
- Technology Development and Mass-Production Platforms
  - NeoBit primarily expanded its industrial and automotive platforms, while NeoFuse continued to develop platforms broadly across various foundries. In GAA advanced processes, we are currently in development and verification with several leading foundries, set for introduction into AI, HPC, ADAS, and high-end SoC applications. Development of NeoEE and NeoMTP has been actively introduced into automotive applications. NeoFlash development is progressing simultaneously on several foundry platforms. RRAM development has begun on 22nm FinFET for automotive-grade IP, with development and verification on 55BCD and 90nm logic processes.

- Last year we completed verification and qualification of 3nm OTP and achieved numerous customer NTOs, secured more than 20 design-wins at 3nm, and accumulated over 60 projects at nodes of 7nm and below. Royalties from advanced processes continue to grow. For mature-node OTP, process platforms continue to expand widely across foundries and IDMs. NeoEE and NeoMTP at 55nm BCD have entered mass production and are advancing toward automotive qualification. For RRAM, 40/22nm reliability validation has been completed with several customers adopting designs, and expansion into BCD and FinFET processes continues. With global capacity expansion in both advanced and mature nodes, and widespread demand for NVM and security technologies, the more than 700 qualified process platforms of ours are expected to sustain strong royalty growth.
- Outlook for 2026 and Beyond
  - Existing applications—such as OLED DDI, TDDI, PMIC, sensors, and MCU—will continue to increase penetration and migrate to more advanced nodes, driving higher ASP. NTO counts and royalty revenue from ISP, DRAM, CIS, and connectivity ICs also remain on a strong growth trajectory. MTP is being continuously introduced into DDR5/6 SPD, PMIC, Type-C, wireless chargers, SoC PMIC, and color e-paper/e-label driver ICs, with significant royalty growth already observed. PUF-based security IP has accumulated more than 130 license projects, with demand mainly from 3/4/5/6/7nm nodes. The objective is to provide hardware root-of-trust and cybersecurity protection for AI, HPC, data center, and mobile device chips. License and royalty income related to PUF will continue to grow.
  - In sustainable development, the Company achieved excellent results in several key ESG indicators last year (S&P Global 87%, MSCI 6.0 [A], Sustainalytics 11% – low risk). We will continue to follow our established direction, advancing governance related to information security, quality management, environmental protection, and automotive standards, and integrating these into practical operations and process management.

Finally, we sincerely thank all shareholders for your long-standing support and trust, which enables eMemory to continue moving forward on the path of excellence. We wish everyone good health and all the best. Thank you.

Chairman:  
Charles Hsu

President:  
Michael Ho

Accounting Officer:  
Erin Kuan

## II. Corporate Governance Report

### 2.1 Directors and Management Team

#### 2.1.1 Directors

##### A. Information of Directors

04/11/2026 ; Unit: Year : Thousand shares ; %

Title	Nationality/ Place of Incorporation	Name	Gender Age	Date Elected	Term (Years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience ( Education )	Other Position	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Chairman	R.O.C.	Charles Hsu	Male 61~70	06/19/2024	3	08/08/2000	1,429	1.91	1,429	1.91	6	0.01	0	0	1.Ph.D. in Electrical Engineering, University of Illinois, Urbana- Champaign, U.S.A. 2.Chairman, Institute of Electronics Engineering, National Tsing Hua University 3. Researcher, IBM T.J. Watson Research Center, NY, U.S.A.	1. Chairman, iMQ Technology Inc. 2. Chairman, PUFsecurity USA Corporation 3. Chairman & President, PUFsecurity Corporation 4. Director, SecuX Technology Inc. 5. Independent Director, Remuneration Committee Member & Audit Committee Member, Acer Inc. 6. Independent Director, Remuneration Committee Member & Audit Committee Member, Materials Analysis Technology Inc. 7. Director, National Applied Research Laboratories	Representa- tive of How-Han Investment Corporation	Felix Hsu	Son	None

04/11/2026 ; Unit: Year ; Thousand shares ; %

Title	Nationality/ Place of Incorporation	Name	Gender Age	Date Elected	Term (Years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience ( Education )	Other Position	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship		Note	
							Shares	%	Shares	%	Shares	%	Shares	%			Shares	%		Title
Director	R.O.C.	F.C. Tseng	Male 81~90	06/19/2024	3	06/19/2024	0	0	0	0	0	0	0	0	1.Ph.D. in Electrical Engineering, National Cheng Kung University 2.Master Degree in Electrical Engineering, National Chiao Tung University 3.Bachelor Degree in Electrical Engineering, National Cheng Kung University 4.Honorary Ph.D., National Chiao Tung University 5.Honorary Ph.D., National Tsing Hua University 6.President, Vanguard International Semiconductor Corporation 7.President, Taiwan Semiconductor Manufacturing Company Limited 8.Deputy CEO, Taiwan Semiconductor Manufacturing Company Limited 9.Vice Chairman, Taiwan Semiconductor Manufacturing Company Limited 10.Independent Director, Chairman of Audit Committee & Compensation Committee member, Acer Inc. 11.Director, National Culture and Arts Foundation, R.O.C.	1.Director, Taiwan Semiconductor Manufacturing Company Limited 2.Chairman, TSMC China Company Ltd. 3.Chairman, Global Unichip Corporation 4.Vice Chairman, Vanguard International Semiconductor Corporation 5.Chairman, TSMC Education and Culture Foundation 6.Director, Zu-Ming Medical Foundation	None	None	None	None

04/11/2026 ; Unit: Year ; Thousand shares ; %

Title	Nationality/ Place of Incorporation	Name	Gender Age	Date Elected	Term (Years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Note			
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation				
Director	R.O.C.	Li-Jeng Chen	Female 51~60	06/19/2024	3	06/09/2015	2,338	3.13	2,215	2.97	0	0	0	0	1. Master of Air Transportation Management, University of Hawaii, Travel Industry Management School, U.S.A. 2. Chief Investment Officer, Cathay Securities Investment Trust 3. Portfolio Manager, Invesco Global Technology Fund	Investor Relations, eMemory Technology Inc.			None	None	None	None	
Director	R.O.C.	Michael Ho	Male 51~60	06/19/2024	3	06/15/2022	44	0.06	44	0.06	48	0.06	0	0	1. Master Degree in Electrical and Electronics Engineering, National Tsing Hua University 2. Principal Engineer, Taiwan Semiconductor Manufacturing Company Limited	1. President, eMemory Technology Inc. 2. Director, PUFsecurity Corporation 3. Executive Director, eMemory Japan Corporation 4. Director, PUFsecurity Technology (Shanghai) Corporation			None	None	None	None	None

04/11/2026 ; Unit: Year ; Thousand shares ; %

Title	Nationality/ Place of Incorporation	Name	Gender Age	Date Elected	Term (Years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Note					
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation						
Director	R.O.C.	Mu-Chuan Hsu	Male 71~80	06/19/2024	3	05/07/2003	1,273	1.71	1,273	1.70	366	0.49	0	0	1. Bachelor Degree in Medicine, China Medical University 2. Attending Physician, Department of Obstetrics & Gynecology, National Taiwan University Hospital 3. Superintendent, North Town Women & Children Hospital 4. Attending Physician, Fu Jen Catholic University Hospital	1. Director, iMQ Technology Inc. 2. Director, HsinChu Kuang-Fu High School					None	None	None	None	None
Director	R.O.C.	How-Han Investment Corporation	N/A	06/19/2024	3	06/19/2012	1,132	1.52	1,132	1.52	0	0	0	0	N/A	1. Director, iMQ Technology Inc. 2. Director, SecuX Technology Inc.					None	None	None	None	None

Title	Nationality/ Place of Incorporation	Name	Gender Age	Date Elected	Term (Years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Note
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Representative of Director	R.O.C.	How-Han Investment Corporation Representative : Felix Hsu	Male 41~50	06/19/2024	3	11/02/2021	31	0.04	31	0.04	0	0	0	0	1. Ph.D. in Materials / Bioengineering, University of California, San Diego, U.S.A. 2. Master of Neurobiology and Anatomy, Boston University, U.S.A. 3. Bachelor of Science in Biology and Chemistry, Duke University, U.S.A. 4. Principle Investigator for study sponsored by the A+ Enterprise Innovation and Research Development Refinement Program, by the Ministry of Economic Affairs	1. Special Assistant to the Chairman, eMemory Technology Inc. 2. Supervisor, Han Yu Assets Co. Ltd	Chairman	Charles Hsu	Father	None
Representative of Director	R.O.C.	How-Han Investment Corporation Representative : Chris Lu	Male 51~60	06/19/2024	3	07/26/2023	20	0.03	29	0.04	84	0.11	0	0	1. Master Degree in Photonics and Optoelectronics, National Taiwan University 2. R&D Engineer, Philips Electronics Ltd. 3. Principal Engineer, Taiwan Semiconductor Manufacturing Company Limited.	Executive Vice President and Chief Operating Officer, eMemory Technology Inc.	None	None	None	None

04/11/2026 ; Unit: Year ; Thousand shares ; %

Title	Nationality/ Place of Incorporation	Name	Gender Age	Date Elected	Term (Years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Note	
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation		
Independent Director	R.O.C.	T.C. Chen	Male 71~80	06/19/2024	3	06/14/2016	0	0	0	0	0	0	0	0	1. Ph.D. in Engineering and Applied Science, Yale University, U.S.A. 2. Bachelor Degree in Physics, National Cheng Kung University 3. Fellow Member, Institute of Electrical and Electronics Engineers (IEEE)	1. Fellow, IBM 2. Vice President Science & Technology, IBM 3. Fellow, National Academy of Engineering	None	None	None	None	None
Independent Director	U.S.A.	Jack Sun	Male 71~80	06/19/2024	3	06/19/2024	0	0	0	0	0	0	0	0	1. Ph.D. & Master Degree in Electrical Engineering, University of Illinois, Urbana-Champaign, U.S.A. 2. Bachelor Degree in Electrical Engineering, National Taiwan University 3. Independent Director & Audit Committee Member, Acer Cyber Security Inc. 4. Chief Technical Officer & Vice President of R&D, Taiwan Semiconductor Manufacturing Company Limited 5. Research Headquarters R&D Supervisor, IBM, U.S.A.	1. Vice President, National Yang Ming Chiao Tung University 2. Dean, Industry Academia Innovation School, National Yang Ming Chiao Tung University 3. Distinguished Chair Professor, National Taiwan University 4. Director, Spring Foundation of NCTU 5. Vice Chair, Taiwan-Japan Semiconductor Promotion Association	None	None	None	None	None

04/11/2026 ; Unit: Year ; Thousand shares ; %

Title	Nationality/ Place of Incorporation	Name	Gender Age	Date Elected	Term (Years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience ( Education )	Other Position	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Note
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Independent Director	R.O.C.	Danny Peng	Male 61~70	06/19/2024	3	06/19/2024	0	0	0	0	0	0	0	0	1.Master of Chemical Engineering and Computer Science, University of Nebraska, U.S.A. 2.Master of Business Administration, Marylhurst University, U.S.A. 3.Bachelor Degree in Chemical Engineering, National Tsing Hua University 4.President of Asia Pacific Region, Mentor Graphics	1.Senior Vice President, PacRim Director, Siemens EDA 2.Independent Director, Remuneration Committee Member & Audit Committee Member, Excellence MOS Corporation	None	None	None	None

Note : Where the chairman and the president or person of an equivalent post (the highest level manager) of a company are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto.

## Major shareholders of the institutional shareholders

04/11/2026

Name of Institutional Shareholders	Major Shareholders	
How-Han Investment Corporation	Teresa Cheng	25.00%
	Charles Hsu	15.00%
	Felix Hsu	20.00%
	Alexander Hsu	20.00%
	Rosalind Hsu	20.00%

Major shareholders of the Company's major institutional shareholders : None.

## B. Disclosure of Professional Qualifications of Directors and Independence of Independent Directors

04/11/2026

Name	Criteria	Professional Qualification and Experience	Status of Independence	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Charles Hsu Chairman		Please refer to pages 3~7 of this Annual Report for Information of Directors.	N/A	2
F.C. Tseng Director				0
Li-Jeng Chen Director				0
Michael Ho Director				0
Mu-Chuan Hsu Director				0
Felix Hsu Director				0
Chris Lu Director				0
T.C. Chen Independent Director (Convener of Remuneration Committee)		Please refer to pages 8~9 of this Annual Report for Information of Directors. Any conditions defined in Article 30 of the Company Act : None.	The Independent Directors of the Company are all in compliance with the provisions of article 3 of "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies".	0
Jack Sun Independent Director				0
Danny Perng Independent Director (Convener of Audit Committee)				1

### C. Board Diversity Policy and Implementation Status

The composition of Directors is stipulated in the “Corporate Governance Practice Principles” of the Company, in consideration of diversification and the operation, type of business activities, and demands of development, the properly diversified policies are provided for the major two phases including but not limited to essential conditions and value (in gender, age, nationality, culture, etc.) and professional knowledge and skills (e.g. law, accounting, industry, finance, marketing, technology, etc.), and they generally possess the knowledge, skills and competence necessary for practicing their jobs.

Currently, the 10 members of the Board of this term have professional backgrounds in industries, academia, medical and pharmaceutical science, and professional specialties in the scopes of management, leadership and policy decision, industrial knowledge, academy and financial. The relevant information is also disclosed on the Company’s website.

Among the Directors, four Directors with employee identity take a ratio of 40%, two Directors with the relationship of relatives by blood within the second degree take a ratio of 20%, three Independent Directors take a ratio of 30% and the seniority of them are 2, 2, and 10 years respectively. The age distribution of the Board members shows that there is one Director aged 41~50, three Directors aged 51~60, two Directors aged 61~70, three Directors aged 71~80 and one Director aged 81~90. In addition, the Company also values the gender distribution of the Board. However, considering the professional background of the candidates and the company's operational needs, it is difficult to find suitable female Directors. Currently, there is one female Director in the Board, which does not reach one-third of the Board seats. In the future, the Company will continue to seek suitable female Directors before the next election, moving towards the gender diversity goal of directors set by the Financial Supervisory Commission.

Among the Directors and Independent Directors of the Company, there are no circumstances prescribed in paragraph 3 and paragraph 4, Article 26-3 of the Securities and Exchange Act.

2.1.2 Management Team

04/11/2026 : Unit: Thousand shares : %

Title	Nationality	Name	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Managers who are Spouses or Within Two Degrees of Kinship			Note 1	
					Shares	%	Shares	%	Shares	%			Title	Name	Relation		
President	R.O.C.	Michael Ho	Male	11/01/2021	44	0.06	48	0.06	0	0	1. Master Degree in Electrical and Electronics Engineering, National Tsing Hua University 2. Principal Engineer, Taiwan Semiconductor Manufacturing Company Limited	1. Director, PUFsecurity Corporation 2. Executive Director, eMemory Japan Corporation 3. Director, PUFsecurity Technology (Shanghai) Corporation	None	None	None	None	
Executive Vice President and Chief Operating Officer	R.O.C.	Chris Lu	Male	01/01/2014	29	0.04	84	0.11	0	0	1. Master Degree in Photonics and Optoelectronics, National Taiwan University 2. R&D Engineer, Philips Electronics Ltd. 3. Principal Engineer, Taiwan Semiconductor Manufacturing Company Limited.	None	None	None	None	None	None

04/11/2026 ; Unit: Thousand shares ; %

Title	Nationality	Name	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Managers who are Spouses or Within Two Degrees of Kinship			Note
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Senior Vice President	R.O.C.	John Ho (Note 2)	Male	01/01/2014	81	0.11	0	0	0	0	1. Master Degree in Electronics Engineering, National Chiao Tung University 2. Engineer, Vanguard International Semiconductor Corporation 3. Engineer, Comax Tech. Inc.	None	None	None	None	None
Senior Vice President	R.O.C.	Hsin-Ming Chen	Male	10/26/2022	0	0	0	0	0	0	1. Master Degree in Electrical and Electronics Engineering, National Tsing Hua University 2. Senior Engineer, Taiwan Semiconductor Manufacturing Company Limited	None	None	None	None	None
Vice President	R.O.C.	Tim Lai	Male	01/01/2025	1	0.00	0	0	0	0	1. Master Degree in Electrical and Electronics Engineering, National Tsing Hua University 2. Principal Engineer, Taiwan Semiconductor Manufacturing Company Limited.	None	None	None	None	None
Vice President	R.O.C.	Shark Lin	Male	01/01/2025	0	0.00	0	0	0	0	1. Master Degree in Electrical and Electronics Engineering, National Central University 2. Senior Engineer, Mosel Vitelic Inc.	None	None	None	None	None

Title	Nationality	Name	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Managers who are Spouses or Within Kinship			Note
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Accounting and Financial Officer / Corporate Governance Officer	R.O.C.	Teresa Kuo (Note 2)	Female	08/02/2011	14	0.02	0	0	0	0	1. Bachelor Degree in Accounting, Tamkang University 2. Internal Auditing Officer, United Epitaxy Company, Ltd.	None	None	None	None	None
Financial Officer	R.O.C.	Joseph Hsia	Male	07/01/2025	1	0.00	0	0	0	0	1. Master of Business Administration, Yale University, U.S.A. 2. Dual Bachelor's Degrees in Finance and Accounting, University of Illinois, Urbana-Champaign, U.S.A. 3. Deals Advisory Practice Senior Associate, Pricewaterhouse Coopers 4. Management Consultant, Boston Consulting Group		None	None	None	None
Accounting Officer / Corporate Governance Officer	R.O.C.	Erin Kuan	Female	(Note 3)	0	0.00	0	0	0	0	1. Bachelor Degree in Accounting, Ming Chuan University 2. Auditor, KPMG 3. Accountant, Zyxel Communications Corporation 4. Financial and Accounting Manager, eMemory Technology Inc.		None	None	None	None

Note 1: Where the president or person of an equivalent post (the highest level manager) and the chairman of a company are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto.

Note 2: Mr. John Ho retired on March 4, 2026 and Ms. Teresa Kuo retired on July 1, 2025, so the information is as of their respective dates of departure.

Note 3: Ms. Erin Kuan was appointed as Corporate Governance Officer on July 1, 2025, and as Accounting Officer on July 30, 2025.



Title / Name	Remuneration						Amount and Ratio of Total Remuneration (A+B+C+D) to Net Income (%)		Relevant Remuneration Received by Directors Who are Also Employees				Amount and Ratio of Total Compensation (A+B+C+D+E+F+G) to Net Income (%)		Remuneration Paid to Directors from Non-consolidated Affiliates or Parent Company				
	Base Compensation (A) (Note 1)		Severance Pay (B) (Note 2)		Directors Compensation(C) (Note 3)		Allowances (D) (Note 4)		Salary, Bonuses, and Allowances (E) (Note 5)		Severance Pay (F)		Employee Compensation (G) (Note 6)			Companies in the consolidated financial statements			
	The company financial statements	Companies in the consolidated financial statements	The company financial statements	Companies in the consolidated financial statements	The company financial statements	Companies in the consolidated financial statements	The company financial statements	Companies in the consolidated financial statements	The company financial statements	The company financial statements	Cash	Stock	The company financial statements	Companies in the consolidated financial statements					
Independent Director T.C. Chen	840	840	0	0	3,042	3,042	60	60	0	0	0	0	0	0	3,942	3,942	0.21%	0.21%	0
Independent Director Jack Sun	840	840	0	0	3,042	3,042	55	55	0	0	0	0	0	0	3,937	3,937	0.21%	0.21%	0
Independent Director Danny Peng	840	840	0	0	3,042	3,042	60	60	0	0	0	0	0	0	3,942	3,942	0.21%	0.21%	0

1. Please state the policy, system, standard and structure of remuneration payment for independent directors, and state the correlation between remuneration payment and responsibilities, risks, investment time and other factors:

The Independent Directors jointly participated in the compensation distribution with the Directors in 2025. Also, the “Fixed Remuneration” and the “Remuneration for Functional Committees” were further paid to the Independent Directors on monthly basis, in accordance with their specific duties and responsibilities. After review and discussion by the Remuneration Committee, this was all submitted to the Board of Directors for resolution. The rationality of relevant remuneration of Independent Directors will be reviewed from time to time according to the practical operation situation and related laws and regulations, to reach the balance between the sustainable operation and risk control of the Company.

2. In addition to the above remuneration, director remuneration shall be disclosed as follows when received from companies included in the consolidated financial statements and reinvestment companies in the most recent year to compensate directors for their services, such as being independent contractors: None.

Note 1 : Base compensation for directors in 2025 (including director’s salary, duty allowance, severance pay, bonus and reward, etc.)

Note 2 : Allowance or funding of pension obligation.

Note 3 : Directors compensation of 2025 is resolved by the Board of Directors on March 4, 2026.

Note 4 : The directors' professional practicing fees in the most recent year (including transportation allowance, special allowance, various allowances, and provisions of such tangible objects as dormitory and car, etc...).If a house, car and any other transportation means or exclusive personal allowance is provided, please disclose the nature and cost of the assets, rent imputed based on the actual value or fair value, fuel expenses and other benefits. If a driver is assigned, please specify the pay made by The Company to the driver, but exclude the same from the remuneration.

Note 5 : It means the salary, duty allowance, severance pay, bonus, reward, transportation allowance, special allowance, various allowances, and provision of such tangible objects as dormitory and car received by the directors who acted as employees concurrently (including President, Vice President, managerial officer and employee) in the most recent year. If a house, car and any other transportation means or exclusive personal allowance is provided, please disclose the nature and cost of the assets, rent imputed based on the actual value or fair value, fuel expenses and other benefits. If a driver is assigned, please specify the pay made by The Company to the driver, but exclude the same from the remuneration. The salary expenses recognized in accordance with IFRS 2 "Share-based payment", including obtaining employee stock options, new restricted employee shares and participating in cash increase subscription shares, shall also be included in the remuneration.

Note 6 : The directors who acted as employees concurrently (including President, Vice President, managerial officer and employee) received employee compensation (including stock dividend and cash dividend) of 2025 is resolved by the Board of Directors on March 4, 2026. The employee compensation paid to directors who are also employees is a proposed number.

Note 7 : The director who acted as employee concurrently on October 1, 2025.

B. Remuneration of the President and Vice Presidents

12/31/2025 ; Unit: NT\$ thousands ; Thousand shares ; %

Title	Name	Salary(A)		Severance Pay (B) (Note 1)		Bonuses and Allowances (C) (Note 2)		Employee Compensation (D) (Note 3)				Amount and Ratio of Total Compensation (A+B+C+D) to Net Income (%)		Remuneration Paid to the President and Vice Presidents from Non-consolidated Affiliates or 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						
								Cash	Stock	Cash	Stock	The company	Companies in the consolidated financial statements			
President	Michael Ho															
Executive Vice President and Chief Operating Officer	Chris Lu															
Senior Vice President	John Ho	20,907	20,907	832	832	32,187	32,187	8,304	0	8,304	0	62,230	62,230	3.25%	0	
Senior Vice President	Hsin-Ming Chen															
Vice President	Tim Lai															
Vice President	Shark Lin															

Note 1 : Allowance or funding of pension obligation.

Note 2 : It means the bonus, reward, transportation allowance, special allowance, various allowances, and provision of such tangible objects as dormitory and car received by the President and Vice Presidents in the most recent year. If a house, car and any other transportation means or exclusive personal allowance is provided, please disclose the nature and cost of the assets, rent imputed based on the actual value or fair value, fuel expenses and other benefits. If a driver is assigned, please specify the pay made by The Company to the driver, but exclude the same from the remuneration. The salary expenses recognized in accordance with IFRS 2 “Share-based payment”, including obtaining employee stock options, new restricted employee shares and participating in cash increase subscription shares, shall also be included in the remuneration.

Note 3 : The President and Vice Presidents received employee compensation of 2025 is resolved by the Board of Directors on March 4, 2026. The employee compensation paid to President and Vice Presidents is a proposed number.

Range of Remuneration	Name of President and Vice Presidents	
	The Company	Companies in the consolidated financial statements
Under NT\$ 1,000,000		
NT\$1,000,000 ~ NT\$1,999,999		
NT\$2,000,000 ~ NT\$3,499,999		
NT\$3,500,000 ~ NT\$4,999,999	John Ho	John Ho
NT\$5,000,000 ~ NT\$9,999,999	Tim Lai, Shark Lin	Tim Lai, Shark Lin
NT\$10,000,000 ~ NT\$14,999,999	Chris Lu, Hsin-Ming Chen	Chris Lu, Hsin-Ming Chen
NT\$15,000,000 ~ NT\$29,999,999	Michael Ho	Michael Ho
NT\$30,000,000 ~ NT\$49,999,999		
NT\$50,000,000 ~ NT\$99,999,999		
NT\$100,000,000 or above		
Total	6	6

C. Employee Compensation to Executive Officers

12/31/2025 ; Unit: NT\$ thousands ; %

Executive Officers	Title	Name	Employee Compensation - in Stock (Fair Market Value)	Employee Compensation - in Cash	Total	Ratio of Total Amount to Net Income (%)
Executive Vice President and Chief Operating Officer	Chris Lu					
Senior Vice President	John Ho					
Senior Vice President	Hsin-Ming Chen		0	10,187	10,187	0.53%
Vice President	Tim Lai					
Vice President	Shark Lin					
Financial Officer	Joseph Hsia					
Accounting Officer / Corporate Governance Officer	Erin Kuan					

Note : The executive officers received employee compensation of 2025 is resolved by the Board of Directors on March 4, 2026. The employee compensation paid to executive officers is a proposed number.

2.1.4 Comparison of Remuneration for Directors, President and Vice Presidents in the Most Recent Two Fiscal Years and Remuneration Policy for Directors, President and Vice Presidents

A. 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, president and vice presidents of the Company, to the net income.

Unit: NT\$ thousands ; %

Title	Item	The company				Companies in the consolidated financial statements			
		2024		2025		2024		2025	
		Total	Ratio to Net Income	Total	Ratio to Net Income	Total	Ratio to Net Income	Total	Ratio to Net Income
Remuneration of Directors (Excluding remuneration paid for positions as employees)		67,316	3.67%	67,153	3.51%	67,379	3.67%	67,201	3.52%
Remuneration of the President and Vice Presidents		61,772	3.37%	62,230	3.25%	61,772	3.37%	62,230	3.25%
Net Income		1,834,250	-	1,911,849	-	1,834,250	-	1,911,849	-

Note : The total amount of directors' remuneration (excluding remuneration paid for positions as employees) for 2025 showed a slight decrease compared to 2024. This was mainly due to the impact of external exchange rate fluctuations in 2025, which led the Company to adjust the bonus appropriation under its performance-linked remuneration mechanism. In addition, two vice presidents were newly appointed in 2025, resulting in an increase in the remuneration of the president and vice presidents.

B. The policies, standards, and portfolios for the payment of remuneration, the procedures for determining remuneration, and the co-relation between operating performance and future risks.

(1) The Remuneration Committee had been established on October 20, 2011 under the approval of the Board of Directors. With respect to the remunerations of Directors, President, Vice President and managers, the Remuneration Committee shall periodically review the performances of Directors and managers as well as the policies, system, standards and structure of the remunerations according to the organization rules thereof, and shall periodically assess the remunerations of Directors and managers, then propose to the Board of Directors for approval after the suggestions are made.

- (2) Pursuant to the provisions of Article 25 in the Articles of Incorporation, that no more 2% of the profit shall be distributed to Directors as compensation for the then current year. The remunerations of Directors are reasonable rewards given under the weight distribution principle by taking the operation achievements and the participation degree of each Director in the daily operation activities of the Company into consideration; the Independent Directors jointly participated in the compensation distribution with the Directors in 2025. Also, the “Fixed Remuneration” and the “Remuneration for Functional Committees” were further paid to the Independent Directors on a monthly basis, in accordance with their specific duties and responsibilities.
- (3) To fulfill corporate governance, enhance the functionality of the Company’s Board of Directors, and establish performance objectives that will reinforce the Board of Directors’ efficiency, the Company conducts performance evaluation every year in accordance with the Rules for Board of Directors Performance Assessment. Each evaluation shall be completed prior to the first quarterly Board Meeting of the following year. The Board members’ evaluation indicators consist of six major measurement items (including alignment of the goals and missions of the Company; awareness of the duties of a Director; participation in the operation of the Company; management of internal relationship and communication; the Director’s professionalism and continuing education; and internal control). For the content of performance evaluation of individual Directors, please refer to pages 25~27 of this Annual Report for evaluation of the Board of Directors.
- (4) Pursuant to the provisions of Article 25 in the Articles of Incorporation, that if there is any pre-tax profit, 1% to 25% of the profit shall be distributed to eligible employees for profit sharing. The remunerations of President, Vice President and managers of the Company shall include salary, employees’ compensation and employee stock option certificates. The salary level shall be determined according to the contribution degree that the managers provided to the Company and also by taking a reference to the level implemented by other companies in the same industry. In accordance with the Company’s “Salary Management Rule”, the Company upholds the concept of sharing profits with employees, while simultaneously taking into account external competitiveness, internal fairness, and legality as preconditions for such. To encourage the managers to grow together with the Company, the Company provides bonuses for three traditional festivals every year; and the Company also establishes annual goals each year in conjunction with operating performance. Quarterly bonuses, performance bonuses, and employee compensation are awarded in accordance with goal achievement status and managers’ contributions to the Company.
- (5) Performance evaluations for the Company’s managers are as follows:
- a. In accordance with the Company’s Performance Management Regulations, managers (including President and Vice President-level) performance is evaluated twice a year. Three major factors – Implementation Ability, Values, and Management Competence – are evaluated. Given that managers play a role as top-ranking in the Company, they must have the ability to think about the organization’s future and directions for movement. In terms of Management Competence (with measurement factors including talent guidance and development, authorization and delegation, customer orientation, operational decision-making ability, etc.) we also place great emphasis on the professional skill of Formulating Strategic Orientations, so that

managers can demonstrate the many behaviors required to achieve management competence.

- b. Evaluation indexes for the President are based on achievement of the Company's overall annual objectives, including the Company's consolidated revenue achievement rate, budget achievement rate, after-tax net-profit achievement rate, new product and technology development, customer satisfaction, market competitiveness, talent cultivation, etc. Each index is calculated at a weighted ratio. By compounding the comprehensive assessment of factors, including the Company's overall profit for the year, future risks, and development strategy, remuneration is finally drawn up and submitted to the Remuneration Committee and Board of Directors for resolution.
- c. Evaluation indexes for Vice Presidents are based on achievement of the Vice President's annual goals, including management effectiveness in the posts they hold, and annual goal achievement by the center/business group to which they belong (e.g., product market share, new customers, new products, new technology introduction, etc.), implementation and guidance of plans, building systems, talent cultivation, realization of corporate culture, etc. Each index is calculated at a weighted ratio.

(6) Co-relation between operating performance and future risks:

- a. The review of benefit payment standards and systems referred to in the Company's remuneration policies primarily considers the Company's overall operating status. Performance achievement rates and contributions are used to determine the benefit payment standards, so as to enhance the overall workforce group efficiency of the Board of Directors, and the various business groups/center departments. The Company also makes reference to the prevailing remuneration standard in the industry, to ensure that remuneration to the Company's management is competitive in the industry and sufficient to retain outstanding management talent.
- b. The Company's managers performance goals are all appropriately controlled for future risk; the remuneration policy is linked to a certain extent with future risk. To ensure that the risks possibly occurring within the scope of each manager's responsibilities can be managed and prevented, all the Company's remuneration policies are linked with ratings given according to the results of actual performance appraisals. Management deliberate all risk factors in making any important decisions for the Company. Performance from decisions is reflected in the Company's profitability, which, in turn, is further reflected in management remuneration and risk control performance.
- c. The remuneration paid by the Company and its subsidiaries to Directors, Presidents, and Vice Presidents includes long-term reward instruments, provided in forms such as employee stock option certificates. Payment is not fully given in the year in which the earnings were made, so the actual value of the payment is associated with future stock prices. In other words, those who receive such remuneration share future business risks with the Company.
- d. The rationality of relevant remunerations of Directors and managers shall be examined by the Remuneration Committee and Board of Directors, and the remuneration system will be reviewed from time to time according to the practical operation situation and related laws and regulations, to reach the balance between the sustainable operation and risk control of the Company.

## 2.2 Implementation of Corporate Governance

### 2.2.1 Board of Directors

A total of 5 (A) meetings of the Board of Directors were held in 2025. The attendance of director was as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) 【B/A】	Remarks
Chairman	Charles Hsu	4	1	80.00%	
Director	F.C. Tseng	5	0	100.00%	
Director	Li-Jeng Chen	5	0	100.00%	
Director	Michael Ho	5	0	100.00%	
Director	Mu-Chuan Hsu	5	0	100.00%	
Director	How-Han Investment Corporation Representative : Felix Hsu	5	0	100.00%	
Director	How-Han Investment Corporation Representative : Chris Lu	5	0	100.00%	
Independent Director	T.C. Chen	5	0	100.00%	
Independent Director	Jack Sun	5	0	100.00%	
Independent Director	Danny Perng	5	0	100.00%	

Other mentionable items:

1. If any of the following circumstances occur, the dates of the meetings, sessions, contents of motion, all independent directors' opinions and the company's response should be specified:

(1) Matters referred to in Article 14-3 of the Securities and Exchange Act : The Company has established the Audit Committee, that the provisions of Article 14-3 shall not apply. With respect to the descriptions for the matters listed in Article 14-5 of the Securities and Exchange Act, please refer to pages 28~29 of this Annual Report for implementation of Audit Committee.

(2) Other matters involving objections or expressed reservations by independent directors that were recorded or stated in writing that require a resolution by the board of directors : None.

2. Any recusal of Directors due to conflicts of interests during the period of 2025 and up to April 11, 2026 is set forth below:

(1) The fifth meeting of ninth Board of Directors (2025.02.26)

Subject: The 2024 performance evaluation of management team.

Resolution: Director Mr. Chris Lu concurrently serves as manager, shall enter into recusal pursuant to the law, and shall not participate in the discussion and vote. After inquiring the other Directors attended at the meeting, this proposal was approved according to the examination result concluded by the Remuneration Committee convened on 2025.02.26 without any objection.

Subject: The distribution proposal for management team's 2024 employee's compensation and management team bonus.

Resolution: Chairmen Mr. Charles Hsu, Directors Ms. Li-Jeng Chen, Mr. Michael Ho and Mr. Chris Lu are the persons to be distributed in this proposal, Director Mr. Felix Hsu is the son of Chairman, that they shall enter into recusal pursuant to the law, and shall not participate in the discussion and vote. The chairperson was changed to be served by the Independent Director Mr. T.C. Chen. After inquiring the other Directors attended at the meeting, this proposal was approved according to the examination result concluded by the Remuneration Committee convened on 2025.02.26 without any objection.

(2) The seventh meeting of ninth Board of Directors (2025.07.30)

Subject: The distribution proposal for the respective remuneration of Directors of the Company in 2024.

Resolutions: After explaining the calculation results, the Directors and Independent Directors were recused and voted separately.

1. Recusal of Directors: Independent Directors shall vote, the chairperson was served by the Independent Director Mr. T.C. Chen (Convener of Remuneration Committee). Chairman Mr. Charles Hsu, Directors Mr. F.C. Tseng, Ms. Li-Jeng Chen, Mr. Mu-Chuan Hsu and Mr. Michael Ho are the persons to be distributed under this proposal, Directors Mr. Felix Hsu and Mr. Chris Lu are the representatives of How-Han Investment Corporation, that they shall enter into recusal pursuant to the law, and shall not participate in the discussion and vote.
2. Recusal of Independent Director : Directors shall vote, the chairperson was Chairmen Mr. Charles Hsu. Independent Directors Mr. T.C. Chen, Mr. Jack Sun and Mr. Danny Perng are the person to be distributed under this proposal who shall enter into recusal pursuant to the law, and shall not participate in the discussion and vote.
3. The above, after the chairperson inquired the other Directors attended at the

meeting, this proposal was approved according to the examination result concluded by the Remuneration Committee convened on 2025.07.30 without any objection.

(3) The tenth meeting of ninth Board of Directors (2026.03.04)

Subject: The grant of employee stock options of subsidiary to the Directors (who acted as employees concurrently) and managers of the Company.

Resolution: Director Mr. Felix Hsu concurrently serves as employee, shall enter into recusal pursuant to the law, and shall not participate in the discussion and vote. After inquiring the other Directors attended at the meeting, this proposal was approved according to the examination result concluded by the Remuneration Committee convened on 2026.03.04 without any objection.

Subject: The 2025 performance evaluation of management team.

Resolution: Director Mr. Chris Lu concurrently serves as manager, shall enter into recusal pursuant to the law, and shall not participate in the discussion and vote. After inquiring the other Directors attended at the meeting, this proposal was approved according to the examination result concluded by the Remuneration Committee convened on 2026.03.04 without any objection.

Subject: The distribution proposal for management team's 2025 employee's compensation and management team bonus.

Resolution: Chairmen Mr. Charles Hsu, Directors Ms. Li-Jeng Chen, Mr. Michael Ho, Mr. Chris Lu and Mr. Felix Hsu are the persons to be distributed in this proposal, that they shall enter into recusal pursuant to the law, and shall not participate in the discussion and vote. The chairperson was changed to be served by the Independent Director Mr. T.C. Chen (Convener of Remuneration Committee). After inquiring the other Directors attended at the meeting, this proposal was approved according to the examination result concluded by the Remuneration Committee convened on 2026.03.04 without any objection.

3. The evaluation of the Board of Directors:

The Board of Directors of the Company has approved formulation of the Rules for Board of Directors Performance Assessment on October 28, 2020, and taken the performance appraisal on an annual basis then making the appraisal result reported to the Board of Directors, which will be used as a reference for the remuneration and nomination for the renewal of respective Director.

Frequency	Period	Scope	Measures	Items
Annual	2025.01.01 ~ 2025.12.31	Board of Directors  Individual Members of the Board of Directors  Functional Committee	Self-evaluation from the Board of Directors  Self-evaluation from Individual Members of the Board of Directors  Self-evaluation from the Functional Committee  Note: The assessment results are rated from 1 to 5: Score 1 – Very poor (strongly disagree); Score 2 – Poor (disagree); Score 3 – Medium (neither agree nor disagree); Score 4 – Good (agree); Score 5 – Excellent (strongly agree).	Self-evaluation from the Board of Directors : 1. Participation in the operation of the Company 2. Improvement of the quality of the Board of Directors' decision making 3. Composition and structure of the Board of Directors 4. Election and continuing education of the Directors 5. Internal control  Self-evaluation from Individual Members of the Board of Directors : 1. Alignment of the goals and missions of the Company 2. Awareness of the duties of a Director 3. Participation in the operation of the Company 4. Management of internal relationship and communication 5. The Director's professionalism and continuing education 6. Internal control  Self-evaluation from the Functional Committee (including Audit Committee and Remuneration Committee) : 1. Participation in the operation of the Company 2. Awareness of the duties of the Functional Committee 3. Improvement of quality of decisions made by the Functional Committee 4. Makeup of the Functional Committee and election of its members 5. Internal control

For 2025, the average Board of Directors score was from 4 to 5 points; the average Board of Directors member score was from 4.6 to 4.8 points; the average Audit Committee score was from 4.9 to 5 points; and the average Remuneration Committee score was from 4.8 to 5 points. Most of the indicative scores in the overall assessment results are excellent. The Company will continue to improve the operational efficiency of the Board of Directors and based on their feedback to strengthen the functions of the Board of Directors and functional committees. The assessment results mentioned above were submitted as a report to the Board of Directors on March 4, 2026.

4. The targets of enhancing the competence of Board of Directors in current year and latest year (ex. establishing the Audit Committee, enhancing the information transparency etc.) and the assessment of execution:

(1) The Remuneration Committee had been established on October 20, 2011 by the Company, who takes charge of assisting the Board of Directors in assessing and establish the salary and remuneration of Directors and managers periodically, and on a regular schedule review the performance assessment of Directors and managers and the remuneration policy, system, standards and structure.

(2) In order to further conform to the spirits of corporate governance, the Audit Committee had been voluntarily established on June 9, 2015, exercise the authority provided for in the Securities and Exchange Act, Company Act and other laws and regulations.

(3) The “ Investor Relations” had been established on the website of the Company, which provides investors the information of financial, business, material information and corporate governance for reference, and have specific persons appointed to maintain the information; the spokesperson system and email address of Audit Committee had been established, for shareholders to inquire the financial , business related information of the Company.

(4) The Company is dedicated in implementing corporate governance evaluation to improve the information transparency, in 2025, the Company was honorably ranked as “Top 20%” in the corporate governance evaluation system. Besides, the Company was also selected as “TPEX Corporate Governance Index”, “TPEX 50 Index”, “TPEX 200 Index”, “TPEX Compensation Index”, “TPEX RGA Quality 50 Index”, “TPEX Semiconductor Leaders Total Return Index”, “TIP TPEX ESG Index”, “TIP TPEX ESG Growth Total Return Index” , “TPEX FactSet Climate Resilience Index”, “TPEX FactSet SC Climate Resilience Index” and “ TIP TPEX ESG 30 Index” constituents.

### 2.2.2 Audit Committee

The main purpose of Audit Committee is assisting the Board of Directors in performing the supervision on the quality and faith of execution regarding accounting, audit, financial report process and financial control of the Company. For professional qualifications and experience of members, please refer to pages 8~9 of this Annual Report for information of Independent Directors.

The focuses of its practice in 2025 are set forth below:

1. Reviewing and approving the financial reports:  
Reviewing and approving 2024 financial report, and 2025 Q1 to Q3 financial reports
2. Reviewing and approving the business report and proposal for distribution of profit:  
Reviewing and approving the business report and proposal for distribution of profit of 2024
3. Assessing the effectiveness of internal control system:  
Reviewing the internal audit reports and assessing the effectiveness of internal control system for 2024
4. Reviewing and approving the fees, independence and performance of certified public accountant:  
Reviewing and approving the fees, independence and performance of certified public accountant for 2025
5. Reviewing and approving the loan contract signed with banks
6. Reviewing and approving the transfer of employee stock option certificates to general shares and relevant change of registration
7. Reviewing and approving the proposal of audit plan
8. Reviewing and approving the amendments of “Internal Control System” and relevant “Implement of Internal Audit”
9. Reviewing and approving the appointments of the Corporate Governance Officer, Accounting Officer, Financial Officer and Acting Spokesperson
10. Reviewing and approving the proposal to provide loans to the subsidiary
11. Reviewing and approving the proposal of annual budget

A total of 5 (A) Audit Committee meetings were held in 2025. The attendance of the independent directors was as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) 【B/A】	Remarks
Independent Director	T.C. Chen	5	0	100.00%	
Independent Director	Jack Sun	5	0	100.00%	
Independent Director	Danny Perng	5	0	100.00%	

Other mentionable items:

1. If any of the following circumstances occur, the dates of meetings, sessions, contents of motion, Independent Directors' dissenting or qualified opinions, or content of major suggestions, resolutions of the Audit Committee and the Company's response to the Audit Committee's opinion should be specified:

(1) Matters referred to in Article 14-5 of the Securities and Exchange Act: After being approved by the concurrence of one-half or more of all members of the Audit Committee, all of these matters were sent to Board of Directors for approval by resolutions, there was not the situation of being approved by the concurrence of two-thirds or more of all members of the Board of Directors and without the approval of Audit Committee, please refer to pages 73~75 of this Annual Report for Major Resolutions of Board Meetings.

(2) Other matters which were not approved by the Audit Committee but were approved by two-thirds or more of all directors : None.

2. Any recusal of Independent Directors due to conflicts of interests during the period of 2025 and up to April 11, 2026: None.

3. The Communication Situation Between the Independent Directors and Internal Audit Officer and CPA (shall include the communicated material matters, style and result in terms of financial, business status of the Company)

(1) The Audit Officer attended to each meeting of the Audit Committee, and reported the audit practices during the meeting, the Independent Directors may thoroughly communicate with Audit Officer in face.

(2) The Audit Officer will periodically submit audit report to the Independent Directors for review.

(3) The CPA of the Company attended to the meeting of Audit Committee for reviewing each quarter financial report and reported the situation of review or audit, the members of Audit Committee and CPA may thoroughly communicate with each other in face.

2.2.3 Corporate Governance Implementation Status and Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies”

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
1. Does the Company establish and disclose the Corporate Governance Best-Practice Principles based on “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies”?	V		The Company has established the “Corporate Governance Practice Principles” based on “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and made it disclosed on the Company’s website and Market Observation Post System.	None
2. Shareholding structure & shareholders’ rights				None
(1) Does the Company establish an internal operating procedure to deal with shareholders’ suggestions, doubts, disputes and litigations, and implement based on the procedure?	V		(1) The Company has established spokesperson system and delegated specific person to take charge of shareholder services and handle the proposals submitted by shareholders, and further employed the legal counsel to assist replying and handling the legal inquiries from the shareholders.	
(2) Does the Company possess the list of its major shareholders as well as the ultimate owners of those shares?	V		(2) The Company on schedule possesses the list of major shareholders of the actual controlling company and the ultimate owner of the major shareholders according to the shareholders roster provided by the stock agency when the share transfer registration is suspended.	
(3) Does the Company establish and execute the	V		(3) The assets, finance, business and accounting affairs of the affiliates	

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
<p>risk management and firewall system within its conglomerate structure?</p> <p>(4) Does the Company establish internal rules against insiders trading with undisclosed information?</p>	V		<p>are under the charge of specific person as well as controlled and audited by the parent company.</p> <p>(4) The Company has established the “Ethical Corporate Management Practice Principles” in which definitely provided that the personnel of the Company shall obey the provisions of the Securities and Exchange Act, and shall in no event make use of undisclosed information for insiders trading, as well as shall not disclose to any third party, to prevent insiders from trading with undisclosed information.</p>	
<p>3. Composition and Responsibilities of the Board of Directors</p> <p>(1) Does the Board established a diversity policy, specific management goals and implemented it accordingly?</p> <p>(2) Does the Company voluntarily establish other functional committees in addition to the Remuneration Committee and the Audit Committee?</p>	V		<p>(1) Please refer to page 11 of this Annual Report for Board Diversity Policy and Implementation Status.</p> <p>(2) The Company has established Remuneration Committee and Audit Committee; other functional committees will be established according to the demands of business operation in the future.</p>	None

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
(3) Has the Company established the rules and methodology for evaluating the performance of its Board of Directors and taken the performance appraisal on an annual basis then making the appraisal result reported to the Board of Directors, which will be used as a reference for the remuneration and nomination for the renewal of respective director?	V		(3) Please refer to pages 25~27 of this Annual Report for evaluation of the Board of Directors.	
(4) Does the Company regularly evaluate the independence of CPAs?	V		(4) The Company has established the “Regulations Governing the Evaluation of CPA Independence and Performance” and conducts annual evaluations of the CPAs’ independence, qualifications, and performance. The evaluation criteria include, among others: whether the CPAs have any direct or material indirect financial interests with the Company; whether the CPAs currently or within the past two years have served as directors, supervisors, managers, or in other positions that may have a direct and material impact on the audit engagement; and whether	

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			<p>there are any other circumstances that may impair the CPAs’ independence and objectivity. In addition, each year the Company obtains a written confirmation of independence from the accounting firm and uses the 13 indicators in the Audit Quality Indicators (AQI) Report provided by the CPAs as reference for evaluating their independence and suitability. The Company’s most recent evaluation was reviewed and approved by the Audit Committee and the Board of Directors on December 24, 2025.</p>	
<p>4. Does the Company have an adequate number of corporate governance personnel with appropriate qualifications, and appoint a chief corporate governance officer who takes charge of the corporate governance affairs (including but not limited to furnishing information required for business execution by directors and supervisors, assisting directors and supervisors with legal compliance, handling matters relating to board meetings and</p>	V		<p>The corporate governance officer has been appointed by the Board of Directors to be in charge of corporate governance affairs. The main responsibilities of the corporate governance officer are to handle matters relating to board meetings and shareholders meetings according to laws, produce the minutes of board meetings and shareholders meetings, assist in onboarding and continuous development of directors, provide information required for business execution by directors, and assist directors with legal compliance, etc. The content of the corporate governance officer’s training courses in 2025 has</p>	None

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
shareholders’ meetings according to the laws, and producing minutes of board meetings and shareholders’ meetings, etc.)?			been disclosed on the corporate website.	
5. 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?	V		The stakeholders of the Company may find the corresponding contact information through the “Stakeholder Engagement” on the website of the Company, or express opinions by sending emails to the members of Audit Committee. Furthermore, the area of “ESG” on the corporate website interprets the ESG policy and explicit achieves in detail which provides the stakeholders for the ideas related to ESG of the Company.	None
6. Does the Company appoint a professional shareholder service agency to deal with shareholder affairs?	V		The Company delegates the Brokerage Registry and Transfer Services Department of KGI Securities Co., Ltd. to deal with the shareholder affairs.	None
7. Information Disclosure (1) Does the Company have a corporate website to disclose both financial standings and the status of corporate governance? (2) Does the Company have other information disclosure channels (e.g. building an English website, appointing	V  V		(1) The Company has a corporate website both in Chinese and English to disclose both financial standings and the status of corporate governance. (2) The Company had built a corporate website both in Chinese and English and appointed designated people to handle information collection and disclosure; carried out the	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>designated people to handle information collection and disclosure, creating a spokesman system, webcasting investor conferences)?</p> <p>(3) Does the Company publish and report its annual financial report within two months after the end of a fiscal year, and publish and report its financial reports for the first, second and third quarters as well as its operating status for each month before the specified deadline?</p>	V		<p>spokesman system; participate in the investor conference held by the external institutes without a fixed schedule, and voluntarily webcast the investor meeting each quarter, the information for investor conference had been disclosed on the Market Observation Post System and the corporate website.</p> <p>(3) The Company had published and reported its annual financial reports of 2024 and 2025 on February 27, 2025 and March 5, 2026 respectively, and the financial reports for the first, second and third quarters of 2025 as well as its operating status for each month had been published and reported before the specified deadline.</p>	
<p>8. 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,</p>	V		<p>(1) The Company actively protects the rights and benefits of employees and is concerned with employees, except obeying the provisions related to labor laws and regulations, also provide the leave better than labor laws and regulations.</p> <p>(2) The Company has established the unit of Investor Relations which can immediately handle the inquiries rendered by the investors.</p>	None

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing insurance for directors and supervisors)?			<p>(3) The procurement unit of the Company manages the suppliers pursuant to the Procedures for Control of Procurement Operation, and re-examine the list of qualified suppliers, to secure the supplier quality.</p> <p>(4) The stakeholders may communicate through the Stakeholder Engagement of the corporate website.</p> <p>(5) All Directors of the Company actively participated in various professional enhancement courses, the Directors profession enhancement status had disclosed on the Market Observation Post System.</p> <p>(6) The Board Meeting is convened at least quarterly, the status of attendance is good, the Director had avoided the vote or discussion if he/she has a personal interest in the matter under discussion.</p> <p>(7) The Company adopts its internal control system, annual budgets, and necessary management rules and regulations as its risk management policies and evaluation benchmarks. The internal control system, budgets, and major management regulations are all required to be submitted to</p>	

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 Committee for review and, upon approval by the Board of Directors after discussion, are implemented accordingly. In addition, the responsible units regularly report the status of implementation to the Audit Committee and the Board of Directors.</p> <p>(8) The Company has established the Procedures for Control of Customer Services Provision, the Procedures for Customer Satisfaction Survey, which provide the handling procedures, and periodically evaluate the satisfactory of customers to make sure the customers have best services.</p> <p>(9) The Directors and manager had been insured for liabilities and this is disclosed on the Market Observation Post System.</p>	
<p>9. Please explain the improvements which have been made in accordance with the results of the Corporate Governance Evaluation System released by the Corporate Governance Center, Taiwan Stock Exchange, and provide the priority enhancement measures.</p> <p>(1) The Company’s 2024 Sustainability Report was submitted to and approved by the Board of Directors on July 30, 2025.</p> <p>(2) The Company plans to disclose improvement plans based on the results of employee opinion surveys in its 2025 Sustainability Report.</p>				

## 2.2.4 Composition, Responsibilities and Operations of the Remuneration Committee

### A. Information of Remuneration Committee Members

04/11/2026

Title	Criteria Name	Professional Qualification and Experience	Status of Independence	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Remuneration Committee Member
Independent Director	T.C. Chen	Please refer to page 10 of this Annual Report for the professional qualification and experience & status of independence of Independent Directors.		0
Independent Director	Jack Sun			0
Independent Director	Danny Perng			1

### B. Attendance of Members at Remuneration Committee Meetings

The Remuneration Committee of the Company takes charge of assisting the Board of Directors in executing and assessing the entire remuneration and welfare policies of the company, and shall periodically review the performances of Directors and managers as well as the policies, system, standards and structure of the remunerations according to the organization rules thereof, and shall periodically assess the remunerations of Directors and managers, then propose to the Board of Directors for approval after the suggestions are made. The focuses of its practice in 2025 are set forth below:

- (1) Reviewing and approving the distribution of employees' compensation and the remuneration of Directors.
- (2) Reviewing and approving the performance assessment of managers.
- (3) Reviewing and approving the distribution of employees' compensation and team operation bonus to management team.
- (4) Reviewing and approving the distribution of pension benefits for management team member.
- (5) Reviewing and approving the distribution for the respective remuneration of Directors.

Resolutions of the remuneration committee and the Company's response to the remuneration committee's opinion in 2025, please refer to pages 73~75 of this Annual Report for Major Resolutions of Board Meetings.

There are 3 members in the Remuneration Committee. A total of 2 (A) Remuneration Committee meetings were held in 2025. The attendance record of the Remuneration Committee members was as follows:

Title	Name	Attendance in Person(B)	By Proxy	Attendance Rate (%) 【B/A】	Remarks
Convener	T.C. Chen	2	0	100.00%	
Committee Member	Jack Sun	2	0	100.00%	
Committee Member	Danny Perng	2	0	100.00%	

Other mentionable items:

1. If the board of directors declines to adopt or modifies a recommendation of the remuneration committee, it should specify the date of the meeting, session, content of the motion, resolution by the board of directors, and the Company's response to the remuneration committee's opinion (eg., the remuneration passed by the Board of Directors exceeds the recommendation of the remuneration committee, the circumstances and cause for the difference shall be specified): None.
2. Resolutions of the remuneration committee objected to by members or expressed reservations and recorded or declared in writing, the date of the meeting, session, content of the motion, all members' opinions and the response to members' opinion should be specified: None.

2.2.5 Sustainable Development Promotion Status and Deviations from “the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies”

Promotion Item	Implementation Status			Deviations from “the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
1. Whether the Company has established a management structure for promoting sustainable development and set up an exclusively (or concurrently) dedicated unit handled by senior management officer(s) authorized by the Board of Directors, and under the supervision of the Board of Directors?	V		The Company has established the “Sustainable Development Practice Principles” and appointed the Sustainable Management Committee as the dedicated unit. With the President being the convener, the committee holds meetings every quarter to lead sustainable development policies, systems or related management guidelines and specific promotion plans, identify risks and opportunities related to sustainable development issues to determine response strategies and related investments, and conduct regular meetings every year to review the achievement of goals and performance and report the implementation status to the Board of Directors. The Board of Directors oversees matters related to management guidelines and specific promotion plans. The 2025 sustainable development implementation report is published on the corporate website.	None
2. Does the Company make the risk assessment on the issues concerning environment, society and corporate governance	V		To ensure the thorough implementation of sustainable strategy, the Company has its President convene Sustainable Management Committee every quarter to review the issues related to environment,	None

Promotion Item	Implementation Status			Deviations from “the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
which are related to the operation of Company according to the materiality principle, and establish relevant risk management policies or strategy?			society and corporate governance which are concerned by stakeholders; in consideration of the double materiality principle, the Company establishes risk assessment which is relevant to the business operation, and proposes related policies and measures. Please refer to pages 126~128 of this Annual Report. The information with respect to the issues which are concerned by stakeholders and the communication performances is disclosed in the “Stakeholder Engagement” area on the corporate website.	
3. Environment Topic (1) Does the Company establish proper environmental management systems based on the characteristics of their industries?	V		Given the business characteristics of the Company, the verification of the Environmental Management System (EMS) does not apply to the Company.	None
(2) Does the Company endeavor to improve energy more efficiently and use renewable materials which have low impact on the environment?	V		The Company complies with all environmental regulations on environmental protection, and practices source reductions and recycling.	None

Promotion Item	Implementation Status			Deviations from “the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
(3) Does the Company evaluate the potential risk and opportunity caused by the climate change currently and in the future, and take measures corresponding to the climate relevant issues?	V		<p>The Company has evaluated that climate change may cause disaster hazard, market risk, operation risk etc., and to minimize the impact of increased operation costs caused by the relevant potential risks, the Company alters the green environmental protection from duties to opportunities by the innovation of core technologies, implementing component reduced product design which substitutes the complex manufacturing process required by the conventional non-volatile memory, and reduces the emission of carbon dioxide; depending on the innovation in several aspects of strategy, market, management, research and development, and accompanying with power of implementation, the Company keeps change for sustainability. For the implementation status of the Company’s climate-related information, please refer to pages 58~63 of this Annual Report. To counter the potential impacts of climate change, eMemory continues to identify climate-related risks and opportunities in the value chain and plans response measures in accordance with the framework of the Task Force on Climate-related Financial Disclosures (TCFD).</p>	None

Promotion Item	Implementation Status			Deviations from “the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons																								
	Yes	No	Abstract Explanation																									
(4) Does the Company make statistics of total greenhouse gas emissions, water consumption and waste weight of the Company during past two years, and establish strategies for energy conservation, carbon and greenhouse gas reduction, water consumption saving or waste management?	V		<p>Following ISO14064-1: 2018, including the Company and all subsidiaries to conduct GHG inventory. The Company initiated GHG inventory in 2022 and passed the external verification. The Company will regularly disclose the results of GHG inventory and continue working towards our goals. We hope to reduce the organization's greenhouse gas intensity by 1% annually.</p> <p>The GHG emission data from 2024 to 2025 are as follows:</p> <table border="1"> <thead> <tr> <th>Category</th> <th>Unit</th> <th>2024</th> <th>2025</th> </tr> </thead> <tbody> <tr> <td>Category 1</td> <td>ton CO<sub>2</sub>e</td> <td>178.3336</td> <td>182.5609</td> </tr> <tr> <td>Category 2</td> <td>ton CO<sub>2</sub>e</td> <td>1,337.0920</td> <td>1,251.7458</td> </tr> <tr> <td>Category 3~5</td> <td>ton CO<sub>2</sub>e</td> <td>179.2328</td> <td>214.6190</td> </tr> <tr> <td>Total</td> <td>ton CO<sub>2</sub>e</td> <td>1,694.658</td> <td>1,648.926</td> </tr> <tr> <td>greenhouse gas intensity</td> <td>ton CO<sub>2</sub>e / million turnover</td> <td>0.4700</td> <td>0.4284</td> </tr> </tbody> </table> <p>We use water in our daily operations for food services and sanitation. Therefore, water-related risks have fewer impacts on the organization’s operation. The main water sources are the Touqian River and Baoshan Reservoir in Hsinchu. Our future goal is to decrease the water intensity by 1% annually. The Taiyuen Hi-Tech Industrial Park (Science Park), where the Company is located, has a sewage recovery system. This will be used to water plants</p>	Category	Unit	2024	2025	Category 1	ton CO <sub>2</sub> e	178.3336	182.5609	Category 2	ton CO <sub>2</sub> e	1,337.0920	1,251.7458	Category 3~5	ton CO <sub>2</sub> e	179.2328	214.6190	Total	ton CO <sub>2</sub> e	1,694.658	1,648.926	greenhouse gas intensity	ton CO <sub>2</sub> e / million turnover	0.4700	0.4284	None
Category	Unit	2024	2025																									
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Promotion Item	Implementation Status			Deviations from “the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons												
	Yes	No	Abstract Explanation													
			<p>and flowers around the Science Park. The domestic sewage is discharged to the domestic sewage treatment facilities in Science Park before being released to the water system without significant impact on the water system.</p> <p>The water consumption data from 2024 to 2025 are as follows:</p> <table border="1"> <thead> <tr> <th>Category</th> <th>Unit</th> <th>2024</th> <th>2025</th> </tr> </thead> <tbody> <tr> <td>water consumption</td> <td>m<sup>3</sup></td> <td>6,122.0</td> <td>5,763.3448</td> </tr> <tr> <td>water intensity</td> <td>m<sup>3</sup> / million</td> <td>1.6977</td> <td>1.4973</td> </tr> </tbody> </table> <p>The major waste generated by the organization is commercial waste, and no manufacturing waste is produced. We implement careful waste management of waste collection, recycling, and disposal. The waste is collected by employees in the temporary waste storage area. The cleaning service company that we have a contract with assists in its recycling and removal. The waste is then transported by a qualified waste-handling operator for treatment and final disposal. In addition, during the current year, the Company carried out document destruction through water pulping, totaling 0.98 metric tons. This treatment process ensures that 100% of the resources are returned to the paper</p>	Category	Unit	2024	2025	water consumption	m <sup>3</sup>	6,122.0	5,763.3448	water intensity	m <sup>3</sup> / million	1.6977	1.4973	
Category	Unit	2024	2025													
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Promotion Item	Implementation Status			Deviations from “the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons																
	Yes	No	Abstract Explanation																	
			<p>recycling loop, thereby maximizing their recycling value.</p> <p>The weight of commercial waste data from 2024 to 2025 are as follows:</p> <table border="1"> <thead> <tr> <th>Category</th> <th>Unit</th> <th>2024</th> <th>2025</th> </tr> </thead> <tbody> <tr> <td>General Waste</td> <td>metric tons</td> <td>4.863</td> <td>4.870</td> </tr> <tr> <td>Resource Garbage</td> <td>metric tons</td> <td>10.882</td> <td>11.550</td> </tr> <tr> <td>Total</td> <td>metric tons</td> <td>15.745</td> <td>16.42</td> </tr> </tbody> </table> <p>Note 1: Waste disposal sites: all are off-site (outsourced processing).</p> <p>Note 2: Treatment methods: incineration, recycling, and other disposal operations.</p> <p>To practice energy conservation and carbon reduction, the Company aims to reduce its waste intensity by 1% annually and actively implement a series of initiatives. These measures include the adoption of high-efficiency LED lighting, regular inspection and maintenance of air-conditioning systems, procurement of renewable energy, and the promotion of electronic forms to reduce paper consumption, as well as the continuous implementation of waste reduction measures. We hope to create a zero-pollution environment in the future.</p>	Category	Unit	2024	2025	General Waste	metric tons	4.863	4.870	Resource Garbage	metric tons	10.882	11.550	Total	metric tons	15.745	16.42	
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Promotion Item	Implementation Status			Deviations from “the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
<p>4. Society Topic</p> <p>(1) Does the Company formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?</p>	V		<p>The Company has established the “Human Rights Protection Policy”, which is publicly disclosed on its corporate website. The Policy applies to the Company, its subsidiaries, and relevant stakeholders. The Policy is managed by the Human Resources Department and reflects the Company’s commitment to preventing human rights violations. The Company abides by local laws and regulations, and complies with internationally recognized human rights standards such as &lt;UN Guiding Principles on Business and Human Rights&gt;, &lt;International Labor Organization Declaration of Fundamental Principles and Rights at Work&gt;, &lt;Universal Declaration of Human Rights&gt;, &lt;Responsible Business Alliance Code of Conduct&gt;, and treat all employees, contractors and contingent workers, interns with dignity and respect.</p> <p>Under the Human Rights Protection Policy, the Company conducts human rights due diligence by identifying and managing potential human rights risks in its operations, and regularly reviews mitigation measures to minimize adverse impacts on stakeholders.</p>	None

Promotion Item	Implementation Status			Deviations from “the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
			<p>The management policies and practical measures are summarized as follows:</p> <ol style="list-style-type: none"> <li>1. Provide a safe working environment, establish the safety and health management organization, care about the personal safety of each employee, devote effort and attention to reducing the risk of occupational accidents and protecting both the physical and mental health of employees.</li> <li>2. The Company provides monthly on-site healthcare services to promote employee health management, health care, and health education, etc. In addition, on-site physician services are provided 6 times annually for professional consultation and guidance. The Company has also established a maternity health protection plan, which includes work suitability assessment and medical interview for female employees during pregnancy or within one year postpartum, ensuring their occupational health and safety.</li> <li>3. Performing high quality physical examinations with expenses fully paid by the Company.</li> <li>4. Respecting human rights in the workplace and complying with labor</li> </ol>	

Promotion Item	Implementation Status			Deviations from “the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
			<p>statutes; child labor is forbidden. Providing employees with fluent communication channels to establish harmonious labor relations in the work environment.</p> <p>5. Protect the processing, collection and use of personal information, setting up an adequate information security management mechanism to effectively control access to information and prevent the risk of divulgement.</p> <p>Additionally, comprehensive training sessions on human rights protection were conducted in 2025, accumulating a total of 239.1 training hours with 390 employees actively participating. The Company will pay continued attention to the topic of human rights protections, promoting relevant training to develop human rights awareness and reduce the possibility of the occurrence of related risks.</p>	
(2) Does the Company establish and implement rational employee welfare measures (including remuneration, leave and other welfare etc.) and appropriately	V		<p><u>Employee Remuneration</u></p> <p>It is definitely provided for in the Articles of Incorporation that if there is any pre-tax profit, 1% to 25% of the profit shall be distributed to eligible employees for profit sharing. Based on the ideas of human-based management and profit sharing with employees, and also taking</p>	None

Promotion Item	Implementation Status			Deviations from “the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
reflect the corporate business performance or achievements in the employee remuneration policy?			<p>account of the external competitiveness, internal fairness and legality, the “Salary Management Rule” is established, which provides various and competitive salary, welfare and reward programs. For fiscal year 2025, the Company allocated 15% of pre-tax profit as employee profit share, of which 18% was distributed to entry-level employees meeting the definition specified in the Company's Articles of Incorporation. To encourage employees to grow together with the Company, in addition to fixed bonuses granted during the three major traditional festivals, the Company sets annual operating targets each year and provides quarterly bonuses, performance bonuses, and employee compensation based on the achievement of operating performance targets and individual contribution.</p> <p>Employee promotion and salary adjustment are administered in accordance with the Performance Management Policy.</p> <p>Performance evaluations are conducted twice annually and serve as the basis for salary adjustments, promotions, and bonus allocation.</p> <p><u>Employee Welfare Measures</u></p>	

Promotion Item	Implementation Status			Deviations from “the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
			<p>The Company places a high priority on aiming at a balance between employees' work commitments and personal lives. In addition to offering competitive salaries, we provide comprehensive leave packages and engage in activities that surpass statutory requirements. We offer employees benefit from a daily afternoon tea subsidy, weekly club activities, seasonal birthday celebrations organized by the Welfare Committee, and annual departmental dinner funding. Furthermore, there are travel subsidy, the family day and year-end party held each year to foster the goal Company has set. Employees who serve as sales representatives/managers would be provided with car insurance subsidy, etc. The Company cares about the health of our employees, we perform free physical examination each year.</p> <p><u>Leave System</u></p> <p>In addition to the leaves stipulated in the Labor Standards Act, the Company grants birthday leave, physical examination leave, and eMemory Holidays. Under certain requirements, 7 days of full-pay sick leaves will be given which are better than those provided by laws.</p>	

Promotion Item	Implementation Status			Deviations from “the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
			<p><u>Reflect the Corporate Business Performance or Achievements in the Employee Remuneration</u></p> <p>In accordance with the Company's Compensation Management Policy, and under the principle of profit-sharing with employees, the Company encourages employees to grow together with corporate performance while maintaining external competitiveness, internal fairness, and legal compliance. For fiscal year 2025, average employee welfare expenses and average salary expenses were dynamically adjusted based on the Company's actual operating conditions and profitability, with variable compensation directly linked to business performance. The Company establishes annual operating targets each year, and variable compensation is awarded quarterly based on achievement of operating targets, qualitative/quantitative performance evaluation results &amp; individual contribution. This compensation mechanism reflects operating challenges while maintaining an appropriate balance between sustainable corporate development, prudent risk management, and long-term operational resilience.</p>	

Promotion Item	Implementation Status			Deviations from “the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
(3) Does the Company provide a healthy and safe working environment and organize training on health and safety for its employees on a regular basis?	V		<p>The Company is dedicated in the topics of securing labor health and working environment by periodically implementing safety and health education and holding “Fire Safety Seminar” , “CPR First Aid Training” propaganda courses pursuant to the occupational safety and health relevant laws and regulations. And by providing specific parking spaces or transportation allowances, nursery room, full time security system, multifunction rest area etc. the employees can enjoy a comfortable and healthy environment.</p> <p>At our company, we prioritize the well-being of our employees as integral to our success. We offer comprehensive fitness allowances, benefiting over 400 individuals annually, and conduct regular health examinations, with support extended to more than 300 employees over the past two years. Additionally, our on-site nursing staff ensures proactive health management and offers personalized health consultation services to our workforce.</p>	None
(4) Does the Company provide its employees with career development and	V		In order to improve the scheduled milestone and develop the employees’ abilities in profession and management to make human resources efficiently available	None

Promotion Item	Implementation Status			Deviations from “the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
training sessions?			and obtain the knowledge, skill and ability required for work, develop the goals of each stage on the basis of deeply establishing human resource of the Company. Every Wednesday is set as eMemory’s Learning Day to hold various internal training courses. In addition, financial support for external training courses is provided. Cross-disciplinary learning programs and training plans at all levels have been established. The goal of employee’s career development, learning capability, execution status, effectiveness review will be further planned and connected with internal practices, that the annual program planning can be proposed.	
(5) Has the Company complied with relevant laws and regulations and international standards for the health and safety of customers, customer privacy, marketing and labeling of products and services, and formulated relevant consumer or customer	V		The major business of the Company is silicon IP licensing, that labeling will not be applicable for the products are intangible. The Company has passed the TÜV Rheinland ISO9001:2015 Quality Management System certification and ISO26262 Road Vehicles-Functional Safety certification and obtained corresponding certificates. The NeoBit & NeoEE AS series products have passed the TÜV Rheinland ISO26262 (Road Vehicles-Functional Safety) & Industrial	None

Promotion Item	Implementation Status			Deviations from “the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
protection policies and complaint procedures?			<p>Specifications IEC 61508 (Functional safety of electrical/ electronic/ programmable electronic safety-related systems) certification and obtained corresponding certificates. In order to continue to strengthen information security governance and customer privacy protection, the Company obtained ISO27001 Information Security Management System certification in 2023 and continues to ensure the validity of its certificate, the effectiveness and continuity of the Company's information and communications business operations. This will better protect the privacy and data security of stakeholders.</p> <p>The Company upholds a philosophy of “excellence in quality, service first, and fully meeting customer needs,” with an emphasis on improving product quality to prioritize customer satisfaction. We are committed to providing safe, dependable, high-quality products and establishing good communication channels with customers to ensure transparent and effective complaint handling processes.</p> <p>Furthermore, we conduct annual customer satisfaction surveys and have consistently</p>	

Promotion Item	Implementation Status			Deviations from “the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
			received high ratings over the years, with an average score of 95.02 in 2025. We will continuously endeavor to provide even more exceptional products and a better service experience for our customers.	
(6) Does the Company establish supplier management policy and request suppliers to comply with related standards on the topics of environmental protection, occupational safety and health or labor right, and their implementation status?	V		To implement its sustainability policies, the Company has established three key strategies—Sustainability Due Diligence, Local Procurement, and Conflict Minerals Prohibition—to ensure supply chain resilience and regulatory compliance. In 2016, the Company formulated the “eMemory Supplier Code of Conduct”, which clearly defines suppliers’ responsibilities in areas including labor practices, health and safety, business ethics, and environmental protection (including energy management, water resource management, and climate action). All major and approved outsourced suppliers are required to comply with this Code and to sign the “eMemory Supplier Social Responsibility Commitment”, as well as to adhere to the laws and regulations of the countries and regions in which they operate. The Company also encourages suppliers to promote recognition and adoption of the “eMemory	None

Promotion Item	Implementation Status			Deviations from “the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
			<p>Supplier Code of Conduct” among their downstream suppliers, contractors, and service providers.</p> <p>Each year, eMemory requires its suppliers to conduct self-assessments in accordance with the “Supplier_Checking List”. The checklist covers five key areas: labor, health and safety, environmental protection, ethical standards, and management systems, encompassing requirements related to labor and human rights, environmental protection, safety and hygiene, sustainable supply chain management, responsible mineral sourcing, information and communication security, and privacy protection. In 2025, a total of 28 supplier checklists were distributed, achieving a 100% response rate. The Quality Management &amp; Process Integration Department reviews the collected questionnaires as a basis for understanding suppliers’ sustainability management practices and implementation status. Where necessary, the Company will arrange on-site audits to ensure that the supply chain complies with corporate social responsibility principles and sustainable operations.</p>	

Promotion Item	Implementation Status			Deviations from “the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
5. Does the Company refer to international reporting rules or guidelines to publish ESG Report to disclose non-financial information of the Company? Has the said Report acquired 3rd certification party verification or statement of assurance?	V		The Company has adopted the Global Reporting Initiative (GRI) Standards: Core option, Sustainability Accounting Standards Board (SASB) Standards, and recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in preparing the ESG report, and disclosed this on the Company's website as well as the Market Observation Post System after approval by the Sustainable Management Committee.	None
6. If the Company has established the sustainable development practice principles based on “the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies”, please describe any discrepancy between the Principles and their implementation : None.				
7. Other important information to facilitate better understanding of the Company’s sustainable development practices : (1) The Company has established the ESG area on the corporate website, in which interprets the ESG policy of the Company and explicit achievements, that the internal and external persons can be clearly aware of the ESG ideas of the Company. (2) The Company participates in philanthropic activities and gives back to society. In 2025, we donated NT\$ 300,000 to National Tsing Hua University for scholarships, NT\$ 241,000 to “Teach for Taiwan”, purchased charity gift boxes from organizations such as “Smile Angel Bakery”, the joint charity initiative by “True Roll” and “Genesis Social Welfare Foundation”, and the sustainable (ESG) gift boxes from “CUPETIT”, totaling NT\$531,000. (3) The Company dedicated to diversified learning program, except internally providing various knowledge inheritance courses, especially cooperate in opening related courses with universities and colleges, hope this can well fulfill the social responsibility by the opportunity of sharing resources, and establish the cooperation platform for both the industries and academies, share and exchange the practices of industry with academia.				

## 2.2.6 Climate-related Information of Listed Companies

### Climate-related information implementation status

Items	Execution Status																							
<p>1. Description on the Board and Management's oversight and governance on climate-related risks and opportunities</p>	<p>eMemory has established the "Sustainable Development Practice Principles" and appointed the Sustainable Management Committee as the dedicated unit. With the President being the convener, the committee regularly holds meetings to lead sustainable development policies, systems or related management guidelines and specific promotion plans, identify risks and opportunities related to sustainable development issues to determine response strategies and related investments, and conduct regular meetings every year to review the achievement of goals and performance and report the implementation status to the board of directors.</p>																							
<p>2. Description on how the identified climate risks and opportunities impact the company's business, strategies, and finance (short, mid, long term)</p>	<p>In response to the impact of climate change risks, eMemory has identified transformation risks, physical risks and opportunity categories based on the IFRS S2 and TCFD structure and the company's business characteristics on climate risk-related issues, and formulated relevant response measures and strategies.</p> <p>The details are as follows:</p>																							
<table border="1"> <thead> <tr> <th data-bbox="683 1391 746 1554">Category</th> <th data-bbox="683 1196 746 1391">Climate issue</th> <th data-bbox="683 1048 746 1196">Aspect</th> <th data-bbox="683 282 746 1048">Potential impact on operations and finances</th> <th data-bbox="683 125 746 282">Time Frame</th> </tr> </thead> <tbody> <tr> <td data-bbox="746 1391 911 1554" rowspan="2">Transition risks</td> <td data-bbox="746 1196 911 1391">Customers demand low-carbon strategies to align with trends</td> <td data-bbox="746 1048 911 1196">Market</td> <td data-bbox="746 282 911 1048">                     1. Foundries have been asked to increase green power procurement                      2. Customers and foundries are gradually required to implement low-carbon strategies. If the company fails to implement them, it may lead to a bad impression                 </td> <td data-bbox="746 125 911 282">Short, medium term</td> </tr> <tr> <td data-bbox="746 1196 911 1391">Green energy policy</td> <td data-bbox="746 1048 911 1196">Policy and Legal</td> <td data-bbox="746 282 911 1048">                     1. Taiwan regulations require the expansion of renewable energy sources or the payment of fees, resulting in an increase in electricity prices                      2. Insufficient green energy results in the inability to purchase sufficient green power, which affects customers' perception of the company and their cooperative relationship                 </td> <td data-bbox="746 125 911 282">Medium, long term</td> </tr> <tr> <td data-bbox="911 1391 1267 1554" rowspan="2">Physical risks</td> <td data-bbox="911 1196 1267 1391">Impact on corporate reputation</td> <td data-bbox="911 1048 1267 1196">Reputation</td> <td data-bbox="911 282 1267 1048">                     1. Failure to comply with policies, regulations or the goals of international climate change action initiatives, resulting in negative news for the company                      2. When stakeholders raise ESG-related proposals, the company can only respond passively or be unable to respond                 </td> <td data-bbox="911 125 1267 282">Medium term</td> </tr> <tr> <td data-bbox="911 1196 1267 1391">Extreme climate - Strong typhoon/extreme rainfall - Drought</td> <td data-bbox="911 1048 1267 1196">Chronic risk</td> <td data-bbox="911 282 1267 1048">                     1. The intensity and frequency of natural disasters such as typhoons and rain have increased, causing employees to be unable to go to work                      2. When water conditions turn to orange light (water restriction 15%) or above, tap water supply is reduced daily. Water restriction causes suppliers to be unable to produce and deliver goods                 </td> <td data-bbox="911 125 1267 282">Long term</td> </tr> </tbody> </table>	Category	Climate issue	Aspect	Potential impact on operations and finances	Time Frame	Transition risks	Customers demand low-carbon strategies to align with trends	Market	1. Foundries have been asked to increase green power procurement 2. Customers and foundries are gradually required to implement low-carbon strategies. If the company fails to implement them, it may lead to a bad impression	Short, medium term	Green energy policy	Policy and Legal	1. Taiwan regulations require the expansion of renewable energy sources or the payment of fees, resulting in an increase in electricity prices 2. Insufficient green energy results in the inability to purchase sufficient green power, which affects customers' perception of the company and their cooperative relationship	Medium, long term	Physical risks	Impact on corporate reputation	Reputation	1. Failure to comply with policies, regulations or the goals of international climate change action initiatives, resulting in negative news for the company 2. When stakeholders raise ESG-related proposals, the company can only respond passively or be unable to respond	Medium term	Extreme climate - Strong typhoon/extreme rainfall - Drought	Chronic risk	1. The intensity and frequency of natural disasters such as typhoons and rain have increased, causing employees to be unable to go to work 2. When water conditions turn to orange light (water restriction 15%) or above, tap water supply is reduced daily. Water restriction causes suppliers to be unable to produce and deliver goods	Long term	
Category	Climate issue	Aspect	Potential impact on operations and finances	Time Frame																				
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Items		Execution Status			
		Climate issue	Aspect	Potential impact on operations and finances	Time Frame
3. Description on the impact extreme climate events and transitional actions have on finance		Develop low-carbon products and services	Markets, Products, and Services	Increase advanced process and low-power IP licensing, driving revenue growth	Short, medium term
		GHG emission reduction	Markets	Build environmentally friendly partnerships with customers and enhance brand value	Medium, long term
		Supply chain management plan	Markets	Reduce supply chain risks caused by climate issues and ensure stability of royalty income	Medium, long term
In response to extreme climate events, eMemory comprehensively assesses the relevant financial impacts and takes transformation actions as follows:					
4. Description on how the climate risk identification, assessment, and management process is integrated in		Category	Climate issue	Aspect	Potential impact on operations and finances
		Physical risks	Extreme climate - Strong typhoon/extreme rainfall - Drought	Chronic	1. The intensity and frequency of natural disasters such as typhoons and rain have increased, causing employees to be unable to go to work 2. When water conditions turn to orange light (water restriction 15%) or above, tap water supply is reduced daily. Water restriction causes suppliers to be unable to produce and deliver goods
In response to extreme weather events, eMemory's response measures are as follows:					
1. Establish a water contingency plan					
2. Continue to pay attention to and supervise the government's ability to strengthen cross-regional water resource dispatching					
3. Monitor whether the water shortage trend in the foundry affects production					
4. Establish an instant remote office system					
To face climate-related risks and opportunities, eMemory establishes the "Sustainable Operation Procedure" to internalize corporate social responsibility in our operating strategy and management. It demonstrates our determination on implementing sustainable development in the long run. The key measures are as follows:					

Items	Execution Status
<p>the overall risk management system</p>	<p>1. GHG Emissions: Based on the scenario analysis of achieving Net Zero by 2050 to formulate carbon reduction targets, we are committed to increasing efficiency in energy consumption and planning to adopt renewable energy to decrease GHG emissions during operation.</p> <p>2. Climate Risks: Strengthen strategies to respond to climate-change-related risks by identifying current risks and opportunities and create corresponding competitive advantages.</p> <p>3. Clean Technology: Through innovative product development, customers can decrease production costs and shorten development time, which allows them to decrease carbon emissions and achieve Net Zero and sustainability goals.</p> <p>4. Environmental Compliance: Comply with environmental protection and occupational health and safety regulations, laws and other requirements.</p> <p>By conducting risk assessments regarding the market, policies, and legal, technology, reputation, and acute and chronic effects, eMemory evaluates risks and opportunities related to climate change and develops corresponding methods to minimize potential impacts.</p>
<p>5. Should scenario analysis is used to assess the Company's resilience in face of climate change risks, explanations on the scenario, parameters, hypothesis, analysis factors and major financial impacts should be provided</p>	<p>None.</p>
<p>6. Should there be transitional programs in response to managing climate-related risks, please explain the program's content and metrics and targets used to identify and manage physical and transitional risks</p>	<p>eMemory evaluates the disaster risks, market risks, operating risks, etc. that climate change may cause. In order to reduce the impact of increased operating costs caused by related potential risks, eMemory uses core technology innovation to replace traditional non-volatile components with streamlined component designs. The complex manufacturing process required for memory reduces carbon dioxide emissions and turns green environmental protection from responsibility into an opportunity; through innovation in strategy, marketing, management, R&amp;D, and other aspects, coupled with execution capabilities, we continue to change for sustainability. In response to the trends and impacts of climate change, our company comprehensively assesses risk issues and formulates specific plans and practices as follows:</p>

Execution Status						
Items	Risk	Climate issue	Aspect	Potential impact on operations and finances	Identification Level	Management Measures and Indicators
	<b>Transition risks</b>	<b>Customers demand low-carbon strategies to align with trends</b>	Market	<p>1. Foundries have been asked to increase green power procurement</p> <p>2. Customers and foundries are gradually required to implement low-carbon strategies. If the company fails to implement them, it may lead to a bad impression</p>	Low	<p>1. Renewable Energy Management: Purchased Renewable Energy Certificates (RECs), totaling 999 certificates in 2025. We have completed a 10-year green power purchase agreement (PPA); in 2025, green power accounted for approximately 27% of total electricity consumption, successfully surpassing the annual target of 22%.</p> <p>2. Implement effective actions and education training to provide targeted solutions for energy saving and carbon reduction.</p> <p>3. Continue to promote data cloudification to reduce equipment energy consumption and maintenance costs.</p>
		<b>Green energy policy</b>	Policy and Legal	<p>1. Taiwan regulations require the expansion of renewable energy sources or the payment of fees, resulting in an increase in electricity prices</p> <p>2. Insufficient green energy results in the inability to purchase sufficient green power, which affects customers' perception of the company and their cooperative relationship</p>	Medium	

Items		Execution Status				
				<p>1. Failure to comply with policies, regulations or the goals of international climate change action initiatives, resulting in negative news for the company.</p> <p>2. When stakeholders raise ESG-related proposals, the company can only respond passively or be unable to respond.</p>	<p>Low</p>	<p>Explain or clarify reports and take specific actions to comply with policies, regulations or international goals related to climate change</p>
	<p><b>Impact on corporate reputation</b></p>	<p>Reputation</p>		<p>1. The intensity and frequency of natural disasters such as typhoons and rains have increased, causing employees to be unable to go to work.</p> <p>2. When water conditions turn to orange light (water restriction 15%) or above, tap water supply is reduced daily. Water restriction causes suppliers to be unable to produce and deliver goods.</p>	<p>Low</p>	<p>1. Establish a water contingency plan</p> <p>2. Continue to pay attention to and supervise the government's ability to strengthen cross-regional water resource dispatching</p> <p>3. Monitor whether the water shortage trend in the foundry affects production.</p> <p>4. Establish an instant remote office system</p>
	<p><b>Physical risks</b></p>	<p><b>Extreme climate</b></p> <p>- <b>Strong typhoon/extreme rainfall</b></p> <p>- <b>Drought</b></p>	<p>Chronic</p>			

Items	Execution Status
7. Should the internal carbon pricing is used as the planning tool, the pricing mechanism should be explained	None
8. Should climate-related targets are in place, information such as their scope of action, GHG emissions, planned timeline, and yearly achieved progress should be stated; for targets achieved through carbon offset and RECs, the source of offset amount and number of RECs should be stated	eMemory initiated GHG inventory in 2022 and received ISO 14064-1:2018 verification, which is continuously renewed in 2025. The organization's emissions are reviewed every year, and performance is reviewed against reduction targets. eMemory is committed to establishing the Science-Based Targets initiative (SBTi) targets, aiming to reduce carbon emissions by 25% of the base year by 2030 and achieve the major goal of net zero emissions (Net Zero) by 2050. To effectively reduce total carbon emissions, eMemory has purchased renewable energy in accordance with the "Renewable Energy Road Map" since May 2024. Overall, the percentage of renewable energy usage in 2025 will reach 27%, and 999 certificates have been obtained in order to achieve the short- and long-term goals of greenhouse gas management.
9. Carbon inventory and assurance efforts, reduction targets, strategies and specific action plans	In 2025, eMemory emitted a total of 1,648.926 tons of CO2e, including 182.5609 tons of CO2e for category 1, 1,251.7458 tons of CO2e for category 2, 181.5088 tons of CO2e for category 3, 0 tons of CO2e for category 4, and 33.1102 tons of CO2e for category 5. It has been verified by ISO 14064-1:2018 verification. We selected turnover as an organization-specific metric and calculated the greenhouse gas intensity as 0.4284 (tons of CO2e/million turnover). We hope to reduce the organization's greenhouse gas intensity by 1% in 2026, also planning to linearly reduce gray energy consumption by at least 4.2% per year, setting a reduction target based on the scenario of " 1.5°C temperature rise".

2.2.7 Ethical Corporate Management Implementation Status and Deviations from “the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies”

Evaluation Item	Implementation Status			Deviations from “the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
<p>1. Establishment of ethical corporate management policies and programs</p> <p>(1) Does the Company establish the ethical corporate management policies which are approved by the Board of Directors, and clearly specify in the rules and external documents the ethical corporate management policies and measures, and the commitment made by the Board of Directors and senior management on rigorous and thorough implementation of such policies?</p> <p>(2) Does the Company establish a risk assessment mechanism against unethical conduct, analyze and</p>	V		<p>(1) The Company engages in commercial activities by basing on the fair, honest, trustworthy, transparent principle, that the “Ethical Corporate Management Practice Principles” had been established and approved by the Board of Directors to make ethical management practicable and prevent form unethical conducts, as well as publicly disclose “Ethical Corporate Management Practice Principles” on the corporate website and Market Observation Post System. The Board of Directors has approved that the Sustainability Management Committee is responsible for promoting and overseeing the Company’s integrity and ethical practices. With the President being the convener, and report annually to the Board of Directors on the implementation of ethical corporate management.</p> <p>(2) The Company has established the “Work Rules” in which provided definitely that all the employees are required to be honesty without accepting bribes to prevent the benefit</p>	None

Evaluation Item	Implementation Status			Deviations from “the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
<p>assess business activities within their business scope which are at a higher risk of being involved in unethical conduct, and establish prevention programs, which at least include preventive measures against the conducts provided for in paragraph 2 of Article 7 of the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies”?</p> <p>(3) Dose the Company clearly and thoroughly prescribe the operational procedures, guidelines, discipline for violation and complaints system in the programs of preventing unethical conducts, on rigorous and thorough implementation of such programs, and review the programs periodically?</p>	V		<p>of the Company from being damaged for the individual benefit of the employee; the handling procedures and the reward and penalty system for inhibiting the Director, manager, employee etc. to provide or accept improper benefits are also definitely provided in the “Ethical Corporate Management Practice Principles” of the Company. In addition, in order to prevent corruption, the Company conducts corruption risk assessments regularly.</p> <p>(3) The clear directions of “Ethical Corporate Management Practice Principles” for performance of duties, operation procedures, discipline for violation and complaint channel, stakeholders may find the corresponding contact information through the area of ”Stakeholder Engagement” on the corporate website, or send emails to the Company or the members of Audit Committee to inform of unethical or complain.</p>	

Evaluation Item	Implementation Status			Deviations from “the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
<p>2. Fulfill operations integrity policy</p> <p>(1) Does the Company evaluate business partners’ ethical records and include ethics-related clauses in business contracts?</p> <p>(2) Does the Company establish a dedicated unit that is under the Board of Directors and responsible for establishing the ethical corporate management, and report to the Board of Directors the ethical corporate management policies, prevention programs and the status of implementation under supervising periodically (at least on an annual basis)?</p>	V		<p>(1) The sales unit and procurement unit of the Company respectively evaluates customer’s credit and manages the quality of supplier’s services pursuant to the internal procedures. The Company also cooperate with customers to sign the Supplier Code of Conduct or Supplier Social Responsibility Commitment and requires major suppliers to sign the “eMemory Supplier Social Responsibility Commitment” in which the requirement of ethical conduct has been provided.</p> <p>(2) The Company has established the “Ethical Corporate Management Practice Principles” and appointed the Sustainable Management Committee as the dedicated unit. With the President being the convener, and report to the Board of Directors the ethical corporate management, prevention programs and the status of implementation under supervising on an annual basis. The 2025 ethical corporate management implementation report is published on the corporate website.</p>	None

Evaluation Item	Implementation Status		Abstract Illustration	Deviations from “the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No		
(3) Does the Company establish policies to prevent conflicts of interest and provide appropriate communication channels, and implement it?	V		(3) The recusal for Directors’ interest conflict had been provided in the “Rules of Procedure for Board of Directors Meetings”, that the Director him/herself or the corporate he/she represents for has a stake in the matter under discussion at the meeting where there is a likelihood that the interests of the Company would be prejudiced, may state opinions or answer the inquiry but not participate in the discussion or vote on that proposal, shall recuse himself or herself from any discussion and voting, and may not exercise voting rights as proxy on behalf of another director. Furthermore, the “Ethical Corporate Management Practice Principles” of the Company has provided the situation that in the event the personnel of the Company find there is conflict to the interests of his/her or the entity he/she represents for, or there is a likelihood that himself or herself, his or her spouse, parent, child or the stakeholder may obtain the improper benefits when executing the business of the Company, shall report the related events to his/her direct supervisor and the unit in charge, and the direct supervisor shall provide proper direction.	
(4) Does the Company had established effective	V		(4) To ensure the effective implementation of ethical management, the Company	

Evaluation Item	Implementation Status			Deviations from “the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
<p>accounting system, internal control system for rigorous and thorough implementation of ethical corporate management, and based on the results of assessment of the risk of involvement in unethical conducts under internal control operation, does the internal auditor devise internal audit plans and perform the examination on the compliance with programs of preventing from unethical conducts, or delegate a certified public accountant to perform the examination?</p> <p>(5) Does the Company regularly hold internal and external educational trainings on operational integrity?</p>	V		<p>has established a sound accounting system and internal control system. The Company’s financial statements are audited by CPAs in accordance with applicable laws and regulations, and audit reports are duly issued. In addition, the internal auditor formulates and executes the annual internal audit plan based on the results of risk assessments related to dishonest or unethical conduct.</p> <p>(5) The fulfillment of ethical principle by employees is highly valued during the daily business, that the “Information Environment and Information Safety Propaganda” course is arranged in the new employee’s training courses, which emphasize on well preserving and keeping the confidentiality of either</p>	

Evaluation Item	Implementation Status			Deviations from “the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			<p>tangible information equipment or intangible information assets to prevent the confidentiality of the Company from being revealed. The course of “Personal Information Protection Act Propaganda” puts emphasis on the execution of non-disclosure agreement by the personnel who handles personal information to well conform to the confidentiality obligations and not illegally use the personal information. The course of “Insider Trading Propaganda” which propagates the inhibition of making use of undisclosed information to conduct insider trading and disclose to others. And the "Integrity &amp; Anti-Corruption Propaganda" course to enhance employees' understanding of work ethics, reinforce the implementation of our integrity management policy, and proactively deter dishonest conduct. In 2025, a total of 21 new employees participated in these courses, accumulating 31.5 hours of training. Course materials were uploaded to the Company's internal learning system for accessibility to all employees.</p>	
<p>3. Operation of the integrity channel (1) Does the Company establish both a</p>	V		<p>(1) The whistle-blowing system and related processing procedures had been</p>	None

Evaluation Item	Implementation Status			Deviations from “the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
<p>reward/punishment system and an integrity hotline? Can the accused be reached by an appropriate person for follow-up?</p> <p>(2) Does the Company establish the standard operational procedures for investigation when whistle-blowing case occurs, the follow-up measures as well as the confidential mechanism after the investigation?</p> <p>(3) Does the Company provide proper whistleblower protection?</p>	<p>V</p> <p>V</p>		<p>established in the “Stakeholders Engagement” area on the corporate website, and the company's internal platform, myeMemory, also established an Employee Suggestion Mailbox and Internal Grievance Procedure, providing a way for employees to express their opinions, or the whistle-blowing can be made by sending an email to the member of Audit Committee, the whistle-blowing case will be handled by a person appointed by the Company according to the accused.</p> <p>(2) After receiving the whistleblowing case, according to the matters, the Company shall appoint a person to accept and investigate the case. The appointed person shall report to the Company and the whistleblower about handling methods, schedule and result, the whistleblower and appointed person shall keep the investigation and related information confidential, that it shall not be disclosed, and the Company shall protect the whistleblower from revenge or other improper treatment.</p> <p>(3) As mentioned in the above, the Company shall protect the whistleblower from improper treatment due to the whistleblowing. The involved person who fails to keep the confidentiality and causes the confidentiality revealed shall be disciplined pursuant to the related rules.</p>	

Evaluation Item	Implementation Status			Deviations from “the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
4. Strengthening information disclosure (1) Does the Company disclose its ethical corporate management policies and the results of its implementation on the Company’s website and MOPS?	V		The “Ethical Corporate Management Practice Principles” of the Company had been established and publicly disclosed on the corporate website and Market Observation Post System; the execution status of ethical management of the Company is further interpreted on the corporate website and in the Annual Report.	None
5. If the Company has established the ethical corporate management policies based on the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies, please describe any discrepancy between the policies and their implementation : None.				
6. Other important information to facilitate a better understanding of the Company’s ethical corporate management policies (e.g., review and amend its policies) : None.				

#### 2.2.8 Other Important Information Regarding Corporate Governance

To implement the hierarchical responsibilities management mechanism, the delegation of authorization had been established and authorized by the Board of Directors; the internal control system includes the management of related party transactions, supervision and management of subsidiaries, management of operation of Board meetings, management of Audit Committee meeting operations and management of Remuneration Committee meeting operations, that internal audit unit shall annually arrange the audit and report to the Audit Committee and Board of Directors.

The Company further established the rules related to corporate governance including Procedures for Acquisition or Disposal of Assets, Procedures for Endorsement and Guarantee, Procedures for Lending Funds to Other Parties, and Procedures for Repurchase of Shares which are available on the Market Observation Post System and the corporate website.

The Directors of the Company continually participate in the corporate governance and professional knowledge training courses and obtained the certified documents every fiscal year pursuant to the “Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies”. The Directors profession enhancement status had disclosed on the Market Observation Post System.

## 2.2.9 Internal Control System Execution Status

### A. Statement of Internal Control System

eMemory Technology Inc.

#### Statement of Internal Control System

March 4, 2026

Based on the findings of a self-assessment, eMemory Technology Inc. (eMemory) states the following with regard to its internal control system during the year 2025:

1. eMemory's Board of Directors and management are responsible for establishing, implementing, and maintaining an adequate internal control system. Our internal control is a process designed to provide reasonable assurance over the effectiveness and efficiency of our operations (including profitability, performance and safeguarding of assets), reliability, timeliness, transparency of our reporting, and compliance with applicable rulings, laws and regulations.
2. An internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can provide only reasonable assurance of accomplishing its stated objectives. Moreover, the effectiveness of an internal control system may be subject to changes due to extenuating circumstances beyond our control. Nevertheless, our internal control system contains self-monitoring mechanisms, and eMemory takes immediate remedial actions in response to any identified deficiencies.
3. eMemory evaluates the design and operating effectiveness of its internal control system based on the criteria provided in the Regulations Governing the Establishment of Internal Control Systems by Public Companies (herein below, the "Regulations"). The criteria adopted by the Regulations identify five key components of managerial internal control: (1) control environment, (2) risk assessment, (3) control activities, (4) information and communication, and (5) monitoring activities.
4. eMemory has evaluated the design and operating effectiveness of its internal control system according to the aforesaid Regulations.
5. Based on the findings of such evaluation, eMemory believes that, on December 31, 2025, it has maintained, in all material respects, an effective internal control system (that includes the supervision and management of our subsidiaries), to provide reasonable assurance over our operational effectiveness and efficiency, reliability, timeliness, transparency of reporting, and compliance with applicable rulings, laws and regulations.
6. This Statement is an integral part of eMemory's annual report and prospectus, and will be made public. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchange Law.
7. This Statement was passed by the Board of Directors in their meeting held on March 4, 2026, with none of the ten attending Directors expressing dissenting opinions, and all affirming the content of this Statement.

eMemory Technology Inc.

Chairman : Charles Hsu

President : Michael Ho

- B. If CPA Was Engaged to Conduct a Special Audit of Internal Control System, Provide Its Audit Report: None.

2.2.10 Major Resolutions of Shareholders' Meeting, Board Meetings, Audit Committee and Remuneration Committee

A. Major Resolutions of Shareholders' Meeting in 2025

Major Resolutions	Status of Execution
Acknowledgement of the Business Report and Financial Statements of 2024	Approved by resolution.
Acknowledgement of the Proposal for Profit Distribution of 2024	July 4, 2025 was set as the distribution closing date, July 18, 2025 was set as the distribution date. (cash dividend was distributed by NT\$ 22 per share)
Approval of Amendment to the "Articles of Incorporation"	Approved by resolution, and implemented according to the amendment to the articles.

B. Major Resolutions of Board Meetings, Audit Committee and Remuneration Committee in 2025 and up to April 11, 2026

Time	Term	Major Resolutions	Status of Execution
2025.02.26	The fifth meeting of ninth term	<ol style="list-style-type: none"> <li>1. Approved the distribution of employees' compensation and Directors' remuneration of 2024 (*2)</li> <li>2. Approved the financial report and business report of 2024 (*1)</li> <li>3. Approved the proposal for the profit distribution of 2024 (*1)</li> <li>4. Approved the scope of the Company's "Grassroots Employees"</li> <li>5. Approved the proposal to amend the "Articles of Incorporation"</li> <li>6. Approved the proposal of convening the 2025 general shareholders' meeting</li> <li>7. Approved the 2024 performance assessment of managers (*2)</li> <li>8. Approved the proposal for the distribution of 2024 employees' compensation and team operation bonus to the management team (*2)</li> <li>9. Approved the internal control self-assessment report and the "Statement of Internal Control System" of 2024 (*1)</li> <li>10. Approved the professional fees of CPA for 2025 (*1)</li> </ol>	All of the items were executed according to the resolutions.

Time	Term	Major Resolutions	Status of Execution
2025.04.30	The sixth meeting of ninth term	<ol style="list-style-type: none"> <li>1. Acknowledged the loans that had been signed with the bank for business operation needs (*1)</li> <li>2. Approved the conversion of employee stock options issued in the 2016 fiscal year into common shares and relevant registration changes (*1)</li> <li>3. Approved the 2025 first quarter consolidated financial report (*1)</li> </ol>	All of the items were executed according to the resolutions.
2025.07.30	The seventh meeting of ninth term	<ol style="list-style-type: none"> <li>1. Approved the conversion of employee stock options issued in the 2016 fiscal year into common shares and relevant registration changes (*1)</li> <li>2. Approved the 2025 second quarter consolidated financial report (*1)</li> <li>3. Approved the distribution proposal for the respective remuneration of Directors of the Company in 2024 (*2)</li> <li>4. Approved the 2024 ESG Report</li> <li>5. Approved the proposal of personnel adjustment (*1)</li> <li>6. Approved the updated proposal for 2025 budget (*1)</li> <li>7. Approved the proposal for the distribution of severance pay for management team member (*2)</li> </ol>	All of the items were executed according to the resolutions.
2025.10.29	The eighth meeting of ninth term	<ol style="list-style-type: none"> <li>1. Approved the 2025 third quarter consolidated financial report (*1)</li> <li>2. Approved the proposal to provide loans to the subsidiary (*1)</li> </ol>	All of the items were executed according to the resolutions.
2025.12.24	The ninth meeting of ninth term	<ol style="list-style-type: none"> <li>1. Approved the proposal for 2026 budget (*1)</li> <li>2. Approved the amendments to the “Internal Control System” and the relevant “Implementation rules for internal audits” (*1)</li> <li>3. Approved the proposal for 2026 audit plans of the Company and its subsidiaries (*1)</li> <li>4. Approved the assessment of the independence and performance of the CPA appointed by the Company (*1)</li> </ol>	All of the items were executed according to the resolutions.

Time	Term	Major Resolutions	Status of Execution
2026.03.04	The tenth meeting of ninth term	<ol style="list-style-type: none"> <li>1. Approved the distribution proposal for employees' compensation and Directors' remuneration of 2025 (*2)</li> <li>2. Approved the plan of employees' compensation and management team bonus of 2026 (*2)</li> <li>3. Approved the financial report and business report of 2025 (*1)</li> <li>4. Approved the proposal for dividend distribution of 2025 (*1)</li> <li>5. Approved the proposal to amend the "Articles of Incorporation"</li> <li>6. Approved the proposal of convening the 2026 annual shareholders' meeting</li> <li>7. Approved the internal control self-assessment report and the "Statement of Internal Control System" of 2025 (*1)</li> <li>8. Approved the professional fees of CPA for 2026 (*1)</li> <li>9. Approved the grant of employee stock options of subsidiary to the Directors (who acted as employees concurrently) and managers of the Company (*2)</li> <li>10. Approved the 2025 performance evaluation of management team (*2)</li> <li>11. Approved the retirement payment for member of the management team (*2)</li> <li>12. Approved the distribution proposal for management team's employees' compensation and management team bonus (*2)</li> </ol>	Except the distributions under proposal 1 & 12 are not completed, and the proposal 3、4、5 will be determined during the shareholders' meeting on 2026.06.09, the other items were executed according to the resolutions.

\*1: The matters that Audit Committee of the Company submits to the Board of Directors for approval Pursuant to Article 14-5 of the "Securities and Exchange Act".

\*2: The matters that Remuneration Committee of the Company submits to the Board of Directors for approval Pursuant to Article 7 of the "Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Stock Exchange or Traded Over the Counter".

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

## 2.3 Information Regarding the Company's Audit Fee of Independent Auditors

### 2.3.1 Amounts of the Audit Fees and Non-Audit Fees Paid to Independent Auditors and to the Accounting Firm to Which They Belong and to Any Affiliated Enterprises As Well As the Details of Non-Audit Services:

Unit: NT\$ thousands

Accounting Firm	Name of CPA	Period Covered by CPA's Audit	Audit Fee	Non-Audit Fee	Total	Remarks
Deloitte & Touche	Cheng-Chih Lin and Ya-Yun Chang	2025.01.01~2025.12.31	1,820	530	2,350	The non-audit fees including tax compliance audit and annual English report translation.

2.3.2 When the Company Changes Its Accounting Firm and the Audit Fees Paid for the Fiscal Year in Which Such Change Took Place Are Lower Than Those for the Previous Year, The Reduction in the Amount of Audit Fees, Reduction Percentage, and Reason(s) Therefore Shall Be Disclosed: None.

2.3.3 When the Audit Fees Paid for the Current Year Are Lower Than Those for the Previous Fiscal Year by 10 Percent Or More, the Reduction in the Amount of Audit Fees, Reduction Percentage, and Reason(s) Therefore Shall Be Disclosed: None.

2.4 Replacement of CPA: None.

2.5 The Company's Chairman, Chief Executive Officer, Chief Financial Officer, and Managers in Charge of Its Finance and Accounting Operations Did Not Hold Any Positions in the Company's Independent Auditing Firm or Its Affiliates During 2025.

2.6 Changes in Shareholding and Shares Pledged by the Directors, Managers and Shareholders with 10% Shareholdings or More

A. Changes in Shareholding of Directors, Supervisors, Managers and Major Shareholders

Title	Name	2025		2026 (As of April 11)	
		Holding Increase (Decrease)	Pledged Holding Increase (Decrease)	Holding Increase (Decrease)	Pledged Holding Increase (Decrease)
Chairman	Charles Hsu	0	0	0	0
Director	F.C. Tseng	0	0	0	0
Director	Li-Jeng Chen	(97,000)	0	0	0
Director and President	Michael Ho	0	0	0	0
Director	Mu-Chuan Hsu	0	0	0	0
Director	How-Han Investment Corporation	0	0	0	0
Independent Director	T.C. Chen	0	0	0	0
Independent Director	Jack Sun	0	0	0	0
Independent Director	Danny Perng	0	0	0	0
Executive Vice President and Chief Operating Officer	Chris Lu	8,750	0	0	0
Senior Vice President	John Ho (Note 1)	12,750	0	0	0
Senior Vice President	Hsin-Ming Chen	0	0	0	0
Vice President	Tim Lai	300	0	0	0
Vice President	Shark Lin	100	0	100	0
Accounting and Financial Officer / Corporate Governance Officer	Teresa Kuo (Note 2)	0	0	0	0
Financial Officer	Joseph Hsia (Note 3)	0	0	0	0
Accounting Officer / Corporate Governance Officer	Erin Kuan (Note 4)	0	0	0	0

Note 1 : The Manager retired on March 4, 2026, so the information is as of the date of departure.

Note 2 : The Manager retired on July 1, 2025, so the information is as of the date of departure.

Note 3 : The Manager was newly appointed on July 1, 2025.

Note 4 : The Manager was appointed as Corporate Governance Officer on July 1, 2025, and as Accounting Officer on July 30, 2025.

B. Shares Trading with Related Parties: None.

C. Shares Pledge with Related Parties: None.

## 2.7 Relationship among the Top Ten Shareholders

04/11/2026 ; Unit: Share ; %

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	
Government of Singapore	4,652,287	6.23	N/A	N/A	N/A	N/A	None	None	None
SmallCap World Fund Inc.	4,073,497	5.45	N/A	N/A	N/A	N/A	None	None	None
Fubon Life Insurance Co., Ltd Representative : Howard Lin	2,906,000	3.89	N/A	N/A	N/A	N/A	None	None	None
New Labor Pension Fund	2,823,212	3.78	N/A	N/A	N/A	N/A	None	None	None
Li-Jeng Chen	2,215,000	2.97	-	-	-	-	None	None	None
Norges Bank	2,186,000	2.93	N/A	N/A	N/A	N/A	None	None	None
New World Fund, Inc.	1,608,000	2.15	N/A	N/A	N/A	N/A	None	None	None
Charles Hsu	1,429,407	1.91	6,423	0.01	-	-	None	None	None
Mu-Chuan Hsu	1,273,179	1.70	366,279	0.49	-	-	None	None	None
Allianz Global Investors Taiwan Technology Fund	1,180,000	1.58	N/A	N/A	N/A	N/A	None	None	None

## 2.8 Ownership of Shares in Affiliated Enterprises

04/11/2026 ; Unit: Thousand shares ; %

Affiliated Enterprises (Note 1)	Ownership by the Company		Direct or Indirect Ownership by Directors /Managers (Note 2)		Total Ownership	
	Shares	%	Shares	%	Shares	%
iMQ Technology Inc.	2,057	2.20	4,352	4.67	6,409	6.87

Note 1 : Investments accounted for using equity method.

Note 2 : If the Director is a legal entity, its shares include legal entity and its representative.

### III. Capital Overview

#### 3.1 Capital and Shares

##### 3.1.1 Source of Capital

Unit: Thousand shares / NT\$ thousands

Month/ Year	Par Value (NT\$)	Authorized Capital		Paid-in Capital		Remark		
		Shares	Amount	Shares	Amount	Sources of Capital (Amount)	Capital Increased by Assets Other than Cash (Amount)	Other
09/2000	10	40,000	400,000	30,895	308,950	Set up Capital : 308,950	Technology : 60,000	09/22/2000 Jin (089) Sun Tzu No.089134296
01/2002	10	40,000	400,000	40,000	400,000	Cash Offering : 91,050	None	01/09/2002 Jin So Sun Tzu No.09101006950
12/2003	10	60,000	600,000	46,000	460,000	Cash Offering : 60,000	None	12/11/2003 Yuan Shang Tzu No. 0920034610
11/2004	10	61,500	615,000	32,689	326,889	Capital Reduction : 203,111 Cash offering : 70,000	None	11/24/2004 Yuan Shang Tzu No.0930032426
10/2005	10	61,500	615,000	33,425	334,249	Exercise of Employee Stock : 7,360	None	10/24 /2005Yuan Shang Tzu No.0940028474
01/2006	10	61,500	615,000	33,500	334,999	Exercise of Employee Stock : 750	None	01/23/2006 Yuan Shang Tzu No.0950001176A
08/2006	10	61,500	615,000	38,357	383,565	Capitalization of Profits : 41,133 Capitalization of Employee Bonus : 7,433	None	08/01/2006Yuan Shang Tzu No.0950019826
10/2006	10	61,500	615,000	39,446	394,455	Exercise of Employee Stock : 10,890	None	10/23/2006 Yuan Shang Tzu No.0950027836
01/2007	10	61,500	615,000	39,452	394,515	Exercise of Employee Stock : 60	None	01/10/2007Yuan Shang Tzu No.0960000825
08/2007	10	61,500	615,000	44,869	448,694	Exercise of Employee Stock : 4,940 Capitalization of Profits : 41,721 Capitalization of Employee Bonus : 7,518	None	08/31/2007 Yuan Shang Tzu No.0960023515
10/2007	10	61,500	615,000	45,415	454,154	Exercise of Employee Stock : 5,460	None	10/16/2007 Yuan Shang Tzu No.0960027729
01/2008	10	61,500	615,000	45,558	455,584	Exercise of Employee Stock : 1,430	None	01/28/2008 Yuan Shang Tzu No.0970002528
04/2008	10	61,500	615,000	45,744	457,444	Exercise of Employee Stock : 1,860	None	04/29/2008 Yuan Shang Tzu No.0970011421
07/2008	10	61,500	615,000	53,497	534,974	Exercise of Employee Stock : 1,690 Capitalization of Profits : 64,050 Capitalization of Employee Bonus : 11,790	None	07/29/2008 Yuan Shang Tzu No.0970020537
11/2008	10	61,500	615,000	53,966	539,664	Exercise of Employee Stock : 4,690	None	11/06/2008 Yuan Shang Tzu No.0970031028
01/2009	10	61,500	615,000	54,116	541,164	Exercise of Employee Stock : 1,500	None	01/19/2009 Yuan Shang Tzu No.0980001857
04/2009	10	61,500	615,000	54,300	543,004	Exercise of Employee Stock : 1,840	None	04/20/2009 Yuan Shang Tzu No.0980010553
08/2009	10	80,000	800,000	60,392	603,916	Exercise of Employee Stock : 800 Capitalization of Profits : 54,116 Capitalization of Employee Bonus : 5,995	None	08/05/2009 Yuan Shang Tzu No.0980021773

Month/ Year	Par Value (NT\$)	Authorized Capital		Paid-in Capital		Remark		
		Shares	Amount	Shares	Amount	Sources of Capital (Amount)	Capital Increased by Assets Other than Cash (Amount)	Other
10/2009	10	80,000	800,000	60,427	604,266	Exercise of Employee Stock : 350	None	10/26/2009 Yuan Shang Tzu No.0980030178
02/2010	10	80,000	800,000	62,422	624,221	Exercise of Employee Stock : 19,955	None	02/11/2010 Yuan Shang Tzu No.0990004274
03/2010	10	80,000	800,000	62,452	624,521	Exercise of Employee Stock : 300	None	06/02/2010 Yuan Shang Tzu No.0990015194
08/2010	10	100,000	1,000,000	65,358	653,567	Exercise of Employee Stock : 320 Capitalization of Profits : 18,727 Capitalization of Employee Bonus : 10,000	None	08/26 /2010Yuan Shang Tzu No.0990024779
10/2010	10	100,000	1,000,000	65,378	653,777	Exercise of Employee Stock : 210	None	10/29/2010 Yuan Shang Tzu No.0990032379
01/2011	10	100,000	1,000,000	76,086	760,855	Exercise of Employee Stock : 7,078 Cash offering : 100,000	None	02/09/2011 Yuan Shang Tzu No.1000003917
01/2012	10	100,000	1,000,000	76,514	765,138	Exercise of Employee Stock : 4,283	None	01/17/2012 Yuan Shang Tzu No.1010001845
05/2012	10	100,000	1,000,000	76,706	767,058	Exercise of Employee Stock : 1,920	None	05/09/2012 Yuan Shang Tzu No.1010013550
11/2012	10	100,000	1,000,000	76,833	768,323	Exercise of Employee Stock : 1,265	None	11/06/2012 Yuan Shang Tzu No.1010034298
02/2016	10	100,000	1,000,000	75,783	757,823	Cancellation of Treasury Shares: 10,500	None	02/18/2016 Zhu Shang Tzu No. 1050004206
04/2018	10	100,000	1,000,000	75,791	757,908	Exercise of Employee Stock : 85	None	05/09/2018 Zhu Shang Tzu No. 1070013293
07/2019	10	100,000	1,000,000	75,805	758,050	Exercise of Employee Stock : 142	None	08/20/2019 Zhu Shang Tzu No. 1080023864
10/2019	10	100,000	1,000,000	75,831	758,314	Exercise of Employee Stock : 264	None	11/05/2019 Zhu Shang Tzu No. 1080032062
02/2020	10	100,000	1,000,000	75,834	758,336	Exercise of Employee Stock : 22	None	03/02/2020 Zhu Shang Tzu No. 1090005834
10/2020	10	100,000	1,000,000	76,056	760,561	Exercise of Employee Stock : 2,225	None	11/10/2020 Zhu Shang Tzu No. 1090031845
02/2021	10	100,000	1,000,000	76,073	760,726	Exercise of Employee Stock :165	None	03/10/2021 Zhu Shang Tzu No. 1100006431
04/2021	10	100,000	1,000,000	76,080	760,797	Exercise of Employee Stock :71	None	05/07/2021 Zhu Shang Tzu No. 1100013101
10/2021	10	100,000	1,000,000	76,123	761,234	Exercise of Employee Stock :437	None	11/10/2021 Zhu Shang Tzu No. 1100033006
02/2022	10	100,000	1,000,000	76,126	761,262	Exercise of Employee Stock :28	None	03/04/2022 Zhu Shang Tzu No. 1110006693
07/2022	10	100,000	1,000,000	76,162	761,622	Exercise of Employee Stock :360	None	08/09/2022 Zhu Shang Tzu No. 1110025360
10/2022	10	100,000	1,000,000	76,184	761,844	Exercise of Employee Stock :222	None	11/11/2022 Zhu Shang Tzu No. 11110036385
02/2023	10	100,000	1,000,000	76,186	761,864	Exercise of Employee Stock :20	None	03/07/2023 Zhu Shang Tzu No. 1120006764
07/2023	10	100,000	1,000,000	76,188	761,884	Exercise of Employee Stock :20	None	08/08/2023 Zhu Shang Tzu No. 1120026011
10/2023	10	100,000	1,000,000	76,209	762,092	Exercise of Employee Stock :208	None	11/15/2023 Zhu Shang Tzu No. 1120037246
10/2023	10	100,000	1,000,000	74,642	746,422	Cancellation of Treasury Shares: 15,670	None	11/15/2023 Zhu Shang Tzu No. 1120037246
05/2024	10	100,000	1,000,000	74,656	746,562	Exercise of Employee Stock :140	None	05/14/2024 Zhu Shang Tzu No. 1130014827
10/2024	10	100,000	1,000,000	74,663	746,632	Exercise of Employee Stock :70	None	11/11/2024 Zhu Shang Tzu No. 1130035957

Month/ Year	Par Value (NT\$)	Authorized Capital		Paid-in Capital		Remark		
		Shares	Amount	Shares	Amount	Sources of Capital (Amount)	Capital Increased by Assets Other than Cash (Amount)	Other
04/2025	10	100,000	1,000,000	74,674	746,737	Exercise of Employee Stock :105	None	05/16/2025 Zhu Shang Tzu No. 1140015218
07/2025	10	100,000	1,000,000	74,687	746,865	Exercise of Employee Stock :128	None	08/11/2025 Zhu Shang Tzu No. 1140025291

04/11/2026 ; Unit: Share

Share Type	Authorized Capital			Remarks
	Issued Shares	Un-issued Shares	Total Shares	
Common Share	74,686,492	25,313,508	100,000,000	TPEX stocks

### 3.1.2 List of Major Shareholders

04/11/2026

Shareholder's Name	Shareholding	
	Shares	Percentage (%)
Government of Singapore	4,652,287	6.23
SmallCap World Fund Inc.	4,073,497	5.45
Fubon Life Insurance Co., Ltd	2,906,000	3.89
New Labor Pension Fund	2,823,212	3.78
Li-Jeng Chen	2,215,000	2.97
Norges Bank	2,186,000	2.93
New World Fund, Inc.	1,608,000	2.15
Charles Hsu	1,429,407	1.91
Mu-Chuan Hsu	1,273,179	1.70
Allianz Global Investors Taiwan Technology Fund	1,180,000	1.58

### 3.1.3 Dividend Policy and Implementation Status

#### A. Dividend Policy

If there is any profit in an annual general financial statement of the Company, such profit shall be distributed in the following orders:

1. Reserve for tax payments.
2. Offset accumulated losses, if any.
3. Legal reserve, which is 10% of remaining net profits after deducting the aforementioned items. However, this restriction does not apply in the event that the amount of the accumulated legal reserve equals or exceeds the Company's total capital stock.
4. Allocation or reverse of special reserves as required by law or government authorities.
5. The remaining net profits and retained earnings from previous years will be allocated as shareholders' dividend. The Board will prepare a distribution proposal and submit it to the Shareholders' Meeting for review and approval by a resolution.

Since the Company is in an industry in a growth phase, the dividend policy shall take into consideration factors such as the Company's current and future investment and capital needs, and capital budgeting plans. The proposal should strike a balance between the shareholders' benefits and the Company's long-term financial plans. Dividends to shareholders shall not be less than 50% of the remaining retained earnings available for distribution and may be distributed in cash or in stock. Cash dividends shall not be lower than 10% of total dividends to shareholders. Each year the Board shall prepare a profit distribution proposal and present it at the Shareholders' Meeting for approval.

**B. Proposed Distribution of Dividend**

The proposal for 2025 profit distribution was resolved by the Board dated March 4, 2026; pending on the final resolution of the Shareholders' Meeting scheduled on June 9, 2026 with authorization to the Chairman for setting the ex-dividend day.

**eMemory Technology Inc.**  
**Statement of Profit Distribution**  
**2025**

Unit: NT\$

Item	Amount	
	Subtotal	Total
<b>Beginning Balance of Unappropriated Earnings</b>		<b>\$ 106,925,710</b>
Net Profit of 2025	1,911,849,275	
Remeasurement of Defined Benefit Plans Counted in Retained Earnings	<u>2,034,948</u>	1,913,884,223
Legal Reserve Appropriated		(191,388,422)
Special Reserve Appropriated		<u>(3,910,743)</u>
<b>Retained Earnings Available for Distribution</b>		<b>1,825,510,768</b>
<b>Distribution of Shareholder Dividends - Cash (NT\$ 20.5 per share)</b>		<b><u>(1,531,073,086)</u></b>
<b>Ending Balance of Unappropriated Earnings</b>		<b><u>\$294,437,682</u></b>

Chairman: Charles Hsu                      President: Michael Ho                      Accounting Officer: Erin Kuan

Remarks: 1. According to the Rule No.871941343 issued by the Ministry of Finance on April 30, 1998, when distributing earnings, it shall be identified respectively; the earnings distributed in this year shall be those of the latest year.

2. The shareholder cash dividends is in a total amount of NT\$ 1,531,073,086, to be distributed by NT\$ 20.5 per share, this is calculated by basing on the issued 74,686,492 outstanding shares up to March 3, 2026, and rounded down to the nearest whole number, the fractional balance less than NT\$ 1 shall be summed up and recognized as other income of the Company.

**C. Anticipation of Future Change in Dividend Policy: None.**

3.1.4 Impact to 2024 Business Performance and EPS Resulting from Stock Dividend Distribution:  
Not applicable.

### 3.1.5 Compensation of Employees and Directors

#### A. Information Relating to Compensation of Employees and Directors in the Articles of Incorporation

If there is any pre-tax profit, 1% to 25% of the profit shall be distributed to eligible employees in the form of cash or stock for profit sharing. No higher than 2% of the profit shall be distributed to directors for compensation.

#### B. The basis for estimating the amount of employee and director 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

In case of variation between the amount resolved by the resolution of the Shareholders' Meeting and the estimation in the financial statements, the difference is recognized as a change in accounting estimate and recognized as income or loss in current period.

#### C. Distribution of Compensation Approved in the Board of Directors Meeting

(1) Employee compensation sharing, stock dividend, and remuneration to the directors in the year of recognition varied with the estimation, disclose the differences, specify the cause, and the settlement of the problem:

a. The employees' compensation and the remuneration of Directors of 2025 had been resolved by the Board of Directors on March 4, 2026, the distribution of mentioned compensation and remuneration is set forth below:

① The distribution of employees' compensation is in an amount of NT\$ 408,883,169.

② The distribution of remuneration of Directors is in an amount of NT\$ 40,888,317.

b. There is no difference between the distributed amounts mentioned above and the assessed amounts of employees' compensation and remuneration of Directors.

(2) The amount of employee stock compensation planned to be released in proportion to the net income of the individual financial statements of The Company and to total employee compensation: Not applicable.

- D. Information of 2024 Distribution of Compensation of Employees and Directors (with an indication of the number of shares, monetary amount, and stock price, of the shares distributed) and, if there is any discrepancy between the actual distribution and the recognized employee or director compensation, additionally the discrepancy, cause, and how it is treated

Unit: Thousand shares / NT\$ thousands

Item	Amount for Distribution Resolved by the Board of Directors	Estimation in the Year of Recognition	Difference	Shares (1,000 shares)	Share Price (NT\$)	Note to the Difference
Employees' Compensation	389,033	389,033	-	-	-	N/A
Remuneration of Directors	38,903	38,903	-	-	-	N/A

2.1.6 Status of Repurchase of Shares: Not applicable.

3.2 Bonds Status of Corporate Bonds, Preferred Stocks, Global Depository Receipts (GDRs): Not applicable.

3.3 Status of Employee Stock Options

3.3.1 Issuance of Employee Stock Options

04/11/2026 ; Unit: Thousand shares / NT\$ thousands

Type of Stock Option	First Stock Option of 2016 ( Issuance on 02/23/2016)
Approval Date and Total Units	12/30/2015 2,000
Issue Date	02/23/2016
Units Issued	500
Units Still Available	0
Percentage of Shares Exercisable to Outstanding Common Shares	0.66%
Option Duration	10 years (to 02/22/2026)
Source of Option Shares	New Common Share
Vesting Schedule	2nd Year: Up to 30% 3rd Year: Up to 60% 4th Year: Up to 100%
Shares Exercised	471.25
Value of Shares Exercised	150,572
Shares Unexercised	0 (Note)
Adjusted Exercise Price Per Share (NT\$)	318.4
Percentage of Shares Unexercised to Outstanding Common Shares	0%
Impact to Shareholders' Equity	Dilution to shareholder's equity is limited

Note : The shares had been deducted due to employee turnover.

### 3.3.2 List of Executives Receiving Employee Stock Options and the Top Ten Employees with Stock Options

04/11/2026

	Title	Name	No. of Stock Options	Stock Options as a Percentage of Shares Issued	Exercised			Unexercised				
					No. of Shares Converted	Strike Price (NT\$)	Amount (NT\$ thousands)	Converted Shares as a Percentage of Shares Issued	No. of Shares Converted	Strike Price (NT\$)	Amount (NT\$ thousands)	Converted Shares as a Percentage of Shares Issued
Executive officers	President	Michael Ho										
	Executive Vice President and Chief Operating Officer	Chris Lu										
	Senior Vice President	John Ho										
	Senior Vice President	Hsin-Ming Chen										
	Vice President	Tim Lai	87,750	0.12%	87,750	324.2~318.4	28,011	0.12%	0	0	0	0%
	Vice President	Shark Lin										
	Financial Officer	Joseph Hsia										
Employees	Accounting Officer / Corporate Governance Officer	Erin Kuan										
	Department Manager	Shih-Chen Wang										
	Project Deputy Director	Hung-Hsiang Wang										
	Director	Chun-Fu Lin										
	Senior Sales Director	Shih-Yun Lin										
	Senior Director	Wein-Town Sun	84,250	0.11%	84,250	331.6~318.4	26,884	0.11%	0	0	0	0%
	Director	Hsin-Kun Hsu										
	Project Deputy Director	Shih-Chan Huang										
	Senior Department Manager	Ming-Shan Lo										
	Department Manager	Jerry Huang										
Director	Wenson Lee											

3.4 Status of New Restricted Employee Shares : Not applicable.

3.5 Status of New Share Issuance in Connection with Mergers and Acquisitions : Not applicable.

3.6 Financing Plans and Implementation : Not applicable.

## IV. Business Overview

### 4.1 Business Activities

#### 4.1.1 Scope of business

##### A. Main business activities

- ① CC01080 Electronic Parts and Components Manufacturing
- ② I501010 Product Designing
- ③ F601010 Intellectual Property (IP)
- ④ CC01050 Data Storage and Processing Equipment Manufacturing
- ⑤ Research, development, manufacture and sales of the following products:
  - a. Embedded One-Time Programmable Memory SIP
  - b. Embedded Flash Memory SIP
  - c. Embedded Multi-Time-Programmable Memory SIP
  - d. Embedded Resistive-Random-Access Memory, RRAM SIP
  - e. Physically Unclonable Function SIP

##### B. Revenue composition

Unit : NT\$ thousands

Revenue Streams	2024		2025	
	Net Revenue	Revenue Contribution	Net Revenue	Revenue Contribution
Licensing	1,134,009	31.4%	1,251,776	32.5%
Royalty	2,471,959	68.6%	2,597,277	67.5%
Total	3,605,968	100%	3,849,053	100%

##### C. Products and services as of now

Founded in September 2000, eMemory is a Silicon Intellectual Property (SIP) design company acquiring over 1,350 patents. eMemory is dedicated to the technology development and applications of embedded non-volatile memories.

eMemory focuses on technology innovation, namely the creation of new embedded non-volatile memories within existing process platforms (e.g. Logic, Radio-Frequency, High Voltage, and BCD processes). Unlike other companies that introduce new materials/processes or adopt unstable device operation modes for their non-volatile memory technology, eMemory technology platforms are already available in world-wide foundries with our versatile offerings able to meet the different needs of IC design houses. This ensures shorter product development time and prevents process incompatibility issue.

SIP contends intellectual property. Users (customers) are licensed for use with the rights to manufacture or design products, while the property right is still possessed by the inventor. Users will be charged when using the SIP for product design or production. eMemory collects License fee, Usage fee, or Non-Recurring Engineering (NRE), Royalty, or a combination of the above. Descriptions of the fees are as follows:

① License Fee

eMemory's main licensing customers are semiconductor foundries. Due to patent entry barrier or expertise in mass production, customers must rely on eMemory's technology and IP solutions. License fee generally refers to the fee charged according to individual process platform (e.g. 0.5um, 0.35um, 0.25um, 0.18um, 0.13um, 55nm, 40nm, 28/22nm, 16/12nm, 7/6nm, 5/4nm, 3nm, 2nm and so on).

② Usage Fee

Usage fee is applicable to customers who adopt available macro. Customers are subject to a fee for each usage. In other words, if a customer uses the same macro on 3 different products, the customer shall pay the usage fee for 3 times.

③ NRE

This is the fee for the development of customized macro.

④ Royalty

In general, this is the fee charged according to a certain ratio of the wafer or product price.

D. New product development plan

eMemory focuses on the design and development of embedded NVM technologies. Our proprietary SIP technologies include OTP, MTP, Flash and PUF have all been deployed on various process platforms in key foundries. These technologies have also been introduced to different production processes in leading foundries for mass production. New development plans will further push our core technologies towards advanced nodes, ranging from 12nm down to 2nm logic process technologies. To respond to TSMC's "more-than-Moore" strategy, eMemory will expand value-added solutions onto matured process platforms by deploying IP into high-voltage, MEMS, BCD, CIS, analog, and SOI processes to meet the needs of one-stop shopping SIP solutions. In addition, eMemory also actively invests in research efforts for the development of emerging memory on 40nm process platforms and below to expand the new generation of memory silicon intellectual property. The development plans are as follows:

- ① Increase process platform penetration by proactively deploying on platforms utilized by emerging applications such as ADAS, AI, IoT, etc..
- ② Expand the product applications from existing customers (of NeoBit) by developing NeoEE and NeoMTP with advanced specs.
- ③ Expedite the development progress of advanced technologies for NeoFuse and expand technology deployment for NeoPUF by collaborating with the subsidiary, PUFsecurity Corp., closely to develop the total security solutions for IC.
- ④ Continue the development for NeoFlash to deploy to more technology platforms and improve the spec. to meet automotive requirements.
- ⑤ Collaborate with partners on the development of RRAM and MRAM technologies.

## 4.1.2 Industry overview

### A. Current status and future development of the industry

#### (1) SIP industry background

IP (Intellectual Property) refers to intangible asset recognized and protected by law. Without permission from IP owners, no replication or use is allowed. Silicon Intellectual Property (hereinafter, "SIP") is a function block, consisting of IPs and know-hows, which has been initially defined and qualified for repetitive usage.

SIP cell is a pre-designed and qualified macro. With adjustable parameters, these cells can be tailor-made per customer requirements or product specifications. IC designers use these SIP cells to realize a part of the design functions without redesigning this function block. To get a head start, the use of SIP substantially brings down development timeline thereby accelerates the time to market.

SIP was originated after the mid-1990s. Nowadays, consumer electronics products are getting lighter, slimmer, and smaller. A System-on-a Chip (SoC) utilizing SIP blocks can greatly reduce the time for product qualification and integration; hence product developers can focus their efforts on verifying few new functions. This in turn minimizes the required engineering efforts that are needed to meet the customer adjustment requests. Therefore, product developers can concentrate on product core competencies while being agile enough to respond to unpredictable market demands.

High complexity and short development time in IC industry highlight the importance of IC design productivity. It is foreseen that the number of transistors in a semiconductor chip will increase year-over-year. Through purchasing or licensing SIP cells, it gains a greatly competitive advantage. It not only reduces IC designers' burden but also greatly shorten product development time, as well as increase products' competitive advantages in time-to-market. As such, the inevitable trend is to design the System-on-a Chip by using SIP cells.

#### (2) Industry outlook

eMemory has focused on the SIP business and became a pure SIP vendor since 2013. By then all revenue with 100% gross margin were from royalty and upfront fees (including license fee and technical service fee). Due to the continuous improvement of internal operation logistics and global business development, the revenue from upfront fees and royalties will continue to grow year-over-year.

Right in the information age, demand for SIP will grow further along with the IC design industry market size. The innovative SIP licensing business model leads IP vendors towards niche markets as it doesn't involve production but creates a good value of technology licensing with license fee and royalty in return. Having advantages of low operation cost and high gross margin, IP industry is superior to other entities in the semiconductor industry value chain.

The development of SoCs created a structural change in IC design industry. Soon afterwards, when the benefits of reusable SIP cells were understood, it contributed to even higher growth in the SoC development. Currently, with many of the global leading foundries (with advanced process and high production capacity) and numerous IC design houses all located in Asia, there is unlimited business potential for SIP providers who are also in Asia.

## B. IC industry supply chain in Taiwan

Group	Roles	Products	Major Players
Upstream	SIP Development, Design Service and IC Design	SIP cells, Circuitry Product	eMemory, MTK, Novatek, GUC
Midstream	Mask & Wafer Production	Wafer	TSMC, UMC, VIS
Downstream	Package & Testing	Backend services for IC package and test	ASE, SPIL, KYEC

SIP is among the top in the upstream of IC industry and facilitates the overall productivity in IC design and manufacturing.

## C. Megatrend in IC industry

### (1) Reusable SIP

Product delivery timeline is a major indicator of competitiveness. As the industry is inclined toward specialization, the use of SIP cells will be the key to success.

### (2) Qualified and reliable SIP

Expense on product development is heavy due to the complexity and uncertain product specifications in a SoC design. In the advanced process nodes, using non-qualified SIP equals risk. Therefore, the adoption of qualified SIP from a third party will greatly reduce production risks; among which foundries are the most objective and convincing. SIP qualified by multiple foundry companies not only indicates the production flexibility of fab-to-fab porting but also demonstrates the wide availability in various process platforms.

### (3) Continuous deployment in advanced process nodes

From 55nm down to 2nm, logic NVM SIPs in logic or high performance computing (HPC) process platforms are frequently deployed into memory repair, security setting, feature selection, chip identification, analog trimming, Digital Rights Management (DRM) and code storage. These are used in application processors, FPGA, AI accelerators, multi-media, SSD drive, network processors and commodity DRAMs.

In the age of IoT, smartphones, autotronics and bioelectronics where data security is at the utmost, this category will play a key role. Logic NVM provides the storage capability of analog trimming, security as well as chip identification for display driver IC, power management IC and sensor controller.

As for high density (1~4M Bytes) requirements, Logic NVM SIP is embedded for code storage to supersede ROM and reaches a high level of integration as well as meeting the needs of security. They are widely applied in wireless applications including Wi-Fi, Bluetooth, smartphones, and automotive MCUs.

### (4) High security SIP

eMemory has been devoted to the research and development of innovative PUF technology. With the advantages of OTP's implementation in a wide range of platforms, the stable and excellent NeoPUF technology, after integrating with security functions, is widely used in IoT, AI, 5G and other applications. eMemory also collaborates with

PUFsecurity, eMemory’s subsidiary, and other world-class security solution companies to provide NeoPUF-based security functions. These solutions utilize PUF’s random and unique properties, which is applied to the secret key, identification and other advanced security applications.

#### D. Competition

From the perspectives of Logic NVM SIP which eMemory specializes in, the other competitors in Taiwan are still utilizing old technology and struggle to achieve technical stability. On the other hand, two of the foreign main competitors have been acquired, thus the result of acquisition is not yet clear. From the perspective of design services, except for Andes and M31 that offers other SIP licensing, the remaining, such as Global Unichip Corp., Faraday Technology Inc. and Alchip, concentrate on providing ASIC services as well as turnkey services with foundry strategic alliances. Therefore, those design service companies will derive less of their revenue from license fees and royalties, as compared to eMemory.

#### E. Key performance indicators (KPI)

Quantity of new tape outs (NTO) with eMemory IP					
2024			2025		
Target	Actual	Completion Rate	Target	Actual	Completion Rate
600	685	114%	630	671	107%

The NTO figure for 2025 remained close to the level recorded in 2024..

#### 4.1.3 Short and long term business development plan

eMemory continuously increases market share through innovation, wide product applications and strategic partnerships worldwide. eMemory keeps playing a leading role as a SIP provider in embedded memory technology.

##### A. Short-term

##### (1) Marketing plan

- a. Expand NeoBit, NeoFuse, NeoPUF, NeoEE, and NeoMTP's popularity through existing sales channels.
- b. Actively promote the development of NeoFlash technology, especially in line with the BCD platform's demand for higher-capacity memory for the new generation of smart PMICs. Engage more foundries to implement NeoFlash technology in order to be a new technical standard.
- c. In response to the popularization of smart self-driving cars, develop more automotive specifications in the existing IP technologies, and actively go for certification of high-level safety regulations like ISO26262.
- d. Collaborate with major companies in Europe, America, and Japan to develop local markets.
- e. Establish subsidiaries or regional sales units in the US, Japan, China regions to serve customers nearby and increase operational efficiency to improve customer satisfaction and stickiness.

- f. Develop product applications of emerging memory technology which is co-developed with technology partners, including the developments of RRAM and MRAM.
  - g. Focus on the establishment of groundwork and expertise of SIP products and to optimize investment and return.
  - h. Provide customers with more comprehensive SIP platforms across worldwide foundries.
  - i. Enhance on-time delivery to meet customer's needs.
  - j. Introduce existing technologies and SIP to new application segments.
  - k. Leverage distribution channels of partner foundries to enhance product promotion.
  - l. Utilize social media to gain exposure, popularity and technical expertise through publishing newsletters of new technology, application, and platform along with whitepapers.
  - m. Improve online system to maximize the bandwidth in serving customers 24/7.
- (2) Financial plan
- Make use of a robust business model to maintain a sound financial structure and optimized working capital.

## B. Long-term

- (1) Marketing plan
- a. Establish technical service and sales local offices worldwide to boost regional sales, reputation, and market share.
  - b. Establish a one-stop shopping SIP platform to provide customers with comprehensive SIP choices and services.
  - c. Continue developing emerging technologies, new products, applications, strategic partnerships, and markets.
  - d. Collaborate with worldwide foundries through strategic alliances to establish new technology and manufacturing platform and strengthen competitiveness.
  - e. Uplift adoption rate in advanced process nodes and develop new applications targeting products with higher ASP to enhance royalty income.
  - f. Develop high value-added and reliable logic NVM SIP, including industrial, automotive and security applications.
  - g. eMemory collaborates with PUFsecurity, eMemory's subsidiary, and other world-class security solution companies to provide NeoPUF-based security solutions which utilize PUF's random and unique properties applied in the secret key, identification and other advance security functions for IoT, AI, Data center and 5G/6G applications.
- (2) Financial plan
- Make use of diverse fundraising and financial initiatives to form a sound financial structure.

## 4.2 Technology and R&D Outlook

### 4.2.1 R&D expense in the previous year to the date this report was printed

Unit : NT\$ thousands

	2025	2026 (As of March 31)
R&D Expense(A)	1,007,990	283,993
Net Revenue (B)	3,849,053	1,093,993
(A)/(B)	26.2%	26.0%

### 4.2.2 Technology or product successfully developed in previous year to the date this report was printed

Technology or product The Company successfully developed in previous year to the date this report was printed is as the following:

Date	Item
2025 to April 11, 2026	<p>1. NeoBit</p> <p>(1) Expand OTP for 55nm, 90nm, and sub-0.18<math>\mu</math>m BCD processes at more foundries worldwide, and focus on building automotive and industrial-grade platforms to meet the demand for power management chips.</p> <p>(2) In response to the trends of ESG and manufacturing process reduction, we continue to work with foundries to launch OTP IP solutions for multiple low-cost logic processes with pure 3.3V or pure 5V.</p> <p>2. NeoFuse</p> <p>(1) Developing the latest 2nm GAA advanced process OTP IP, and plan to complete test chip tape-out by mid-2026.</p> <p>(2) The enhanced 3nm FinFET process OTP IP has been qualified, started risk production, and successfully won more than 20 product usage contracts.</p> <p>(3) Complete the OTP IP qualification of cost-effective version 4nm FinFET process, began providing it to customers.</p> <p>(4) Expand 12nm development to more foundries, validate competitive version IP and complete the qualification.</p> <p>(5) Complete the qualification of OTP IP in leading 16nm FinFET HV platform, began providing it to customers for risk run.</p> <p>(6) Complete the qualification of OTP IP in 16nm DRAM process. Kick-off new version of HKMG 16nm DRAM OTP design.</p> <p>(7) Multiple OTP IP development projects ongoing in various 90/ 80/ 55/ 40/ 28/ 22nm HV platforms and expand to more foundries worldwide.</p> <p>(8) To meet the PMIC IP demand from key customers, we continue to expand more development projects across 22/ 55/ 90/ 110/ 150nm BCD processes in worldwide foundries.</p>

Date	Item
	<p>3. NeoPUF</p> <ul style="list-style-type: none"> <li>(1) Complete the verification of NeoPUF as well as the digital design of PUFrt in the most advanced 3nm FinFET process, began providing it to customers.</li> <li>(2) Through the cooperations with PUFsecurity Corporation, 30 NRE projects of PUFrt and PUFcc security IP (with NeoPUF as the core) are developed for customers, which 10 of them are advanced FinFET processes.</li> </ul> <p>4. NeoEE</p> <ul style="list-style-type: none"> <li>(1) Completed the function verification of 55nm BCD NeoEE IP, and reliability testing has begun.</li> <li>(2) Develop high-end NeoEE with 100K endurance specification, expand projects to multiple BCD platforms such as 90nm, 0.11<math>\mu</math>m, and 0.15<math>\mu</math>m, which is used in SPD chip within DDR5, DDR6 DIMM modules.</li> </ul> <p>5. NeoMTP</p> <ul style="list-style-type: none"> <li>(1) Expand more NeoMTP IP to multiple foundries' 55nm BCD process, which is for automotive PMIC application.</li> <li>(2) NeoMTP FTP has been extended to more 90nm and 0.11<math>\mu</math>m HV processes of multiple foundries and has begun mass production, successfully won 32 products tape-outs. This technology has a high market share in the fields of e-paper and ESL driver ICs.</li> </ul> <p>6. RRAM</p> <ul style="list-style-type: none"> <li>(1) Launch R&amp;D project for FinFET process RRAM and plan to tape-out test chip in middle of 2026.</li> <li>(2) New version of 22nm RRAM IP, capable of operating at 125°C, has been developed and is qualified. It is suitable for high-end MCU products.</li> <li>(3) Completed functional verification of RRAM IP using the 55nm BCD process, which will be applicable to automotive-grade PMIC chips.</li> </ul> <p>7. NeoFlash</p> <ul style="list-style-type: none"> <li>(1) A competitive 1T cell NeoFlash IP is being developed, which is aiming for use in embedded IP and high-density NORD standalone flash.</li> </ul>

### 4.3 Market Outlook and Production and Sales Overview

#### 4.3.1 Market analysis

##### A. Main geographic regions for sales of products (services)

Unit : NT\$ thousands

Geographic Regions	2024	2025
Domestic	2,102,300	2,159,573
Asia	1,270,919	1,331,328
Others	232,749	358,152
Total	3,605,968	3,849,053

##### B. Market share

According to the statistics compiled by IPnest, the production value of global IP design industry in 2025 amounted to \$9.89 billion USD. In 2025, eMemory's revenue was \$1.24 billion USD, which was 1.25% of the total market production value. Therefore, it is still the top-10 IP company in the world. With the introduction of newly developed technologies of NeoEE, NeoFuse, and NeoMTP and NeoPUF, the full product IP technologies portfolio is in place. The Company can provide customers diverse technical services which will benefit operational performance. With steady growth in business operation and increasing number of customers and new product adaptations, the revenue generates from technical service and licensing fee will continue to grow. Likewise, revenue from royalty will also increase, and market share of eNVM SIP will surge.

##### C. Market supply/demand and growth in the future

###### (1) Future market supply and demand

SIP is increasingly important as global IC providers' demand in advanced process node raise. The main market applications include mobile communication, consumer electronics, industrial electronics, and autotronics. eMemory has researched and developed a series of eNVM and hardware security technologies used for micro controllers ICs, LCD panel control ICs, LCD screen driver ICs, PMICs, Image Signal Processor (ISP), high frequency signal ICs, short-range communication ICs, Bluetooth ICs, oscillator controller ICs, MP3 control ICs, battery management ICs, voice ICs, TWS ICs, WiFi ICs, AI chip, DDR5 peripheral ICs, DRAM chip and autotronic ICs.

From the perspective of our product technology applications, the pervasive adoption of Artificial Intelligence (AI) has become a structural growth driver for the semiconductor industry. As AI computing expands from cloud data centers to edge devices and a wide range of end products, applications in AI, mobile devices, smart connectivity, and intelligent automotive electronics continue to broaden. This expansion not only drives semiconductor unit growth but also significantly increases chip architecture complexity and overall system integration requirements.

On the end-device side, the ongoing upgrade of mobile and smart devices supports steady demand growth for application processors (AP), display driver ICs (DDI), power management ICs (PMIC), wireless communication chips, and image signal processors (ISP). At the same time, the integration of AI capabilities and the growing need for real-time processing are raising requirements for high-performance computing, low-power design, data security, and system reliability. This trend further accelerates the adoption of advanced process nodes and increases the penetration of high value-added IP solutions.

In addition, the rapid development of AI data centers, high-performance computing (HPC), edge AI devices, smart surveillance, and autonomous driving systems is driving demand for high-reliability non-volatile memory (NVM) and security-related IP. As data protection and chip trustworthiness become critical design considerations, the importance of embedded memory and security architectures continues to rise.

Overall, under the industry trend of AI computing upgrades and accelerating intelligent applications, three key drivers — increasing chip content per system, process node migration, and rising security and reliability requirements — will reinforce our technology positioning and support sustainable mid- to long-term revenue growth.

## (2) Market growth potentials

As the integration of SoC increases, the demand for light-weighted compact products become the mainstream of IC technology development. Factors including increasing proportion of design outsourcing, raising cost of new process mask and technology development, and the IC complexity which lead to longer cycle time, all of which have made SIP become the key to accelerate SoC development. The complex SoC design and production process resulted in increasing division of labor in the semiconductor industry. The use of SIP for SoC design reduces designers' burdens and the development time substantially. This is critical for enhancing competitive advantage in terms of time-to-market; as the result, SoC becomes increasingly dependent on SIP.

The rapid development of semiconductor production node and the increasing demand for compact, slim, and light-weighted products which require a greater variety of functions has led the IC design to the integration of multi-functionality and embedded design including application processor IC, stacked CMOS image sensor, fingerprint sensor, autotronic image system. As such, the raising era of communication, home appliance, and personal service communication, the scale of the IC design market continues to expand. The destructive innovation eNVM SIP from eMemory transcend traditional logic process into the eNVM logic process, which makes SoC circuit design simple and easy to accomplish, while reducing SoC development and manufacturing cost, and achieve higher performance efficiency to meet the requirement of IoT and autotronics. We not only build the floating gate structure on mature manufacturing platform but also introduce the NeoFuse and NeoPUF on advanced node platforms (3nm~16nm). This provides our clients product development and testification under multiple platform,

increasing flexibility for the production and enhancing the competitiveness of the business. As such, the promising future of silicon intellectual device is foreseen.

#### D. Competitive advantages

##### (1) Rich eNVM technologies portfolio

eMemory has dedicated its resources in the research and development of eNVM since its establishment, focusing on the application of NeoBit, NeoFuse, NeoEE, NeoMTP, and NeoFlash technologies. These technologies were successfully adopted by leading foundries for mass production in 0.5um to 3nm process nodes. Furthermore, our technologies expanded to the development of 2nm advance nodes, fulfilling customers' different needs. The eNVM technology is applicable to all kinds of CMOS process (including logic, analog, M-M, HV, SiGe, CIS, EEPROM, and DRAM, etc) with wide applications, allowing customers to directly apply into their design without modifying components characters of customers' products to shorten the development time. For example, it takes 2~3 years to introduce eNVM (e.g., embedded flash or EEROM) technology in 0.13um and 90nm process platform. It may take even longer for 55nm and 28nm process. Yet it takes only 6 to 9 months for porting NeoBit, NeoEE, NeoFuse, or NeoMTP technology to each process node. Furthermore, our existing NeoFlash technology can provide high-density memory IP with only 2 to 3 added photomasks based on the traditional logic process. In response to the new generation of IC industry, multiple functional chips are integrated into a single system on a chip (SOC), this technology has excellent cost structure and is the best solution for integrated chips. For example, recent trend of smart power management ICs consider to merge microcontroller units, so we have cooperated with several foundries to deploy NeoFlash technology into several high-end BCD processes. It is believed that the next few years will bring another wave of revenue growing up.

##### (2) eNVM IP technology features one-time/multiple-times programmable function; allowing higher flexibility of production and sales for customers

In general, program code mask must be introduced in ROM device manufacturing process. In other words, program code is already added in the production process that there is no flexibility for product program code adjustment later on. In addition, program codes of different versions also pose problems for mask and inventory management. NeoBit, NeoFuse, NeoPUF, NeoEE, and NeoMTP eNVM can be directly added to the memory device in the logic device manufacturing process. The product itself features one-time/multiple-times (OTP/MTP) programmable function. Therefore, special application providers can write in the program code before delivery to specific customers, or provide the code for the customers so that they could update the program code or data. These features provide IC providers greater production and sales flexibility, bringing the advantage of greater variety in small quantity and fast delivery.

- (3) eMemory has been devoted to the research and development of Physical Unclonable Function (PUF) technology

With the advantages of OTP's implementation in a wide range of platforms, the stable and excellent NeoPUF technology will be widely extended to new filed. eMemory collaborates created PUFsecurity, eMemory's subsidiary, to launch a series of PUF-based hardware security solutions (PUFrt, PUFiot, PUFhsm, PUFse etc) by using NeoPUF. These solutions are high-security, high-performance, easy-to-use, low-cost solution for chip security and be expected to be used in IoT, AI and 5G applications to achieve the goal of secure operation, secure computing, and secure storage.

- (4) Strong research and development team

The Company has oriented towards the research and development of its own technologies since its establishment. The Chairman of eMemory, Dr. Charles Hsu, is a member of world-renowned NVM Committee. Former Director of the Institute of Electronics Engineering at National Tsing-Hua University, Dr. Hsu first propose the P-type tunneling flash memory in 1992, and has been awarded the "Outstanding Research Award" by National Science Commission in 1997 and 1999.

Chairman Hsu leads a research and development team with outstanding professionals and rich work experience, and has acquired more than 1,350 patents around the world. The patented technology of eNVM developed by this team has won the "2005 National Invention and Creation Award" in October 2005, the Innovative Enterprise Award of the "Industrial Technology Advancement Award" by Ministry of Economic Affairs in October 2008, the "2008 National Invention and Creation Award" by Intellectual Property Bureau of Ministry of Economic Affairs, the "Excellent Manufacturers Innovation Product Award and R&D Achievement Award" by Hsinchu Science Park Bureau of Ministry Science and Technology in December 2017, the Excellence in Innovation First Prize of the "National Industry Innovation Award" by Ministry of Economic Affairs in April 2019, and Security technology NeoPUF won the "National Invention and Creation Gold Medal Award" in October 2020 . In December 2023, the NeoPUF-based security solution received Hsinchu Science Park Outstanding Innovative Product Award; and NeoFlash received the Best IP/Processor of the Year and Innovation Award from EE Awards Asia.

The Company is dedicated to the development of advanced technologies and makes ceaseless effort in the training and recruitment of talents. By providing full-range design resources and reliable technical supports, The Company makes the products of its customers highly competitive.

- (5) Outstanding management team

Most of the management team members came from renowned companies, who have rich experience in business operation and are specialized in research and development, business, and operation management. With the same believe, the team leads the company towards substantial growth.

(6) Strong partnership with leading foundries

Our collaborative foundries are all worldwide leading foundries with the best process technology, yield rate, and delivery. Our eNVM technology, IP licensing, manufacturing technology, and design service has passed strict qualification and successfully assisted foundries to launch mass production. eMemory was recognized as the Best IP Partner by TSMC once again in 2025 and it had made the only memory SIP provider receiving this recognition in 16 consecutive years. With TSMC's sole leading position in foundry manufacturing and exceptional standards set for SIP partners, it shows how eMemory's R&D capability and managerial performance outperforms other international competitors. We also received the best SMIC IP Partner Award from 2013 to 2016. In addition, the company has also been highly-recognized by other worldwide foundries. Looking towards the future, the strategic alliance with foundries will bring growth momentum and further expanded the market share.

(7) Zero-inventory contributed to the capital flexibility

The sole business of the company is eNVM and hardware security IP licensing with zero-inventory. The company is not a manufacturer. Without factories, machinery, and equipment and other sizable capital expenditures, eMemory can use the working capital with high flexibility.

(8) Full-range and efficient service quality

eMemory has established a customer technical service system. With well-developed process management mechanism, eMemory can provide customers the timely and accurate delivery of technical documents. Unlike other foreign SIP suppliers, when the SIP supplied is not compatible with customers' products, it is the customers who is responsible for seeking for solutions. eMemory encourages customers to embed NVM IP on process platforms to reduce the difficulty of technology integration. In addition, eMemory security IP derivative from the embedded IP technology is completely compatible to enhance the competitiveness of customer's products. Therefore, eMemory can offer comprehensive and good solutions to the customers as they face challenges.

E. Favorable and unfavorable factors for corporate development and the responding measures

(1) Favorable factors

a. Specialization of the semiconductor industry

The close relation of the upper- and lower-stream of the industry is beneficial to the formation of the supply chain.

With more than 30 years of experience, the semiconductor industry in Taiwan has a complete semiconductor industry chain.

The prosperity of Taiwan IC design industry also stimulates the growth in SIP industry. Leading foundries include TSMC, UMC, VIS, and PSMC can provide the platform for SIP qualification. The reliability and the complete SIP portfolio provide customers a solid product foundation. Therefore, the cooperative relation between eMemory and the customers could be bolstered.

b. Customer advantage

eMemory is located in Asia where the majority of the world's major foundries are located. For example, IDMs are located in Japan and Korea, and IC design houses are located in Taiwan and China. In addition, eMemory has established a complete customer base and long-term support from customers over the years, with high customer engagement and great advantages for the new products adoption.

(2) Unfavorable factors and responding measures

a. Insufficient SIP design talents in Taiwan

SIP design is a typical knowledge economy, the key to success lies in the R&D ability. However, there is a scarcity of talents with profound and professional knowledge. Moreover, in order to cultivate the centripetal force for employees, it takes higher cost in human resources.

**【Responding Measures】**

- i. The company provide external and internal education and on-the-job training for employees. Moreover, with the cooperative programs with universities, the company can also recruits students with good performance.
- ii. An employee's incentive program is also introduced. Employees with excellent performance will be rewarded correspondingly.

b. The industry is promising, leading to the increasing number of competitors

SIP will be the trend of the semiconductor industry. As IC designs became increasingly complex, particularly in SoC designs, IP licensing has become an indispensable part of the operation. eMemory is the leader of eNVM and hardware security IP technology. The eNVM technology has become a critical circuit block for mainstream products, which will attract more competitors.

**【Responding Measures】**

- i. Develop high value-added design service technology to provide rapid and accurate solutions for customers.
- ii. Develop applications for new products and assist customers to enhance their products performance or competitiveness.
- iii. Continue innovating and providing customers a full-range solution for eNVM and hardware security solutions.
- iv. Broaden the client base and continue to develop the international market and increase the market share.
- v. Continue to enhance service quality.

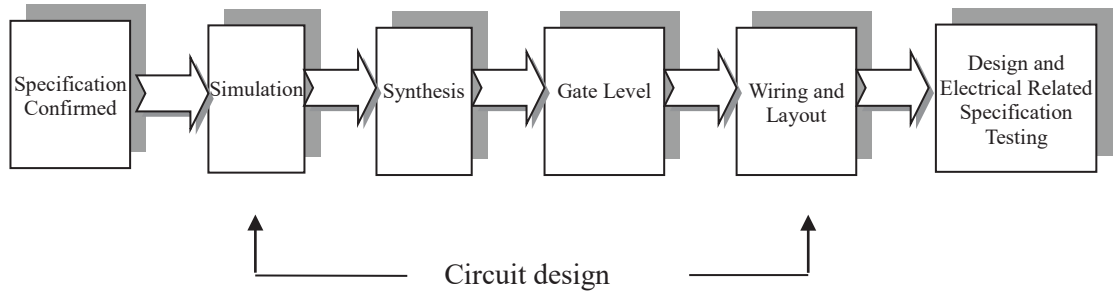
#### 4.3.2 Main products' applications and production flows

A. Main products' applications

The main products are embedded memory and hardware security IP design service. The main applications of embedded memory include communication equipments, autotronics, home appliances, and communication and consumer electronics.

## B. Main products' production flow

eMemory is an IP provider without physical products. The IP service flow chart is shown below:



### 4.3.3 Supply of Key Materials

eMemory is a professional SIP provider, offering production technology and design service of eNVM technology and IP licensing. The principal business is licensing and does not require supply of materials.

#### 4.3.4 Major suppliers and clients

##### A. Major suppliers in the last two years

Under the adjustment of business strategy from the second half of 2011 onward, The Company decided to focus on IP production and planned to gradually reduce the proportion of income from wafer production service, and made no purchase of wafer in the last two years.

##### B. Major clients in the last two years

Unit: NT\$ thousands

Item	2024				2025				2026 (As of March 31)			
	Company Name	Amount	Percent	Relation with Issuer	Company Name	Amount	Percent	Relation with Issuer	Company Name	Amount	Percent	Relation with Issuer
1	Company A	935,001	25.9%	-	Company A	1,008,359	26.2%	-	Company A	266,402	24.4%	-
2	Company B	639,964	17.8%	-	Company B	624,523	16.2%	-	Company B	169,678	15.5%	-
3	Others	2,031,003	56.3%		Others	2,216,171	57.6%		Others	657,913	60.1%	
	Net Sales	3,605,968	100.0%		Net Sales	3,849,053	100.0%		Net Sales	1,093,993	100.0%	

Note: The major revenue contribution from Company-A is royalty. In the past two years, the major items are the smart phone and mobile device's power management IC, display driver IC, fingerprint IC and MEMS sensor IC etc. MCU, digital TV, STB and Bluetooth ICs are also included.

#### 4.4 Human Resources

Year		2024	2025	2026 (As of April 11)
Number of Employees	Sales & Marketing	61	48	47
	Administration	56	50	48
	R&D	243	244	242
	Total	360	342	337
Average Age		40	40.6	40.5
Average Years of Service		8.4	9.2	9.4
Education	Ph.D.	4.4%	4.7%	5.3%
	Masters	65.3%	67.2%	67.1%
	Bachelor's Degree	30.0%	27.8%	27.3%
	Senior High School	0.3%	0.3%	0.3%
	Below Senior High School	-	-	-

Note : Including employees of the Company and its subsidiaries.

#### 4.5 Environmental Protection Expenditure

Any losses suffered by the company in the previous year to the date this report was printed 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: None.

#### 4.6 Labor-Management Relations

##### 4.6.1 Employee benefit program, continuing learning, training, retirement system and its implementation, and the labor-management agreement and the protection measures of employees' rights

###### A. Employee benefit program

The "Employee Welfare Committee" of the Company had been established on September 18, 2002, and approved by the Hsinchu Science Park Bureau for reference, the funds are set aside monthly, the employee welfare activities are periodically held, the welfare programs are planned detailedly and so budgeted, including gift coupons for annual holidays, group entertainment activities, domestic and overseas travel activities, subsidies for wedding and funeral, subsidies for birth, pension for hospitalization, birthday party, year-end party lottery, physical examination, labor and health insurances, group insurance(including spouse and child are insured for free), travel accident insurance for business trip, free dessert/beverage bar, subsidy for afternoon tea coupon, subsidy for parking space, subsidy for gymnastic for fit, specific nursing room, personal birthday leave, health examination leave, and eMemory Holidays which are granted under the conditions better than the requirements of laws and regulations.

B. Employees' continuing learning and training status

(1) To orientate the rapid change of technology in the industry and ensure the development of employees' talents to achieve the joint target for the Company, that training is a major part of the management of human resource. The scope covers related trainings including employees' skill, knowledge, language, system and management, which will improve the professional skill and knowledge of employees as well as enhancing the working attitude. The Company offers training opportunities and financial support to employees with expectation that employees would leverage their knowledge to enhance the quality and professionalism of their work. These efforts are aim to the revenue growth of the Company while concurrently facilitate the personal career advancement and achieve broader goal of the organization.

(2) Implementation of 2025 trainings

Items	Number of Courses	Total participants	Total Hours	Total Expenses
1. New Employee Training	4	57	316.0	0
2. Vocational Training	422	2,847	4,239.4	239,929
3. Supervisor Training	8	60	158.3	375,754
4. General Training (Including the courses of environmental safety, tool technique, etc.)	28	514	670.8	1,619
5. Hahow for business	361	1,521	2,914.2	261,910
Total amounts	823	4,999	8,298.7	879,212

Note : Including employees of the Company and its subsidiaries.

C. Retirement system and its implementation

The Rules for Retirement Management of the Company had been established pursuant to the Labor Act and Labor Pension Act, all of the employees are covered, the affairs related to conditions of retirement, standards of payment and procedures for application are definitely provided, and the Supervisory Committee of Labor's Retirement Preparation Fund is also established according to the law, the preparation fund is deposited in the Bank of Taiwan under the title of Supervisory Committee of Labor's Retirement Preparation Fund every month; in conforming with the Labor Pension Act, from the day of July 1, 2005, the employees who originally are covered by the rules and choose to be applicable to the new Act, the seniority of such employees or the employees who is employed after the enforcement of new Act shall be applicable to the defined contribution plan, the pension payment shall be contributed by the employer by no less than 6% per month, and deposit in the individual accounts of labor pension at the Bureau.

D. Labor-management agreement

In order to build up the harmonious labor-management relations, the Company provides the

grievance channels of employee forum and employee voice channels etc. which the opinions of employees can be smoothly rendered, and the President will report the current status of the Company to employees quarterly to make employees thoroughly understand the situation of the Company's operation. The labor-management relations are harmonious from the establishment of the Company up to the current date, that all relevant affairs are handled pursuant to the related provisions of laws and regulations.

E. Protection measures for the rights of employees

The excellent document control system is set up by the Company in which the management rules are recorded, and the rights, obligations and welfare of employees are definitely provided therein, the welfare are reviewed periodically and updated on the document control system from time to time to protect the rights of employees.

4.6.2 Loss deriving from labor-management dispute (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) in the last two years to the date this report was printed, disclose the amount possibly incurred for the time being and in the future, and the responding measures. If this amount cannot be reasonably estimated, specify the reasons

The labor-management relations are harmonious from the establishment of the Company up to the current date, that there is not any concern of losses caused by the labor dispute happens right now and in the future.

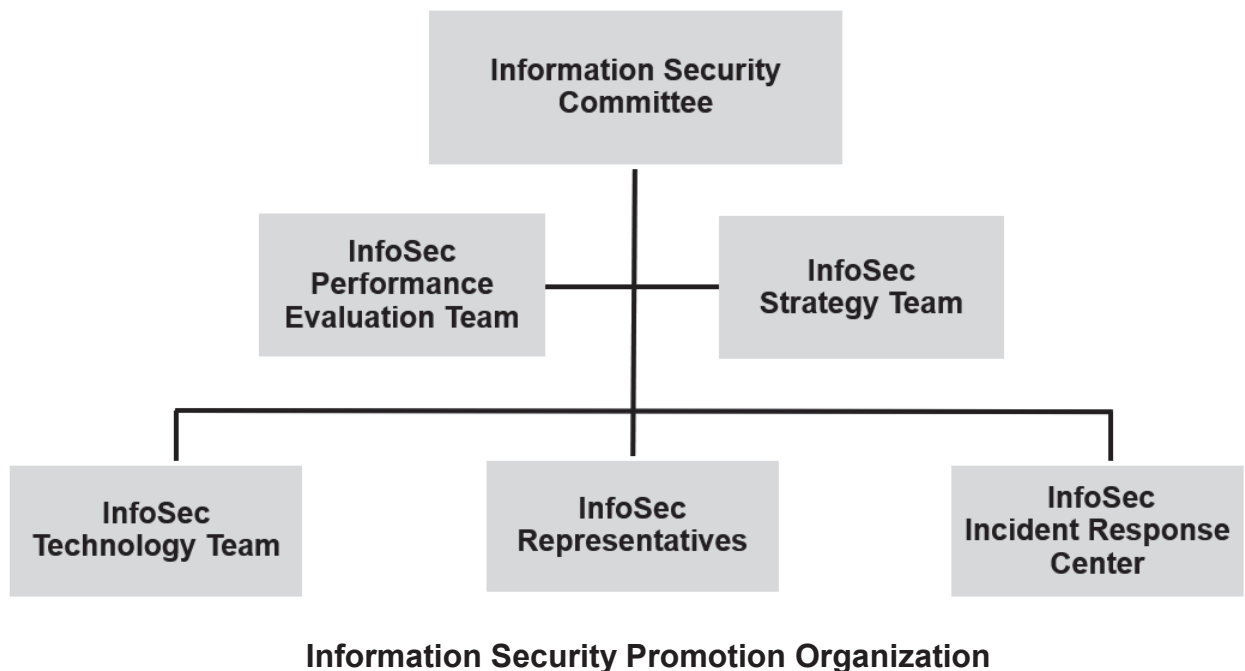
## 4.7 Cyber Security Management

4.7.1 Describe the cyber security risk management framework, cyber security policies, concrete management programs, and investments in resources for cyber security management

### A. Cyber Security Risk Management Framework

To continuously strengthen information security governance, the Company established the “Information Security Committee” in April 2013, responsible for formulating information security management policies and related regulations. In 2022, the Company adopted the ISO27001 information security management system and expanded the information security promotion organization. The President serves as the chairman of the new "Information Security Committee", while the Top-level Executives serve as committee members, jointly promoting and supervising the planning and implementation of information security strategy.

The “Information Security Committee” holds meetings on a quarterly basis to review the operation of information security management system and reports the progress of annual information security program to the Chairman. In addition, the Audit Office conducts annual audits of information security management operations and reports the audit results to the Board of Directors.



### B. Cyber Security Policies

The Company adopts the structure of ISO27001 Information Security Management System (ISMS) as the basis for the company to establish an information security management system. Based on the PDCA (Plan-Do-Check-Action) cycle and the principles of gradual and continuous improvement, the Company ensures the effectiveness and sustainability of our business information operations, maintains the confidentiality, integrity, and availability of information assets, as well as legal compliance with all information security regulations.

### C. Concrete Management Programs

The Company has proposed specific information security strategies from four perspectives:

- (1) Promote information security policies: The “Information Security Committee” supervises the planning and implementation of security strategies to ensure the effective promotion and implementation of the information security policies.
- (2) Strengthen the maturity of information security governance: The Company has introduced the world-class standards of information security management system. The Company obtained the ISO27001 certification in April 2023 and successfully passed the three-year recertification audit in April 2026. The certificate is valid from April 5, 2026, to April 4, 2029.
- (3) Strengthen technical defense capabilities: In reference to the five major core functions of the Cyber Security Framework (CSF) proposed by the US National Institute of Standards and Technology (NIST) – namely, Identify, Protect, Detect, Respond, and Recover, and by integrating the requirements of ISO27001, we comprehensively review and enhance our information security defense capabilities.
- (4) Enhance personnel’s information security awareness: The Company holds "Information Security Policy and Information Security Awareness" education and training courses for all employees every year. We also pay close attention to the latest information security intelligence from the government and the industry.

### D. Investments In Resources For Cyber Security Management

The Company has been actively investing in enterprise information security. In 2025, we allocated a lot of resources for planning, monitoring, and implementation of information security systems. The measures and achievements we have completed are as follows:

- (1) Completed the three-year recertification audit of the ISO27001 information security management system.
- (2) Regularly hold information security strategy planning and execution meetings every month and “Information Security Committee” meetings every quarter. In 2025, 12 information security strategy planning and execution meetings, and 4 “Information Security Committee” meetings have been held.
- (3) Strengthen the awareness of information security protection among colleagues. New employees and all employees receive annual information security education and policy dissemination, and the Company regularly conducts social engineering phishing email drills.
- (4) Upgrading the Remote Access Security Architecture: By integrating an OTP (One-Time Password) solution from a leading international vendor, MFA (Multi-Factor Authentication) has been implemented. At the same time, strict device endpoint compliance checks have been enforced, effectively reducing the attack surface and preventing remote connections from becoming points of intrusion.

- (5) Reinforce the access control of information and communication systems and related facilities, conduct account and permission inventory operations, adopt the principle of minimum access rights, review privileged accounts, strengthen password management mechanisms, etc.
- (6) Strengthen the protection and monitoring of the Company's local area network and equipment, restrict access between different local network areas to reduce the malware lateral movement risks, and reinforce audits on server activities to strengthen continuous diagnosis and protection, etc. Complete network access control, restrict network access rights of unauthorized devices, prevent the Company's network resources from being used improperly, and reduce the risk of network threats.
- (7) Strengthen the security of software and operating systems, formulate information security protection and control measures for application system development and maintenance, perform system patch updates in a timely manner, regularly conduct system vulnerability scanning, and perform source code scanning and security testing before systems go online, etc.

4.7.2 List any losses suffered by the Company in the previous year to the date this report was printed due to significant cyber security incidents, the possible impacts therefrom, 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: None.

#### 4.8 Major Contract

Contract	Contracting Party	Term of Agreement	Major Contents	Limitation
License Agreement	GLOBALFOUNDRIES Singapore	11/25/2002~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	Renesas Technology	04/01/2003~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	TSMC	09/03/2003~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	GLOBALFOUNDRIES Singapore	01/01/2004~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	Alpha Microelectronics	05/01/2004~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights

Contract	Contracting Party	Term of Agreement	Major Contents	Limitation
License Agreement	Vanguard	01/04/2005~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	Ricoh	04/01/2005~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	Powerchip	04/06/2005~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	Toshiba	10/31/2005~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	Silterra	04/07/2006~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	MagnaChip	09/28/2007~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	Fujitsu Microelectronics	12/19/2007~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	Dongbu HiTek	06/24/2008~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	UMC	05/23/2008~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	Mitsumi Electronic	04/01/2009~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	Mitsumi Electronic	07/07/2009~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	TI	02/01/2010~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	HLMC	08/10/2011~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights

Contract	Contracting Party	Term of Agreement	Major Contents	Limitation
License Agreement	GSMC	09/28/2011~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	Mitsubishi Electric	03/29/2012~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	TSMC	06/01/2012~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	Vanguard	01/01/2012~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	MagnaChip	10/12/2012~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	NXP Semiconductors	11/01/2012~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	UMC	03/01/2013~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	TSMC	03/04/2014~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	SK hynix	03/18/2014~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	Powerchip	09/01/2014~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	Vanguard	08/31/2015~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	GLOBALFOUNDRIES U.S.A.	09/07/2015~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	CSMC	09/11/2015~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights

Contract	Contracting Party	Term of Agreement	Major Contents	Limitation
License Agreement	SMIC	01/01/2016~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	Maxchip	05/06/2016~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	DB HiTek	05/18/2016~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	Vanguard	07/01/2016~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	Japan Semiconductor Corporation	05/09/2017~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	SHARP	07/20/2017~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	GLOBALFOUNDRIES Singapore	07/23/2017~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
Development Agreement	HFC	10/10/2017~	Development Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	HeJian Technology	12/05/2017~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	Winbond	02/21/2018~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	HHGrace	04/25/2018~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	CanSemi	07/24/2019~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	CanSemi	10/21/2019~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights

Contract	Contracting Party	Term of Agreement	Major Contents	Limitation
License Agreement	SK Hynix Wuxi	07/23/2020~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	Key Foundry	11/01/2020~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	SMIC-Tianjin	03/22/2021~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	HLMC	05/20/2021~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	HHGrace	07/19/2021~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	XMC	07/20/2021~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	HLIC	10/01/2021~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	GTA Semiconductor	10/01/2021~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	Renesas Electronics	12/15/2021~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	UMC	12/15/2021~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	VIS-SG	01/01/2022~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	USJC	02/10/2022~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	PSMC	03/07/2022~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights

Contract	Contracting Party	Term of Agreement	Major Contents	Limitation
License Agreement	HHGrace	03/11/2022~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	UMC	10/01/2022~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	VIS	11/04/2022~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	DB HiTek	09/01/2023~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	RSC	09/25/2023~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	CanSemi	04/02/2024~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	CanSemi-IC	04/02/2024~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	UNTC-ZJ	01/03/2025~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	HLMC-SC	01/10/2025~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	RSC-FAB 1	07/21/2025~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	RSC-SH	07/21/2025~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	RSC-HA	07/21/2025~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights
License Agreement	RSC	07/21/2025~	Technology License Agreement	Comply with the obligations for confidential information and intellectual property rights

## V. Financial Status, Financial Performance, and Risk Management

### 5.1 Financial Status

Unit: NT\$ thousands

Item	Year	2025	2024	Difference	
				Amount	%
Current Assets		3,801,219	3,636,784	164,435	4.52
Property, Plant and Equipment		492,565	482,569	9,996	2.07
Intangible Assets		83,798	84,839	(1,041)	(1.23)
Other Assets		382,988	254,360	128,628	50.57
Total Assets		4,760,570	4,458,552	302,018	6.77
Current Liabilities		879,922	859,903	20,019	2.33
Non-current Liabilities		9,274	13,970	(4,696)	(33.61)
Total Liabilities		889,196	873,873	15,323	1.75
Equity Attributable to Shareholders of the Parent		3,841,865	3,564,207	277,658	7.79
Capital Stock		746,865	746,633	232	0.03
Capital Surplus		132,279	122,218	10,061	8.23
Retained Earnings		2,972,361	2,701,085	271,276	10.04
Other Equity		(9,640)	(5,729)	(3,911)	68.27
Non-controlling Interest		29,509	20,472	9,037	44.14
Total Equity		3,871,374	3,584,679	286,695	8.00
Analysis of Deviation over 20% :					
1. The increase in other assets was mainly due to the purchase of real estate, which resulted the increase in prepayments for building.					
2. The decrease in non-current liabilities was mainly due to the retirement of some employees, which resulted the decrease in net defined benefit liabilities.					
3. The decrease in other equity was mainly due to the increase in loss of investments in equity instruments at fair value through other comprehensive income.					
4. The increase in non-controlling interest was mainly due to the subsidiary turning from losses to profits in 2025.					

## 5.2 Financial Performance

Unit: NT\$ thousands (Except EPS: NT\$)

Item \ Year	2025	2024	Difference	%
Operating Revenue	3,849,053	3,605,968	243,085	6.74
Gross Profit	3,849,053	3,605,968	243,085	6.74
Income from Operations	2,252,337	1,986,651	265,686	13.37
Non-operating Income and Expenses	32,193	167,982	(135,789)	(80.84)
Income before Tax	2,284,530	2,154,633	129,897	6.03
Net Income	1,918,613	1,822,258	96,355	5.29
Other Comprehensive (Loss) Income	(1,920)	5,115	(7,035)	(137.54)
Total Comprehensive Income	1,916,693	1,827,373	89,320	4.89
Net Income Attributable to Shareholders of the Parent	1,911,849	1,834,250	77,599	4.23
Net Income Attributable to Non-controlling Interest	6,764	(11,992)	18,756	(156.40)
Comprehensive Income Attributable to Shareholders of the Parent	1,909,973	1,839,227	70,746	3.85
Comprehensive Income Attributable to Non-controlling Interest	6,720	(11,854)	18,574	(156.69)
Earnings Per Share	25.60	24.57	1.03	4.19
Analysis of Deviation over 20% :				
1. The decrease in non-operating income was mainly attributable to foreign exchange losses arising from the appreciation of the Taiwan dollar in 2025.				
2. The increase in other comprehensive loss was mainly due to the increase in the recognition of unrealized loss on investments in equity instruments at fair value through other comprehensive income in 2025.				
3. The increase in net income attributable to non-controlling interest and comprehensive income attributable to non-controlling interest were mainly due to the subsidiary turning from losses to profits in 2025.				

### 5.3 Cash Flow

#### 5.3.1 Cash Flow Analysis for 2025

Unit: NT\$ thousands

Cash and Cash Equivalents, Beginning of Year (1)	Net Cash Generated from Operating Activities (2)	Net Cash Used in Investing Activities and Financing Activities (3)	Effects of Exchange Rate Changes on the Balance of Cash Held in Foreign Currencies (4)	Cash Surplus (Deficit) (1)+(2)-(3)+(4)	Leverage of Cash Deficit	
					Investment Plans	Financing Plans
\$3,307,749	\$2,201,738	\$1,950,955	(\$26,474)	\$3,532,058	0	0

##### A. Analysis of Cash Flow

- (1) Operating Activities : Net cash generated from operating activities was mainly from net income.
- (2) Investing Activities : Net cash used in investing activities was primarily for capital expenditures.
- (3) Financing Activities : Net cash used in financing activities was mainly for payment of cash dividends.

B. Remedial Actions for Liquidity Shortfall : Not applicable.

#### 5.3.2 Cash Flow Projection for 2026

Unit: NT\$ thousands

Cash and Cash Equivalents, Beginning of Year (1)	Net Cash Generated from Operating Activities (2)	Net Cash Used in Investing Activities and Financing Activities (3)	Effects of Exchange Rate Changes on the Balance of Cash Held in Foreign Currencies (4)	Cash Surplus (Deficit) (1)+(2)-(3)+(4)	Leverage of Cash Deficit	
					Investment Plans	Investment Plans
\$3,532,058	\$2,275,805	\$1,991,221	\$0	\$3,816,642	0	0

##### A. Analysis of Cash Flow

- (1) Operating Activities : Net cash generated from operating activities was mainly from net income.
- (2) Investing Activities : Net cash used in investing activities was primarily for capital expenditures.
- (3) Financing Activities : Net cash used in financing activities was mainly for payment of cash dividends.

B. Remedial Actions for Liquidity Shortfall : Not applicable.

## 5.4 Major Capital Expenditure Items

### 5.4.1 Major Capital Expenditure Items and Source of Capital

On October 24, 2023, the Company's Board of Directors approved the acquisition of real estate for Tai Yuan Hi-Tech Industrial Park Phase 10 and parking spaces in amount of NT\$1,815,000 thousand. This office building is a pre-sale construction project and is expected to be completed and handed over in 2027. The payment schedule will be paid in installments based on the project progress and the schedule stipulated in the sales contract. The Company's capital sources mainly come from future operating profits, and are supported by adjusting the shareholder dividend rate, selling the original office, or borrowing from banks, etc.

### 5.4.2 Expected Benefits

Cooperate with the Company's long-term development strategy, operational needs and recruit more outstanding talents.

## 5.5 Investment Policy in the Last Year, Main Causes for Profits or Losses, Improvement Plans and Investment Plans for the Coming Year

The objectives of the Company's investment policy are for stable gains and the cultivation of business relation with the investees. In 2025, the investment accounted for under the equity method caused loss amounted to NT\$3,088 thousand. Although the investee achieved revenue growth and improved gross margin during the year and continued to exercise cost control, its limited revenue scale, slow inventory turnover, and the need to maintain ongoing R&D investment resulted in an overall loss for the year. In the future, the Company will seek long-term strategic investment and continue taking caution in the evaluation and management of all investment planning.

## 5.6 Analysis of Risk Management

### 5.6.1 Effects of Changes in Interest Rates, Foreign Exchange Rates and Inflation on Corporate Finance, and Future Response Measures

A. Interest rate: The interest income of the Company for 2025 was in the amount of NT\$54,591 thousand, and the interest expense was in the amount of NT\$589 thousand; both of which accounted for a rather low percentage of operating revenue as well as profit and loss for the year respectively. It is expected that changes in the interest rate in the future will not have a significant effect on the overall operations as well as profit and loss of the Company.

B. Foreign exchange volatility: The majority of the sales of the Company are denominated in USD and JPY and some of the purchases were denominated in USD. Any changes in the exchange rate will affect the accounts receivable and payable denominated in foreign currencies and the profit position of the Company. For hedging off risks

deriving from exchange rate fluctuation, the Company has appointed designated personnel to keep track of the changes in exchange rate, as well as keeping close liaison with associated banks to gather exchange rate forecast to understand banks' exchange rate trend and information, and reduce the adverse impact of exchange rate changes on the Company's profit and loss.

- C. Inflation: Inflation has never caused any significant impact on the Company's income. The Company's management is highly sensitive to the market trend. If there is an anticipation of inflation that increase the purchase cost, the Company will seek to reorient its business policy, including the adjustment of the price of sales. As such to keep inflation risk is kept under control.

#### 5.6.2 Policies, Main Causes of Gain or Loss and Future Response Measures with Respect to High-risk, High-leveraged Investments, Lending or Endorsement Guarantees, and Derivatives Transactions

In 2025 and 2026 to April 11, the Company did not engage in any high-risk, high-leveraged investments, endorsement guarantees, and derivative transactions. With regard to extension of lending funds to others, the Board of Directors of the Company adopted the resolution on July 30, 2025 in accordance with the "Procedures for Lending Funds to Other Parties" of the Company to provide its subsidiary, PUFsecurity Corporation, with a short-term financing facility for its operational needs. As of the expiration of the loan contract on April 11, 2026, PUFsecurity Corporation has not made any drawdown request.

### 5.6.3 Research & Development Plans and Expense Projection

The Company keeps its effort in eNVM development in line with the future trend in the industry and expedite new SIP development in advanced process nodes to increase Company's competitiveness.

Plans in Recent Years	Progress and Schedule of Completion	R&D Expenditure	Major Factors Affecting Project Success
NeoBit OTP development in 55nm & expanding its projects across multiple foundries using 90nm to 0.18μm BCD processes	Expect to complete IP characterizations and qualifications in 2026.	USD 300K	IP design needs to fulfill the strict automotive requirement by PMIC applications
NeoBit developments in multiple foundries 3.3V or 5V Logic MR processes to meet the trend for mask reductions	Expect to complete IP characterizations and qualifications in 2026.	USD 200K	IP Quality and yield stability
NeoFuse OTP development in next generation 2nm Nanosheet process for mobile or high-performance computing applications	Expect to complete IP test-chip tape-out in 2026.	USD 1,200K	IP Quality, yield stability & IP design needs to meet the wide operation range and high temperature requirement
NeoFuse OTP development in next generation 18A with backside power rail Nanosheet process for mobile or high-performance computing applications	Expect to complete IP test-chip tape-out in 2026.	USD 1,200K	Controllability of new nanosheet cell, especially the needs to overcome back-side power rail new scheme
NeoFuse development in high-performance 3nm Auto FinFET(N3A) process for automotive applications	Expect to complete IP test-chip tape-out in 2026.	USD 600K	IP Quality, yield stability & IP design needs to meet the automotive requirement with high quality
NeoFuse development in high-performance 4nm Auto FinFET(N4A) process for automotive applications	Expect to complete IP test-chip tape-out in 2026.	USD 500K	IP Quality, yield stability & IP design needs to meet the automotive requirement with high quality

Plans in Recent Years	Progress and Schedule of Completion	R&D Expenditure	Major Factors Affecting Project Success
NeoFuse expand development in multiple foundries' 12nm FinFET process for the mobile applications	Expect to complete IP test-chip tape-out in multiple foundries in 2026.	USD 300K	IP design needs to overcome process variation among foundries and ensure stability
NeoFuse development in 16nm XR FinFET process for Image AR/VR applications	Expect to complete IP characterization and qualification in 2026.	USD 300K	IP Quality and yield stability
NeoFuse development in advanced 16nm HKMG DRAM process	Expect to complete IP test-chip tape-out in 2026.	USD 300K	Programming performance of Memory cell and yield of the IP
NeoFuse development in 55nm BCD process for advanced PMIC applications and expand project to multiple foundries	Expect to complete IP test-chip tape-out in multiple foundries in 2026.	USD 250K	IP design needs to overcome process variation among foundries and ensure stability
PUFrt and PUFcc security module development based on NeoPUF technology	Expect to complete multiple NeoPUF hard-macro designs in the derivative 3nm~4nm advanced technologies in 2026.	USD 200K	Design to meet security guideline
PUFrt security module development based on NeoPUF technology	Expect to complete NeoPUF design signoff for next-generation 2nm Nanosheet process in 2026.	USD 300K	Design to meet security guideline
NeoEE development in 90nm BCD for SPD chip IP in DDR6 application	Expect to complete IP characterization and qualification in 2026.	USD 200K	High endurance of erase/write cycles may impact on reliability of data retention
NeoEE development expands to multiple foundries' 0.11um ~ 0.15um BCD process for SPD application	Expect to complete IP test-chip tape-out and characterization in multiple foundries in 2026.	USD 200K	IP design needs to overcome process variation among foundries and ensure stability
NeoMTP development for PMIC in 55nm BCD	Expect to complete IP test-chip tape-out and characterization in 2026.	USD 250K	IP Quality and yield stability

Plans in Recent Years	Progress and Schedule of Completion	R&D Expenditure	Major Factors Affecting Project Success
New FTP development in 90nm BCD process for high density MTP applications	Expect to complete IP characterization and qualification in 2026.	USD 200K	Write/Erase performance of Memory cell and data retention capability
New FTP development expands to multiple foundries' 90nm and 0.11um BCD process for e-paper applications	Expect to complete IP characterization and qualification in multiple foundries in 2026.	USD 250K	IP design needs to overcome process variation among foundries and ensure stability
NeoFlash development in 0.13um BCD process with shrink size of novel 1T cell	Expect to complete cell array test-chip tape-out and conclude feasibility report in 2026.	USD 400K	Characteristic of new cell need achieve good competitiveness
NeoFlash development in 40nm LP process	Periphery circuit down-sizing 20% in 2026.	USD 400K	Design inventions to reduce periphery circuit area
RRAM development in advanced 17nm FinFET process	Expect to complete test-chip tape-out in 2026.	USD 800K	Design quality of the IP 、 Fab Process stability
RRAM development in 55nm BCD process with automotive specification	Expect to complete IP qualification in 2026.	USD 200K	Design quality of the IP 、 Fab Process stability

#### 5.6.4 Effects of and Response to Changes in Policies and Regulations Relating to Corporate Finance and Sales

The Company runs its routine operation in compliance with applicable domestic and foreign laws, and monitors closely all domestic and foreign governmental policy and regulation changes that might impact the operation and financial operations. There was no influence on the financial and operation performance of the Company due to changes of domestic and foreign governmental policy and regulation.

#### 5.6.5 Effects of and Response to Changes in Technology and the Industry Relating to Corporate Finance and Sales

The Company has established protective measures for its network and computer-related information security. In addition, it is continuously reviewing and evaluating its information security regulations and procedures to ensure their appropriateness and effectiveness. In the face of ever-changing information security threats, cyber-attackers will attempt to infiltrate the Company's external website and mail servers to subsequently destroy or attempt to steal the Company's confidential information. In the event of a serious cyber-attack, important Company information may be lost, and external communications may be consequently suspended. Malicious hackers may also attempt to introduce computer viruses, malware, or ransomware into the Company's network system to interfere with the Company's operations, or extort or blackmail the Company. To prevent and reduce the damage caused by such attacks, the Company has strengthened its network firewall and network control to prevent the spread of computer viruses across regions, enabled centrally managed automatic updates for endpoint computers, and established endpoint anti-virus measures according to the type of computers. It has also introduced solutions for detecting and handling malware.

For specific software and firmware whose vulnerabilities have been publicly disclosed, and where the vendors have yet to install patch updates or implement defenses against the vulnerabilities, hackers or criminal groups may have already developed zero-day vulnerability attacks or malicious programs to gain control of computer systems or spy on classified information. To prevent and reduce the damage caused by such attacks, the Company has introduced zero-day vulnerability defense software to provide appropriate protection before the vulnerabilities are patched to prevent hackers from exploiting the vulnerabilities.

In 2025, hacker organizations launched Distributed Denial-of-service (DDoS) attacks on multiple government and corporate websites in Taiwan. In order to effectively prevent DDoS attacks, the Company has established corresponding protection mechanisms to avoid service interruptions due to attacks.

The Company highly values the research and development ability enhancement. Through the strong bonding of strategic alliances with world-class foundries, the Company can keep abreast of the latest changes in the industry and access to market information ahead of the industry peers, for keeping the financial stability and flexibility. As such, the effect of technological change and industry change bring is positive effects to the Company.

#### 5.6.6 The Impact of Changes in Corporate Image on Corporate Risk Management, and the Company's Response Measures

Professionalism and integrity are the fundamental principles of the Company. The Company highly values its corporate images and risk management. There is no foreseeable crisis currently. In the future, the Company will seek to optimize the shareholders' interest while realizing corporate social responsibility.

#### 5.6.7 Expected Benefits from, Risks Relating to and Response to Merger and Acquisition Plans : None.

#### 5.6.8 Expected Benefits from, Risks Relating to and Response to Factory Expansion Plans : None.

#### 5.6.9 Risks Relating to and Response to Excessive Concentration of Purchasing Sources and Excessive Customer Concentration

Under the adjustment of business strategy from the second half of 2011 onward, the Company decided to focus on IP business and planned to gradually reduce the proportion of income from wafer business, and made no purchase of wafer since 2013 to the date this report was printed. The key customers of the Company are famous domestic and foreign foundries with stable streams of purchasing orders and consistent revenue contributions to the Company. The business relation between these foundries and the Company is positive and there is no risk deriving from overconcentration of selling.

#### 5.6.10 Effects of, Risks Relating to and Response to Large Share Transfers or Changes in Shareholdings by Directors, or Shareholders with Shareholdings of over 10% : None.

#### 5.6.11 Effects of, Risks Relating to and Response to the Changes in Management Rights : None.

#### 5.6.12 Litigation or Non-litigation Matters

- A. Major ongoing lawsuits, non-lawsuits or administrative lawsuit: None.
- B. Major ongoing lawsuits, non-lawsuits or administrative lawsuits caused by directors, or shareholders with over 10% shareholdings: None.

#### 5.6.13 Other Major Risks

##### A. Risk Management Policy

The Company's management has consistently placed great emphasis on the establishment and effective operation of risk management mechanisms. The Audit Office is responsible for identifying and assessing the various risks faced by the Company and, based on these assessments, formulating the annual audit plan. Through independent and objective audit procedures, the Audit Office examines whether each department complies with the Company's risk management policies and properly implements the relevant control measures. This process assists the Company in identifying potential risks in a timely manner and in proposing improvement recommendations, thereby enhancing the overall effectiveness of the Company's risk management framework.

B. To ensure the thorough implementation of sustainable strategy, the Company has its President convene Sustainable Management Committee every quarter to review the issues related to environment, society and corporate governance which are concerned by stakeholders; in consideration of the double materiality principle, the Company establishes risk assessment which is relevant to the business operation, and proposes related policies and measures. Please refer to pages 126~128 of this Annual Report.

C. The Organization Structure for Risk Management

Name of Organization	Scope of Authority and Responsibility
Board of Directors	Map out the risk management policy, structure, and the culture; ensure the effectiveness of risk management mechanism and allocate resources.
Audit Committee	Review the policy, structure and culture of risk management and propose suggestions to the Board of Directors; furthermore supervise on the effectiveness of the risk management mechanism and propose suggestions to the Board of Directors.
Senior Management (President, Vice Presidents)	Execution of the risk management decision of the Board, coordination of cross-function risk management interaction and communication, design and decision-making of business operation, assessment mid-term to long-term investment and return to reduce risks.
Audit Office	Based on the results of risk assessments, the annual audit plan is formulated, and audits of various internal control operations are conducted in accordance with the plan, with follow-up reviews performed to monitor the improvement of audit findings. In addition, audit reports are issued based on the audit results and provided to management as a reference for adjusting management policies and operating procedures. The execution status of the audit plan is also reported regularly to the Audit Committee and the Board of Directors.
Management Review Meeting	Periodically perform comprehensive review on the quality/information security of the Company, the content to be reviewed shall include the feedback of stakeholder, to ensure its constant normal operation.
Information Security Committee	Resolve and adjudicate information security policies and issues, and provide resources to promote information security.
Sustainable Management Committee	Study, plan and formulate the vision, policies, and objectives for sustainable development; identify risks and opportunities in sustainable development related-issues, to determine response strategies and related investments; oversee planning and implementation of the sustainable development strategy; supervise disclosure of sustainable development performance and information.
Environmental Safety Functional Units	Risk Control of labor safety and provide related education, establishment and maintenance of environmental protection, labor safety, and health system.

Name of Organization	Scope of Authority and Responsibility
The Manager of Each Functional Department	Execution of risk control in routine operation and self-assessment of risk control.
Administration Center	Management and maintenance of IT system, allocation of human resources, design and arrangement of administrative and general affairs, review and institution of legitimacy of intellectual property rights.
Quality Management & Process Integration Department	To plan and execute the operation standardization, to operate the functional safety management, to plan for operation flow and project management, and to execute internal/external audits for the entire eMemory corporation.
Finance Department	Bookkeeping and compilation of management statements as reference for the management in making and revising decisions, funds management, share registration and transfer, execution, preparation and analysis of the return of short to long-term investment.

D. Risk Management Organization:

Major Risk Assessment	Risk Management Authority (1 <sup>st</sup> Tier)	Risk Review and Control (2 <sup>nd</sup> Tier)	The Board, Audit Committee and Audit Office (3 <sup>rd</sup> Tier)
1. Interest rate, exchange rate, and financial risk	Finance Department	President	1. The Board: Decision of risk assessment and control. 2. Audit Committee: Review the risk assessment and propose suggestions to the Board. 3. Audit Office: 3.1 Evaluate the effectiveness of the risk management framework 3.2 Assist in identifying and focusing on major risks
2. High-risk, high-leveraged investments, lending or endorsement guarantees, derivative transactions, and financial investments			
3. R&D plan	R&D Units	1. Project Management (members: project manager, Sales & Marketing Units, R&D Units, Quality Management & Process Integration Department)	
4. Changes in Technology and industry	Sales & Marketing Units InfoSec Strategy Team InfoSec Technology Team		

Major Risk Assessment	Risk Management Authority (1 <sup>st</sup> Tier)	Risk Review and Control (2 <sup>nd</sup> Tier)	The Board, Audit Committee and Audit Office (3 <sup>rd</sup> Tier )
		2. Senior Management Meeting (members: President, Officer of Administration Center, VP of Sales & Marketing Center, VP of R&D, Accounting Officer and Financial Officer) 3. Information Security Committee (members: President, Officer of Administration Center, VP of Sales & Marketing Center, VP of R&D, Accounting Officer and Financial Officer) 4. Sustainable Management Committee (members: President is convener; top-ranking managers are members; under the Committee, there are an executive secretary, investor relations section, and work groups)	3.3 Review the design and implementation of the internal control system
5. Changes in policies and Regulations	President Legal Affairs Department	1. Senior Management Meeting (members: President, Officer of Administration Center, VP of Sales & Marketing Center, VP of R&D, Accounting Officer and Financial Officer)	
6. Litigation or non-litigation matters			
7. Corporate image / Sustainable Development	President Office Relevant functional departments	2. Management Review Meeting (members: President, managers of each functional departments, Quality Management & Process Integration Department)	

Major Risk Assessment	Risk Management Authority (1 <sup>st</sup> Tier)	Risk Review and Control (2 <sup>nd</sup> Tier)	The Board, Audit Committee and Audit Office (3 <sup>rd</sup> Tier)
8. Transfer of shares by Directors and major shareholders	Stock Affairs Unit Investor Relations Unit	Chairman, President, Investor Relations Unit	
9. Changes in management rights	Chairman President		
10. Others operational matters	Relevant functional departments	Chairman, President	

E. The Company made the risk assessment on the issues concerning environment, society and corporate governance which are related to the operation of Company according to the materiality principle, and established related risk management strategy and measures as followings:

Material Topic	Risk Assessment Project	Risk Management Strategy and Measures
Environment	Environmental Protection and Ecological Conservation	<p>Environmental protection is an extremely crucial part of corporate sustainability. As a specialized silicon intellectual property company, the Company does not engage in physical production and manufacturing, so we are in a non-pollution business – neither producing nor discharging any manufacturing waste. However, we still do our best to integrate environmental protection into our policy formulation and daily business operations, so as to do our part in maintaining corporate sustainable development. Given that the Company is in a non-polluting business, authentication of general environmental management systems does not apply to us. However, we still comply with environmental laws and regulations, reducing resource waste and doing resource recycling.</p> <p>Following ISO14064-1: 2018, including the Company and all subsidiaries to conduct GHG inventory. The Company initiated GHG inventory in 2022 and passed the external verification. The Company will regularly disclose the results of GHG inventory and continue working towards our goals. We hope to reduce the organization's greenhouse gas intensity by 1% annually.</p>

Material Topic	Risk Assessment Project	Risk Management Strategy and Measures
		<p>To practice energy conservation and carbon reduction, the Company aims to reduce its waste intensity by 1% annually and actively implement a series of initiatives. These measures include the adoption of high-efficiency LED lighting, regular inspection and maintenance of air-conditioning systems, procurement of renewable energy, and the promotion of electronic forms to reduce paper consumption, as well as the continuous implementation of waste reduction measures. We hope to create a zero-pollution environment in the future.</p>
Environment	Climate Change	<p>The Company has evaluated that climate change may cause disaster hazard, market risk, operation risk etc., and to minimize the impact of increased operation costs caused by the relevant potential risks, the Company alters the green environmental protection from duties to opportunities by the innovation of core technologies, implementing component reduced product design which substitutes the complex manufacturing process required by the conventional non-volatile memory, and reduces the emission of carbon dioxide; depending on the innovation in several aspects of strategy, market, management, research and development, and accompanying with power of implementation, the Company keeps change for sustainability.</p> <p>To counter the potential impacts of climate change, eMemory continues to identify climate-related risks and opportunities in the value chain and plans response measures in accordance with the framework of the Task Force on Climate-related Financial Disclosures (TCFD).</p>
Society	Workplace Safety	<p>The Company is dedicated in the topics of securing labor health and working environment by periodically implementing safety and health education and holding “Fire Safety Seminar” , “CPR First Aid Training” propaganda courses pursuant to the occupational safety and health relevant laws and regulations. And by providing specific parking spaces or transportation allowances, nursery room, full time security system, multifunction rest area etc. the employees can enjoy a comfortable and healthy environment.</p> <p>At our company, we prioritize the well-being of our employees as integral to our success. We offer comprehensive fitness allowances, benefiting over 400 individuals annually, and conduct regular health examinations, with support extended to more than 300 employees over the past two years. Additionally,</p>

Material Topic	Risk Assessment Project	Risk Management Strategy and Measures
		our on-site nursing staff ensures proactive health management and offers personalized health consultation services to our workforce.
Society	Product Safety	<p>The major business of the Company is silicon IP licensing, that labeling will not be applicable for the products are intangible. The Company has passed the TÜV Rheinland ISO9001:2015 Quality Management System certification and ISO26262 Road Vehicles-Functional Safety certification and obtained corresponding certificates. The NeoBit &amp; NeoEE AS series products have passed the TÜV Rheinland ISO26262 (Road Vehicles-Functional Safety) &amp; Industrial Specifications IEC 61508 (Functional safety of electrical/ electronic/ programmable electronic safety-related systems) certification and obtained corresponding certificates. In order to continue to strengthen information security governance and customer privacy protection, the Company obtained ISO27001 Information Security Management System certification in 2023 and continues to ensure the validity of its certificate, the effectiveness and continuity of the Company's information and communications business operations. This will better protect the privacy and data security of stakeholders.</p> <p>The Company upholds a philosophy of “excellence in quality, service first, and fully meeting customer needs,” with an emphasis on improving product quality to prioritize customer satisfaction. We are committed to providing safe, dependable, high-quality products and establishing good communication channels with customers to ensure transparent and effective complaint handling processes. Furthermore, we conduct annual customer satisfaction surveys and have consistently received high ratings over the years, with an average score of 95.02 in 2025. We will continuously endeavor to provide even more exceptional products and a better service experience for our customers.</p>
Corporate Governance	Social Economic and Compliance	By means of establishing corporate governance organization and implementing internal control system, all the personnel and operations of the Company can be ensured to comply with relevant laws and regulations.

5.7 Other Materiality: None.

## VI. Special Disclosure

### 6.1 Summary of Affiliated Companies

Please refer to the Market Observation Post System (MOPS), the path: MOPS > Single Company > Electronic Books Download > Three Reporting Forms for Affiliated Enterprises, and the website: [https://mopsov.twse.com.tw/mops/web/t57sb01\\_q10](https://mopsov.twse.com.tw/mops/web/t57sb01_q10).

6.2 Private Placement Securities : None.

6.3 Supplementary Notes : None.

6.4 Any Events Had Significant Impacts on Shareholders' Right or Security Prices as Stated in Item 2 Paragraph 3 of Article 36 of Securities and Exchange Act : None.

**eMemory Technology Inc.**

**Chairman : Charles Hsu**

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