TAITA CHEMICAL COMPANY, LIMITED

2024 ESG Report

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★：Material Topics in 2024

About this Report

1. Reference Guidelines

For all stakeholders to understand our performance in relation to corporate social responsibility, we, Taita Chemical Company, Limited (TTC), have prepared this report in accordance with the GRI Sustainability Reporting Standards 2021 (GRI Standards:2021) published by the Global Reporting Initiative (GRI), disclosed the contents of the related sustainable issues with respect to the Sustainability Accounting Standards-Chemicals published by the Sustainability Accounting Standards Board (SASB) and "Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies," as well as recommendations from the Task Force on Climate-related Financial Disclosures (TCFD) and United Nations Global Compact to establish the reporting framework, to be line with the objectives and action plans by the United Nations Sustainable Development Goals (SDGs).

2. Report Scop GRI 2-2、GRI 2-3

The scope of this report covers all subsidiaries included in the consolidated financial statements of Taita Chemical Company, Limited, encompassing the Taipei headquarter, Qianzhen Plant, Linyuan Plant (including the Kaohsiung branch), Toufen Plant, and overseas subsidiaries TTC (Zhongshan, Tianjin (Note) and Zhangzhou (Note)), hereinafter referred to as the Zhongshan Plant, Tianjin Plant, and Zhangzhou Plant. Environmental data covers the Qianzhen Plant, Linyuan Plant, Toufen Plant, and Zhongshan Plant. The report disclosure period is from January 1, 2024, to December 31, 2024. The report contents demonstrate USI's environmental, social, and operational management and performance, and the financial information is consistent with the financial data certified by accountants. Some statistics are extracted from the USI annual report, government department, and the open information of related websites. Unless otherwise specified, all currency amounts are denominated in New Taiwan Dollars (NT$).

Note: The Tianjin Plant and Zhangzhou Plant are not currently engaged in production or manufacturing activities; therefore, relevant information is not disclosed.

3. Report Editing and Audit Management Procedures

Report Data Collection	Report Compilation and Review	Third-party External Assurance and Graphic Design	Senior-level Approval and Publishing
1 Discussion of report contents in the kickoff meeting	1 Secretary compiles and edits the first draft	1 Internal reviews are conducted by the Group's Environmental Protection Department	1 Approval by members of the ESG Committee
2 Preparation by three working teams	2 Discussions and reviews of team members	2 External assurance	2 Approval for publication by the Board of Directors
3 Review by the head of the data responsible departments	3 Proofreading and revision	3 Arts editing	
4 Summary by team leaders			

4. External Assurance GRI 2-5

This report complies with the GRI Standards: 2021 and has been verified by "Deloitte Taiwan," which served as the assurance agency. The review focused on compliance with GRI standards and adherence to the International Standard on Assurance Engagements 3000, conducted on five ESG indicators and issued an assurance report accordingly.

5. Publication Schedule

This sustainability report is regularly published annually

- First publication: December 2015
- Previous publication: August 2024
- Current publication: August 2025
- Next publication: Scheduled for August 2026

You can download the report and other related documents through the "Sustainability" section of the TTC website at: https://www.ttc.com.tw/zh-tw/dirCSRnew/frmReport.aspx

6. Contact Information GRI 2-3

If you have any comments or suggestions about the content of this report, please feel free to contact Mr. Chung, ESG Committee Project Secretary.

Address	No. 5, Gongye 1st Rd., Linyuan Dist., Kaohsiung City
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ESG email	esg-ttc@usig.com

Message from the Chairman

Over the past year, thanks to the concerted efforts of all colleagues across the Group, we not only delivered stable operational results but also made concrete progress in product innovation and sustainable management. We actively advanced the development of new products, focusing on forward-looking key technologies such as lightweight ABS, cooling rubber compounds, and SiC semiconductor materials. In addition, we launched innovative consumer products like the CBC sterilizing water bottle, expanding our footprint in the B2C market. USI, Asia Polymer, and TTC successfully obtained SGS ISO 14021 certification for pre-consumer recycled materials. Through innovative processes, valuable production waste is sorted, purified, and transformed into high-value recycled products, creating new market opportunities and fulfilling the dual goals of circular economy and green manufacturing.

In ESG efforts, we have continued to expand international engagement and enhance internal governance maturity. In 2024, both USI and China General Plastics Corporation participated in the international CDP evaluation and received B ratings in carbon and water security, demonstrating the companies' transparency and action in climate change and Water Resources Management. The carbon reduction target of a 27% reduction by 2030 compared to 2017 levels has been extended from domestic production plants to all domestic and overseas subsidiaries. As of 2024, we have achieved a 20.7% reduction, underscoring our strong commitment to climate action. The Company's solar power grid-connected capacity has reached 8.6 MW, with an expected annual generation of over 10.73 million kWh. We are on track to reach installation capacities of 10 MW by 2025 and 20 MW by 2027, steadily progressing toward low-carbon operations.

The Company participated in the 17th annual 2024 TCSA Taiwan Corporate Sustainability Awards, where it received the TCSA Award in the Comprehensive Performance of Enterprise Sustainability category, and the Gold Award for Corporate Sustainability Reports in the sustainability reporting category. In the area of environmental resource reuse, the Company was also honored with the Recycling and Circular Economy Award at the 2nd Green Sustainability Achievement Conference.

Looking ahead, as we face the challenges and opportunities brought by the transformation of the semiconductor materials sector and the B2C market, we will continue to enhance our market responsiveness and production flexibility. Driven by innovation and guided by a forward-looking vision, we will work hand in hand with our industry partners to create sustainable value. With the collective efforts of all our colleagues, we are confident that the Group will continue to move forward steadily and make solid progress on the path of sustainable development, shaping a long-term and prosperous future together.

Amid the intertwining shifts in the global economy and geopolitics, along with the growing environmental challenges posed by climate risks, we have continued in 2024 to uphold the philosophy of "Create sustainable value for a sustainable society." With steady operations and proactive responses to external uncertainties, we have deepened corporate resilience and enhanced sustainable competitiveness.

> create sustainable value for a sustainable society

Taita Chemical Company, Limited

Quintin Wu, Chairman

2024 Sustainable Key Performance

Governance

Ranked in the top *6% to 10%* of listed companies with a market value of NT$5 billion to NT$10 billion in the 11th corporate governance evaluation

NT$ *18.6* billion in revenue

Honored with **"Traditional Manufacturing Industries - Gold Award"** of Corporate Sustainability Report Awards at the 17th Taiwan Corporate Sustainability Awards (TCSA)

Won the **"TCSA Award"** in the categories of Comprehensive Performance of Enterprise Sustainability at the 17th Taiwan Corporate Sustainability Awards (TCSA)

Honored with the **"Recycling and Circular Economy Award"** at the SGS 2nd Green Sustainability Achievement Conference

Environmental

NT$102.04 million total environmental management expenses

NT$14.2 million total expenditure on energy-saving equipment

Energy consumption per unit of product decreased by *5.82%* compared to 2017

Greenhouse gas emissions reduced by *17.57%* compared to 2017

Water consumption per unit of product decreased by *20.33%* compared to 2017

The proper waste handling rate is *100%*

Social

Accumulated total work hours without recordable injuries were *904 million hours*

NT$1.56 million total expenditure of Good Neighborliness Plan

Participated in the Kaohsiung Environmental Protection Bureau's Air Purification Zone Adoption Plan, and received a certificate of appreciation *for being selected as an excellent adoption enterprise*

Responded to the Kaohsiung Environmental Protection Bureau's promotion of Energy Conservation and Carbon Reduction Guidance and Cross-Departmental Greenhouse Gas Cooperation Reduction Plan operation

Ranked among the top 10% of the chemical industry for proactive evaluation of occupational health and safety indicators by the Occupational Safety and Health Administration

Corporate Sustainability Vision

1. Sustainability Vision and Management Strategy

GRI 2-16、GRI 2-22、GRI 2-23、GRI 2-24

Based on the USI Group (USIG) vision to "create sustainable value for a sustainable society," we hope to constantly create and cohere sustainable value to contribute to social sustainability. Based on the sustainable vision, we have developed three core strategies: "R&D and innovation," "solid operational," and "social inclusion," hoping to create value with stakeholders together. We extend the contents of the core strategies into seven key topics as the foundation for TTC's Sustainability Strategy.

As a member of the USIG, TTC will strive to uphold the Group's vision and establish four main sustainability principles: establish robust governance, build innovative supply chains, create friendly environments, and shape an inclusive society. We will link issues, and each year we review the consistency between the results of analyzing material topics and sustainable principles, as well as reviewing the status of annual progress achievements. TTC's sustainability strategy and its plans to promote economic, environmental, and social aspects are as mentioned below:

Sustainability Strategy and Short/Medium to Long-term Plan

Aspects	Short term (2024)		Mid to Long-term (2027~2030)
	Plan	Objective	
Governance	・Conduct production and sales budgeting ・Continually plan for capacity expansion ・Ongoing planning for bottleneck elimination ・Retain strong and eliminate weak sales to enhance market competitiveness and maintain profitability ・Improve the basic performance of general-grade ABS products ・Obtain BIS certification for ABS products in ・Improve particle size concentration of EPS products	・85% total production and total sales of ABS/SAN, 100% of GPS, 100% of EPS, 85% of Zhongshan EPS, and 100% of GW ・Maintain profitability annually ・Improve glossiness up to 99 GD ・Comply with Indian BIS standards ・Three-layer concentration > 90%	・Understand customer needs for the product, integrate the Group's functional technology, and develop products that meet customer requirements ・Retain strong and eliminate weak sales, adjust sales strategy, and strengthen sales of advantageous products ・Market development and expansion of product applications are jointly carried out by R&D personnel and business units ・High-value application of GPPS materials in water-related products and third-party quality certification ・Development of alternative EPS formulations using raw materials restricted under REACH regulations. ・Development and promotion of TAIECOR eco-friendly materials. ・For process optimization and product development, compliance with the goal of safety and environmental five zeros (zero pollution, zero emissions, zero occupational hazards, zero accidents, and zero failures)
Environmental	・Environmental laws are becoming increasingly stringent, so work on industrial safety and environmental production can never be relaxed, with each Plant's head acting as the person in charge of the plant area ・The Company and its consolidated subsidiaries have introduced the ISO 14064-1 greenhouse gas inventory ・Reduce the environmental impact of energy consumption ・Set energy-saving and carbon-reducing targets ・Reduce the impact of air pollution emissions on the environment and the health of residents ・Reduce the harm of waste to the environment and human health	・Assign responsibilities for industrial safety and environmental production at different levels ・The greenhouse gas inventory of the Company and its consolidated subsidiaries will complete external verification and certification before Q3 2024 ・Reduce energy consumption per unit of product by 3% ・Electricity saving rate of 1%, the annual carbon reduction target achievement rate of 100% ・The number of fines for exceeding air pollutant emission limits is 0 ・The proper waste handling rate is 100%	・Energy consumption per unit of product is reduced by 6% compared to the 2017 base year ・The number of fines for exceeding air pollutant emission limits is 0 ・The proper waste handling rate is 100% ・Greenhouse gas emissions reduced by 27% compared to the base year
Social	・Guidance and training for Process Safety Management (PSM) ・Create a happy workplace, providing employees with a safe and enjoyable work environment ・Provide employees with comprehensive education and training ・Reduce occupational accidents ・Equal pay regardless of gender ・Sponsorship of social welfare	・Scheduled to complete the PSM system for Linyuan and Qianzhen Plants ・Reduce the turnover rate to below 7.5% ・Average training goal is 18.5 hours per person ・Zero industrial accidents, zero incidents of disabling injuries ・No violations of labor laws and human rights	・Linyuan and Qianzhen Plants continue to promote PSM ・Reduce the turnover rate to below 7% ・Strengthen industrial safety inspections, zero industrial accidents ・Care for vulnerable groups, fulfill social responsibilities

2. Operating Philosophy and Strategic Goals:

In promoting sustainable operations, the Company upholds the core philosophy of "Create sustainable value for a sustainable society." We actively advance ESG strategies to address environmental and social challenges. Demonstrating our commitment, we have obtained the SGS Green Mark and ISO 14021 certification for Pre-Consumer Recycled (PIR) materials. The Company is dedicated to reducing industrial waste at the source and working hand in hand with both the supply and consumption chains to move forward on the path to sustainability.

Company Business Strategy Goal: Actively expand into new overseas markets to broaden sales regions and reduce reliance on any single market, thereby maximizing full production and sales capacity.

Short-term Goals

- Continuously develop dominant markets, adjust sales strategies, and enhance sales of dominant products
- Implement the management of raw materials/finished products and supply chain
- Improve operational efficiency
- Improve customer service quality

Medium- & Long-Term Goals

- Collect information from the market in-depth, provide technical services to customers, conduct market development and expand product application fields
- Understand the current situation of global bulk raw materials, optimize supply chain management and profit opportunities from product sales
- Set target markets and customers, leveraging the existing market advantages of TTC to enhance overall operational efficiency and profitability
- Research and develop new and niche products that are friendly to the environment and customers, meet market and customer needs, improve technical research and development capabilities, and enhance company profits

Our Value Chain GRI 2-6

1. Main Products and Value Chain

The main products of TTC are ABS resin, AS resin, GPS, EPS, High Impact Polystyrene (referred to as HIPS), and glass wool. For more details, please refer to the product information on the Company's official website

Upstream	Midstream	Downstream
Raw material suppliers	TTC (Polymerization and blending granulation process)	Processing plants/Clients
Butadiene, Propylene, Styrene	Linyuan Plant TAITALAC ABS Resin	ABS: Battery cases, safety helmets, pipes, bathroom accessories, and applications requiring flame retardant, etc.
	Linyuan Plant TAITALAC SAN Resin	AS: Bathroom, packaging, fruit and vegetable boxes, and building materials, etc.
Styrene	Qianzhen Plant TAITAREX GPPS Resin	GPS: Home appliances, 3C accessories, light guide plates, food containers, and packaging boxes, etc.
	Qianzhen Plant / Zhongshan Plant TAITACELL EPS foam resin	EPS: Packaging, food containers, and building materials, etc.
	Qianzhen Plant TAITAREX HIPS Resin	IPS: Computer peripheral products, household appliances, pressing board products, wire reels, and floats, etc.
Window glass, silica sand, metal oxides	Toufen Plant Glass wool/high temperature melting/spinning forming process	Glass wool: Rolls, boards, sheets, ceiling panels, insulation pipes, and covered glass wool, etc.

Industry Scale

ABS products:

Production volume 100,000 tons/year, SAN products: Production volume 20,000 tons/year, exploring export markets in Southeast Asia/Central and South America

GPS products:

Production volume 100,000 tons/year, mainly exported to South Africa/Egypt/Southeast Asia

EPS products (including mainland China):

Production volume 240,000 tons/year, applied to the packaging material market and anti-static packaging market, mainly exported to Central and South America/Southeast Asia/Canada/Australia

2. Company History and Operational Site Distribution GRI 2-1

TTC Company Profile

Name of Company	TAITA CHEMICAL CO., LTD.
Industry	Plastic Industry/Glass Wool/Curved Surface Printing
Headquarters location	12F, No. 37, Jihu Road, Neihu District, Taipei City

Capital	NT$3.976 billion
Operating revenues	NT$18.6 billion
Numbers of employees	482 people

Note: The above data is as of December 31, 2024

- In April 2022 — The curved surface printing at toufen plant was temporarily suspended due to market factors, and production was halted.
- In 2021 — Taita Chemical (Zhangzhou) Co., Ltd. was established.
- In April 2019 — The tianjin plant in china temporarily ceased production because the expected contraction of the northern market made it impossible to continue making a profit. Staff were subsequently legally dismissed.
- In the first quarter of 2014 — The linyuan plant completed the abs debottlenecking project, increasing its annual production capacity to 100,000 tons.
- In 2012 — The tianjin plant completed the eps debottlenecking project, enhancing its annual production capacity to 134,000 tons.
- In the third quarter of 2008 — The qianzhen and zhongshan plants completed production line debottlenecking, increasing their annual production capacities to 66,000 tons and 180,000 tons, respectively.
- In September 2005 — The tianjin plant in china was established, initiating two eps production lines with an annual capacity of 100,000 tons.
- In October 2004 — The zhongshan plant in china completed the third eps production line, expanding its annual capacity to 150,000 tons.
- In November 2003 — Taita Chemical (Tianjin) Co., Ltd. was established.
- In May 2001 — The qianzhen plant successfully launched the gps/ips nova new process with an annual capacity of 100,000 tons.
- In May 2000 — the Zhongshan Plant in China completed its first EPS production line and successfully launched production of 50,000 tons. In the same year, in October, it completed its second production line, expanding its annual capacity to 100,000 tons.
- In March 1999 — Taita Chemical (Zhongshan) Co., Ltd. was established.
- In March 1997 — BTRN Asia transferred all of its 51% stake in our company to an overseas holding company jointly indirectly invested by USI Corporation and UPC Corporation
- In March 1991 — A glass wool plant was established in toufen.
- In June 1987 — A curved surface printing plant was established in toufen.
- In December 1983 — The production of formica and phenolic resin ceased.
- In August 1979 — An abs resin plant was constructed in the linyuan Industrial area in kaohsiung.
- In March 1967 — Polystyrene and phenolic resin production equipment were added, both were firsts in the country.
- In April 1960 — The company was established and set up a plant in Qianzhen, kaohsiung, becoming the first plant in the Country to produce formica chemical raw materials.

3. Participation in External Organizations GRI 2-28

Communication is one of the proactive actions to promote professional growth. TTC participates in various professional groups, combining external forces to strengthen influence, and promoting technical and capability improvements in various fields through interactive sharing among public associations. We support public associations in publishing publications and organizing activities, jointly dedicated to promoting industry development.

TTC Participation in Major External Organizations in 2024

Name of Organization	Member	Committee member	Supervisor/ Director
Petrochemical Industry Association of Taiwan	●	●	●
Taiwan Synthetic Resins Manufacturers Association	●		●
Taiwan Plastics Industry Association	●		
Taiwan Responsible Care Association (TRCA)	●	●	
Taiwan Fire Safety & Material Association	●		

Stakeholder Engagement GRI 2-29

1. Stakeholder communication and participation

Stakeholders are those who affect or are affected by an organization's operations or whom the Company is responsible and of which it is obliged to respond. Through pro-active and extensive communication with stakeholders, we can adequately understand and respond timely to the concerns and topics raised by them. These can help us sustain our improvement and growth. The trust and support of the stakeholders make TTC push even more for sustainable development.

2. Categories of Stakeholders

- **Employees**: Current employees and contracted staff
- **Community residents**: Neighborhood communities, local groups, and local schools
- **Partners**: Corporate allies
- **Suppliers/Contractors**: Existing suppliers, existing contractors, potential suppliers, and potential contractor
- **Investors**: General shareholders and corporate shareholders
- **Peers**: Industry peers
- **Academic institutions**: Academic groups
- **Non-profit organizations**: Industry associations, local representatives, environmental groups, labor rights groups, and others
- **Customer**: Existing customers and potential customers
- **Government agencies**: Local government authorities
- **Media**: Newspapers, radio stations, and magazines

Every two years, a survey is conducted with the ESG Committee's working groups, plant managers, and the Group's common service department managers. The survey assesses stakeholders that they interact with or influence, such as the aforementioned 11 types of group organizations, based on the principles of responsibility, influence, dependence, tension, and diversity outlined in the AA 1000 SES (2015) (Stakeholder Engagement Standards, abbreviated as SES).

3.Core Stakeholder Identification Assessment

In December 2024, 72 evaluation questionnaires were collected and discussed by the ESG Committee's Project Secretary and three group leaders. According to the assessment score, six types of stakeholders were identified as core: (1) Customers, (2) Employees, (3) Suppliers/Contractors, (4) Investors, (5) Government Agencies, and (6) Community Residents. These core stakeholders are the basis for prioritizing communication with stakeholders at TTC.

4. Stakeholder Communication Channels

Core Stakeholders	Contact Points	Phone No.
Employees	Administrative Department	07-7040988 ext.1308
Customers	Sales Department Ms. Wu	07-7040988 ext.6214
Investors	Spokesperson Director Huang	07-7040988 ext. 3278

Core Stakeholders	Contact Points	Phone No.
Government agencies	Safety Office Mr. Yeh	07-7040988 ext.1328
Suppliers/Contractors	Procurement Division Mr. Li	07-7040988 ext.3786
Community residents	Manager's Office Mr. Li	07-7040988 ext.1322

5. Key Stakeholder Concerns, Communication Channels and Implementation Status

TTC uncovers the concerned topics raised by stakeholders through various communication channels and use these as major references for the content of our CSR reports and future CSR development. We also rely on the CSR reports to communicate with core stakeholders and promote exchange between the Company and stakeholders to pursue mutual progress and growth.

The communication status with each key stakeholder is reported annually at the ESG Committee meeting, and simultaneously reported to the Board of Directors.

2024 Stakeholders' Identities, Key Concerns, Communication Channels, and Response Methods

Stakeholders	Significance	Key Concerns	Communication Channels and Frequency	Communication Results
Employees	Employees are the most important assets of a company and are one of the key factors for successful operations. TTC employs people based on their talent and suitability, allowing employees to work with peace of mind, fully showcasing their expertise, and exerting their abilities to achieve the Company's sustainability goals.	• Occupational Safety and Health • Employee Benefits • Labor-management Relations • Legal Compliance • Economic Performance	• EHS Management Committee meeting (Once every two months) • Occupational Safety and Health Committee (Once per quarter) • Process Safety Management (PSM) meeting (Once every month) • Union Board/Welfare Committee (Once per quarter) • Union Representative Conference (Once a year) • Employee Retirement Fund Committee (Once every half year) • Health Check-up and Health Check-up Feedback Session (Once a year) • Education/training (Scheduled) • Employee Communication Meetings (Once per quarter) • Gender Equality Complaint Mailbox/ Employee Complaint Mailbox/ Suggestion System (Anytime)	• Salary adjustments based on the consumer price index and individual performance (Average salary increase for employees in 2024 is approximately 3%) • Human Rights Protection Training: A total of 2,210 participants attended, with a cumulative training duration of 7,067 hours. • Total employee training hours reached 17,176 hours, with an average of 35.6 hours per person • Number of disabling injuries: 0, no major occupational accidents occurred • The occupational health nurse and physician conducted a total of 147 health education sessions for individuals requiring follow-up based on health examination results • Occupational safety, health, and environmental meetings are held regularly, with all relevant department supervisors in attendance. These meetings serve as a platform to review and communicate various environmental, safety, and health matters • Four communication meetings with all employees were convened by the President Contact Units: Administrative Department / Human Resources Department / Safety Office
Customers	Customers are crucial partners for the operation and development of the Company. We aim to satisfy our customers through order fulfillment and product improvement. Customer quality requirements also impact our company's technological R&D and quality management.	• Product Quality • Technology R&D • Economic Performance	• Legal regulation/ Quality Assurance meeting review (Once a month) • Technical service/ Customer plant visits/ Customer visits (Irregularly) • Customer satisfaction survey (Once a year) • Execution of joint development of customized products (Irregularly) • Company website: Updating domestic and foreign product certification information anytime	• Contact and communicate with customers through various channels and conduct quality assurance meetings for reviewTAIECOR • The TAIECOR product recycling and reuse process obtained ISO 14021 certificatio • Average customer satisfaction rate of the Linyuan/Qianzhen Plant was 96% • Customer satisfaction survey for Toufen Plant was 95% • Customer satisfaction survey for Zhongshan Plant was 92% Contact Units: President's Office / Sales Department / R&D Department

Stakeholders	Significance	Key Concerns	Communication Channels and Frequency	Communication Results
Suppliers/ Contractors	Excellent suppliers can provide quality and stable raw materials, while engineering contractors can provide professional construction or supplement the lack of plant construction manpower. TTC hopes to assist each other with vendors, work together, pay attention to quality, schedule, and sustainable management, and jointly complete the entrusted tasks	• Supply Chain Management • Strategic Procurement • Legal Compliance • Transportation Safety and Management	• Quality abnormality (supply & construction quality) tracking review meetings (Irregularly) • Visits and interviews, communication review meetings (Irregularly) • Agreement organization meeting/issue hazard notice (Before work starts) • Contractor communication record/contractor/supplier evaluation (Once a year) • Safety training courses (Irregularly) • Supplier questionnaire survey/Providing product material information (Irregularly)	• A total of 210 suppliers were evaluated • Evaluated 27 contractor construction assessment and evaluation cases • A total of 1,029 hours of occupational safety and health training were provided for contractors Contact Units: Procurement Division / Safety Office
Investors	Investors are important supporters of a company's survival and development. By providing financial investments and participating in corporate governance supervision to ensure sustainable development and its operations growth	• Product Quality • Technology R&D • Economic Performance	• Market Observation Post System (Immediate / regular / disclosure updates as required) • Company website "Investor Services"/ Group joint stock affairs website (At any time) • Annual Shareholders' Meeting (Once a year) • Hold Shareholders' Interim Meetings (Irregularly) • Publish Annual Report (Once a year) • Publish ESG Report (Once a year) • Publish TCFD Report (Once a year) • Publish Financial Report (Once per quarter) • Investor Conferences (At least twice a year) • Spokesperson Contact Information (Irregularly) • Company Website Audit Committee Mailbox (Irregularly)	• Held the Annual Shareholders' Meeting on May 31, 2024 • Held investor conferences on May 14, 2024 and November 27, 2024 • Conducted ethical corporate management training, with a total of 535 employee participants and a cumulative training duration of 750 hours • Established internal and external whistleblowing channels and handling procedures to enforce the Ethical Corporate Management Best Practice Principles; the Ethical Corporate Management Report was submitted on November 6, 2024 • Set up an Investor Relations section on the Company's official website. Contact Units: President's Office / Human Resources Department
Government agencies	Government agencies are important indicators for business development and market expansion. Complying with and responding to the regulations of government agencies is a basic principle of business operations	• Legal Compliance • Climate Change and Energy Management • Air Pollution Control • Waste Management • Water Resources Management	• Visits to relevant government agencies (Irregularly) • Government department briefings, public hearings, etc. (Irregularly) • Handle matters in accordance with the requirements of various programs initiated by competent authorities (Irregularly) • Market Observation Post System (Once a year)	• A total of 197 inspections were conducted by environmental, labor, fire safety, and other regulatory authorities. • Participated in external meetings and regulatory briefings organized by government agencies and industry associations • Greenhouse gas emissions in 2024 totaled 65,700 tons CO2e • The proper waste handling rate is 100% • Water consumption was 406 million liters Contact Units: Safety Office / Environmental Protection Department
Community residents	TTC adheres to the spirit of taking from society and giving back to the community, making every effort to care for community neighbors, local groups, and local schools, and provides job opportunities and continuous interaction with local community neighbors to maintain friendly relations, and to prosper the local economy	• Air Pollution Control • Community Engagement and Social Welfare • Occupational Safety and Health	• Company Website (At any time) • Visiting local groups / moderately sponsoring local event expenses (Irregularly) • Pollution control meetings / occupational safety and health promotion meetings (6 times a year) • Industrial park monitoring network meetings (Once per quarter) • Friendly competition (Irregularly) • Process Safety Management (PSM) meeting (Once every month)	• The Company donated NT$1.56 million to care for the local community in Linyuan District • Participation in Kaohsiung City's Air Quality Purification Zone Adoption event • Assistance repairs to various public facilities in Linyuan District • Conduct visits to community leaders and participate in local neighborhood care events and social gatherings, including lectures with the Community Development Association and various association workshops • Participate in Group and local collaborative activities to promote community harmony • Continue to implement the PSM system to reduce the likelihood of incidents Contact Units: Manager's Office / Administrative Department / Safety Office / Environmental Protection Department

Material Topics Management

1. Process for Determining Material Topic GRI 3-1、GRI 3-2

01 Identification of key stakeholders

According to the five aspects of the AA1000SES Stakeholder Engagement Principle:
Responsibility, Influence, Dependence, Diversity of views, and Tension, the questionnaire for stakeholder identification is sent to the supervisor of the ESG Working Group. The results are validated by ESG Committee Project Secretary and the group leaders, and based on the scoring, 6 types of core stakeholder groups are determined: employees, customers, investors, suppliers/contractors, government agencies, and community residents.

02 Collection of ESG issues

Referencing international sustainability norms and standards (GRI Universal Standards, SASB, SDGs, TCFD) as well as the Company's operational goals and vision, the working group compiled 28 actual and potential sustainability issues with positive and negative impacts, including: actual positive impact issues (7), potential positive impact issues (7), actual negative impact issues (7), and potential negative impact issues (7).

03 Survey of the positive/negative impacts of ESG issues

A questionnaire survey on 28 ESG issues is conducted among the 6 types of core stakeholders of the Company, with scores based on the positive and negative impacts of the issues. A total of 72 valid responses were received.

04 Survey of the positive/negative impacts and probabilities of ESG issues

A questionnaire survey on 28 ESG issues is conducted among the Company's internal department heads and directors, with scores based on the positive and negative impacts of the issues and the likelihood of their occurrence. A total of 25 valid responses were received for statistical analysis.

05 Determining material topics

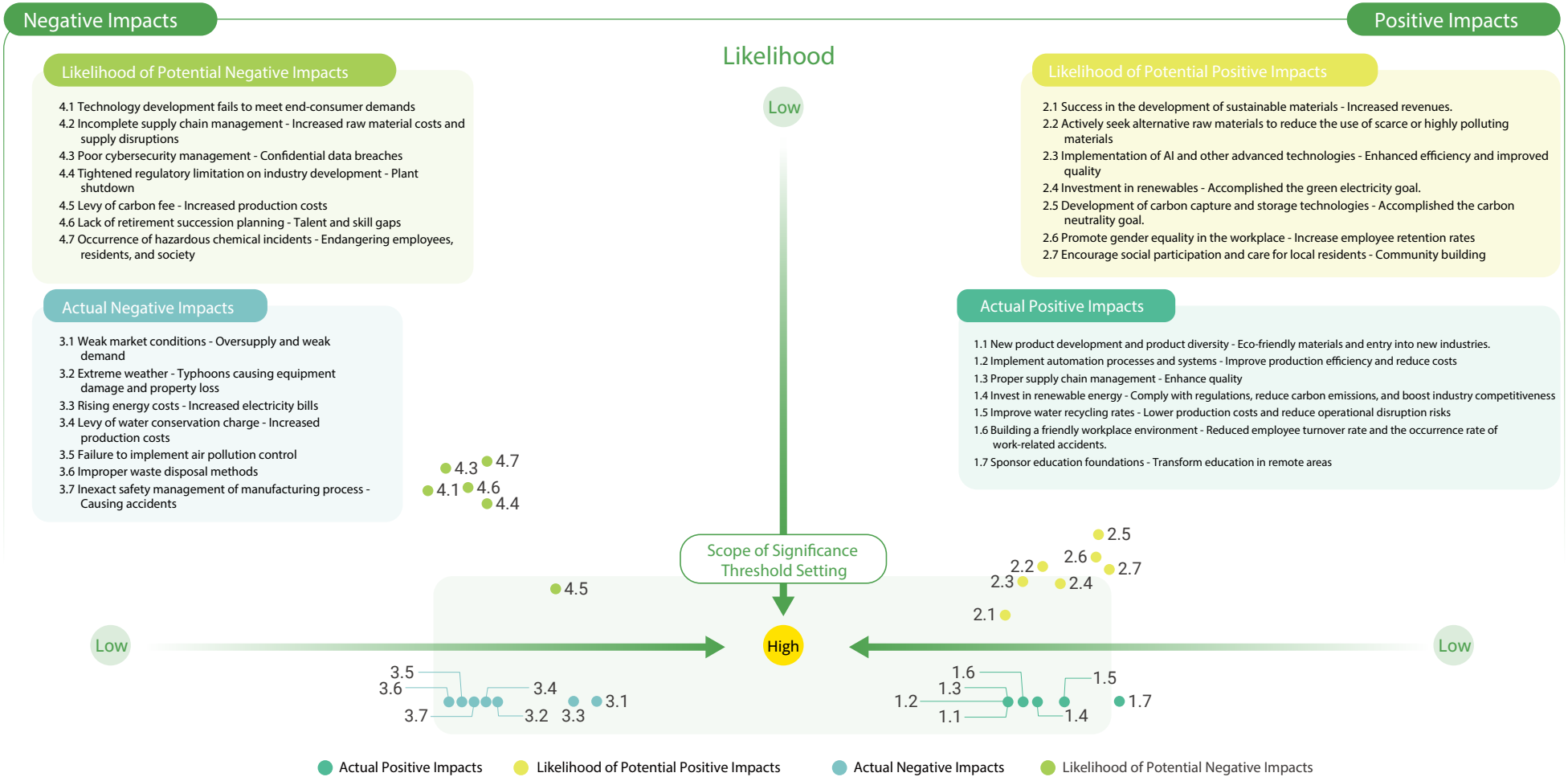
The questionnaire results are graphed, and with the advice of the ESG Working Group, a significant threshold is set. ESG issues are identified as "Significant Issues", and classified these issues into environmental, social, and governance categories and are converted into eight material topics. The results are submitted to the ESG Committee for approval and report them to the Board of Directors.

06 Confirmation of the order of material topics and disclosure content

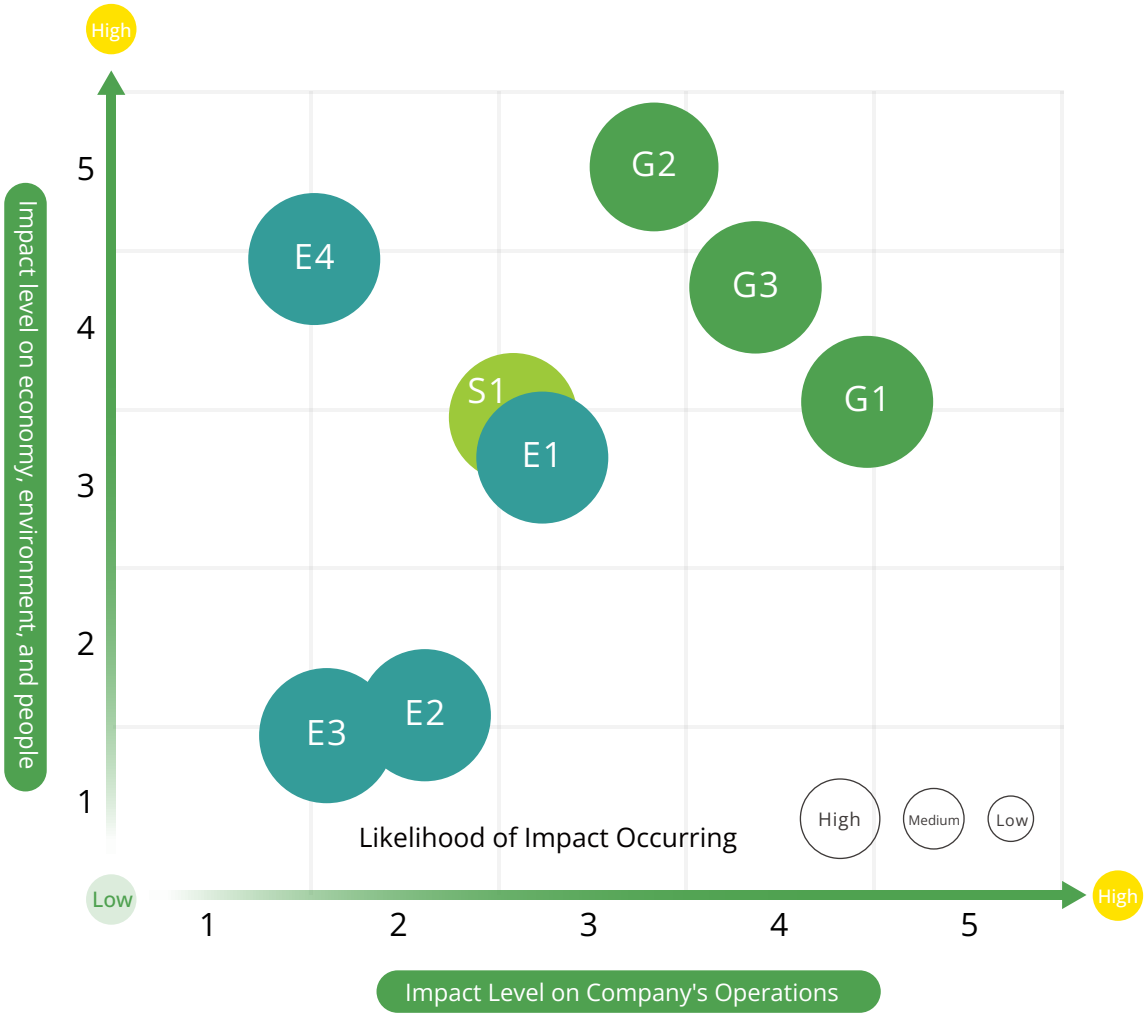
The ESG Working Group ranks the eight material topics based on the impact intensity and likelihood of relevant operating activities on the economy, environment, and population, and understands the impact boundaries and involvement levels of material topics in the value chain.

The response strategy for material topics is explained according to the reporting requirements of each theme, and short, medium, and long-term performance goals and management policies are drafted. The eight material topics correspond to six GRI topic-specific themes.

To ensure the completeness of coverage on ESG issues, we reference the requirements of the GRI Universal Standards, chemical industry indicators from SASB, the United Nations Sustainable Development Goals (SDGs), and trends in sustainability issues both domestically and internationally. In addition, we also use various communication channels to collect "Stakeholder Concerns," totaling 28 items. Based on the "Impact Level" and "Probability of Occurrence" to created consecutive diagram and with the advice of the ESG Working Group, stakeholders, and internal and external experts, a significance threshold (impact score above 3.4 and probability above 3.7) is set. Consequently, 17 are designated as "Significant Issues."



Categorized the 17 significant issues based on the environmental, social, and governance aspects. We performed a dual materiality analysis based on the "impact Level on Company's operations" and "impact level on economy, environment, and people (included human rights)", which led to convergence into 8 material topics. Additionally included 1 ongoing management issue: talent attraction and retention, and submit the results to the ESG Committee for approval before reporting to the Board of Directors.



Governance

G1 Economic Performance
G2 Technology R&D
G3 Product Quality

Environmental

E1 Climate Change and Energy Management
E2 Air Pollution Control
E3 Waste Management
E4 Water Resources Management

Social

S1 Talent Attraction and Retention

2024 List of Material Topics GRI 3-2

		顯著性議題	重大議題
Environmenta	1 (Actual Positive)	Invest in renewable energy - Comply with regulations, reduce carbon emissions, and boost industry competitiveness	Climate Change and Energy Management (GRI 302 Energy) (GRI 305 Emissions)
	2 (Actual Negative)	Extreme weather - Typhoons causing equipment damage and property loss	
	3 (Potential Positive)	Investment in renewables - Accomplished the green electricity goal.	
	4 (Actual Negative)	Failure to implement air pollution control	Air Pollution Control (GRI 305 Emissions)
	5 (Actual Negative)	Improper waste disposal methods	Waste Management (GRI 306 Waste)
	6 (Actual Positive)	Improve water recycling rates - Lower production costs and reduce operational disruption risks	Water Resources Management (GRI 303 Water and Effluents)
Social	7 (Actual Negative)	Inexact safety management of manufacturing process - Causing accidents	Occupational Safety and Health (GRI 403 Occupational Health and Safety)
	8 (Actual Positive)	Building a friendly workplace environment - Reduced employee turnover rate and the occurrence rate of work-related accidents.	Talent Attraction and Retention (GRI 401 Employment) (GRI 404 Training and Education)
		Ongoing management and monitoring	
Governance	9 (Actual Negative)	Weak market conditions - Oversupply and weak demand	Economic Performance (GRI 201 Economic Performance)
	10 (Actual Negative)	Rising energy costs - Increased electricity bills	
	11 (Actual Negative)	Levy of water conservation charge - Increased production costs	
	12 (Potential Negative)	Levy of carbon fee - Increased production costs	
	13 (Actual Positive)	New product development and product diversity - Eco-friendly materials and entry into new industries.	Technology R&D
	14 (Actual Positive)	Implement automation processes and systems - Improve production efficiency and reduce costs	
	15 (Potential Positive)	Success in the development of sustainable materials - Increased revenues.	
	16 (Potential Positive)	Implementation of AI and other advanced technologies - Enhanced efficiency and improved quality	
	17 (Actual Positive)	Proper supply chain management - Enhance quality	Product Quality

2. Material Topics and Value Chain

Through the evaluation of the ESG Committee, material topics highly impacting corporate governance, environment, and society, and highly concerning stakeholders were identified. The corresponding GRI specific standard topics were identified, with priority given for response and explanation in the report.

Sustainable Principles	Material Topics	Significance and Major Reasons	GRI Standards Topic	Value Chain				Response
				Supply Chain	Operational	Product	Social	
Establish Robust Governance	Economic Performance	The company's operational performance is a significant factor supporting sustainable business development	GRI 201 Economic Performance: 2016	○	◉	◉		1.2Economic Performance
Build Innovative Supply Chains	Product Quality	Improve quality through efforts and innovative technologies to ensure that all product quality meets customer requirements and expectations	Self-defined Topics	○	◉	◉		2.1Product Quality
	Technology R&D	The ability to develop new product technologies can grasp market trends and enhance market competitiveness, creating high value and sustainable operation for the Company	Self-defined Topics	○	◉	◉		2.2Technology R&D
Create Friendly Environments	Climate Change and Energy Management	The dramatic climate changes caused by climate change, increasing probability of extreme weather, greenhouse gas emissions reduction, and 2050 net-zero policy have a significant impact on operations	GRI 302 Energy: 2016	○	◉	◉	○	3.2Climate Change and Energy Management
	Water Resources Management	In recent years, due to global climate change, the risks of water shortage and flooding have increased. The use of water resources also involves the impact of production costs and wastewater emissions on the environment	GRI 305 Emissions: 2016		◉	○	◉	3.3Water Resources Management
	Air Pollution Control	Air pollution control is a matter of great concern to regulatory authorities and plays a critical role in emission management	GRI 303 Water and Effluents: 2018		◉	◉	◉	3.4Air Pollution Control
	Waste Management	Existing waste landfill sites are becoming saturated, and it is not easy to find qualified waste treatment companies, impacting the treatment of industrial waste in various factories	GRI 305 Emissions: 2016		◉	○	◉	3.5Waste Management
Shape an Inclusive Society	Occupational Safety and Health	A healthy and safe working environment is the primary labor condition requirement for workers	GRI 403 Occupational Health and Safety: 2018		◉	○	◉	4.1Occupational Safety and Health 4.2Health Promotion
	Talent Attraction and Retention	Quality human assets are one of the key success factors for a company. Utilizing talent appropriately and providing a reassuring work environment allows employees to fully demonstrate their expertise and achieve their potential	GRI 401 Employment: 2016 GRI 404 Training and Education: 2016		◉	○	◉	5.1Talent Attraction and Retention

United Nations Sustainable Development Goals (SDGs)

TTC believes that as a member of the global community, sustainable development needs to start from core values and be combined with the United Nations Sustainable Development Goals. We have conducted SDGs relevance identification in three stages and have set related goals incorporated into our operational plan.

1. SDGs Identification Process

STEP 1

Understanding SDGs and Discussing Operation Development

- Implementing SDGs education and training and discussing their impacts on business operations
- Consider the priority of sustainable development goals

STEP 2

Identifying Impact and Opportunities

- Connecting SDGs with material topics
- Identifying key opportunities and allocating resources

STEP 3

Addressing SDG Targets and Actions

- Discussing target feasibility
- Setting short-term, mid-term, and long-term plans and discussing integration with the business plan

2. Material Topics, Linking SDGs and Corporate Sustainability Goals:

Aspect	Stakeholders	Material Topics/GRI	SDG Targets	Indicators	Short-term Goal	Mid-term Goal	Long-term Goal	Actual Performance	是否達成	Definition / Remarks
					2024	2027	2030	2024		
Environmental	Government agencies Community residents	Climate Change and Energy ManagementGRI 201, 3-3, 302, 305	13 CLIMATE ACTION	GHG emissions (Scope 1+2)	-9% compared to the base year	-16% compared to the base year	-27% compared to the base year	-17.57%	✓	Taiwan Plants
				Energy Consumption Per Unit Product	-3% compared to the base year	-5% compared to the base year	-6% compared to the base year	-5.82%	✓	
		Water Resources Management GRI 3-3, 303	6 CLEAN WATER AND SANITATION	Water Consumption Per Unit Product	-3% compared to the base year	-7% compared to the base year	-15% compared to the base year	-20.33%	✓	
				Water Recovery Rate (R2)	35%	37%	40%	37.52%	✓	Applicable to Linyuan Plant only
		Air Pollution Control Management GRI 3-3, 305	11 SUSTAINABLE CITIES AND COMMUNITIES	Emission Volume of Pollutants Per Unit Product	-10% compared to the base year	-17% compared to the base year	-25% compared to the base year	-35.76%	✓	Taiwan Plants (VOCs)
		Waste Management GRI 3-3, GRI 306	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Proper waste handling rate	100%	100%	100%	100%	✓	

Aspect	Stakeholders	Material Topics/GRI	SDG Targets	Indicators	Short-term Goal	Mid-term Goal	Long-term Goal	Actual Performance	是否達成	Definition / Remarks
					2024	2027	2030	2024		
Social	Employees Community residents	Occupational Safety and HealthGRI 3-3, GRI 403	3 GOOD HEALTH AND WELL-BEING	Disabling injury frequency rate (F.R.)	0	0	0	0	✓	
				Disabling injury severity rate (S.R.)	0	0	0	0	✓	
		Talent Attraction and RetentionGRI 3-3, GRI 401	8 DECENT WORK AND ECONOMIC GROWTH	Overall Employee Turnover Rate	≦ 7.5%	≦ 7.5%	≦ 7%	4.36%	✓	
Governance	Employees Investors Customers Suppliers Contractors	Economic Performance GRI 3-3	8 DECENT WORK AND ECONOMIC GROWTH	Maintain profitability	Maintain profitability	Maintain profitability	Maintain profitability	- NT$220 million	✗	
		Technology R&D GRI 3-3	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	Number of New Product Development Projects	1 Case	1 Case	1 Case	1 Case	✓	
		Product Quality GRI 3-3	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Number of Product Quality Improvement Projects	1 Case	1 Case	1 Case	2 Case	✓	

01

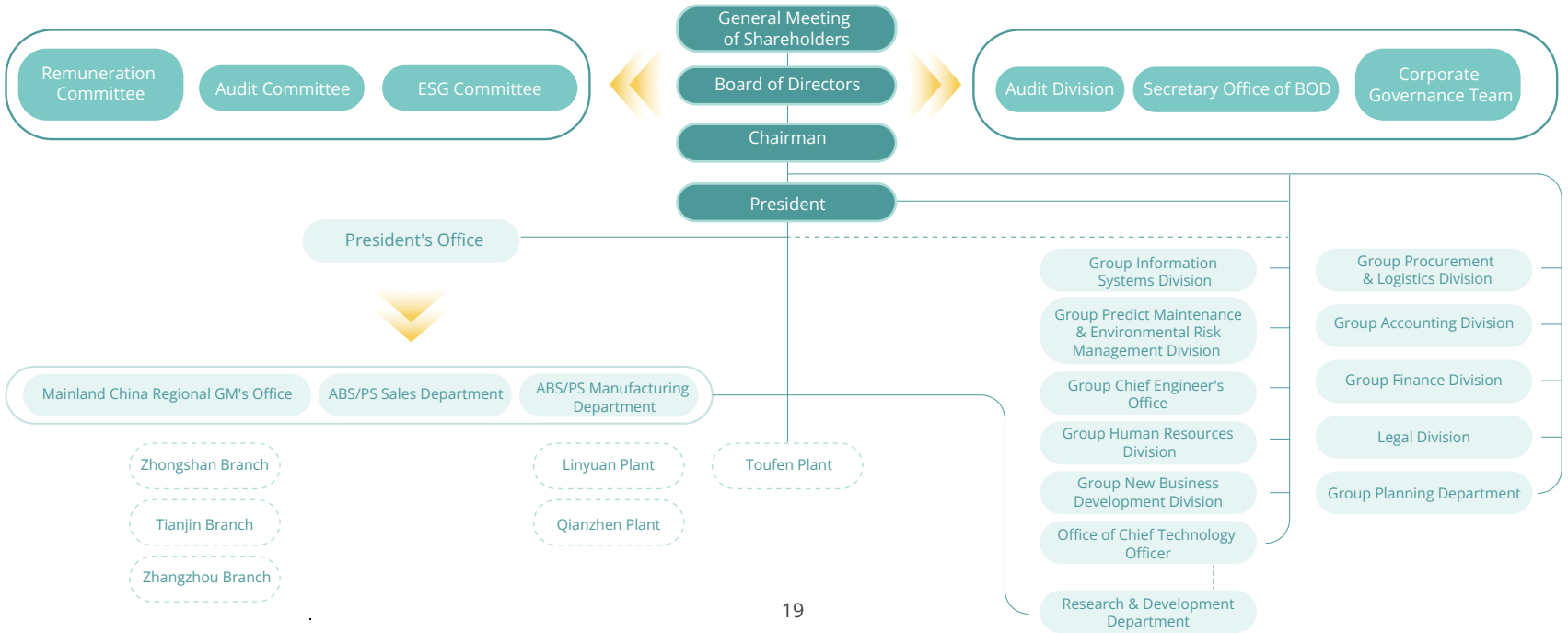
Establish Robust Governance

Annual Material Topic	Management Plan	Annual Target	Performance Status
Economic Performance	1. Achieve full production and sales across all product lines, develop dominant markets, adjust sales strategies, and enhance sales of dominant products. 2. We focus on product functions and features, conducting quality improvement, performance enhancement, new product development and verification, and developing high value-added products. 3. We establish long-term strategic partnership with raw materials suppliers and determine the safety stock based on materials preparation lead-time to ensure supply chain fluency.	Maintain profitability annually	Not achieved

1.1 Corporate Governance

1.1.1 Governance framework

In the 11th annual 2024 corporate governance evaluation for listed companies, those with a market value of NT$5 billion to NT$10 billion are in the top 6% to 10%, while the evaluation results of overall listed companies are between the top 6% to 20%. TTC will continue to be committed to protecting shareholder rights, treating shareholders equitably, strengthening the structure and operation of the Board of Directors, enhancing information transparency, and implementing sustainable development. Additionally, the Company will assist investors and businesses in understanding the effectiveness of the Company's governance implementation.



1.1.2 Board composition and operation GRI 2-9 ~ GRI 2-21

The Board of Directors is the highest governance body of the Company. All board members are strictly required to comply with laws and regulations, with legal compliance serving as the highest operational principle. **GRI 2-17**

We adopt the candidate nomination system for the directorial (including independent directors) election. The Board along with shareholders holding over one percent of the total issued shares may propose the candidates to add to the List of Candidates for Directors and Independent Directors. After candidate qualification by the Board, the List of Candidates for Directors and Independent Directors is presented at the AGM for shareholders to vote on. The current Board of Directors was elected in 2024 and is composed of nine directors with rich experience in their respective professional fields. Among them, 22% of are female directors and four positions are assigned to independent directors, who make up 44% of the Board. The term of each director is three years, and each director is entitled to a second term. Please refer to the table below for information about the Board of Directors members.

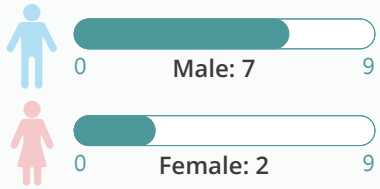
Age and Gender Distributions of Board Members

Current team **May 31, 2024 to May 30, 2027**

Members

Directors: Quintin Wu (Chairman), Yi-Kung Ma, Pei-Ji Wu (President), Pao-Lo Ying, Shu-Chien Pi
Independent directors: Tien-Wen Chen, Yung-Tu Wei, Kuo-Hsiang Li, Piao-Chun Chen

Gender of members



Age of members

Under 60 years old	1 persons
60 - 69 years old	3 persons
70 years old and above	5 persons

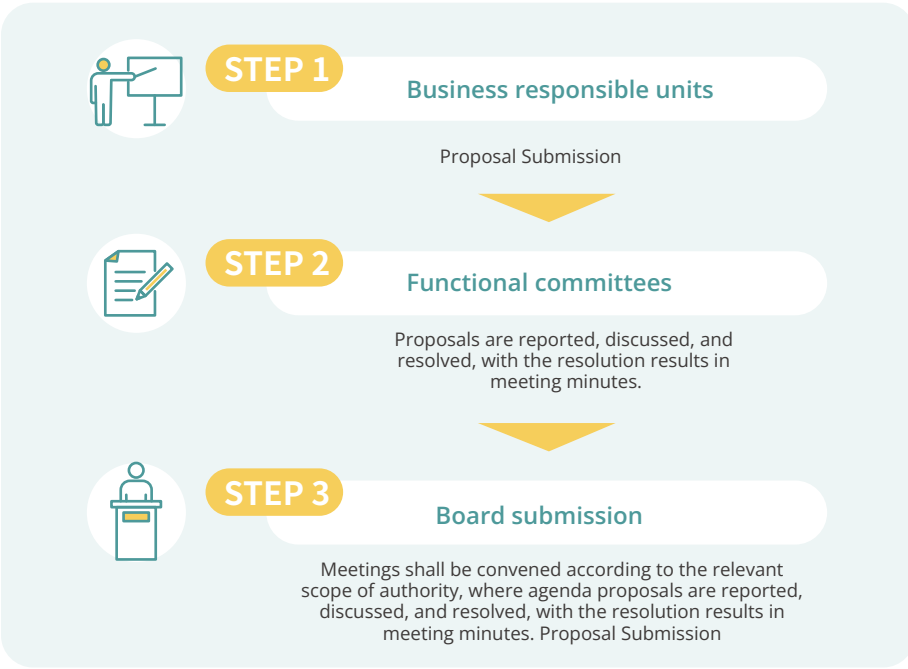
A total of six board meetings were held in 2024 by the Company, with a personal attendance rate (including independent directors) of 94.12% (100% including attendance by proxies). For more operational information of the Board led by the Chairman (Please refer to page 21 of the Company Annual Report).

Process of proposal submission to the Board of Directors

GRI 2-9、2-10、2-11、2-12、2-13、2-16

The business responsible unit submits proposals to the functional committees for discussion. After making the resolution, the functional committees forward the proposals to the Board of Directors for discussion and resolution. After the meeting, functional committees and the secretary office of the Board produce the meeting minutes containing the procedure and resolution of meetings.

For the Board proposal submission process, Board affairs responsible unit and important Board resolutions of 2024, please refer to the following table.



For important Board resolutions of 2024, please refer to the Annual Report and the Company's website. **GRI 2-16**

Additionally, we have established the Secretary's Office under the Board to plan and prepare matters relating to the Board meeting so as to enhance the efficiency of board meetings and help implement Board resolutions.

Performance of the Board member expertise diversification policy

GRI 2-10

I. Performance of the Board diversity policy

According to Article 20 of the Company's "Corporate Governance Regulations," the composition of the Board of Directors should be diversified. In addition to the knowledge, skills and experience required for performing their duties.

To achieve the ideal goal of corporate governance, the Board of Directors shall possess the following abilities:

In addition to the aforementioned eight required abilities, considering the growing global emphasis on corporate governance and environmental protection issues, it is hoped that the Board members will possess expertise in the fields of "Law" and "Environmental Protection" to enhance board diversity. In addition to the knowledge, skills and experience required for performing their duties, current board members are equipped with expertise in accounting and finance, international market, law, and environmental protection.

II. Targets for management of Board diversity

The current Board of Directors was elected on May 31, 2024. Each director possesses the capabilities required to support the Company's diversified business development. In addition to the overall competencies expected of the Board, all directors have demonstrated operational judgment, management expertise, crisis response, and decision-making abilities. Notably, two members have expertise in environmental protection, reflecting the Company's commitment to Board diversity in line with its Corporate Governance Guidelines.

To align with the global trend of increasing emphasis on corporate sustainability, the Company aims to enhance Board diversity by appointing directors with expertise in relevant fields. This initiative is intended to strengthen the Company's sustainable competitiveness and further improve the effectiveness of the Board's functions.

III. Performance of the Board member expertise diversification policy GRI 2-17

For details on the diversity of Board members, please refer to the table below:

Name of Directors	Gender	Diversity of Core Competence									
		Operational judgments	Accounting finance	Management administration	Crisis management	Industry background knowledge	International market	Ability to lead	Ability to make policy decisions	Law	Eco-friendly
Quintin Wu	Male	◉	◉	◉	◉	◉	◉	◉	◉		
Yi-Kung Ma	Female	◉	◉		◉				◉		◉
Pei-Ji Wu	Male	◉		◉	◉	◉	◉	◉	◉		
Pao-Lo Ying	Male	◉		◉	◉	◉	◉	◉	◉		◉
Shu-Chien Pi	Female	◉	◉	◉	◉	◉	◉	◉	◉		
Tien-Wen Chen	Male	◉	◉	◉	◉		◉	◉	◉		
Yung-Tu Wei	Male	◉	◉	◉	◉	◉	◉	◉	◉		
Kuo-Hsiang Li	Male	◉	◉	◉	◉		◉	◉	◉		
Piao-Chun Chen	Male	◉	◉	◉	◉			◉	◉		

Professional competence enhancement of directors in 2024 GRI 2-17

To enhance the professional competencies of directors (including independent directors), the Company regularly provides information on relevant training courses to support their continued professional development. Additionally, a total of 6 hours of internal training courses have been scheduled. On July 11, 2024, Mr. Kai Hua, Chief Technology Officer of Microsoft Taiwan, delivered a 3-hour session titled "Digital Transformation and the AI-Driven Future: Use Cases of Generative AI." On October 16, 2024, Dr. Je-Liang Liou from the Chung-Hua Institution for Economic Research led a 3-hour session on "Carbon Trading Mechanisms and Carbon Management Applications." In 2024, all directors also participated in various external training programs, accumulating a total of 61 hours of continuing education. With the full re-election of the Board in 2024, the content and duration of training for newly appointed directors fully complied with Article 14, Paragraph 3 of the "Taiwan Stock Exchange Corporation Operation Directions for Compliance with the Establishment of Board of Directors by TWSE Listed Companies and the Board's Exercise of Powers" as well as the "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies." For detailed information on training courses and hours, please refer to pages 25 - 26 of TTC's 2024 Annual Report.

On July 11, 2024, Mr. Kai Hua, Chief Technology Officer of Microsoft Taiwan, delivered a 3-hour session titled "Digital Transformation and the AI-Driven Future: Use Cases of Generative AI."

On October 16, 2024, Dr. Je-Liang Liou from the Chung-Hua Institution for Economic Research led a 3-hour session on "Carbon Trading Mechanisms and Carbon Management Applications."

Avoidance of conflicts of interest of directors GRI 2-11、GRI 2-15

The Company places great importance on corporate governance and has established a comprehensive conflict of interest avoidance mechanism to ensure the independence and objectivity of Board decision-making. Details are as follows:

1. Policy Framework: The Company has enacted various policies, including the Procedure for the Board of Directors Meetings Regulations, the Code of Ethics Conduct for Directors and Managerial Officers, the Ethical Corporate Management Best Practice Principles, and the Procedures for Ethical Management and Guidelines for Conduct, which clearly define the measures directors must take when facing conflicts of interest.
2. Meeting Procedures: When the Board discusses proposals involving conflicts of interest with any director, recusal procedures are strictly enforced. The meeting chair reminds the concerned director(s) to withdraw from discussion and voting. If the chair has a conflict of interest, another director will be designated to chair that portion of the meeting.
3. Information Disclosure: The Secretary's Office under the Board maintains detailed records of all recusals during meetings, and such information is documented in the meeting minutes.
4. Annual Report: In 2024, the Company completed all director recusal procedures in accordance with the law. Please refer to "Details Operation of the Board of Directors" section of the Company Annual Report for the details. For the responses to the conflicts of interest between Board of Directors members and stakeholders, please refer to the "Member Information of the Board of Directors," "Shareholders Among the Top Ten in Shareholding Ratio" in 2024 Annual Report, and "Related Party Transactions" in the 2024 financial statements.
5. Ongoing Improvement: The Company will continue to review and enhance its conflict of interest avoidance mechanisms to uphold transparency and fairness in corporate governance.

Name of Directors	Proposal	Reasons for Avoidance	Participation in voting	Term for the Board of Directors
Pei-Ji Wu	Non-compete behavior of managerial officers.	A conflict of interest with directors.	Abstained from voting	First time in 2024 March 7 Sixth time in 2024 November 6
Yung-Tu Wei Tien-Wen Chen Kuo-Hsiang L	Appointed Yung-Tu Wei, Tien-Wen Chen, and Kuo-Hsiang Li as the committee members of the Company's Remuneration Committee.	A conflict of interest with directors.	Abstained from voting	Fourth time in 2024 June 5
Kuo-Hsiang Li Tien-Wen Chen Piao-Chun Chen	Appointed Kuo-Hsiang Li, Tien-Wen Chen, and Piao-Chun Chen as the committee members of the Company's ESG Committee.			

Performance Evaluation of the Board of Directors and Functional Committees GRI 2-18

Set assessment methods and approaches for the performance of the Board of Directors, execute regular self-assessment of the performance of the Board as a whole, individual directors, and Functional Committees every year. The Group Secretary Office of BOD is responsible for conducting these assessments through self-evaluation, using the assessment results as a reference for the Company's review and improvement.

The overall internal performance assessment results for the Board of Directors, individual directors, and Functional Committees in 2024 are as follows:

The Board

Evaluation Aspect	Score
Participation in the Company's operations	4.75
Improvement of the decision quality of the Board of Directors	5
Composition and structure of the Board of Directors	5
Selection and continuing education of directors	4.67
Internal control	5

Evaluation results

The results of the overall Board performance evaluation show that the average score of the five major aspects is 4.6, which means "good."

Individual Directors Members

Evaluation Aspect	Score
Corporate targets and mission control	4.70
Duty awareness of directors	4.79
Participation in the Company's operations	4.57
Internal relationship development and communication	4.61
Expertise and continuing education of directors	4.67
Internal control	4.74

Evaluation results

The results of director self-assessment show that the average score of all six major aspects is over 4.5, which means "good."

Audit Committee

Evaluation Aspect	Score
Participation in the Company's operations	4.63
Duty awareness of the Audit Committee	4.75
Improvement of the decision-making quality of the Audit Committee	4.75
Composition and member selection of the Audit Committee	4.75
Internal control	4.75

Evaluation results

The results of Audit Committee self-assessment show that the average score of all five major aspects is over 4.6, which means the overall assessment result is good.

Remuneration Committee

Evaluation Aspect	Score
Participation in the Company's operations	4.58
Duty awareness of the Remuneration Committee	4.60
Improvement of the decision-making quality of the Remuneration Committee	4.62
Composition and member selection of the Remuneration Committee	4.67

Evaluation results

The results of performance evaluation of the Remuneration Committee show that the average score of all four major aspects is over 4.5, which means "good."

ESG Committee

Evaluation Aspect	Score
Participation in the Company's operations	4.75
Duty awareness of the ESG Committee	4.80
Improvement of the decision-making quality of the ESG Committee	4.80
Composition and member selection of the ESG Committee	4.80

Evaluation results

The results of ESG Committee self-assessment show that the average score of all four major aspects is over 4.7, which means the overall assessment result is good.

Note: Score range 0-5, 5 is the highest. The performance evaluation for the period from January 1, 2024 to December 31, 2024.

The performance evaluation results of the overall Board of Directors, individual director members, and Functional Committees were reported to the Board of Directors in the first quarter of 2025.

Recommendation and implementation

In light of the growing global emphasis on Environmental (E), Social (S), and Governance (G) issues, the Company has aligned with the Sustainable Development Action Plans for TWSE- and TPEx-Listed Companies (2023) issued by the Financial Supervisory Commission. In accordance with this action plan, the Company is progressively promoting the disclosure of greenhouse gas (GHG) inventory and assurance information, while actively building internal capabilities for corporate GHG accounting. The Company has actively implemented a range of concrete measures, with directors providing valuable guidance throughout the process.

In addition to continuously enhancing the effectiveness of corporate governance, the Company is also carefully planning and executing strategies to achieve carbon reduction goals and develop green energy initiatives. By leveraging AI technology for more efficient management, the Company aims to reduce risks and challenges, align with international standards, and ultimately achieve its long-term vision for sustainable development.

Chief corporate governance officer (CCGO)

To protect the rights and interests of shareholders and improve the competence of the Board of Directors, the Board made a resolution on May 9, 2019 to assign Director of the Legal Division, Erik Chen to be the Chief Corporate Governance Officer (CCGO) as the top officer of the Company's corporate governance. Director Erik Chen has over 20 years of experience as a practicing attorney and more than 10 years of experience as the head of legal affairs in listed companies. His main responsibilities include handling affairs related to the meetings of the Board of Directors and shareholders according to the law, preparing minutes for the meetings of the Board of Directors and shareholders, assisting directors in taking office and continuing education, providing information needed by directors in conducting business, assisting directors in complying with laws and regulations, reporting to the Board of Directors on the results of reviewing whether the qualifications of Independent Directors are in compliance with relevant laws and regulations during their nomination, appointment, and tenure, and handling affairs related to changes in directors. In 2024, the Company's Director Erik Chen serves as the Chief Corporate Governance Officer, and underwent 23 hours of training. Please refer to page 43 of TTC's 2024 Annual Report.

Functional Committees

Under the Board, we have established three functional committees: Audit Committee, Remuneration Committee, as well as the ESG Committee to establish and review policies that relate to the responsibility and authority of each committee in an effort to strengthen corporate governance.

Title	Name	Audit Committee	Remuneration Committee	ESG Committee
Chairman	Quintin Wu	—	—	Member
Director	Pei-Ji Wu	—	—	Deputy Chief
Independent Director	Tien-Wen Chen	Convener	Member	Member
Independent Director	Yung-Tu Wei	Member	Convener	—
Independent Director	Kuo-Hsiang Li	Member	Member	Chief
Independent Director	Piao-Chun Chen	Member	—	Member

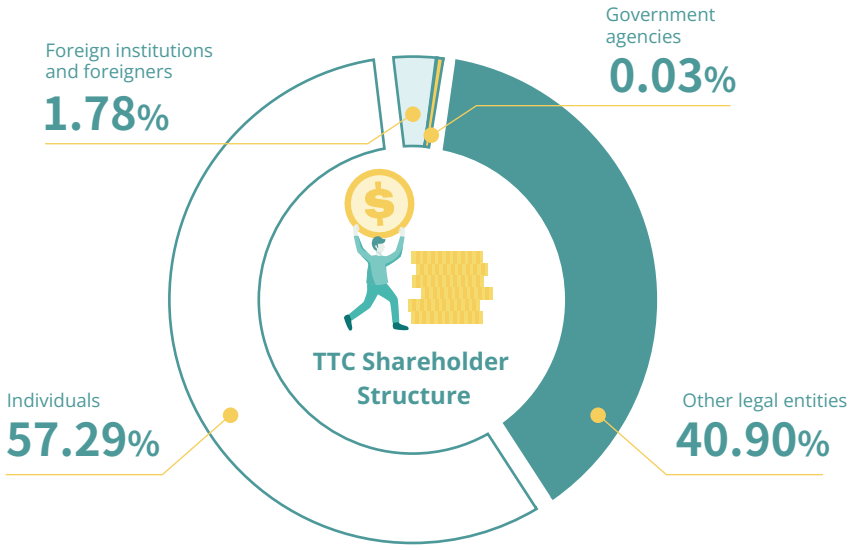
Shareholder rights and interests and information transparency

As of March 30, 2025, the shareholder structure of TTC is primarily composed of individuals and other legal entities. For details on the shareholder structure and the list of major shareholders (Note), please refer to the Company's official websiteShareholder Structure.

TTC is committed to providing shareholders with transparent and real-time corporate information. Every year, we organize investor conferences and shareholders meetings regularly, publish annual reports and ESG reports, and list operating performance, financial statements, and significant news on the "Market Observation Post System" of Taiwan Stock Exchange Corporation. We also set up the "Investor Services" webpage in both Chinese and English, where disclose the Company's governance status, business announcements, financial statements, investor conferences, and updates on group dynamics. Moreover, we continuously collect shareholder opinions to provide feedback to the management team for decision-making references.

We value the rights and interests of foreign investors and the trend of enterprise internationalization. Therefore, since 2018, we began to enhance information disclosures in English in the annual report and on the MOPS and the Company website. By actively establishing various unfettered two-way communication channels with shareholders, we maintain the rights and interests of shareholders in real action.

Note: Major Shareholders: Shareholders holding 5% or more of the Company's shares, or those ranked among the top ten shareholders by shareholding percentage.



ESG Committee GRI 2-13、GRI 2-14、GRI 2-16

To strengthen corporate governance, TTC, on December 22, 2017, with the approval of the Board of Directors, elevated the Corporate Social Responsibility Committee to a functional committee of the Board of Directors. The committee consisted of 4 members: the chairman, the president, and 2 independent directors, 1 of whom is the chief committee member. On March 9, 2022, the Board of Directors resolved to change the name of the "Corporate Social Responsibility Committee" to the "ESG Committee." The ESG Committee has set up three working groups for "Corporate Governance," "Environmental Protection," and "Social Relations," and has designated one project secretary.

The ESG Committee meets at least twice a year, with various units providing sustainability-related information (including stakeholder identification results, focal issues and responses, material topics, ESG plans, and execution results, and other sustainability-related matters) to the ESG group leaders for consolidation. The project secretary then reports to the ESG Committee and submits it for approval to the Board of Directors. The Board of Directors oversees and reviews the management, strategies, and goal-setting across the three pillars of governance, environment, and society. It monitors progress and performance, and is responsible for reviewing and approving the sustainability report. The Board also provides strategic guidance and direction on key material issues.

For information on the Board of Directors' oversight of sustainability performance, the organizational regulations of the ESG Committee, and the Committee's operational activities, please refer to the provided link.

ESG Committee Working Group's Annual Execution Highlights and Plans for the Following Year:

ESG Committee Working Group's Annual Execution Highlights and Plans for the Following Year:

2024

01 Completed greenhouse gas inventory and verification operations for Linyuan, Qianzhen, Toufen, Zhongshan and Tianjin Plants

02 Promoted energy-saving and carbon reduction plans for the Linyuan, Qianzhen, and Toufen Plants

03 Awards: The Company received a Gold Award in the Corporate Sustainability Reports category and a TCSA Award in the 17th TCSA Taiwan Corporate Sustainability Awards. It was also ranked in the top 10% in the proactive evaluation of occupational health and safety indicators disclosed in corporate sustainability reports. The Company was also honored with the Recycling and Circular Economy Awards at the 2nd Green Sustainability Achievement Conference 2024.

04 Published the Chinese version of the 2023 Sustainability Report in August 2024

05 Published the 2023 TCFD Report in August 2024

06 Published the English version of the 2023 Sustainability Report in September 2024

Work plan for 2025:

2025

01 Continue promoting energy-saving and carbon reduction plans across all plants.

02 Continue participating in corporate sustainability evaluation activities.

03 Continue involvement in community welfare activities.

04 Continue to implement various ISO systems

05 Launch the disclosure process for IFRS S1/S2 content

06 Publish the Chinese version of the 2024 Sustainability Report in August 2025

07 Publish the 2024 TCFD Report in August 2025

08 Publish the English version of the 2024 Sustainability Report in September 2025

09 Promote internal control processes related to sustainability information

Remuneration Committee GRI 2-19、GRI 2-20、GRI 2-21

1. The term of the current committee commenced on June 5, 2024 and will end on May 30, 2027. All three seats of the committee are taken by independent directors.
2. The Remuneration Committee holds at least two committee meetings each year. Three committee meetings were held in 2024, and the personal attendance rate of members was 89%.
3. Apart from periodically reviewing the (1) salary and remuneration policy, system, standard, and structure of directors and senior managerial officers and (2) performance evaluation, the Remuneration Committee also determines and assesses the salary and remuneration of directors and senior managers with reference to the median earnings in the industry; the duration of engagement, duty, and target accomplishment of each role; the salary and remuneration for the same role; achievement of the Company's short- and long-term performance targets; and the Company's financial condition; and submit the results to the Board for approval. **GRI 2-20**

Salary and remuneration：

- The remuneration for directors covers remuneration, director profit sharing, and income for professional practice; and the compensation for senior managerial officers includes the monthly salary, fixed-amount bonuses, year-end bonus, employee profit sharing, annual special bonus, pension contribution and benefit payments by law. The profit sharing for directors and employees are subject to Article 25 of the articles of incorporation. **GRI 2-19**

- The total compensation ratio and ratio of the percentage change in total compensation in 2024 were 4.24:1 and -959.74%, respectively. **GRI 2-21**

Performance Evaluation：

(1) The performance evaluation of directors covers several aspects, including understanding of the Company's goals and missions, awareness of responsibilities, level of participation in company operations, management and communication of internal relationships, professional expertise and continued education, as well as internal control. Additional performance evaluation criteria are specifically applied to the ESG Committee.

(2) The performance evaluation of senior managerial officers cover the finance aspect (operating revenue, operating profits, and net income before tax), customers aspect (customer satisfaction, service quality, development of important markets, and others), products aspect (branding, quality innovation, and others), talents aspect (talents development, potential development, and others), safety aspect (zero pollution, zero emissions, zero occupational hazards, zero accidents, zero breakdown, and others), and program aspect (digital transformation, energy saving and carbon reduction, circular economy, net zero emissions, and others).

(3) The President must allocate at least 20% of performance evaluation weight to sustainability-related indicators, including a minimum of 5% specifically linked to climate-related matters. Other senior managerial officers must allocate no less than 5% of their evaluation to sustainability performance indicators.

For detailed information on the operation of the Remuneration Committee, please refer to the Company's official website.

Position	Performance Indicators	Execution Method (Weighting)
President	Financial Performance (50%)	—
	Market & Customer (20%)	—
	Sustainability Performance (30%)	・Talent Development Program (10%) ・Energy Conservation & Carbon Reduction Results (10%) ・Occupational Health & Safety (10%)
Senior Managerial Officers	Sustainability Performance (20%)	・Talent Development Program (5%) ・Energy Conservation & Carbon Reduction Results (15%)

Note 1：Total compensation ratio: The ratio of the total compensation for the organization's highest-paid individual to the median annual total compensation for all employees (excluding the highest-paid individual).

Note 2：Ratio of the percentage change in total compensation: The ratio of the percentage change in the total compensation for the organization's highest-paid individual to the median percentage increase in the total compensation for all employees (excluding the highest-paid individual).

For detailed information on the operations of the Remuneration Committee, please refer to the Company's official website

Audit Committee

1. The committee is composed of 4 independent directors, appointed by the resolution of the Board of Directors, with one of them serving as the convener. In 2024, a total of 4 meetings were convened, with an actual attendance rate of 100%.

2. Duties:

(1) Establish or amend internal control systems in accordance with Article 14-1.

(2) Assess the effectiveness of the internal control system.

(3) Adoption or amendment, pursuant to Article 36-1, of handling procedures for financial or operational actions of material significance, such as acquisition or disposition of assets, derivatives trading, funding to others, and endorsements or guarantees for others.

(4) Matters involving the personal interests of directors.

(5) Major transactions of assets or derivative commodities.

(6) Significant lending of funds, endorsements, or guarantees.

(7) Offering, issuance, or private placement of any equity-type securities.

(8) Appointment, dismissal of and compensation for CPAs.

(9) Appointment or discharge of financial, accounting, or internal audit officers.

(10) Review annual financial reports signed or stamped by the chairman, managers, and chief accountants.

(11) Other significant matters prescribed by the Company or the competent authority.

3. Key Review Items:

(1) Evaluation of the effectiveness of the internal control system.

(2) Annual financial statements and profit distribution.

(3) Proposal of abolition of non-compete restriction on directors.

(4) Assessment of the independence of the accountant and the appointment of an accountant.

(5) Establish a pre-approval policy for non-assurance services provided by the CPA.

(6) Modification of the internal control system.

(7) Endorsements and guarantees.

(8) Interim financial reports.

(9) Approve changes to the chief accountant.

(10) Accountant remuneration.

(11) Amend procedures for transactions involving related parties, specified companies, and group enterprises.

(12) Audit plans.

(13) Oversee the implementation of risk management policies.

For detailed information on the operations of the Audit Committee, please refer to the Company's official website

1.2 Economic Performance GRI 3-3、GRI 201、201-1、201-4

Material Topic
Economic Performance

Material Reason
The Company's operational performance is a significant factor supporting sustainable business development.

Impact Scope
Directly affects the Company and its employees, indirectly affects investors and suppliers.

Sustainability Principles and Corresponding SDGs
Establish Robust Governance/SDGs 8 Decent Work and Economic Growth

Management approaches

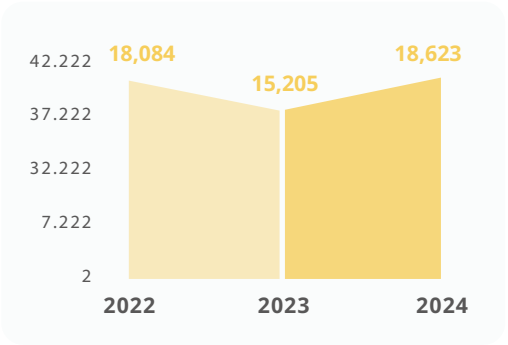
Policy Purpose	Enhance market competitiveness and achieve sustained profitability to ensure the sustainable development of the enterprise.
Objective	Maintain profitability annually
Management Plan	1. Achieve full production and sales across all product lines, develop dominant markets, adjust sales strategies, and enhance sales of dominant products. 2. We focus on product functions and features, conducting quality improvement, performance enhancement, new product development and verification, and developing high value-added products. 3. We establish long-term strategic partnership with raw materials suppliers and determine the safety stock based on materials preparation lead-time to ensure supply chain fluency.
Evaluation of the Management	Consolidated Revenue Budget Achievement Rate
Assessment Mechanism	1. Management Meetings; 2. Production and Sales Coordination Meetings; 3. Quality Meetings
Assessment Result	In 2024, the operating net loss was NT$220 million. The Company continued to strengthen sales volume and aimed to achieve full production and sales. As a result of increased sales volume, the overall gross profit margin improved compared to the previous year.
Negative Impact Remedies and Preventive Measures:	1. Rising energy costs - Increase in electricity fees, carbon tax imposition - Increase in production costs: Collaborate with the Group's energy resource management department to review in-plant energy conservation and carbon reduction schemes. 2. Regulatory restrictions on industry development - Factory shutdown: Ensure ongoing compliance and continuous improvement with relevant laws and regulations, periodically review new legal updates to verify compliance. 3. Water consumption fee imposition - Increase in production costs: Collaborate with the Group's energy resource management department to review in-plant water resource management schemes.
Grievance Mechanism	1. General Meeting of Shareholders 2. Company website "Investor Services/Contact Point"

As of 2024, TTC had total assets of NT$9.8 billion, of which current assets were NT$6.5 billion, accounting for about 66% of total assets, and non-current assets were NT$3.3 billion, accounting for about 34% of total assets. The asset turnover rate for 2024 was 1.99 times.

In 2024, the operating revenue was NT$18.6 billion, of which revenue from the plastics sectors was NT$18.1 billion (97%). After tax, the net loss amounted to NT$220 million, falling short of the annual target of maintaining consistent profitability.

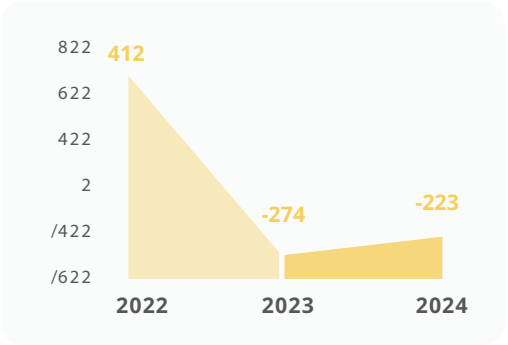
Operating revenues

NT$ millions



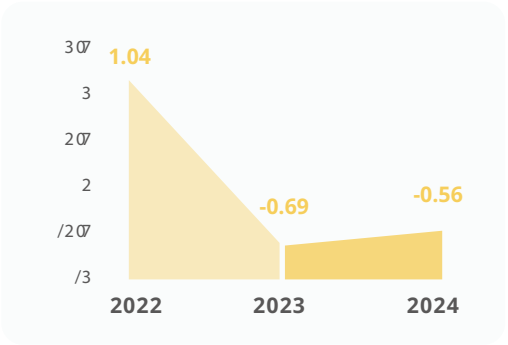
Net income after tax

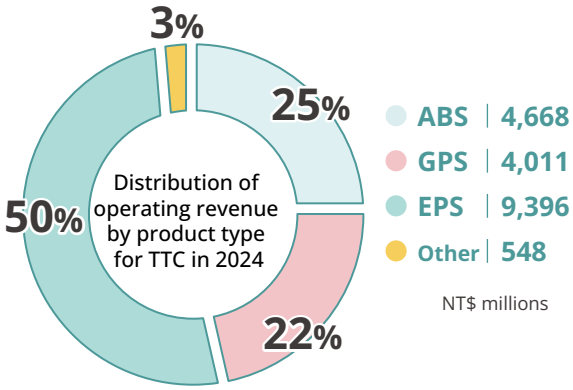
NT$ millions



EPS

(NT$)





Consolidated Financial Information for the Past Three Years

Item	Basic Element	2022	2023	2024
Direct economic value	Sales revenue	18,084	15,205	18,623
	Financial investment income	0	1,115	0
	Asset sales revenue	0	0	0
	Subtotal	18,084	16,320	18,623
Distributed economic value	Operating costs	16,640	15,904	18,278
	Compensations and benefits for employees	580	541	559
	Payment to investors	199	119	80
	Payment to the government expense	445	147	7
	Investments in community	7	2	2
	Subtotal	17,871	16,713	18,926
Remained economic value		213	-393	-303

Unit: NT$ millions

The cost of goods sold in 2024 was NT$17.7 billion, accounting for about 95% of operating revenue, with raw material costs accounting for about 90% of total manufacturing costs. TTC complies with all applicable tax regulations. The Company paid NT$7 million in taxes, representing 0% of its total standalone operating revenue.

Welfare expenses for 2024 (including post-retirement benefits, salaries, insurance, and others) were NT$560 million, accounting for about 3% of the total cost and expenses.

Financial subsidies received from the government in 2024: NT$600,000.

Please refer to the Market Observation Post System (Stock code: 1309) and TTC's website for the consolidated financial statement of 2024

1.3 Risk Management

To fortify corporate governance and mitigate potential operational risks, we are committed to ensuring the Company's steadfast operation and ongoing growth. In line with this, the "Risk Management Policy and Procedures" were endorsed by the Audit Committee and the Board of Directors in December 2020. This comprehensive framework encompasses the Company's risk management policy, organizational structure, processes, categories, and the mechanisms in place. This structure is designed to effectively navigate and control any risks emerging from business activities. Furthermore, a detailed report on risk management practices is presented to the Audit Committee and the Board of Directors annually.

To streamline the Company's risk management approach, we've integrated efforts from the Board of Directors, Audit Committee, senior executives responsible for routine operations, Audit Division, specialized risk management units, and subsidiaries. Annually, we undertake systematic reviews of each risk management unit's operational scope. This ensures risks are consistently identified, evaluated, and managed.

The Audit Division audits risk management within the Company, timely provides management with the information of inherent or potential risks under internal control to ensure compliance with existing regulations and control procedures.

1.3.1 Risk Management Process

The Company's structured risk management process encompasses risk identification, risk measurement, risk monitoring, risk reporting and disclosure, followed by appropriate responses to identified risks.

1 Risk Identification	This involves pinpointing specific risk factors.We employ tailored methods that reflect the Company's unique business characteristics, taking into account both internal and external dynamics.
2 Risk Measurement	After identifying risk factors, each risk management unit should define an appropriate measurement method as the basis for risk management.
3 Risk Analysis and Assessment	This includes analyzing and evaluating the likelihood of risk occurrence and its negative impact, to assess its effect on the Company, which serves as a reference for subsequent risk control prioritization and response measure selection. Quantifiable risks should undergo rigorous statistical analysis. For other risks that are currently difficult to quantify, qualitative measures should be adopted, which means describing the likelihood and impact of the risk in words. Risk Monitoring: Continuous vigilance is key. Each risk management unit consistently oversees the risks inherent in their domains. Should risk exposure breach predetermined thresholds, they swiftly devise and propose counteractive measures, ensuring senior management remains fully informed.
4 Risk Reporting and Disclosure	Transparency is essential. By meticulously documenting risk management endeavors and their outcomes, we can furnish regular updates to senior management. This ensures the robustness and efficacy of the overarching management system and risk control mechanisms.
5 Risk Response	Post risk measurement, each unit adopts suitable measures to address and counterbalance the identified risks.

Units Responsible for Managing Specific Risks

Financial Risk Group Finance Division	**Strategic and Operational Risk** President's Office
Materials Price and Supply Chain Risk Group Procurement & Logistics Division	**Occupational Safety Risk** Safety Office/Group Predict Maintenance & Environmental Risk Management Division
Information Security Risk Group Information Systems Division	**Legal Risk** Legal Division
Human Resources Risk Group Human Resources Division	**R&D Risk** Sales Division/R&D Department
Climate Change and Environmental Risks Environmental Protection Department/Group Predict Maintenance & Environmental Risk Management Division	**Disaster and Accident Risk** Safety Office/Management Department/President's Office
Technology Risk President's Office/Group Information Systems Division	**Other Risks**

1.3.2 Control Mechanisms and Detailed Operations of Various Risks in 2024

The Company's various departments manage risk assessments based on current operational conditions. We constantly monitor and control these risks to safeguard the interests of the Company, its employees, shareholders, and stakeholders. TTC's goal aligns with the sustainable vision: "Create Sustainable Value for a Sustainable Society."

1.3.3 Internal Control and Audit Mechanism

The Company has established an independent internal audit unit reporting directly to the Board of Directors. Its function is to assess the design and implementation of internal controls and to draft and execute annual audit plans. The Company's auditors, possessing international internal auditor certifications, adhere to principles of impartiality, independence, integrity, and honesty. They routinely attend meetings of the Board of Directors and the Audit Committee, presenting significant audit findings and monitoring subsequent improvements. The audit head is also responsible for the Audit Committee's dedicated mailbox and whistleblower hotline, handling reported matters.

In 2024, the internal audit unit completed its scheduled audits on time, issuing 52 audit reports and 3 follow-up reports, except for certain audit recommendations that are pending due to a lack of samples during the follow-up period and will be tracked in the following year, all other audit recommendations have been addressed.

1.4 Ethical Corporate Management

1.4.1 Code of Conduct

Ethical Corporate Management Best Practice Principles

To instill in all employees the Company's culture of integrity and to enhance their professional ethics and conduct, we adopted the "Integrity Management Guidelines" and "Procedures and Behavior Guidelines for Integrity Management" based on the "Listed Company Integrity Management Guidelines" issued by the Taiwan Stock Exchange. These guidelines prohibit dishonest behaviors and apply to directors, managers, employees, and those with significant control over the Company. Unacceptable behaviors include offering, promising, demanding, or accepting any undue advantages and engaging in any dishonest or illegal actions or any actions that breach fiduciary duties for the purpose of obtaining or maintaining benefits. The Company's directors and the President have all signed declarations committing to compliance with the integrity management policy. Additionally, all employees are required, as part of their employment terms, to pledge adherence to。

Training for the Ethical Corporate Management Best Practice Principles

To ensure that colleagues understand ethical standards, new employees must sign a pledge on their first day, which clearly outlines the Company's integrity policies, and commit to adhering to them. Apart from making integrity-related regulations available on the website for employees, we also invite external scholars and experts to conduct annual integrity lectures and internal training, emphasizing the commitment, policy, preventive measures, and potential repercussions of breaches. In 2024, the Company organized training related to integrity management. A total of 535 employees attended, clocking 750 training hours. Here are the details:

Overview of Integrity Management Related Educational Training Programs

Course Name	Course Duration	Total Attendees	Total Training Hours
Integrity Talk: Supervisors' Awareness of Unlawful Conduct in the Workplace	2	34	68
Integrity Talk: Ethics in the Workplace: Stop, Look, and Listen	2	61	122
Integrity Talk: No-Fault Product Liability	2	80	160
Integrity Talk: Case Analysis of Letter of Credit Trade Insurance	2	40	80
Integrity Talk: Code of Conduct for Employees	1	320	320
Total		535	750

Code of Ethical Conduct for Directors and Managerial Personnel

The Code is established in order to encourage the Company's directors and managerial officers to act in line with ethical standards when engaging in business activities ex officio for the Company, in order to prevent any unethical conduct and activities from injuring the Company's and shareholders' interest. The Code is applicable to the following: the Company's directors and managerial officers (including the President, Vice Presidents, Executive Vice Presidents, chief financial and chief accounting officers, and other persons authorized to manage affairs and sign documents on behalf of the Company). The standards' provisions include: safeguarding trade secrets, engaging in fair trade, abiding by laws and regulations, and the protection and appropriate use of company assets.

Work Ethics and Professional Conduct Guidelines

To maintain the reputation of the Company's integrity and ethical business practices, we have incorporated work ethics and professional conduct into the employee training program. Any breaches will be reflected in the individual's performance review, and severe violations will be addressed in accordance with company rules. In 2024, there were no illegal or unethical incidents, and no related reports were received. ◦

Internal Review of Regulatory Compliance GRI 2-27

In addition to commitment to ethical business practices, the Company also emphasizes adherence to relevant regulations. We engage renowned scholars, experts, and lawyers to conduct training sessions on related regulations. Through routine departmental meetings, we disseminate the latest regulatory updates, ensuring employees are informed about any new amendments or changes to the law promptly. The Chief Corporate Governance Officer, in compliance with regulations, periodically (at least once a year) reports to the Board of Directors. The most recent report on ethical business operations was presented at the Board meeting on November 6, 2024, which included:

1. Establish regulations to practically implement the ethical management policy according to the laws and regulations.
2. Periodically analyzing and assessing the risk of unethical behaviors within our scope of operations - based on the "Unethical Behavior Risk Assessment Checklist".
3. Planning internal organization framework and designating monitoring mechanisms for business activities with higher risks of unethical behavior.

4. Promoting and coordinating awareness and educational activities with respect to ethics policy.
5. We have put in place a whistleblowing system to ensure its effective execution - According to statistics, no reports of any illegal incidents were received this year.
6. Assisting the Board of Directors and President in auditing and assessing whether the preventive measures for ethical management are effectively implemented, and preparing reports on the regular assessment of compliance with ethical management in operating procedures.

Whistleblowing Channels GRI 2-26

TTC established the "Procedure for Handling Reports on Illegal, Unethical, or Untrustworthy Behaviors," which clearly defines both internal and external whistleblowing channels and handling systems. This is in line with the commitment to upholding the ethical behavior guidelines and business integrity standards we have set. Furthermore, it guarantees the legal rights and interests of the whistleblower and relevant parties. Whistleblowing Channels:

Personal reporting
Face-to-face description

Phone reporting
02-26503783

Correspondence reporting
Audit Division, 7F, No. 37, Jihu Road, Neihu District, Taipei City

When receiving a personal or phone report, the case undertaker should take statements from the whistleblower and label the statement as "Confidential." We assure full protection of the confidentiality of informers, investigators and case contents to prevent them from unfair treatment or retaliation.

1.4.2 Violations, fines imposed, and rectifications

In 2024, TTC reported no incidents of violations or fines related to product labeling regulations, nor any breaches of laws and regulations in the social or economic domains. There were two cases of non-compliance with environmental laws and/or regulations; however, no major legal violations were recorded. (Note: Major legal violations are defined in accordance with the "Taiwan Stock Exchange Corporation Procedures for Verification and Disclosure of Material Information of Companies with Listed Securities.")

Plant	Competent Authority	Causes of Fine	Fine amount (NT$10K)	Improvement
Linyuan Plant	Kaohsiung City Environmental Protection Bureau	On March 27, 2024, the Inspection Division of the Environmental Protection Bureau conducted a black smoke emission inspection at the plant. The investigation revealed that black smoke was emitted from the RTO (Regenerative Thermal Oxidizer) stack in Area 26 due to insufficient heat value, constituting a violation of Article 32, Paragraph 1, Subparagraph 1 of the Air Pollution Control Act.	22.5	All process and utility areas within the plant are required to notify the Area 26 shift supervisor prior to start-up and shutdown operations. During these periods, the supervisor is responsible for monitoring the operation of the RTO and adjusting its operating parameters as necessary. Additionally, information regarding start-up and shutdown activities must be clearly communicated to downstream units to ensure full awareness and coordination.
Linyuan Plant	Kaohsiung City Environmental Protection Bureau	On July 4, 2024, the Environmental Protection Bureau dispatched inspectors to the Plant to conduct inspection checks on equipment components. The inspection revealed that two points of equipment components had leak concentrations exceeding the "Kaohsiung City Equipment Component Volatile Organic Compounds Control and Emission Standards", set at 2000ppm, constituting a violation of Article 20, Paragraph 1 the Air Pollution Control Act.	30	· The two leaking components of Water Seal Tank (P2238(O01)) in Area 22 and Settling Tank (A04-O01) in Area 24 were rectified immediately during the inspection. A follow-up inspection was conducted by a third-party testing company on July 5 and confirmed compliance with standards. The results of the re-inspection were reported to the Environmental Protection Bureau, completing the corrective action process. · Deficiency 1: VOC concentration exceeded the standard due to a gap in the lid of the Water Seal Tank (P2238(O01)) in Area 22. The lid seal has been improved, and regular replacement of the tank water is now conducted. The issue has been resolved. · Deficiency 2: VOC concentration exceeded the standard at the drainage drum of the Settling Tank (A04-O01) in Area 24. Drainage procedures have been revised to require immediate removal of the drum from the process area after discharge, transfer to the wastewater treatment area, and covering of empty drums. The issue has been resolved.

Note: Disclosure of legal violations focuses on cases with fines exceeding NT$100,000.

02

Build Innovative Supply Chains

Annual Material Topic	2024 Annual Goals	Performance Status
Product Quality	Improve oxidation and yellowing resistance during ABS production and storage	Achieved
	Optimize EPS formulations to enhance processing efficiency and storage stability	Achieved

Annual Material Topic	2024 Annual Goals	Performance Status
Technology R&D	ISO 14021 certification for recycled content	Achieved
	Establish a pilot plant for emulsion polymerization stirrer blades	Achieved

2.1 Product Quality GRI 3-3

Material Topic

Product quality

Material Reason

Under the foundation of pursuing sustainable business practices, we aim to provide our clients with satisfactory quality and service. We aim to grow alongside customers and suppliers, providing them with satisfactory quality and services. Through persistent efforts and the adoption of innovative technologies, we strive to enhance the quality of our offerings, ensuring that all products meet and exceed our customers' expectations.

Impact Scope

Only by maintaining consistent product quality can we ensure our customers' continued patronage, thereby enhancing performance and achieving sustainable business operations.

Impact Boundary

Employees/ Customers/ Suppliers

Sustainability Principles and Corresponding SDGs

Build Innovative Supply Chains/ SDGs 12: Responsible Consumption and Production

Management Approaches

Policy Purpose	We collect information on market development and customer needs to develop environmentally friendly new products and niche products that satisfy the market and customer needs, enhancing our technological R&D capability and company profit.
Objective	2024 Goals: 1. Improve the quality of general-grade ABS products (storage stability); 2. Enhance processing efficiency and storage stability of fast-grade EPS products. Mid-term goals in 2027: 1. Apply GPPS materials in high-value water-related applications and obtain third-party quality certifications; 2. Development of alternative EPS formulations using raw materials restricted under REACH regulations. Long-term goals in 2030: 1. For process optimization and product development, continue compliance with the goal of safety and environmental five zeros (zero pollution, zero emissions, zero occupational hazards, zero accidents, and zero failures).
Management Plan	Deliver stable product quality that complies with international quality management standards and enhances customer satisfaction.
Evaluation of the Management	1. Suppress oxidation and yellowing during ABS production and storage by incorporating external additive formulations; 2. Optimize EPS formulations to enhance processing efficiency and storage stability.
Assessment Mechanism	1. Statistical analysis of ABS appearance and color quality for both domestic and international markets; 2. Monitoring of EPS customer processing cycle times and preservation of export product quality.
Assessment Result	✔1. The base color of ABS was improved, resulting in stable color appearance from production to packaging with a color difference (YI) of ≤ 2. ✔2. Optimization of the EPS formulation led to an increase of 45 in surface hardness, a 10% improvement in storage stability, and a 15% enhancement in molding efficiency.
Grievance Mechanism	If customers are dissatisfied with product quality, the "Customer Complaint Handling Procedure" is followed to provide a formal channel for lodging complaints, ensuring the protection of customer rights.

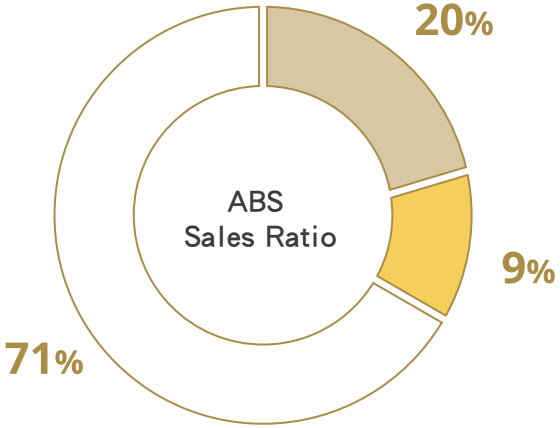
2.1.1 Sales Regions for Major Products

ABS/PS products manufactured at Linyuan and Qianzhen Plants

Amidst the rapid expansion of new capacities in 2024, China gradually transitioned from an import country to an export. In response to market changes, TTC swiftly shifted its target markets, achieving results as follows:

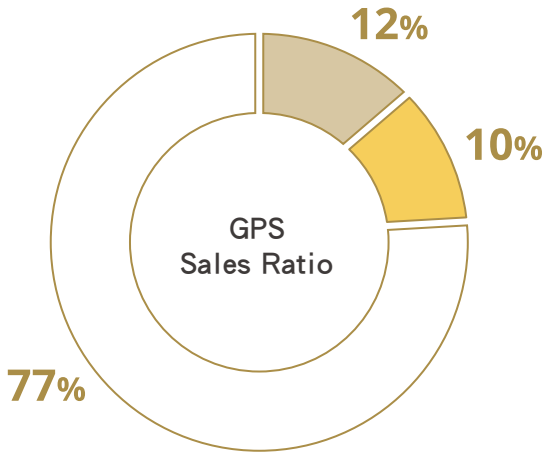
- ABS sales ratio in China and Hong Kong was reduced to 20%, with a major shift towards emerging markets in South Asia and Southeast Asia, and ongoing development in oceanic province.
- The GPS market continues to expand its reach into oceanic province, with the sales ratio in China and Hong Kong maintaining about 12%, while other sales regions are being further cultivated and developed.
- EPS sales remain steady as efforts continue to cultivate the Central and South American and Southeast Asian markets.

2024 Sales Distribution of Major Products by Region



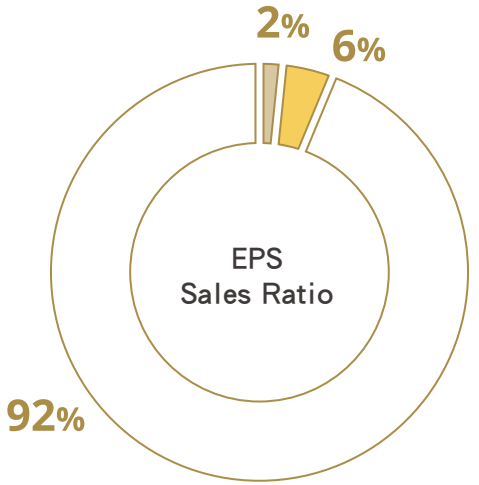
Mainland China including Hong Kong
Taiwan Others

Production volume of ABS products in 2024: 86,741 tons



Mainland China including Hong Kong
Taiwan Others

Production volume of EPS products in 2024: 59,751 tons



Mainland China including Hong Kong
Taiwan Others

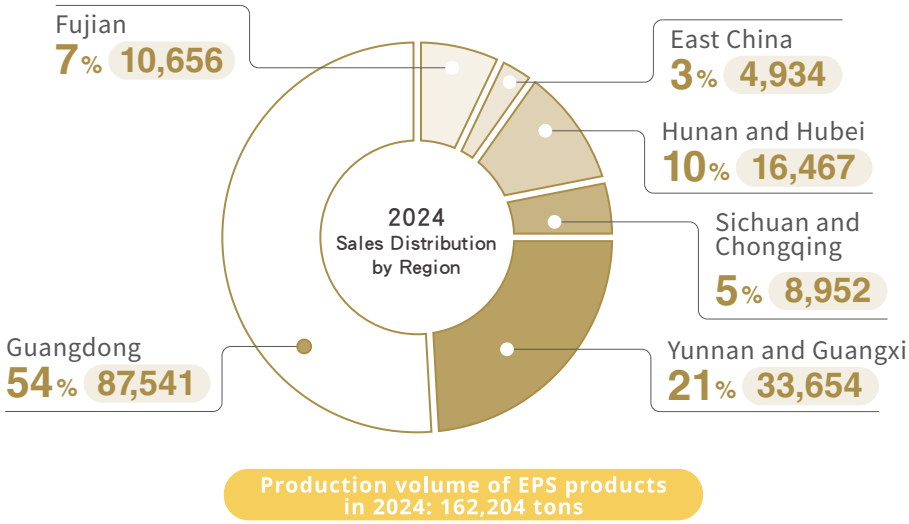
Production volume of GPS products in 2024: 94,641 tons

EPS produced by the Zhongshan Plant

All sales from the Zhongshan Plant were directed towards China, targeting primary markets including electronic packaging, fruit and vegetable packaging, fish boxes, ceramics, pharmaceutical packaging, and exterior wall insulation boards. Given the plant's geographical location and to capitalize on shipping cost advantages, the primary sales markets are in the Guangdong and Yunnan provinces. To expand brand influence and coordinate with the Gulei plant establishment plan, sales in Fujian have been intensified, and there were minor sales in fringe markets.

In 2024, the domestic economy remained sluggish, with continued downturns in the real estate sector and related industries such as home appliances and furniture. However, market conditions showed signs of recovery in the second half of the year, driven by the implementation of government stimulus measures, such as the home appliance replacement subsidy program. Overall demand in 2024 declined by approximately 20%.

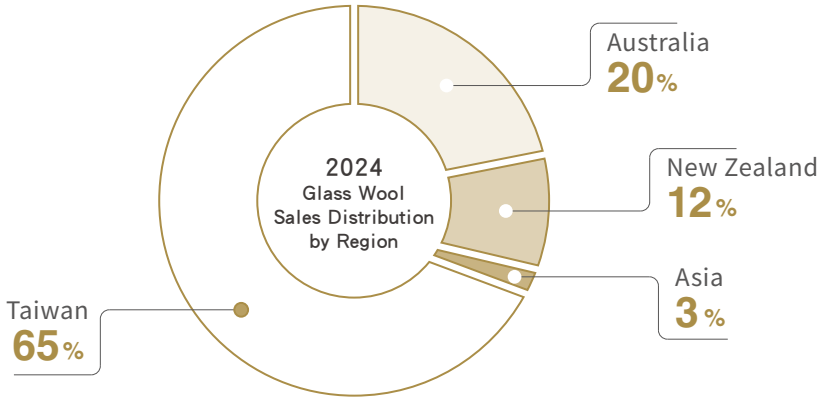
Efforts were channeled into stabilizing the existing customer base and actively exploring markets in Zhudong and Gulei pre-sales areas from the Zhongshan Plant. This strategy involves increasing the base of regular customers and stabilizing transaction volumes to mitigate the impact of shrinking demand. Meanwhile, remained product quality, with continuous improvements in particle size concentration, and enhanced service awareness to increasing competitiveness. Although overall demand declined in 2024, the Zhongshan Plant maintained stable sales volumes with core customers in South China while significantly expanding its direct customer base in regions such as Zhudong and Yunnan. Sales volume increased steadily from 126,898 metric tons in 2023 to 162,204 metric tons in 2024.



Production volume of EPS products in 2024: 162,204 tons

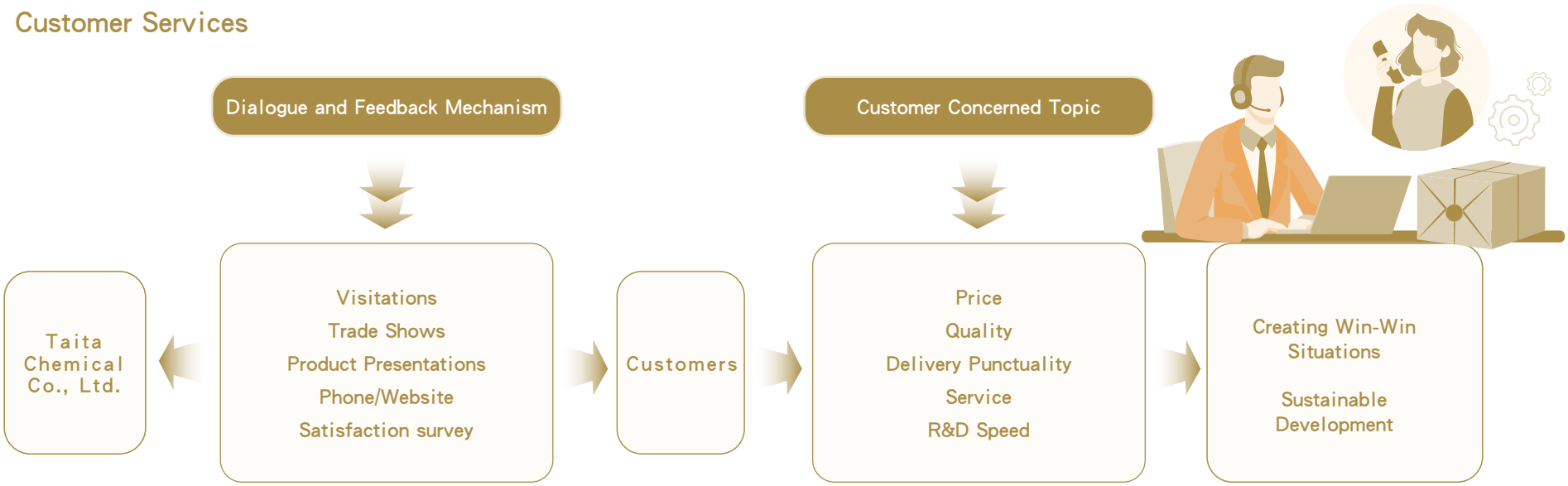
GW from the Toufen Plant

In 2024, domestic sales of GW products accounted for approximately 65%, while the remaining 35% were exported to New Zealand, Australia, the USA, and various Southeast Asian countries. The domestic market for glass wool grew by 6% in 2024, with imports accounting for approximately 7% of the overall market, predominantly from Kuwait. It's projected that the domestic market will contract by about 8% in 2025 compared to 2024. The Southeast Asian market has long been affected by price competition from mainland China. As a result, exports of glass wool have focused primarily on higher-priced markets such as New Zealand and Australia. However, due to a sluggish real estate market in these regions in 2024, combined with low-cost dumping from China and a sharp rise in ocean freight rates, the total export volume to New Zealand and Australia in 2024 remained flat compared to 2023. In response to the significant increase in domestic electricity prices and the resulting rise in production costs, the 2025 export strategy will focus on maintaining sales volume while improving profit margins. The projected sales ratio for 2025 is 63% domestic and 37% export.



Production volume of GW products in 2024: 8,998 tons

2.1.2 Customer Services



(1) Products comply with local government regulations for customer sales

- For ABS/GPS/EPS/AS in accordance with EU regulations, we fully use materials that comply with the Restriction of Hazardous Substances (RoHS) Directive and the Registration, Evaluation, and Authorization of Chemicals (REACH).
- EPS, in line with EU and Japanese regulations, switched to using non-hexabromocyclododecane (non-HBCD) (321N) as a flame retardant for producing fire-resistant EPS.
- Curved printing and glass wool comply with RoHS, and formaldehyde-free products ensure indoor air quality.
- BS/PS/EPS products' PSM process safety management, hardware equipment rectification, and process design are in line with ISO 50001 energy management and ISO 14064-1 greenhouse gas inventory standards.
- ABS products obtained import permit from the Bureau of Indian Standards (BIS).
- Product ISO 14021 certification for TAIECOR products.

(2) Improving product performance and customer satisfaction

TTC, under the foundation of pursuing sustainable development, continuously strives to enhance product quality and performance. We have implemented the ISO 9001 quality management system and establish a quality policy as follows: QP (Continuous improvement of product quality) + QS (Enhanced service quality) = Q (Operational quality satisfying the customer). Monthly quality assurance meetings are held to discuss product line quality, maintain stable product quality, track process capability and stability. The objective is to provide superior and functional products, enhancing the customer's processing and production efficiency.

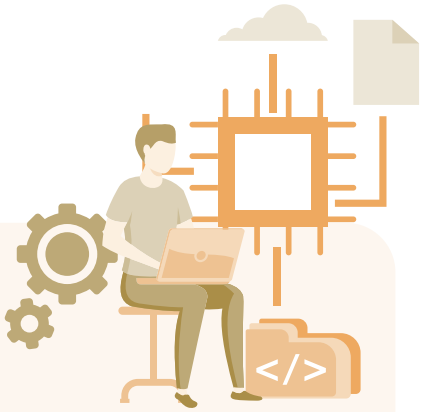
(3) Achievements in Enhancing Basic Product Performance and Quality Improvement in 2024, Targets Met

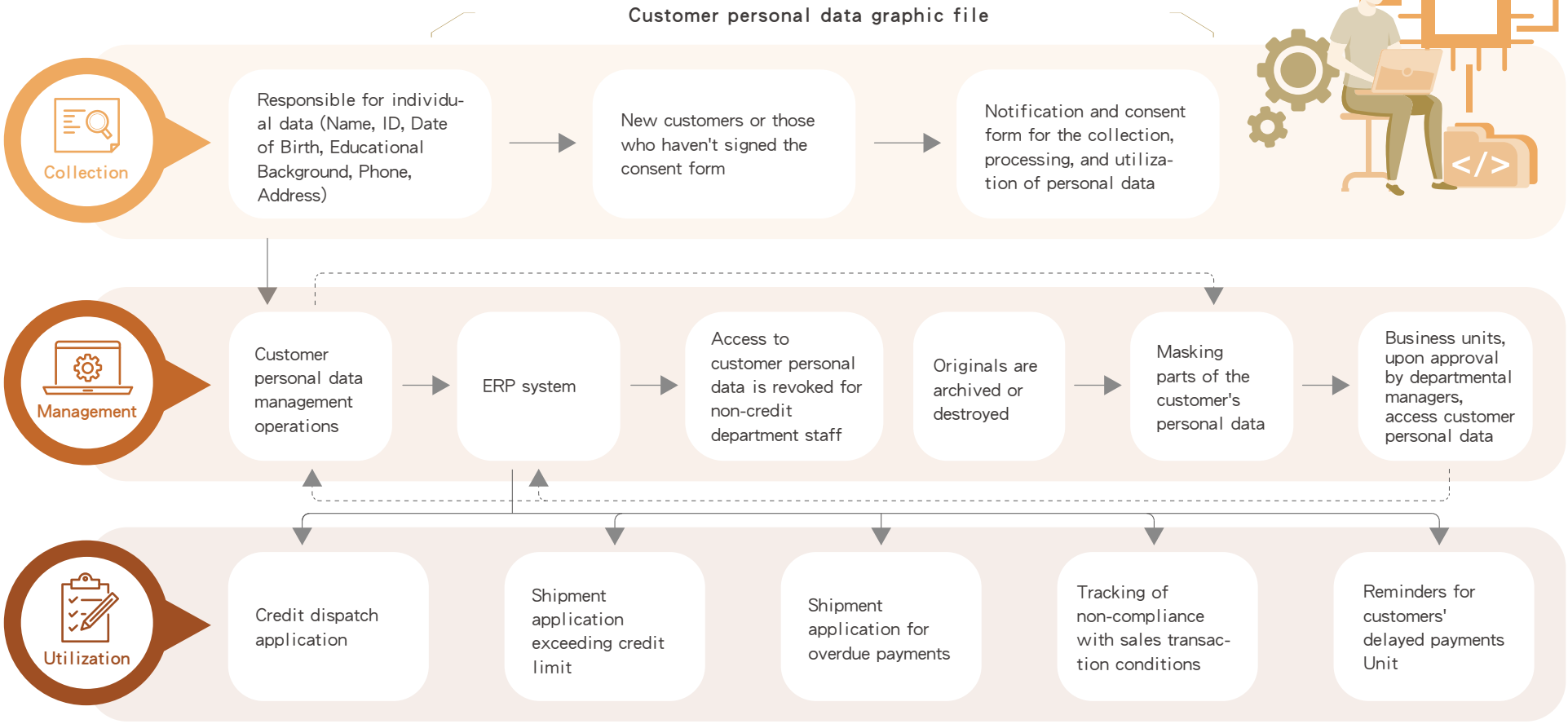
The base color of ABS was improved, resulting in stable color appearance from production to packaging with a color difference (YI) of ≤ 2.

Optimization of the EPS formulation led to an increase of 45 in surface hardness, a 10% improvement in storage stability, and a 15% enhancement in molding efficiency.

The recycling and reuse process achieved ISO 14021 certification for the product branded as TAIECOR.

(4) Customer Data Management and Protection





2.1.3 Customer Satisfaction

TTC values customer feedback, collecting opinions and suggestions on various products and services for internal operational improvement. Aligning with ISO 9001's commitment to customer quality and emphasizing customer satisfaction, an annual customer satisfaction survey is conducted, and corrective actions are taken for any customer dissatisfaction. These were reported in internal management meetings (e.g., production and sales meetings, business management meetings, management review meetings). Our goal is to provide excellent customer service, enhance product satisfaction, and gain trust from our customers.

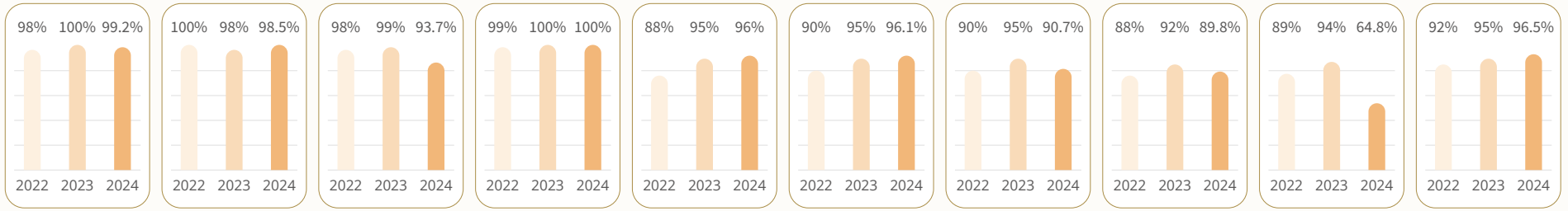
ABS/PS Production at Linyuan and Qianzhen Plants

The customer satisfaction survey for ABS and Polystyrene (known as PS) products covers six areas: service quality of sales representatives, product quality, supply capability, technical service, transportation service, and the quality of packaging upon arrival. Each category holds a weight of 16.67% in the evaluation.

The target audience for the customer satisfaction survey is determined by selecting clients who account for 70% of the total sales volume across both domestic and international sales divisions, which totals 162 companies.

In 2024, one customer satisfaction survey was conducted, with an average satisfaction rate of 96%. All evaluation indicators were rated as excellent; however, some customers expressed complaints regarding delivery delays caused by typhoon-related disruptions.

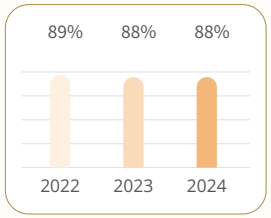
Trends in Key Customer Satisfaction Over the Last Three Years for the Linyuan Plant and Qianzhen Plant



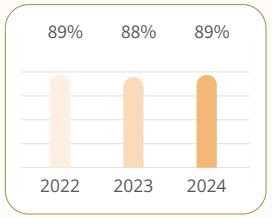
EPS produced by the Zhongshan Plant

The EPS product customer satisfaction survey covers: Product quality (30%), supply capability (30%), technical services (20%), transportation services (10%), packaging upon arrival (5%), and comparison of overall services with EPS peer manufacturers (5%). The survey audience is selected from customers representing 85% of total sales (143 companies in total). In 2024, two customer satisfaction survey were conducted, with an average satisfaction rate of 92%. The set targets were achieved, with customer satisfaction regarding product quality remaining generally consistent. Occasional issues such as batch-to-batch variations and quality instability were noted. Technical services performed on par with the previous year, while improvements were observed in packaging and transportation services. Moving forward, efforts will focus on further enhancing particle size uniformity and stabilizing product quality to strengthen industry competitiveness, while continuously improving transportation services to elevate overall service quality.

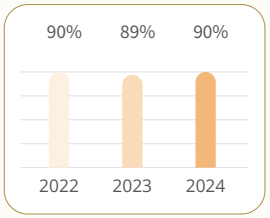
Zhongshan Plant Trends in Key Customer Satisfaction Over the Last Three Years



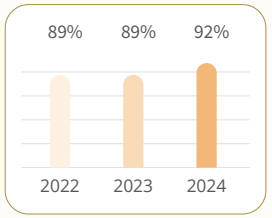
Product Quality



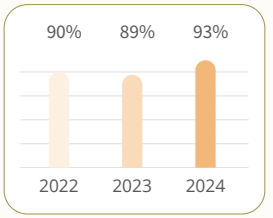
Supply capability



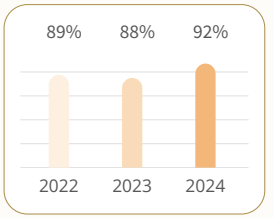
Technical services



Transportation services



Packaging upon delivery

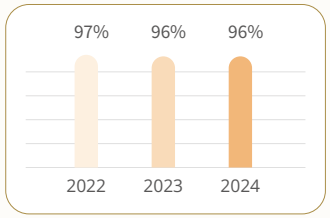


Comparison of Overall Services with EPS Peer Manufacturers

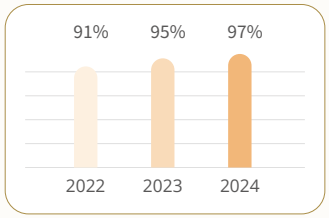
GW from the Toufen Plant

The customer satisfaction survey for glass wool covered the following aspects: service attitude, delivery scheduling coordination, speed of dispute resolution, quality status, and shipment cooperation. In 2024, one satisfaction survey was conducted, resulting in a satisfaction rate of 95%, successfully meeting the target of 90%. The survey focused on the top 70% of customers by domestic and export sales revenue from the previous year, totaling 31 customers in 2024. After compiling the feedback, a customer satisfaction survey report was prepared. By providing excellent customer service, we aim to enhance customer satisfaction and win their trust in our company.

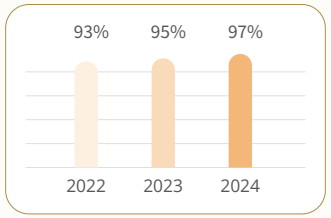
Customer satisfaction survey for Toufen Plant



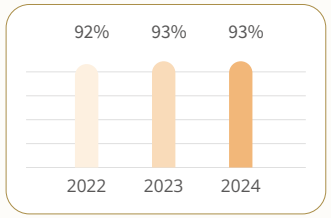
Service attitude



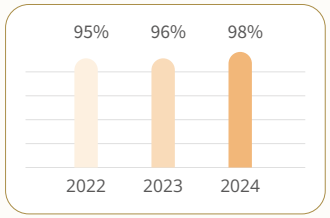
Delivery scheduling cooperation



Speed of dispute resolution



Quality status



Shipment cooperation

2.2 Technology R&D GRI 3-3

Material Topics

Technology R&D

Material Reason

The ability to research and develop new product technologies enables us to grasp market trends and enhance our competitiveness. It's vital for business growth and continuity. With technical development capability, we can consistently generate high profitability and sustain the business in the long run.

Impact Scope

The technical R&D capability affects product competitiveness, directly impacting company operations/profit growth and customer development requirements.

Impact Boundary

Employees, customers, investors.

Sustainability Principles and Corresponding SDGs

Build Innovative Supply Chains/SDGs 9 - Industry, Innovation, and Infrastructure

Management Approach

Policy Purpose	Collect market development and customer demand information to research and develop environmentally friendly and customer-oriented new products that meet market and customer needs, thereby enhancing R&D capabilities and company profitability
Objective	2024 Goals: 1. TAIECOR eco-friendly material ISO 14021 recycled content certification; 2. Establish a pilot plant for new model emulsion polymerization stirrer blades Mid-term goals in 2027: 1. Development and promotion of TAIECOR eco-friendly materials; 2. Control of particle size distribution in emulsion polymerization 3. Development of synthesis technology for large and small particle sizes in emulsion polymerization Long-term goals in 2030: 1.Development of high-value application materials aligned with ESG development trends 2.Development of butadiene emulsion polymerization formulations
Management Plan	Monitor product development progress according to the "Raw Material/Formulation Amendment and On-site Test Operation Standard." Report and review R&D progress in monthly development
Evaluation of the Management	1. Monthly development meeting reports and review of R&D progress. 2. New product development progress is included in key performance indicator evaluations. 3. Certification of recycling and reuse processes
Assessment Mechanism	1. ISO 14021 product certification for recycled content 2. Establish a pilot plant for emulsion polymerization stirrer blades
Assessment Result	1. The recycling and reuse process achieved ISO 14021 certification for the product branded as TAIECOR 2. stablish a pilot plant for new model emulsion polymerization stirrer blades
Policy Adjustment	1. Gather comprehensive market information and leverage Group/industry-academia R&D resources to shorten market promotion timelines and enhance market competitiveness. 2. TAIECOR Product Traceability ISO 14021 Certification Information

2.2.1 Technology R&D

For the R&D team at TTC, continuous development of new and niche products, and leveraging the collective R&D resources of the Group, are essential to create high profitability and ensure sustainable operations.

Since its early market growth, TTC has been actively focusing on product functionality and features, undergoing a series of performance enhancements and new product developments to accelerate customer R&D progress. When customers face manufacturing issues or bottlenecks in process capability for their new products, the Company provides superior technical services to speed up the mass production timeline for the client, enhance their production yield, and ultimately ensure that the newly launched products are competitive in the market.

Over the years, TTC has dedicated itself to technical R&D and has effectively developed environmentally friendly and customer-centric new and niche products, meeting market and customer needs, enhancing technical R&D capabilities, and increasing revenue. Their achievements are notable. In addition to improving manufacturing processes across all factories, they focus on establishing proprietary key technologies and enhancing differentiated innovation. The R&D expenditures for TTC in 2022, 2023, and 2024 were NT$15.31 million, NT$15.83 million, and NT$16.37 million, respectively.

2.2.2 Successfully Developed Technologies or Products

(1) Improve oxidation and yellowing resistance during ABS production and storage

(2) Product ISO 14021 recycled content certification for TAIECOR products.

2.2.3 Ongoing R&D Projects

(1) Development and promotion of TAIECOR eco-friendly materials.

(2) Control of particle size distribution in emulsion polymerization.

(3) Development of synthesis technology for large and small particle sizes in emulsion polymerization.

(4) Development of alternative formulations for EPS polymerization by substituting raw materials restricted under REACH regulations.

(5) Process optimization and product development, compliance with the goal of safety and environmental five zeros (zero pollution, zero emissions, zero occupational hazards, zero accidents, and zero failures).

2.3 Supply Chain Management

2.3.1 Supply Chain Sustainable Development

With the goal of long-term sustainable management, TTC is committed to establishing good communication channels with long-term suppliers and prioritizing the safety of operations at manufacturing sites. As a result, they've fostered stable, mutually trusting, and sustainable supply chain relationships, all aimed at growing together with respect for human rights, a focus on workplace safety, and an emphasis on environmental conservation.

(1) Objectives and Strategies for Sustainable Supply Chain Development:

(2) Implementation and planning for sustainable development of supply chain:

TTC is committed to promoting sustainable operational development. Since 2018, they've introduced the "Supplier Social Responsibility Commitment Letter" for long-term raw material suppliers, requiring them to commit to human rights, workplace safety, hygiene, environmental protection, and conflict minerals.

Starting in 2023, TTC also implemented audit evaluation form for plant visits and began searches on Ministry of Environment, local environmental protection bureaus, and public information websites to check whether suppliers had violated local environmental laws. Based on the search results, these will be used for subsequent risk assessments, the related execution and future plans are as follows:

23

Short-Term Plan
1 year / 2025

Ensure 100% of suppliers sign the Social Responsibility Commitment Letter. This goal was already achieved in 2024.

24

Mid-Term Plan
2 years / 2025 - 2026

Starting in 2023, TTC initially conducted on-site audits for major raw material suppliers and special auxiliary material suppliers, and require suppliers to complete Supplier Code of Conduct and Quality Requirements Self-Assessment Form. Starting in 2024, the scope of supplier plant audits will be expanded, and the content of these audits will be gradually adjusted to ensure that all suppliers working with TTC meet social and environmental assessment standards. In 2025, the Company plans to continue expanding audits at a pace of 4 suppliers per year.

25

Long-Term Plan
3 years / by 2027

Based on the results of the plant audits, if deficiencies are identified with suppliers, relevant professionals from the Company will be appointed to provide recommendations and assist with improvements. The goal is for all suppliers to meet TTC's social and environmental assessment standards.

Note: The Supplier Code of Conduct and Quality Requirements Self-Assessment Form includes five major assessment items: labor and human rights, health and safety, environment and resources, ethics and integrity, and management and quality systems.

Labor and Human Rights	No forced labor; no child labor; provision of due wages and benefits; guarantee for working hours and breaks; elimination of workplace sexual harassment, bully, and discrimination; and no conflict minerals.
Health and Safety	Measures required for occupational safety, emergency response, occupational health, protection against machinery injuries, public health, food and accommodation, and health and safety information.

Environment	Operation permit; pollution prevention and resource conservation; hazardous substances; effluents; non-toxic solid waste; noise; exhaust emissions; product and service limitation; energy/resource consumption; and GHG emissions.
Ethics and Integrity	Ethical corporate management; respect for intellectual property rights; abidance by non-disclosure agreements; privacy protection; and avoidance of the conflict of interest.

(3) Supply Chain Risk Management

TTC has established a comprehensive electronic procurement process. Guided by the principles of fairness, impartiality, and transparency, the Company staunchly prevents any procurement malpractices or favoritism. In addition, the Company ensures smooth communication channels with its suppliers, aiming to reduce supply risks. As part of the sustainable supply chain risk assessment, prevention, and response measures, TTC collaborates with suppliers through the following action plans:

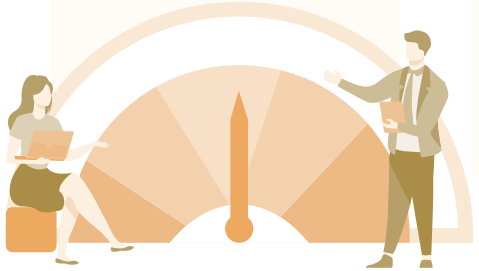
Risk Assessment and Prevention

In addition to general supply chain safety requirements, specific risk identification criteria for chemical suppliers are as follows:

1. Chemical process leakage and contamination risks.
2. Significant safety and pollution challenges from high dust levels, elevated temperatures, excessive noise, or humidity in the working environment.
3. Risks associated with working at heights.
4. Occupational hazards from cutting or welding
5. Volatile Organic Compound (VOC) emission risks.
6. Labor-intensive industry risks.
7. Supply chain and engineering disruption risks.
8. Raw material and project quality risks.
9. Preventive measures are as follows:
   (1) Implement supplier sustainability self-assessment questionnaires to help identify potential sustainability and risk issues during the early stages of supplier evaluation.
   (2) Establish long-term partnerships with suppliers, develop and maintain collaborative relationships with existing suppliers, and coordinate a long-term inventory planning system.
   (3) Build internal safety stock mechanisms, set procurement reorder points based on delivery schedules to ensure buffer stock is available and mitigate risks of material shortages.
   (4) Purchasers implement education/training for the sustainable supply chain.
   (5) EHS education/training for contractors.

Impact Response

Adjust the supply proportion of suppliers, timely supplement or dispatch from other suppliers.
For construction projects, the EHS unit immediately investigates personnel safety, equipment damage, and environmental impact. After consolidation, the EHS unit will hand over the results to related units to address and understand the situations.



Future Planning

In addition to designating chemical suppliers as key focus entities, an assessment mechanism will be established based on the purchasing amount, project outsourcing amount, or project importance, and the onsite audit results of the abovementioned sustainable development strategy.
Entities will be placed under monitoring and provided with guidance based on the established risk assessment mechanism and the evaluated level of risk.

Risk Factors and Attributes	Suppliers (Chemicals)	Construction Contractors
	Environment (E), Social (S), and Governance (G)	
Potential Risks	· Chemical process risk (E) · High dust levels, elevated temperatures, excessive noise, or humidity in the working environment (E) · VOC (Volatile Organic Compounds) emission risk (E) · Labor-intensive industry risks (S) · Supply chain disruption/delay risk (G) · Quality risk (G)	· High dust levels, elevated temperatures, excessive noise, or humidity in the working environment (E) · Risks associated with working at heights. (E, S) · Labor-intensive risks (S) · Occupational hazards from cutting or welding (S) · Supply chain and construction disruption risks (G) · onstruction quality risks (G)
Number of Audited and Visited Suppliers/ Contractors	4	The assessment is conducted together with the contractor's construction performance assessment
Audit Details	· Environmental (E): Compliance with regulations on the manufacture and storage of restricted substances · Governance (G): Quality, production and order management, customer complaint and satisfaction tracking, employee training, and management of external processing.	
Number of Qualified Suppliers/Contractors	4 (100% pass rate)	

2.3.2 Supply Management Mechanism

To maintain sustainable business practices, TTC conducts regular supplier evaluations every year. We have established evaluation management mechanisms specifically for raw material suppliers and engineering contractors. This is designed to reduce and prevent potential risks. The management mechanism is divided into evaluations for raw material suppliers and engineering contractors.

(1) Evaluation and Management of Raw Materials Supplier Evaluation

TTC establishes long-term strategic partnership with raw materials suppliers and determine the safety stock based on materials preparation lead-time to ensure supply chain fluency. In order to motivate suppliers to continually optimize and ensure that our company receives high-quality raw materials and services in a timely, appropriate quantity and at a reasonable price, we regularly conduct evaluations in line with our production, operational, and environmental policies each year. Evaluations are based on criteria like quality, delivery time, environmental and workplace safety, packaging, quality certification, and service. These evaluations are uniformly conducted by the Group Procurement & Logistics Division of USIG. The detailed evaluation mechanism and process are outlined below:

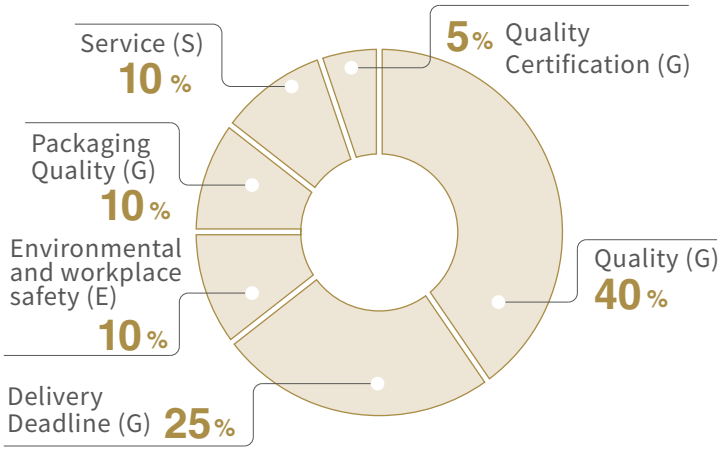
We select qualified suppliers of raw materials and OEM products based on one of or a combination of the following

- Suppliers with credibility or a good reputation at home and abroad.
- Registered certify suppliers with accreditation bodies, such as ISO certifications (ISO 9001, ISO 14001, and ISO 45001), or compliance with the European Union's Restriction of Hazardous Substances Directive (RoHS).
- Suppliers with a good quality or delivery record.
- Suppliers designated by technology suppliers.
- Exclusive suppliers of materials.

For new suppliers of raw materials/outsourced products, provided samples undergo inspection and testing by the R&D department and other relevant units. After evaluation and trial, if the report meets requirements, it's confirmed in a product improvement meeting. The procurement unit will then add the supplier to the list of qualified suppliers. After approval by the respective plant manager and the President of TTC, this list is used as a reference for procurement.

Documentation: Information related to qualified raw material/outsourced product suppliers is recorded in the Supplier Directory. A comprehensive record is maintained and reviewed periodically for updates.

Annual Supplier Evaluation Assessment Items



※ The primary reference points for assessing environmental and occupational safety are ISO 14001 and ISO 45001.
※ (E), (S), (G) represent respectively environmental, social, and governance aspects.

The qualifying threshold for the annual evaluation of raw material suppliers is set at 75 or above. Apart from the suppliers with scores above 85 for three consecutive years may be exempt from evaluation. In 2024, the qualification rate for raw material supplier evaluations at all plants exceeded 100%, with the evaluated suppliers representing 100% of the year's transactional suppliers.

Results of Raw Materials Supplier Evaluation 2022-2024

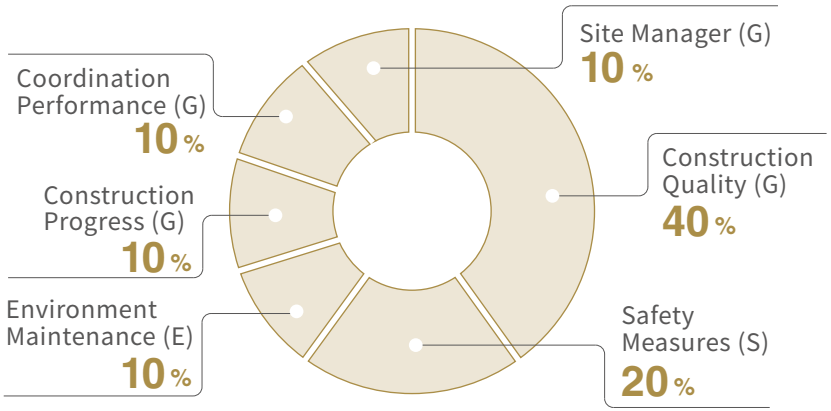
Year	2022	2023	2024
Number of Evaluations (Including Zhongshan Plant)	256	250	210
Pass Rate	100%	100%	100%

※ For supplier scores below 59 in the evaluation, the transactions with this supplier will be suspended or terminated as per regulations.

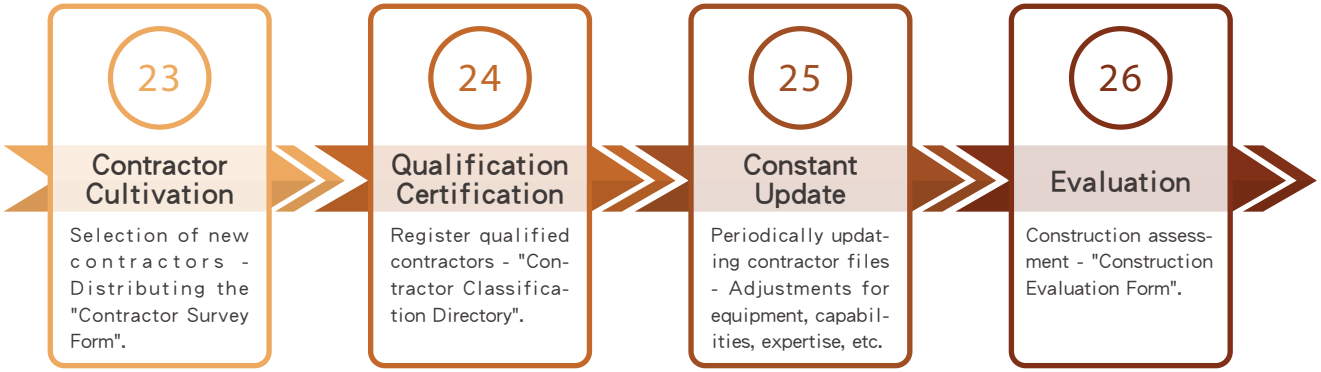
(2) Evaluation and Management of Engineering Contractors Evaluation

Subcontracting policy primarily focuses on local contractors. Register qualified contractors' information and classified after being evaluated based on their capability and quality. This classification serves as a recommendation and reference for soliciting project bids. During the construction process, the quality of the work relies on the supervision and management of plant onsite personnel. Management areas include environmental safety, occupational safety, human rights, and labor practices, with regular reports submitted to headquarters for updates.

Construction Assessment Evaluation Criteria



※ (E), (S), (G) represent respectively environmental, social, and governance aspects.



The passing threshold for the contractor's construction performance evaluation is a score of 50 or above. In 2024, TTC's qualification rate for construction evaluations in all plants reached 100%. The proportion of evaluated contractors accounted for 100% of the contractors transacted in 2024.

Construction Assessment Results from 2022 to 2024

Year	2022	2023	2024
Projects evaluated	63	60	27
Pass Rate	100%	100%	100%

2.3.3 Strategic procurement

Under the framework of sustainable business management, TTC is steadfast in promoting oversight in quality, capability, service, and environmental and occupational safety. The company places high importance on ensuring the safety and health of its employees with the ultimate goal of establishing a stable, trust-based, and enduring relationship within the supply chain. TTC collaborates with esteemed suppliers, aiming for mutual growth.

Support for local procurement

TTC has bases in Taiwan and Zhongshan, China, with Taiwan serving as the primary headquarters for overall operations. Upholding the spirit of uplifting local industries in Taiwan, the Company prioritizes purchasing from Taiwanese suppliers when product quality and procurement terms are comparable. By fostering strong cooperative relationships, TTC aims to bolster the stable development of Taiwan's economy. In 2024, the proportion of local procurement from the Taiwan plants was 72.77% of the total procurement amount (excluding bulk raw materials, including auxiliary materials, equipment, and subcontracting), while the Zhongshan Plant in China maintained a 100% local procurement rate.

The bulk raw materials, such as styrene, acrylonitrile, and butadiene required by TTC production, are under fixed contracts with local Taiwanese suppliers.According to market conditions, a portion is imported from abroad to maintain a steady supply. In 2024, the procurement of these bulk raw materials accounted for 100% of TTC's annual procurement total. There were 7 suppliers for these raw materials, all of which were Taiwanese.

Breakdown of 2024 Procurement for Key Raw Materials in Taiwan

Locations/Materials	Styrene	Acrylonitrile	Butadiene
Taiwan	50%	100%	100%
Foreign	50%	0%	0%
Source	2 Local Suppliers	2 Local Suppliers	3 Local Suppliers
		0 Foreign Suppliers	0 Foreign Suppliers

Breakdown of 2024 Procurement for Key Raw Materials in Zhongshan Plant

Locations/Materials	Styrene (Zhongshan)
China	100%
Non-China	0%
Source	8 Local Suppliers
	0 Foreign Suppliers

Growing Together with Suppliers

Currently, TTC's key raw material suppliers, including CPC Corporation, FCFC, Formosa Plastics, and CPDC, have all obtained ISO 14001 and ISO 45001 certifications. These certifications meet the Company's requirements for environmental management and occupational health and safety management, making them excellent partners for sustainable development. Regarding the investigation of potential negative impacts caused by suppliers, the Company adopts a proactive risk management approach. In addition to periodically reviewing environmental violation records of manufacturers published on government websites or online media and checking for any significant violations or news related to suppliers, since 2024, the Company has conducted supplier on-site audits at a frequency of four suppliers per year. These audits are combined with supplier self-assessment questionnaires on code of conduct and quality requirements to evaluate whether suppliers pose any negative or potential risks to the Company (such as penalties or shutdowns imposed by authorities). For suppliers with outstanding performance or those with violations or deficiencies that may cause potential negative impacts, the Company implements the following measures: For records of violations or deficiencies, the Company provides guidance for improvement; if suppliers maliciously refuse cooperation or fail to improve within a reasonable time, risk control measures such as lowering evaluation scores or selecting alternative suppliers will be adopted. For suppliers with no records of violations or deficiencies and demonstrating excellent performance: the Company organizes bilateral exchange meetings to share strengths and exchange feedback.

03 Create Friendly Environments

Annual Material Topic	2024 Annual Goals	Performance Status
Climate Change and Energy Management	Reduce energy consumption per unit product by 3%	Achieved
	Greenhouse gas emissions reduced by 9% compared to the base year	Achieved
Water Resources Management	Reduce water consumption per unit of product by 3% compared to the base year	Achieved
	Discharge water quality meets the standard	Achieved

Annual Material Topic	2024 Annual Goals	Performance Status
Air Pollution Control	The number of fines for exceeding the limit of air pollutant emissions is 0	Not achieved
	VOCs emission per unit product reduced by 10% compared to the base year	Achieved
Waste Management	Implementation of waste inspection system	Achieved
	The proper waste handling rate is 100%	Achieved

TTC deeply recognizes the importance of biodiversity conservation in maintaining global ecosystem stability and the sustainable well-being of humanity; therefore, the Company actively promotes various initiatives to reduce the environmental impact of its operational activities.

TTC regularly uses biodiversity risk assessment tools to review the Company's dependence on and impact to the natural environment in its operations. Through assessment using the WWF Biodiversity Risk Filter tool, it was found that the Company's operational activities pose a high risk in the area of "pollution." Therefore, in line with the TNFD's Mitigation Hierarchy approach, TTC prioritizes "Avoidance" and "Minimization" measures. All manufacturing sites are located within industrial parks to "avoid" proximity to areas of global or national biodiversity importance, thereby reducing the risk of ecosystem disturbance. To "minimize" pollutant emissions, TTC strictly controls the quality of stack gas emissions and strengthens self-management of VOCs fugitive emissions. The Company has also established monitoring and testing equipment, along with estimation methods, to enable real-time emission control and prompt elimination of anomalies.

To strengthen pollution control, TTC continuously upgrades and installs new equipment across its plants. This includes adding flue gas denitrification systems to boilers, replacing baghouse dust collectors in incinerators, and modifying exhaust hoods in production areas to improve collection efficiency, all aimed at effectively reducing pollutant emissions. In addition, TTC effectively controls pollutant emissions through regular maintenance, calibration, and timely replacement of consumables for its air pollution control equipment.

Furthermore, TTC also prioritizes environmental information transparency and strengthens communication with stakeholders to enhance climate-related risk management and response measures. The Company actively participates in local environmental protection initiatives, taking concrete actions to improve the local ecosystem and promote sustainable community development.

3.1 Eco-friendly Management

Environmental protection and pollution prevention form an integral part of our corporate management strategy. Since June 1998, TTC has implemented the ISO 14001 Environmental Management System, providing a robust framework for environmental protection across all our plants. This approach not only controls and minimizes our environmental impact but also prevents accidents that might harm the environment, ensuring compliance with relevant regulations.

We have integrated the environmental management system with our occupational health and safety system, establishing a comprehensive environmental, health, and safety (EHS) policy. Regular EHS training sessions are conducted to cultivate a safe and healthy working environment.

Depending on the importance of our products, TTC evaluates its production processes in terms of hazardous substance management, pollution prevention, energy conservation, water saving, and carbon reduction. The objective is to achieve high safety standards and low pollution in production. Moreover, we set our environmental goals and targets, and devise management plans or other improvement measures. These initiatives are continually implemented, reviewed, and monitored to ensure best practices are consistently followed.

TTC's Environmental, Health, and Safety Policy Corporate Promise

3 Firm commitment to compliance with governmental regulations.

4 Fulfill Corporate Social Responsibility.

5 Effective implementation of management cycles.

6 Preventative measures to mitigate hazards and reduce risks.

7 Emphasis on the concept of responsible care.

8 Prioritizing the needs of employees and the public.

9 Continuous improvement to enhance performance.

: Ensuring sustainable business operations.

3.1.1 Environmental Management Organization

To effectively implement the environmental, health, and safety (EHS) management system and promote EHS awareness among employees, we have established the EHS Management Committee. The President serves as the chairman of this committee, and under its umbrella, there are EHS management sub-committees established at each plant. The EHS Management Committee convenes a management review meeting at least once a year. Meanwhile, the management sub-committees in each plant hold an occupational safety and health committee meeting at least once every three months and an EHS execution team meeting every two months. These meetings are dedicated to regular discussions and reviews of topics related to environmental, health, and safety issues.

3.1.2 EHS Grievance Channels GRI 2-25

The TTC has established, implemented, and maintained the "Operation Regulations for Occupational Safety, Health, Energy and Environment Information Collection and Communication" as channels and procedures for the communication, engagement, and consultation of environment-related topics for internal stakeholders (employees, employee welfare committee, labor/ management meetings, EHS execution team meetings, and occupational safety and health committee meetings) as well as external stakeholders (customers, suppliers, EHS competent authorities, community residents, and environmental groups).

Internal Complaint and Communication Procedures

23 Employees can consult and communicate on occupational safety, health, and environmental matters through channels such as the Occupational Safety and Health Committee meetings, Environmental and Safety meetings, and the employee complaint mailbox.

24 When employees have suggestions related to occupational safety, health, or environmental issues, they can also follow the proposal improvement system procedure.

25 If employees have complaints about occupational safety, health, or environmental concerns, they can address them through the administrative system or directly approach the Environment & Safety unit.

External Complaint and Communication Procedures

23 After receiving an EHS grievance from outside the organization over the phone (07-7040988), orally or in writing, TTC will refer the case to the responsible unit to verify the contents of the grievance and register it in the "Occupational Safety, Health and Environment Information Collection and Communication Form." After a case has been confirmed, a proper response will be made.

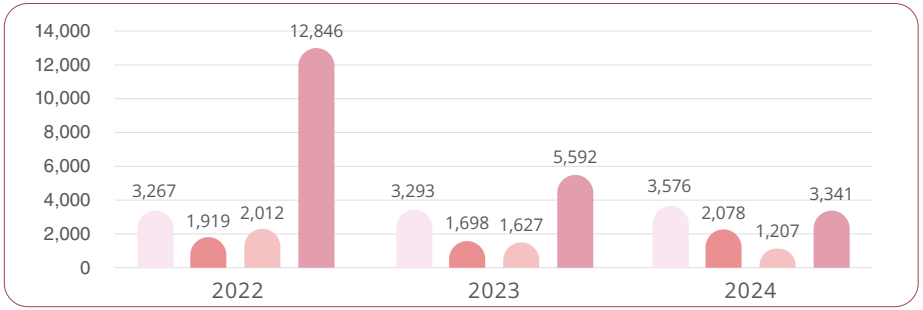
24 Information related to the EHS policy is available on the Company's website for public access and consultation.

3.1.3 Environmental Investment

In 2024, the environmental expenditure of TTC totaled NT$102.03 million, a 16.4% decrease from 2023. The expenditure categories associated with TTC's environmental management are as follows:

Environmental Management Expenditure Overview Table for the Last Three Years

(NT$10 thousand)



Note 1. Environmental Management Activity Costs: Includes costs related to air pollution control, water pollution control, waste disposal, noise control, and others (e.g., air pollution control expenses, soil and groundwater pollution control expenses, maintenance costs for setting up air quality monitoring facilities in the Linyuan Industrial Zone, etc.).

Note 2. Environmental-protection-related personnel expenses include personnel expenses and environmental protection-related training fees.

Note 3. Equipment Operation & Maintenance Costs: Encompasses expenses associated with the operation, maintenance, and upkeep of equipment for environmental protection and control.

Note 4. Environmental Improvement Project Costs: Covers the expenditure for projects related to environmental enhancements.

3.2 Climate Change and Energy Managemen

GRI 201 (201-2)、GRI 3-3、GRI 302 (302-1、302-3、302-4)、GRI 305 (305-1、305-2、305-3、305-4、305-5)

Material Topics

Climate Change and Energy Management

Material Reason

The global average temperature is on the rise due to climate change. This is closely linked to energy consumption. As TTC operates within an energy-intensive industry, the energy efficiency of our production processes is a primary focus. In addition to proactive management within our facilities, we continue to implement energy-saving and carbon-reducing measures. This is especially crucial as government agencies are stepping up their oversight of carbon emissions, preparing us to handle potential future impacts.

Impact Boundary

Government agencies, partners, community, and employees

Sustainability Principles and Corresponding SDGs

Create Friendly Environments/ SDGs 13 Climate Action

Management Approach

Management Approach	Reduce the environmental impact of energy and greenhouse gas emissions, meeting both national regulatory requirements for reductions and the Group's energy-saving and carbon reduction targets. With 2017 as the base year, we have set short-, medium-, and long-term reduction goals. Base year: The year 2017 is chosen as the reference because it reflects a period where most of our plants operated at optimal capacity utilization.
Objective	2024 Goals: (1) Reduce energy consumption per unit product by 3% (2) Greenhouse gas emissions reduced by 9% compared to the base year Mid-term goals in 2027: (1) Reduce energy consumption per unit product by 5% (2) Greenhouse gas emissions reduced by 16% compared to the base year Long-term goals in 2030: (1) Reduce energy consumption per unit product by 6% (2) Greenhouse gas emissions reduced by 27% compared to the base year Final Goal: Carbon neutrality by 2050
Management Plan	1. Introduce or update equipment to decrease energy consumption 2. Strictly monitor energy consumption in the plant. If anomalies arise, carry out maintenance or update equipment accordingly.
Evaluation of the Management	"Energy consumption per unit product" and "annual reduction rate of greenhouse gas emissions" are set as key performance indicators. An evaluation report is presented to the management, and a review meeting is held annually to assess the performance of the previous year. This helps in proposing improvement measures and verifying their effectiveness.
Assessment Mechanism	1. Conduct monthly statistical analysis on energy consumption to systematically understand the reasons for any increases or decreases. 2. Establish monitoring, testing equipment, and forecasting methods to observe plant energy consumption and control and eliminate anomalies in real-time. 3. Continuously implement the ISO 14064-1 greenhouse gas verification system to systematically survey greenhouse gas emission situations and periodically review various energy-saving and carbon-reducing plans. 4. Persistently carry out the ISO 50001 energy management system to manage energy wastage systematically.
Assessment Result	1. Energy consumption per unit product 2. GHG emissions
Negative Impact Remedies and Preventive Measures	1. In case of power shortages leading to production interruptions: Plans have been made to install generators to ensure backup power is available during power outages. 2. Participated in the Group's energy resource integration meetings to conduct rolling reviews and plan various energy-saving and carbon-reduction initiatives.
Policy Adjustment	Proposals for improvements concerning unmet targets are presented and reviewed during management review meetings.
Grievance Mechanism	Details can be found in Section 3.1.2 under EHS Grievance Channels.

3.2.1 Climate change

Climate Change Risk management

Climate change is a common challenge around the world. To keep up with the world and match the demand for sustainable development, Taiwan announced that the "Greenhouse Gas Reduction and Management Act" has been amended to the "Climate Change Response Act" on February 15, 2023.

Facing the impact of climate change, carbon reduction has become a global goal. To enhance carbon reduction, TTC's Taiwan plants have set the 2030 carbon reduction target which is "carbon reduction by 27% over 2017 by 2030" in early 2022 and set "Carbon neutrality by 2050" in 2023 as the final goals of the Corporation.

In order to achieve the corporate sustainability vision, TTC has actively implemented corresponding response strategies and management mechanisms with practical actions. The Group's domestic plants continue to implement ISO 14064-1 GHG Inventory and Verification, and plan and implement carbon reduction programs. The Group also actively develops external renewable energy sites. By the end of 2024, the accumulative on-grid capacity of solar PV sites has reached 8.6MW, generating approximately 10.73 million kWh of green electricity annually.

At TTC, the Board of Directors oversees climate management operations, with the ESG Committee as the highest governance body for climate management. Chaired by independent directors, the committee reviews the Company's climate change strategies and targets every year, manages the actions and reviews the performance in climate change risks and opportunities, and reports to the Board.

TTC based on the framework recommended by the Task Force on Climate-related Financial Disclosures (TCFD), we identify climate-related risks and opportunities, assess risks and opportunities from different departments, assess financial impacts and set responsive plans, plan overall assessment every three years, and review updates every year.

Climate Change Management Framework

Category	Management Strategy and Action
Governance	· **ESG Committee:** As the highest governance body of climate change management chaired by independent directors, it reports climate change planning, implementation and performance to the Board every year. · **Operations Management Meeting:** Chaired by the Chairman, it plans and implements material policies for energy conservation and carbon reduction and reports the results from time to time. · **Group Predict Maintenance & Environmental Risk Management Division Quarterly Meeting:** As the highest governance body of the Group's energy management, it reports the planning and progress to the Group's Chairman each quarter and makes decisions on energy management. · **Group Green Power Team:** As the Group's responsible unit for green power promotion, it reports the status of and future plans for green power development to the Chairman every month. · **Other functional committees overseen by the Board:** Includes the Audit Committee. The Risk Management Team submits its risk identification results to the Board. Each year, the Team assesses risks arising from global climate change, energy issues, and related financial and taxation matters.
Strategy	· **Identification of risks and opportunities:** Identify material risks and opportunities based on their likelihood and impact. · **Assessment of risks and opportunities:** Assess the potential financial impacts of identified material risks and opportunities. · **Scenario analysis:** Set plans to achieve net zero emissions in different scenarios.
Risk Management	· **Implementation of TCFD:** Identify risks and opportunities based on the TCFD recommended framework, communicate with all responsible units, and confirmed by senior management. · **Report of identification results:** Include them in the annual risk assessment. The President reports the control measures and management performance to the Audit Committee and Board every year.
Indicators and Targets	· Set energy management targets within the Group's carbon reduction initiative, with 2017 as the base year, aiming for a 27% reduction goal by 2030, and achieving carbon neutrality by 2050 · **Climate Response Strategies:** Equipment replacement, construction of renewables facilities, optimization of production scheduling, planning building air conditioning, energy management system, extreme weather events contingency plans · **GHG emissions disclosure:** Disclose Scope 1, Scope 2, and Scope 3 emission data annually in the ESG report

Identification of Climate Risks and Opportunities

In response to intensifying global climate change, TTC continues to adopt optimal TCFD framework to deepen the understanding of potential risk items that may be faced under extreme climate conditions, and capture new business opportunities. Referencing the Taiwan Climate Change Projection Information and Adaptation Knowledge Platform (TCCIP) and the National Science and Technology Center for Disaster Reduction, analyze the projected changes in temperature, rainfall, flooding, and drought from 2016 to 2035 under the RCP 8.5 scenario and identify three physical risk issues. Also, identified nine transition risks and 12 opportunity issues, totaling 24 potential risk and opportunity issues, based on the Group's strategy, industry characteristics, Intended Nationally Determined Contribution (INDC), and TCFD indicators.

In 2023, we conducted a survey for the ESG Committee and senior unit managers to assess the relevance of each risk to the Company's operations and the duration of potential impacts, as well as the development and viability of each opportunity. We collected 10 responses in total. After statistical analysis by the group, we identified 11 material climate issues (1 item of physical risk, 5 items of transition risk, and 5 items of opportunity).

TC evaluates potential financial impacts from the 11 material risk and opportunity items, devises corresponding strategies, and establishes management mechanisms. The aim is to understand the potential effects of climate change across various aspects, reduce operational disruptions caused by extreme weather events and foster a resilient climate change culture. The climate change risks and opportunities by the identified duration are tabulated below:

Overview Table of Short, Medium, and Long-Term Climate Change Risks and Opportunities Type.

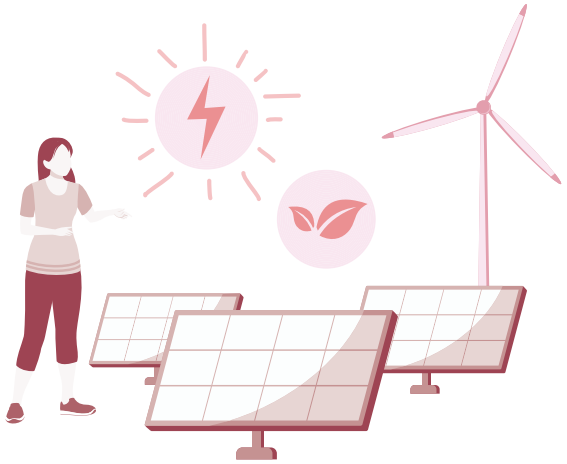
Type	Item	Duration
Physical Risk	Drought	Short-term (<3 years)
Transition Risk	Government regulation or supervision - Levy of water conservation	Short-term (<3 years)
	Carbon Fee	Short-term (<3 years)
	Renewable Energy Regulations - Risk of energy-heavy industries clause	Short-term (<3 years)
	Transition of low-carbon technology	Short-term (<3 years)
	Increased raw materials price	Short-term (<3 years)

Type	Item	Developmental	Technical Feasibility
Opportunity	High-efficiency production	Progressive and aligned with the existing policies of the Company	Expanding development
	Recycling and reuse - Circular economy	Progressive and aligned with the existing policies of the Company	Expanding development
	Reduce water use and water consumption	Progressive and aligned with the existing policies of the Company	Matured
	Use low-carbon energy	Progressive and aligned with the existing policies of the Company	Matured
	R&D and innovation of new products and services - research and development of low-carbon and energy-saving products	Progressive and aligned with the existing policies of the Company	Expanding development

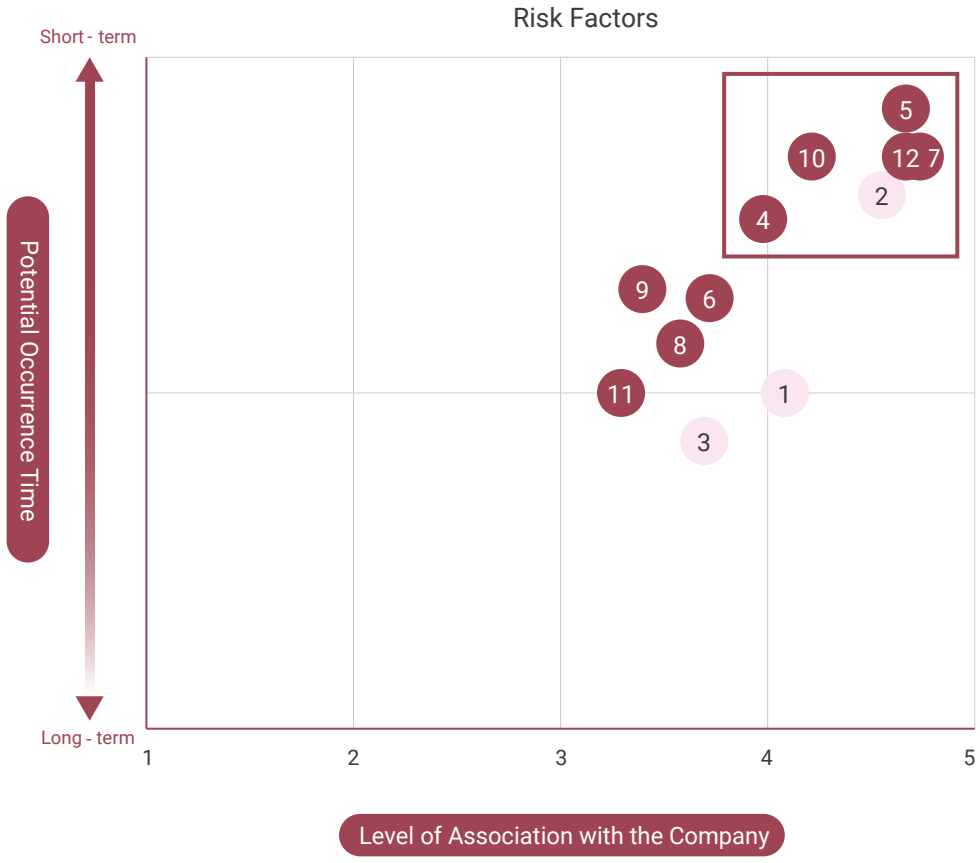
Overview Table of Short, Medium, and Long-Term Climate Change Risks and Opportunities Type.

Risk

Item	Risk Topics	Level of Association with the Company	Potential Occurrence Time
1	Flood inundation	4.06	1.99
2	Drought	4.59	2.62
3	High Temperature	3.75	1.87
4	Government regulation or supervision	3.97	2.52
5	Carbon Tax/Fee	4.70	2.82
6	Product efficiency regulations and standards	3.76	2.28
7	Renewable Energy Regulations	4.70	2.72
8	Changes in customer preferences	3.65	2.19
9	Credit risk	3.46	2.31
10	Transition of low-carbon technology	4.17	2.72
11	Uncertainty of market information	3.35	1.99
12	Changes in raw materials price	4.69	2.72



Climate Change Risk Matrix

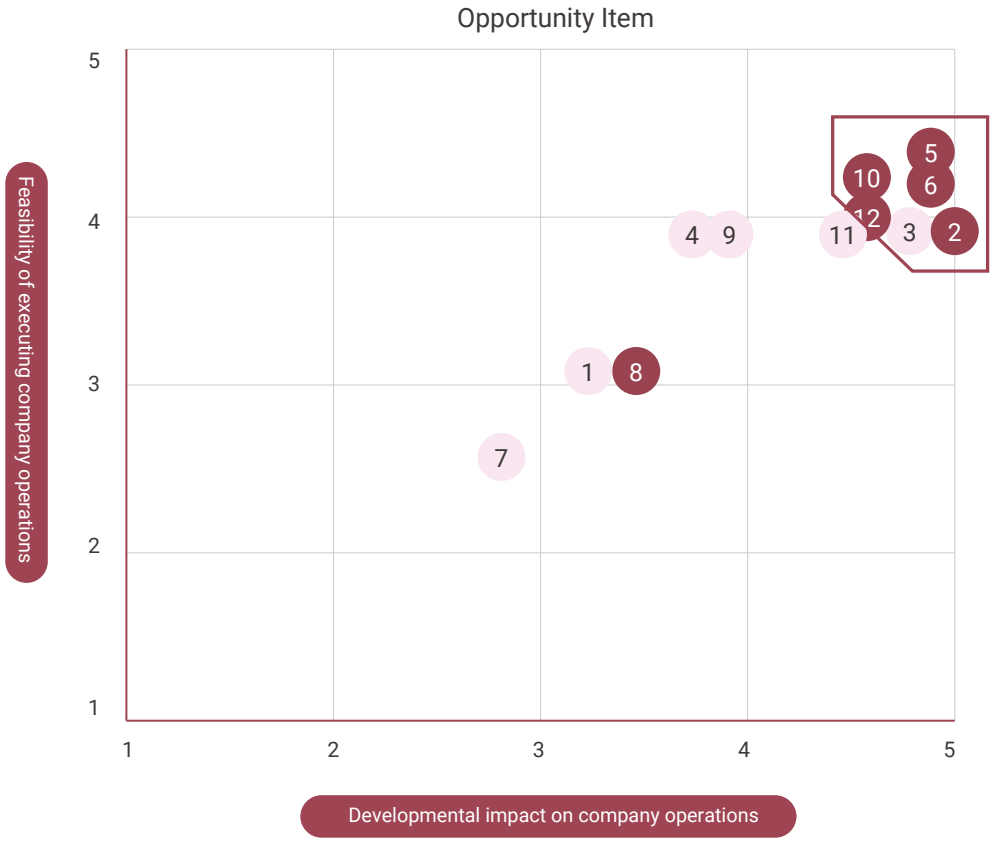


Overview Table of Short, Medium, and Long-Term Climate Change Risks and Opportunities Type.

Opportunity

Item	Opportunity Topics	Developmental impact on company operations	Feasibility of executing company operations
1	Adoption of higher efficient transportation methods	3.23	3.14
2	Use of higher efficient production and distribution processes	4.98	3.95
3	Recycling and reuse	4.77	3.94
4	Transition to higher efficient buildings	3.73	3.85
5	Reduce water use and water consumption	4.88	4.26
6	Use low-carbon energy	4.89	4.27
7	Use new technology	2.80	2.60
8	Participation in carbon trade	3.43	3.12
9	Develop and/or increase low-carbon products and services	3.85	3.86
10	R&D and innovation of new products and services	4.57	4.06
11	Enter new markets	4.47	3.85
12	Utilize public sector incentives regulations	4.57	3.94

Climate Change Risk Matrix



Overview Table of Potential Financial Impact of Risks and Opportunities and Countermeasures

Climate Change Issues	Category	Description of Risk & Opportunity Items	Potential Financial Risk	Company Strategy and Response Measures
Drought	Physical Risk/ Chronic	Due to global warming caused by climate change, weather patterns have become irregular. In particular, southern Taiwan has experienced extended periods without rainfall, requiring careful water usage monitoring.	**Increase in operating costs** If there is a water shortage, it is necessary to outsource water trucks. In severe cases, production lines will be reduced or completely halted, with an estimated increase in the cost of purchased water by NT$24,000 per day.	· Monitor water conditions and establish emergency response procedures · Stop non-essential water use, and strengthen inspections of pipelines and switches. · Implement water improvement measures to reduce total water withdrawal annually.
Government regulation or supervision - Levy of water conservation	Transition Risk/ Policy & Legal	In January 2023, the Ministry of Economic Affairs announced the "Water Consumption Fee Collection Regulations." During dry seasons (January-April and November-December), large users with monthly water consumption exceeding 9,000 m will be charged a water consumption fee per cubic meter.	**Increase in operating costs** Based on actual water usage and water recycling rate from November 2023 to April 2024 during the dry spell, the estimated water conservation charge is NT$340,000/year (subject to a 50% discount before 2025).	· Set targets for water consumption per unit product and achieve reduction goals annually. · Improve the wastewater recycling system and strengthen operational management to increase the volume of recycled water and reduce water consumption.
Carbon Fee	Transition Risk/ Policy & Legal	In August 2024, the Ministry of Environment announced the "Regulations Governing the Collection of Carbon Fees" and two related sub-laws. Starting in 2025, large emitters with annual emissions exceeding 25,000 metric tons will be subject to carbon fees.	**High initial investment cost** Lower carbon emissions in the long term will reduce operating expenses. Based on the 2024 emissions at TTC's Linyuan Plant and a carbon fee rate of NT$300 per metric ton, the estimated annual carbon fee is NT$4 million.	· Incorporate carbon costs into investment assessments to increase the execution opportunities of carbon reduction items · Plan and implement energy-saving and carbon-reduction measures for 2025-2030, including equipment upgrades and energy efficiency improvements within the plant.
Renewable Energy Regulations - Risk of energy-heavy industries clause	Transition Risk/ Policy & Legal	· According to the Ministry of Economic Affairs' "Regulations for the Management of Setting up Renewable Energy Power Generation Equipment of Power Users above a Certain Contract Capacity," electricity users with a contracted capacity above 5,000 kW must install renewable energy equipment equivalent to 10% of their contracted capacity by 2025. · In 2025, the Ministry of Economic Affairs will announce the energy-saving targets for large users for 2025-2028. Users with contracted capacity between 801 and 10,000 kW must achieve an average annual energy saving rate of 1%, while those exceeding 10,000 kW must meet a 1.5% target.	**Increase in operating costs** TTC will purchase green electricity from its Group subsidiary, USI Green Energy Corporation, to meet regulatory requirements。	· Plan and implement energy-saving and carbon-reduction measures for 2025-2030, including equipment upgrades and energy efficiency improvements within the plant. · USI Green Energy Corporation actively seeks suitable sites for green electricity development. The cumulative capacity of installed solar photovoltaic reached 8.6MW in 2024, with an annual electricity generation of up to 10.73 million kWh. TTC estimates to purchase 830,000 kWh of green electricity from USI Green Energy Corporation.
Transition of low-carbon technology	Transition Risk/Energy, Technology	To reduce carbon emissions, enterprises must invest in energy transition, efficiency improvement, and fuel substitution, leading to increased investment in low-carbon technologies.	**Increased capital expenditure and decreased in operating costs** Implemented 18 energy-saving and carbon reduction measures in 2024, total investing NT$14.20 million, which is estimated to saved 1.47 million kWh of power and reduced carbon emissions by 695 tCO_2e.	Continue to plan and implement energy-saving and carbon-reduction measures for 2025-2030, including equipment upgrades and energy efficiency improvements within the plant.

Climate Change Issues	Category	Description of Risk & Opportunity Items	Potential Financial Risk	Company Strategy and Response Measures
Increased raw materials price	Transition Risk/ Market	· Under the consideration of future carbon tax levies, the raw material will include the cost of carbon emissions, leading to a rise in prices. · Extreme weather may cause uncertainty in transportation costs and delivery times for raw materials.	**Increase in operating costs** Increased operating costs due to rising prices of raw materials and product transportation.	· Continue to promote the recycling and reuse of secondary materials · Evaluate the feasibility of implement AI intelligence scheduling systems within the plant.
High-efficiency production	Opportunity/ Resource Efficiency	By leveraging tools such as AI-based smart manufacturing, industrial motors, and automated packaging, overall production efficiency can be improved and energy consumption reduced.	**Increased capital expenditure and decreased in operating costs** Increase production through proper equipment maintenance and operational optimization to improve the energy efficiency per unit product and reduce greenhouse gas emissions.	· Participate in the 2025 Smart Petrochemical Safety Upgrade Subsidy Program. AI implementation projects include: gas detection data analysis and management, human-vehicle-environment image recognition, abnormal behavior/personnel identification and tracking, equipment/pipeline monitoring system, plant operation management platform, and smart inspection system, all to enhance plant safety and operational efficiency.
Recycling and reuse - Circular Economy	Opportunity/ Resource Efficiency	ased on the three core principles of the circular economy (3Rs): Reduce, Reuse, and Recycle. Aims to lower waste disposal costs or reduce raw material usage.	**Increase in revenue** · Glass wool raw materials are procured by recycling waste glass for use in production processes. · Reuse of ABS scrap in the Linyuan Plant.	· Focus on research and development of sustainable products, transforming waste glass into fire-resistant, thermal-insulating, and soundproofing glass wool. These products have obtained the Green Building Material Label. · Recover product powder from the wastewater in the processing area for reuse. · ABS scrap in the Linyuan Plant is recycled into TAIECOR™ material, which is ISO 14021 certified.
Reduce water use and water consumption	Opportunity/ Resource Efficiency	Water is an indispensable resource in the production process. Reducing factory water leakage and increasing the rate of wastewater reuse can lower operational costs and enhance factory resilience.	**Reduction of operational costs** · Save water and recycle wastewater through process improvements. · Include water usage in monthly key performance indicators monitoring. Statistical analysis and comparisons on water consumption are performed. If any anomalies in water usage are detected, an immediate cause investigation is conducted, followed by improvement measures.	· Plan to improve wastewater recycling facilities. · Improve process equipment and operation to reduce steam use. · Continuously develop water-saving and consumption reduction measures.
Reduce water use and water consumption	Opportunity/ Resource Efficiency	Promote coal-to-gas transition and increase the proportion of renewable energy usage to reduce carbon costs and lower product carbon footprints.	**Increase in operating costs, reduction in carbon fees** Continuous investment in carbon reduction, cost efficiency, and benefits realization.	· Installation of rooftop solar photovoltaic systems · Prioritize procurement of steam from natural gas sources. · Monitor and participate in the renewable energy market. · Implemented 18 energy-saving and carbon reduction measures in 2024, total investing NT$14.20 million, which is estimated to saved 1.47 million kWh of power and reduced carbon emissions by 695 tCO_2e
R&D and innovation of new products and services - research and development of low-carbon and energy-saving products	Opportunity/ Product and Service	Focus R&D on product development aligned with circular economy principles, low-carbon, and energy-saving goals. Apply a life cycle perspective in technology investment to develop low-carbon products.	**Increase in revenue** · Toufen Plant: The insulating properties of glass wool can reduce indoor air conditioning temperatures by 2 to 3 degrees Celsius, helping to save on air conditioning usage. · The Linyuan Plant recycles production scrap to improve product quality.	· The Toufen Plant's glass wool made from recycled waste glass possesses fire-resistant, thermal-insulating, insulating, and soundproofing properties. It has passed various CNS standards tests, meeting the requirements for flame resistance and high sound absorption, and obtained Healthy Green Building Material certification. · ABS scrap in the Linyuan Plant is recycled into TAIECOR™ material, which is ISO 14021 certified.

In Response to the IFRS Sustainability Disclosure Standards

The "Roadmap for Taiwan listed companies to align with IFRS Sustainability Disclosure Standards" was published in August 2023. Starting in 2026, TWSE- and TPEx-listed companies will adopt the IFRS Sustainability Disclosure Standards in three stages. In 2024, USI Group established a cross-departmental IFRS project team, and the implementation status is reported quarterly to USI Board of Directors for oversight. The IFRS project team is organized and led by the Group CFO and involves cross-departmental collaboration between the "operational impact team" and the "financial impact team." The teams assess the potential financial impacts and effects of significant risks and opportunities on the Company. TTC is a member of the operational impact team. The project team was established, IFRS standards gap analysis was completed, and the introduction Plan was formulated in 2024.

Implementation Work Plan

Stage tasks	Stage I Analysis and planning	Stage II Design and execution		Stage III Implementation	Stage IV Adjustment and improvement
Timeline	2024 Q4	2025 Q2	2025 Q3	2025 Q4	2026 Q3 ~ Q4	2027 Q1
Summary of project implementatio	▪ Establish a cross-departmental project team to adopt the IFRS Sustainability Disclosure Standards. ▪ Initially identify the significant differences and impacts between the current sustainability information and the IFRS Sustainability Disclosure Standards. ▪ Initial identification of the reporting entity. ▪ Formulate the implementation plan.	▪ Identify sustainability topics related risks and opportunities. ▪ Assess the potential impact of sustainability-related risks and opportunities on the current and anticipated financial condition. ▪ Assess whether sustainability-related information constitutes material financial information for inclusion in disclosures related to indicators and targets, risk management, and strategy aspects.	▪ Inventory the sustainability-related data that needs to be collected within the Company's reporting boundaries and across the value chain. ▪ Establish the linkage between sustainability-related data and the data used in financial reporting (such as input values and parameters).	▪ Revise and adjust company processes, financial and non-financial reporting processes, information systems, supply chain management processes, internal control, and the daily operations of each department.	▪ Pilot the preparation of a dedicated section on sustainability information in the Annual Report. ▪ Constantly update the internal control operation manual related to IFRS sustainability information and conduct training and education.	▪ According to the IFRS Sustainability Disclosure Standards, disclose relevant information in the special section on sustainability information in the 2026 Annual Report and simultaneously complete the announcement and filing with the 2026 financial statements.

Group's Promotion of Internal Carbon Pricing

Taiwan officially announced the implementation of three subordinate regulations for carbon fees on August 29, 2024, and announced the carbon fee rate on October 21, 2024. Starting in 2025, carbon emissions will be formally included in the carbon fee calculation, marking the beginning of the carbon pricing era.

To proactively align with government policies, effectively address climate change, and reduce carbon risks, TTC introduced an internal carbon pricing mechanism in 2024. The initial internal carbon price is set at NT$300 per metric ton, referencing the domestic carbon fee pricing benchmark, with a phased increase to be reviewed and adjusted periodically. This mechanism integrates carbon costs into corporate decision-making and investment evaluation processes, assesses the impact of carbon emissions on business operations, accelerates the implementation of carbon reduction measures, and drives low-carbon investments.

In July 2024, the Group organized two training sessions to help relevant departments understand the concept and application of internal carbon pricing, supporting each plant in promptly implementing the system. Additionally, a general knowledge course on carbon-related topics was held in September, inviting all Group employees to participate. These initiatives aim to enhance overall carbon reduction awareness and professional capabilities, fostering collective efforts toward achieving the Group's carbon reduction targets.

Carbon Data Management Platform Development

To enhance the timeliness and accuracy of carbon emissions data, the USIG launched the development of a carbon data management platform starting in 2024. This initiative aims to strengthen internal carbon inventory processes and data integration capabilities across the Group. In the first phase, the platform covers five plants in Taiwan, with TTC Linyuan Plant as the pilot site, primarily focusing on systematic collection of Scope 1 and Scope 2 emissions, while gradually incorporating selected Scope 3 items. The system is designed to integrate with the existing monthly reporting mechanism and certificate upload processes, ensuring data consistency and traceability between activity data and original documentation. It features flexible export functions to support reporting in various required formats. Through the implementation of this platform, USIG enhances its carbon management efficiency, demonstrating a data-driven approach to carbon reduction while improving information transparency and climate resilience.

3.2.2 Energy Usage and Management

TTC's Energy Management Goals

The Company voluntarily set energy management targets in 2016 and began to make dynamic target reviews in accordance with the country's energy development policies and by keeping track on the internal trends and domestic laws and regulations. After measuring the internal and external factors, we set the 2030 carbon reduction target in early 2022 and set Carbon neutrality by 2050 in 2023. The three core manufacturing plants in Taiwan began to implement the ISO 50001 energy management system and obtained the certificate on after another in 2018 to effectively manage energy performance and continuously improve energy conservation and carbon reduction, hoping to demonstrate the Group's influence and so to lower environmental impact.

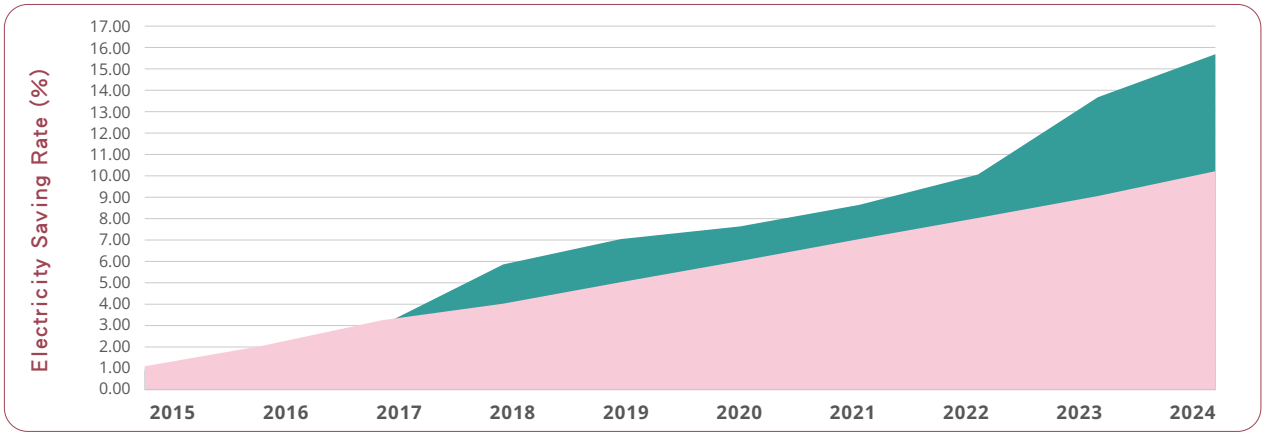
Group Technical Exchange Meeting

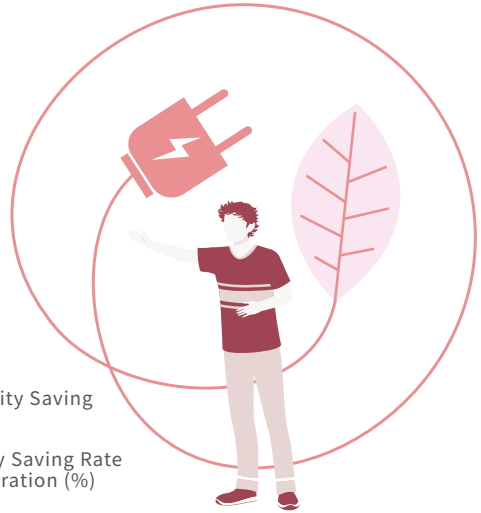
Every year TTC participates in the "plant technology exchange meeting" held by USIG and several "northern/Kaohsiung plants resource integration meetings" for plants to share resources and exchange technologies to improve performance in energy conservation and carbon reduction. In 2024 the "plant technology exchange meeting" was held in November. Case presentations with themes including "industrial safety and environmental protection", "equipment preventive maintenance," and "energy conservation and carbon reduction" were conducted through competitions. Through plan technology case submission and documentary review, a total of 7 cases entered the final. Senior USIG officers and plant representatives elected the three best cases. The USIG Chairman presented the certificates and bonuses to the winners. Through ratings and encouragement, sharing, and mutual learning, we aim to advance technology in the Group.

TTC's Commitment to the Group's Energy Management Goals

TTC has been actively engaged in energy-saving and carbon reduction projects. The electricity-saving performance of its Taiwan plants is summarized in the table below, meeting the Energy Administration's requirement for large electricity users to achieve an average annual energy-saving rate of over 1% from 2015 to 2024. In 2024, TTC continued to promote various energy-saving projects, with each plant implementing initiatives such as the replacement of high-efficiency energy-saving motors and the phased renewal of air compressors. These measures are reviewed periodically with the goal of further contributing to the Group's overall energy-saving and carbon reduction targets.

Cumulative Electricity Saving Rate (Taiwan Plants)

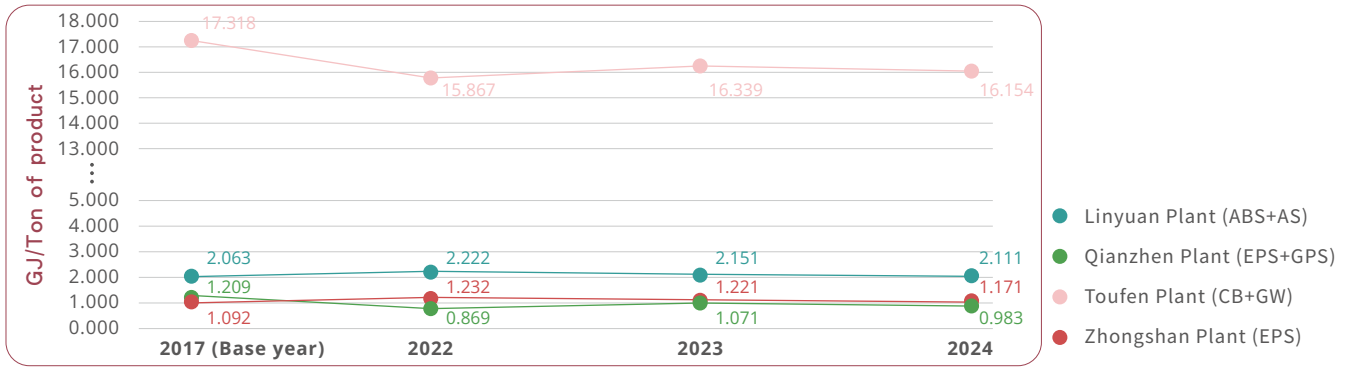




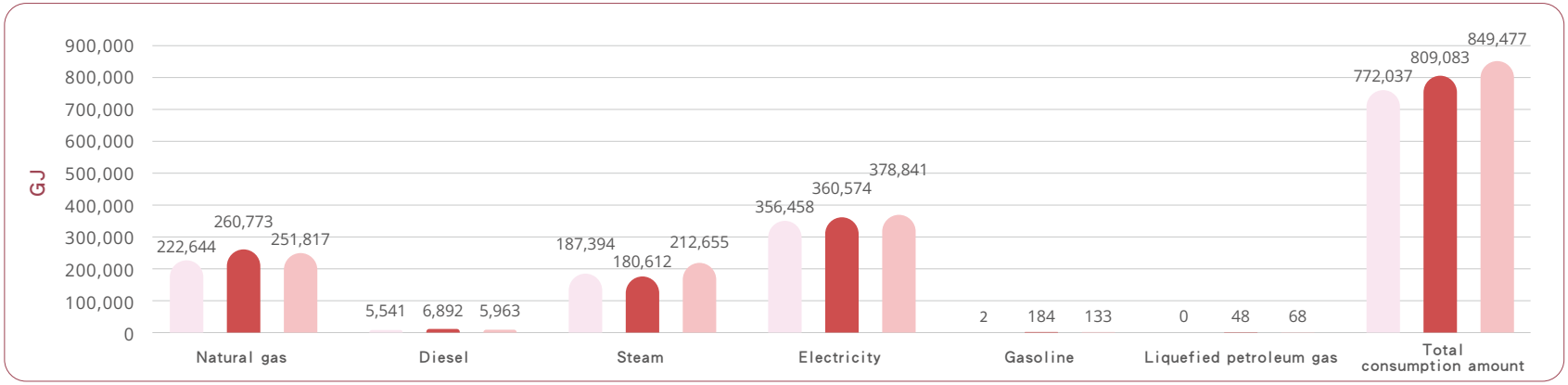
Energy Usage Details

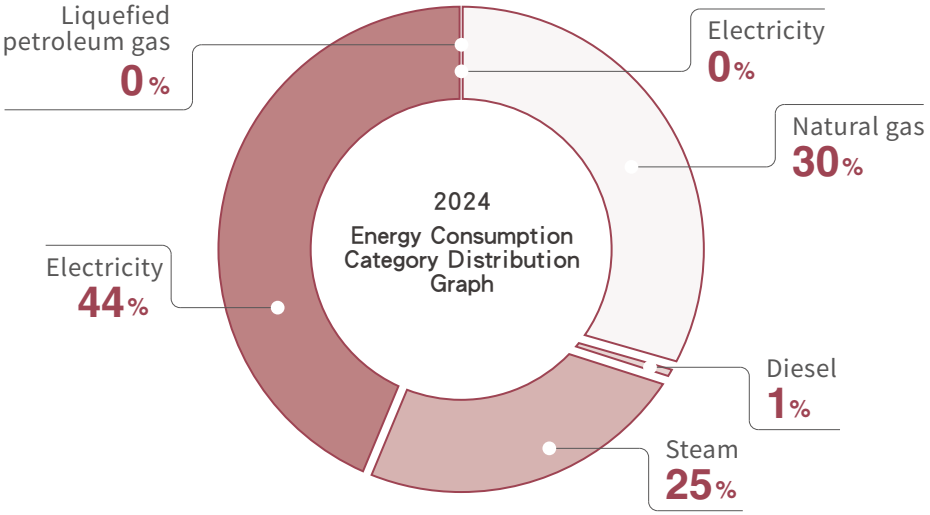
In 2024, the energy consumption calculation of TTC covered Linyuan Plant, Qianzhen Plant, Toufen Plant, and Zhongshan Plant, achieving a coverage rate of 100%. Compared to 2023, the total energy consumption in 2024 increased slightly by approximately 5%, mainly due to the increased production capacity at the Linyuan Plant, which led to higher consumption of natural gas, electricity, and steam. In terms of energy consumption per unit of product, all plants recorded a decrease in energy intensity compared to 2023. Relative to the 2017 base year, the overall average energy intensity decreased by 5.82%, achieving the target of reducing energy consumption per unit of product by 3%.

Energy Consumption Intensity by Product Category



Energy Usage for the Last Three Years





Note 1. Referring to the conversion factors for electricity, diesel, gasoline, and liquefied petroleum gas announced by the Energy Administration, Ministry of Economic Affairs, they are 860 Kcal/KWh, 8,400 Kcal/L, 7,800 Kcal/L and 6,635 Kcal/L respectively, where 1 Kcal equals 4.187 KJ.

Note 2. Referencing the steam calorific value tables from THERMOPEDIA, the calorific value of steam usage at an average furnace pressure of about 12.5 atmospheric pressures is calculated as 665,345 Kcal/m3.

Note 3. The reference calorific value for natural gas used by electricity generation customers from CPC Corporation is 9,700 Kcal/m3.

Note 4. The table above lists energy consumption and production data sources— site unit consumption reports.

Note 5. Electricity accounts for 44.60% of the total energy used by the Company, all of which is purchased electricity (100%), with no use of renewable energy (0%) or self-generated energy (0%).

Note 6. Gasoline and liquefied petroleum gas have been included in the statistics starting from 2023.

3.2.3 GHG Management

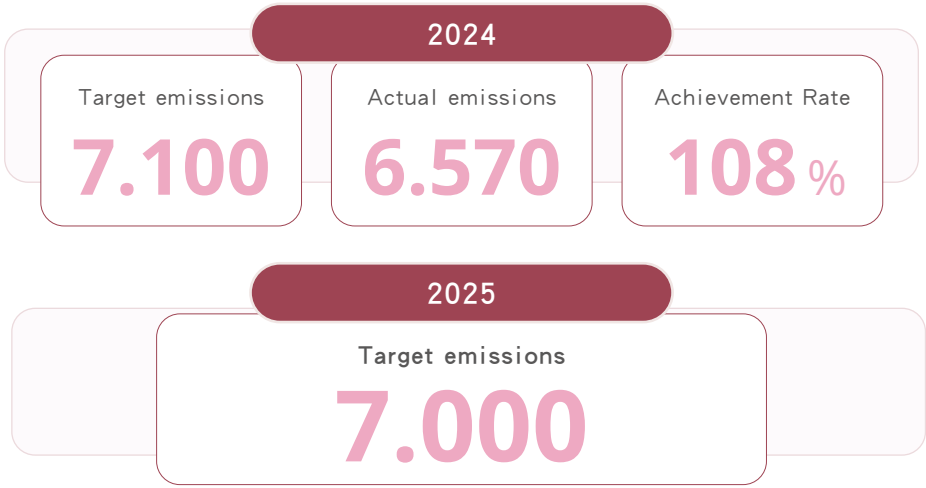
TTC follows the 2030 carbon reduction goals set in early 2022 that GHG emissions should 27% less than 2017 base year by 2030, and further set carbon neutrality by 2050 goal in 2023. This is reviewed regularly to ensure we meet annual emission targets. This goal is realized through the execution of various energy-saving initiatives and plans to reduce greenhouse gas emissions. Each plant has proposed measures like reducing process energy consumption, waste heat recovery and reuse, improving equipment efficiency, and energy management. There's also an integrated plan for energy and resource sharing across different plants to maximize resource use, further aiming to reduce emissions.

In alignment with the Group's 2050 carbon reduction target, a decarbonization roadmap has been planned. In 2024, the total greenhouse gas (GHG) emissions from the Taiwan plants amounted to 65,700 tons CO_2e. Due to a production capacity increase of 34,000 tons at the Linyuan Plant, total emissions rose by 0.4% compared to 2023. The medium-term carbon reduction strategy will proceed towards the transition to low-carbon energy, enhancement of energy efficiency, intelligent monitoring, and the setup and use of renewable energy. The long-term carbon reduction strategy will continuously focus on low-carbon fuels, carbon capture, reuse technology, and negative carbon emissions technology, to implement the carbon neutrality goals and promote sustainable development.

TTC began promoting the adoption of ISO 14064-1 in 2021: In 2018, greenhouse gas inventory operations were carried out (Zhongshan and Tianjin subsidiaries in the TTC consolidated report have completed their verification in 2024). Third-party guidance and verification have ensured the accuracy and reasonableness of greenhouse gas emission data. In 2024, the overall emissions (Scope 1 + Scope 2) of the Taiwan plants decreased by 17.57% compared to the base year, achieving the target of 9% reduction. Furthermore, the Company's average GHG emissions per unit product decreased by 24.52% compared to the base year.

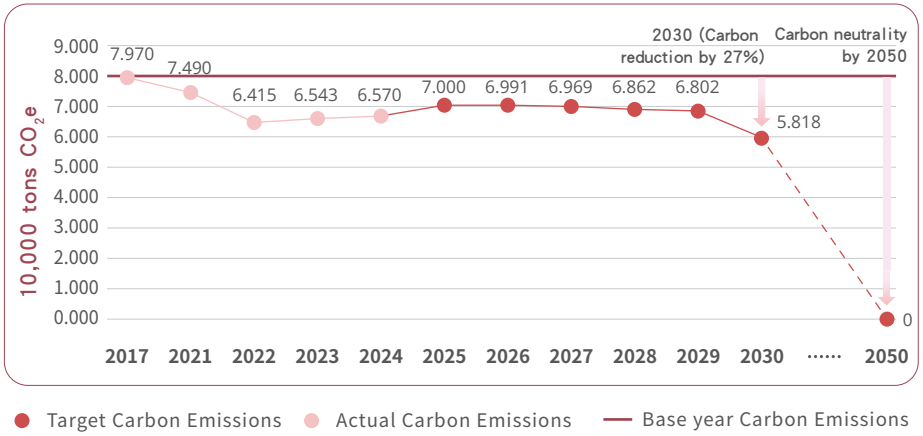
The total emissions of the merged company Scope 1 in 2024 are 16,989 metric tons CO_2e， Scope 2 emissions 60,652 metric tons CO_2e， Total 77,641 metric tons CO_2e，And obtain an external confirmation report.

TTC's Taiwan Plant Carbon Reduction Pathway Targets (10,000 tons CO_2e)

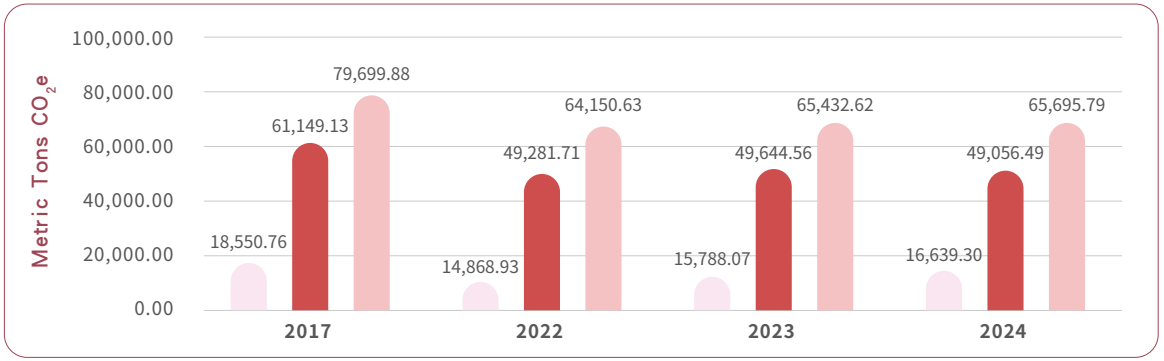


Note: Achievement Rate = 2024 Target Emissions/2024 Actual Emissions

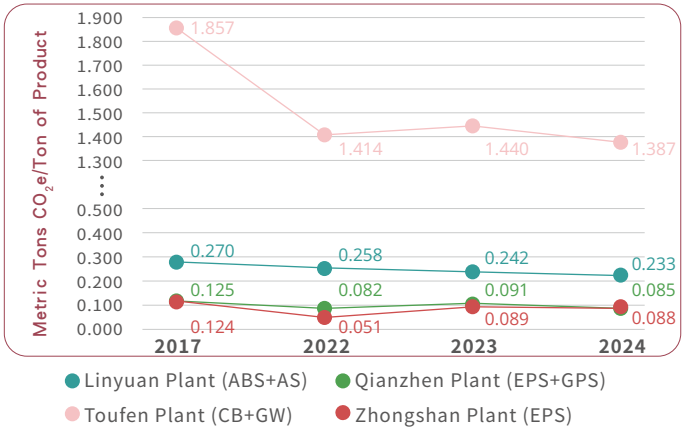
TTC's Taiwan Plant Carbon Reduction Pathway Targets Graph



TTC Taiwan Plants Carbon Emissions



Carbon Emission Intensity by Product Category



Note 1. The product unit carbon emission values disclosed in this report are self-estimated
Note 2. Carbon emissions in the 2017 base year were recalculated using external verification methods but were not audited by a third party

Scope 3 Other indirect emissions, covering Taipei headquarters, Qianzhen factory, Linyuan factory, Toufen factory, Zhongshan factory, and Tianjin factory, including greenhouse gas emissions caused by the organization's outsourced upstream and downstream supply chains, transportation and distribution of raw materials and goods, product use and disposal, as well as the organization's business travel and employee commuting. In 2024, due to the expansion of export markets, Scope 3 emissions amounted to 82,509 tons CO_2e per year, representing a 2.57% increase compared to 2023.

TTC Scope 1 to Scope 3 Carbon Emissions by Site

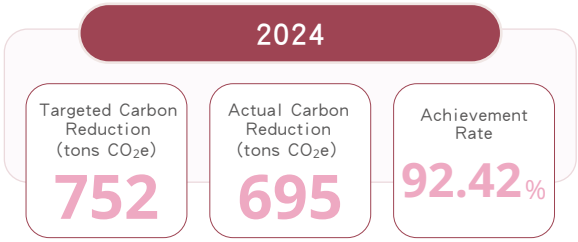
Note 1. The emission factors are based on Version 6.0.4 of the Greenhouse Gas Emission Coefficient Management Table announced by the Ministry of Environment, as well as the Global Warming Potential (GWP) values from the Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report (AR5) published in 2014.
Note 2. The types of greenhouse gases include CO_2, CH_4, N_2O, and HFCs.

Promotion of Energy-Saving and Carbon Reduction Initiatives

TTC has established energy-saving and carbon-reduction committees in all its Taiwan-based plants. They convene regular Energy Resource Integration Meetings to share experiences and collaboratively drive effective and pragmatic energy-saving and carbon-reduction initiatives. The plants set energy-saving and carbon-reduction strategies, as well as plant-wide reduction targets, and review the performance on a quarterly basis.

Every two months, each plant's Environmental, Health, and Safety (EHS) team convenes an EHS implementation meeting. This meeting tracks the progress of energy-saving and carbon-reduction initiatives, evaluates compliance with applicable regulations, and actively urges each plant to fulfill its energy-saving and carbon-reduction responsibilities. In mainland China, the Zhongshan Plant holds annual energy-saving and carbon-reduction meetings, aligning with the government's carbon-reduction policies. They establish strategies and targets for each unit, which are reported to the Zhongshan Development Zone government every year.

In 2024, a total of 18 energy-saving and carbon reduction projects were implemented across the Taiwan plants. The execution results are summarized in the table below:



Note: Achievement Rate=2024 Actual Carbon Reduction/2024 Targeted Carbon Reduction

2024 Performance Overview Table of Energy-Saving and Carbon-Reduction Measures

Plant	Measures	2024 Performance	
		Power Saved (kWh)	Carbon Reduction (tons CO_2e)
Linyuan Plant	· Swapped outlet pipelines for B3403-6 and B3403-7 in Area 34 (SAN storage tank area), with corresponding adjustments in DCS control and interlock systems · Decommissioned EP (Z3285-2) and B3285-2 units in Area 32 · Replaced exhaust fan B3220 in Area 32 mold head section (upgrading from Dafeng RS-250 to Dafeng RS-150 model) · Replaced circulation pump P2572-2 in Area 25 with a high-efficiency motor · Replaced P6210-4 pump with a high-efficiency model	228,075	108
Qianzhen Plant	· EPS energy-saving air dryer replacement project · Replacement of EPS section C2910-4 air compressor · Replacement of five gear motors on EPS reactors and washing tanks with IE3 motors · Replacement of four motors on dryers and mixers with IE3 motors · Replacement of NOVA chiller EK660-1 with an IE3 motor	731,891	347
Toufen Plant	· Adoption of IE3 high-efficiency energy-saving motors (19 units/185 HP) · Lighting improvement by replacing 10 lamps in 4 areas with LED lights, reducing total power from 1,232W to 940W · Removal of upper layer bridging roller motor (5HP, 6P) · Piping modifications to improve system efficiency and decommissioning of #5 dryer · Cooling fan adjustment measures for six auxiliary transformers at the preheating furnace · Complete reconstruction of the hardening furnace to enhance production efficiency · Molding system reconstruction (11/4~11/7) · Energy-saving improvement for #3 air compressor cooling water system (10/17)	506,279	240
Total		1,466,244	695

Note 1. Unit conversion factor: 1 kWh=0.474 kg CO_2e

A total of 15 measures are scheduled for implementation in 2025 at Taiwan Plants for energy-saving and carbon reduction projects. A summary of these projects is presented in the table below:

Overview Table of Planned Energy-Saving and Carbon-Reduction Measures for 2025

Plant	Measures	2025 Goals	
		Power Saved (kWh)	Carbon Reduction (tons CO_2e)
Linyuan Plant	· Replacement of B2644A-1 Roots blower in Area 26 (ABS Process Area) · Specification upgrade and replacement of B3403-3 Roots blower in Area 34 (SAN Storage Area) · Specification upgrade and replacement of B3403-4 Roots blower in Area 34 (SAN Storage Area) · Specification upgrade and replacement of B3403-5 Roots blower in Area 34 (SAN Storage Area) · Modification of bottom discharge piping of flotation tank at B-line in Area 82 (Wastewater Treatment Area) and partial process modification of wastewater flow at B-line in Area 82	278,430	132
Qianzhen Plant	· Replace four EPS reactor gearbox motors with IE3 motors · Install five air receivers with zero-loss automatic drain valves · Upgrade old cooling towers with new ones that offer enhanced energy-saving and carbon reduction efficiency	472,836	227
Toufen Plant	· Replace #1 air compressor (200 HP) with a IE3 motor · Combine piping of two second-floor office chillers, switching to one-in-use and one-standby operation (12.8 kW) · Lighting upgrade (replace ten 100W skylight lamps with 80W energy-saving lamps) · Install high-efficiency IE3 motors (9 motors totaling 59.5 HP) · Energy-saving improvement for #1 air compressor cooling water system · Reconstruct melting furnace to enhance production efficiency · Replace main furnace transformer	1,355,698	643
Total		2,106,964	1,001

Note 1. Unit conversion factor: 1 kWh=0.474 kg CO_2e

3.3 Water Resources Management GRI 3-3、GRI 303 (303-1、303-2、303-3、303-4、303-5)

3.3.1 Water Resources Management

Material Topics

Water Resources Management

Material Reason

Water resources are essential for operational development. As the risks of water scarcity and water-related disasters increase, ensuring a stable water supply has become a crucial issue for our company. Wastewater discharge has exceeded the natural purification capacity of water bodies in recent years, leading to water pollution issues and affecting the use of water resources.

Impact Boundary

Government agencies, local communities, employees

Sustainability Principles and Corresponding SDGs

Create Friendly Environments / SDGs 6 Clean Water and Sanitation

Management Approach

Policy Purpose	Reduce water consumption to lessen production costs and the environmental impact of wastewater discharge. Objectives are set with 2017 as the base year for short, medium, and long-term reduction.
Objective	2024 Goals: (1) Reduce water consumption per unit of product by 3% compared to the base year (2) Discharge water quality meets the standard Mid-term goals in 2027: (1) Reduce water consumption per unit of product by 7% compared to the base year (2) Discharge water quality meets the standard Long-term goals in 2030: (1) Reduce water consumption per unit of product by 15% compared to the base year (2) Discharge water quality meets the standard
Management Plan	1. Introduce or upgrade equipment, and reuse wastewater to reduce water consumption 2. Strictly regulate water usage in the plant to prevent water wastage and increased wastewater discharge.
Evaluation of the Management	Monitor "water consumption per unit of product" and "rate of exceeding water discharge quality standards" as key performance indicators. Present reports to management and conduct an annual review to assess the previous year's performance and suggest improvements.
Assessment Mechanism	Continuously implement the ISO 14001 Environmental Management System for systematic management of water resource usage.
Assessment Result	✔1. In 2024, water consumption per product unit decreased by 20.33% compared to 2017, achieving the goal ✔2. All plants met the regulatory standards for wastewater discharge.
Negative Impact Remedies and Preventive Measures	1. Water reservoir shortage leading to production interruption: Participate in public sector water-saving plans and explore alternative water sourcing methods 2. Review of water resource reduction and improvement measures plan
Policy Adjustment	Proposals for improvements concerning unmet targets are presented and reviewed during management review meetings.
Grievance Mechanism	Details can be found in Section 3.1.2 under EHS Grievance Channels.

TTC employs the water risk assessment tool developed by the World Resources Institute (WRI). In conjunction with the water source distribution of each plant site, the Company uses the Aqueduct Tool as its method for water risk assessment, pinpointing the water stress situation of each plant's water intake location. The analysis indicates that the Linyuan Plant and Qianzhen Plant are regions with relatively higher risk for TTC. Apart from utilizing the TCFD framework to assess the impact of climate change on water resources, the Company continually enhances its in-plant water recovery rate, thereby bolstering its adaptive capacity in the face of risks. The water sources for all plants in Taiwan are supplied by municipal water plants, while the Zhongshan Plant procures its water supply from a nearby local factory. Within the Company, areas where water consumption pressure exceeds 40% are defined as regions with water resource stress, serving as a key basis for water management and risk response.

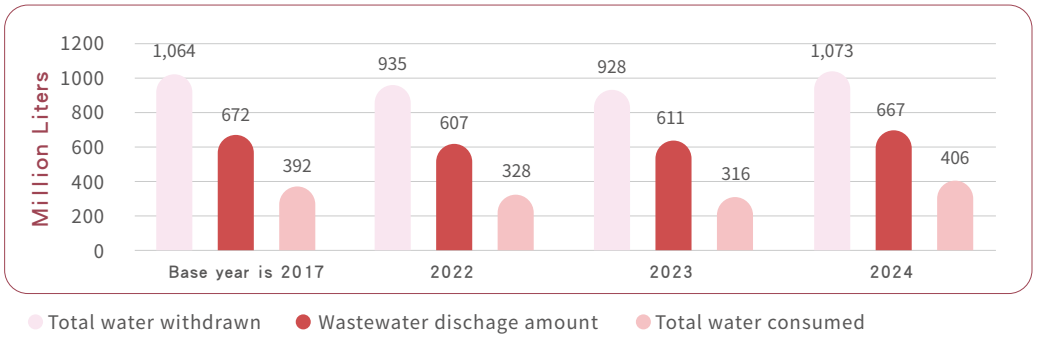
Plant	Linyuan Plant	Qianzhen Plant	Toufen Plant	Zhongshan Plant	Total
Primary Water Sources	Fengshan Reservoir	Fengshan Reservoir	Yonghe Mountain Reservoir	Hengmen Canal	
Water Stress Situation	Low to Moderate (10 - 20%)	Low to Moderate (10 - 20%)	Low to Moderate (10 - 20%)	Moderate to High (20 - 30%)	
Water Intake (Million Liters)	276	526	20	251	1,073

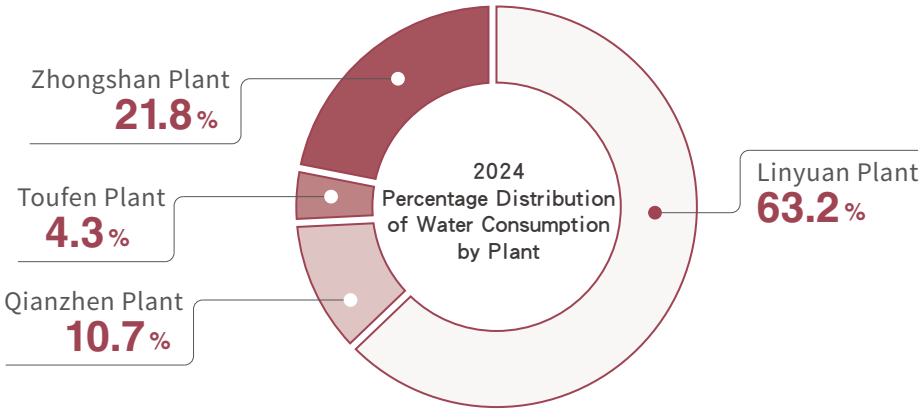
Note 1. The WRI (Water Resources Institute) Aqueduct Tool is used for water risk assessment. http://www.wri.org/our-work/project/aqueduct/aqueduct-atlas

The scope of water resource management covers the Linyuan, Qianzhen, Toufen, and Zhongshan plants, achieving 100% coverage. TTC leverages its existing technologies and expertise, adhering to principles of source management, waste reduction in processes, and end-point controls, to minimize water demand and reinforce water resource reuse and accelerated recovery processes.

In 2024, the total water intake was 1,073 million liters, total wastewater discharge was 667 million liters, and total water consumption was 406 million liters, representing an increase of approximately 3.73% compared to the 2017 base year. This increase was mainly due to higher production capacities at the Linyuan and Zhongshan plants. For the water consumption of products in each plant, the Linyuan Plant accounts for the highest proportion at approximately 63.2%, followed by the Zhongshan Plant with about 21.8%.

Water Usage for the Last Three Years

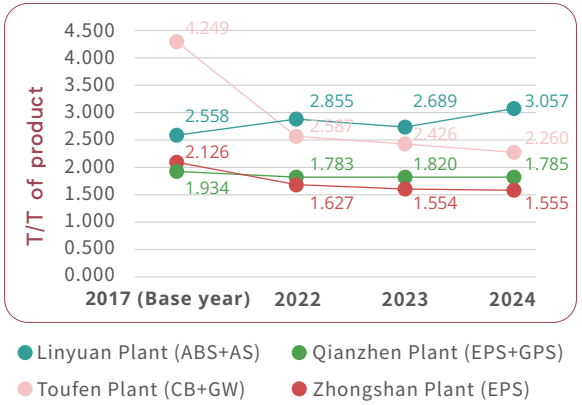




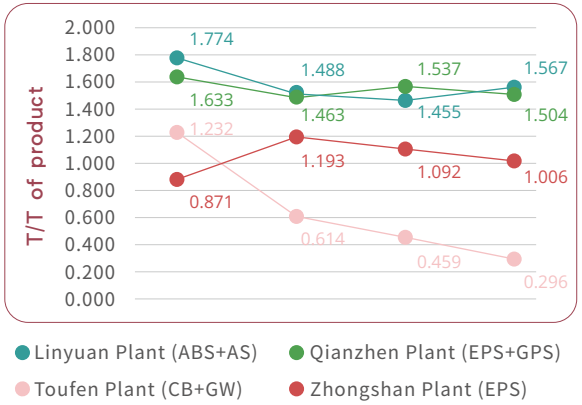
Water Resource Intensity

Compared to 2023, the water consumption per unit product and unit wastewater discharge per product in 2024 decreased or remained stable across all plants except for the Linyuan Plant, which experienced an increase. Overall, the average unit water consumption decreased by 20.33% compared to the 2017 base year, achieving the target of reducing unit water consumption by 3% from the baseline. Similarly, the average unit wastewater discharge per product decreased by 20.66% compared to 2017.

Water Consumption Intensity by Product Type



Water Discharge Intensity by Product Type



Water-saving Measures

TTC actively manages water resources by achieving water-saving results through measures such as conserving water in processes, wastewater recycling and reuse, and rainwater collection and reuse.Through improvements in water-saving processes and multiple schemes like wastewater recycling and reuse, there's a significant increase in the wastewater reuse rate. Beyond implementing water-saving plans, water usage has further been included in the monthly key performance indicator monitoring. Statistics and analysis are performed on water usage. If any anomalies in water consumption are detected, an immediate investigation into the cause is initiated, followed by necessary improvements.

TTC's Water Recycling and Reuse Percentage for 2024:

Linyuan Plant	Total Amount of Water Resource Recycling and Reuse (tons)	478.260
	Water Resource Recovery Rate R2 (%)	37.52

Note: The Water Resource Recovery Rate (R2) is calculated according to the formula provided by the Water Resources Agency

All the plants under TTC properly handle process wastewater and other wastewater. For wastewater discharge, each plant operates at standards that surpass regulatory requirements. The wastewater from Toufen Plant is treated by CGPC. In 2024, no violations or exceedances of water quality standards were recorded at any plant, achieving the target of compliant effluent quality.

Wastewater Discharge Status at Each Plant

Plant	Wastewater Discharge Standard	Discharge Destination
Linyuan Plant	Secondary biological treatment up to the industrial area's joint wastewater treatment plant standard	Discharged via underground pipelines to the joint wastewater treatment plant and subsequently discharged into the ocean after treatment.
Qianzhen Plant	Secondary biological treatment up to the standard for water discharge.	Discharged to an external open drain and then discharged into the Kaohsiung port.
Toufen Plant	The glass wool production process is an environmentally friendly process with no wastewater. Water used in the process is filtered and recycled. Rainwater is also filtered and used in the glass wool production process. Wastewater generated from the curved printing process is treated by CGPC up to the water discharge standard.	Discharged jointly with CGPC into the Zhonggang River.
Zhongshan Plant	Treated in accordance with the national standard GB31572-2015 "Pollutant Emission Standards for the Synthetic Resin Industry."	Discharged into the Hengmen Canal.

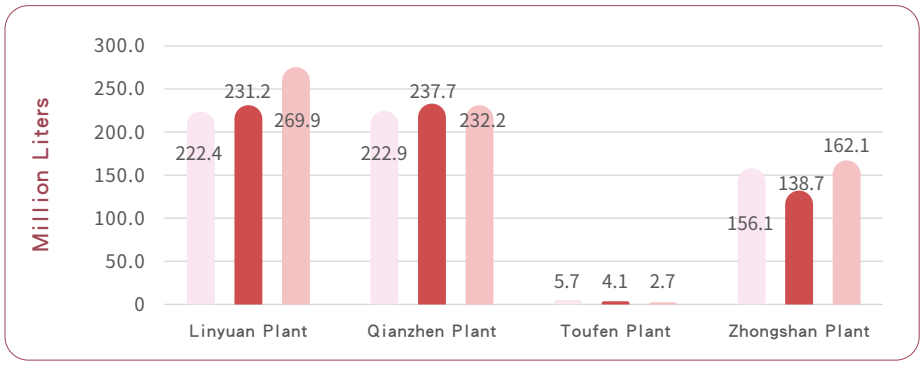
In 2024, the total wastewater discharge of TTC increased by 9.02% compared to 2023, primarily due to production capacity increases at the Linyuan and Zhongshan Plants. However, all plants operate wastewater treatment processes that exceed regulatory standards. In addition to regular reviews, improvement plans are formulated annually. Water quality testing over the past three years has consistently met regulatory discharge standards.

Self-tested Results on Main Water Quality Parameters by Each Plant Overview Table for the Last Three Years

Plant	Water Quality	2022	2023	2024	Emission Standard
Linyuan Plant	pH value	7.2	7.1	7.3	6~9
	COD (mg/L)	45.55	38.6	68.9	100
	SS (mg/L)	11.4	9.1	11.4	30
Qianzhen Plant	pH value	7.2	7.3	7.3	6~9
	COD (mg/L)	26.2	24.3	17.45	100
	SS (mg/L)	12.6	5.65	4.65	30
Zhongshan Plant	pH value	7.32	7.2	7.4	6~9
	COD (mg/L)	19.19	29.4	20.93	60
	SS (mg/L)	9.2	9	4	30

Note: All the wastewater discharged by the factories of TTC, after treatment, is freshwater.
Note: The water quality test values are averaged from two tests conducted per year.

Wastewater discharge volume by Plant



Wastewater Improvement Plans for 2024~2025

Plant	2024 Improvement Initiatives	2025 Planned Initiatives
Linyuan Plant	Sand filtration equipment has been planned to decrease the amount of suspended solids (SS) in the discharge water in Zone 82.	The wastewater discharge in Zone 82 was improved by replacing the sand filtration equipment with long-fiber filtration, reducing the suspended solids (SS) content in the discharged water.
Qianzhen Plant	N/A.	Process cooling water towers were upgraded to reduce water loss from evaporation.
Toufen Plant	· Renovation of Domestic Wastewater Pipeline. · Rainwater collection pipelines were installed to supply rainwater for process reuse, thereby reducing freshwater withdrawal. · Modification of overflow prevention for T02-5 water storage tank.	Plan to install a cover on the domestic sewage tank to prevent odor dispersion.
Zhongshan Plant	Wastewater treatment plant water reuse (approximately 46%) technology improvement project.	Continue advancing technical improvements for the reuse of treated wastewater (approximately 46%) at the sewage treatment plant.

3.4 Air Pollution Control GRI 3-3、GRI 305(305-7)

Material Topics

Air pollution control

Material Reason

Air pollution emissions have always been a key concern for government agencies and the public. As a traditional manufacturing company, TTC's plants emit air pollutants during the use of raw materials and production processes, including particulates (Par), sulfur oxides (SOx), nitrogen oxides (NOx), volatile organic compounds (VOCs), and hazardous air pollutants (HAPs). Managing these pollution sources and their emissions is a responsibility and obligation that the Company takes seriously.

Impact Scope

The air pollutants emitted during the production processes have significant impacts on the environment and human health. In recent years, fine particulate matter has been identified to have a profound effect on human health. Nitrogen oxides appear reddish-brown in the air, contribute to acid rain, and can potentially lead to respiratory diseases in humans.

Impact Boundary

Government agencies, partners, community, and employees

Sustainability Principles and Corresponding SDGs

Create Friendly Environments/ SDGs 11 Sustainable Cities and Communities

Management Approach

Policy Purpose	To mitigate the environmental impact of air pollution emissions and, during operations, minimize the factors endangering the health of employees and residents living near the plant areas; the emissions base year is 2017.
Objective	2024 Goals: Zero fines for air pollutant emissions exceeding limits; VOCs emissions per unit product reduced by 10% compared to the base year. Mid-term goals in 2027: Zero fines for air pollutant emissions exceeding limits; VOCs emissions per unit product reduced by 17% compared to the base year. Long-term goals in 2030: Zero fines for air pollutant emissions exceeding limits; VOCs emissions per unit product reduced by 25% compared to the base year.
Management Plan	1. Add or update equipment to reduce pollutant emissions 2. Strictly control the emission quality of flue gases from plants and strengthen autonomous management of VOCs emissions
Evaluation of the Management	The "number of fines for exceeding air pollutant emission limits" and the "number of cases of abnormal mass emissions" are listed as key performance indicators. A review report will be presented to the management level. An annual review meeting is convened to assess the performance of the previous year, aiming to propose improvement measures and evaluate their effectiveness.
Assessment Mechanism	1. Continuously implement the ISO 14001 environmental management system for a systematic management of emissions 2. Regularly monitor plant emission concentrations to enable real-time control of emissions and prompt correction of any abnormalities.
Assessment Result	1. Annual emissions of various pollutants over the last three years 2. Environmental-related fines
Grievance Mechanism	As explained in the "EHS Grievance Channels" section 3.1.2.

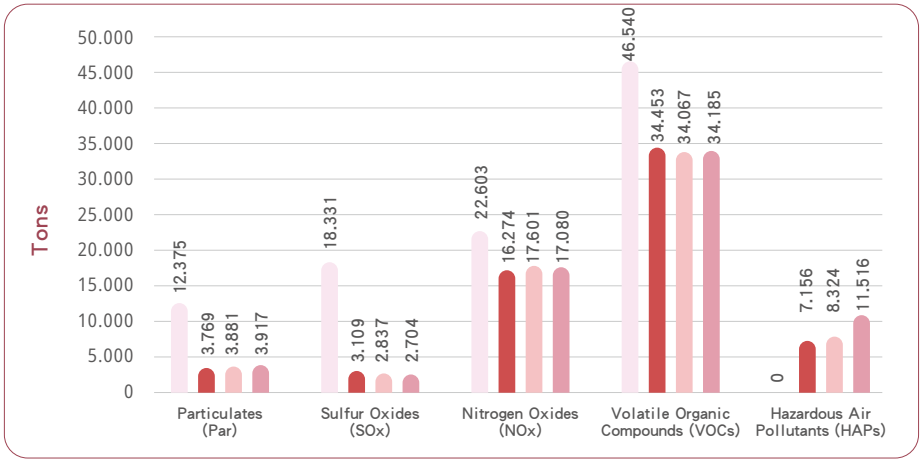
The sources of air pollutant emissions from TTC are outlined in the table below. Petrochemical plants are equipped with RTO systems to ensure the reduction of volatile organic compounds (VOCs). In addition, in response to recent regulatory requirements for hazardous air pollutants (HAPs), the Company has added disclosures on HAPs emissions.

Overview Table of Main Air Pollutants and Their Sources in Each Plant

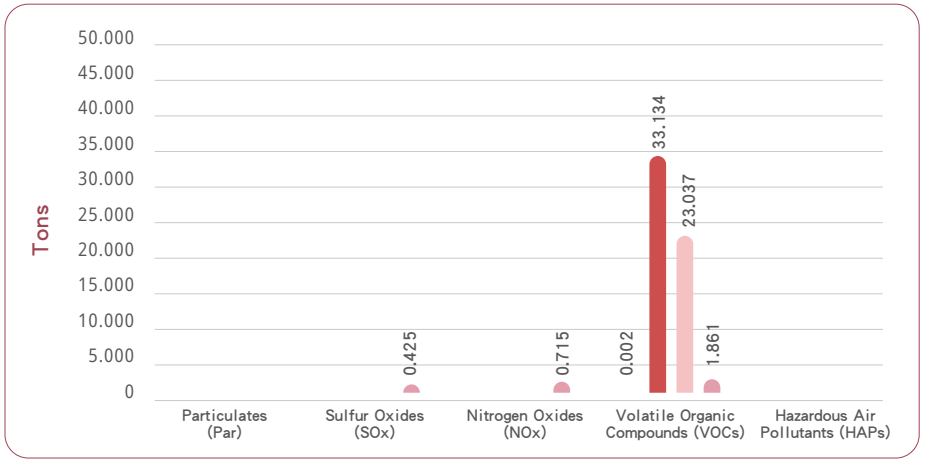
Plant	Main Air Pollutants	Primary Sources
Linyuan Plant	Particulates, SOx, NOx	Emissions from thermal media boilers, incinerators, and exhaust combustion towers.
Linyuan Plant	VOCs, HAPs	Emissions from exhaust combustion towers, storage tanks, equipment components, process exhaust ducts, wastewater treatment plants, and regenerative incinerators.
Toufen Plant	Particulates, SOx, NOx	Emissions from fiberglass formation and drying ovens.
Toufen Plant	Particulates, SOx, NOx	Styrene emissions from the production process, which are annually tested by third-party contractors. The emission results comply with the "Pollutant Emission Standards for the Synthetic Resin Industry" (GB 31572-2015).

In 2024, compared to the 2017 base year, the Taiwan plants of TTC achieved the following reductions in air pollutant emissions: a 68.34% reduction in particulates (Par), an 85.25% reduction in sulfur oxides (SOx), a 24.44% reduction in nitrogen oxides (NOx), and a 26.55% reduction in volatile organic compounds (VOCs). For the Zhongshan Plant in mainland China, starting from 2024, monitoring of SOx and NOx emissions has been conducted in accordance with local regulations, and with the addition of RTO (Regenerative Thermal Oxidizer) equipment, VOC emissions have significantly decreased by 91.92% compared to 2023.

Taiwan plants air pollutant emission information by type:



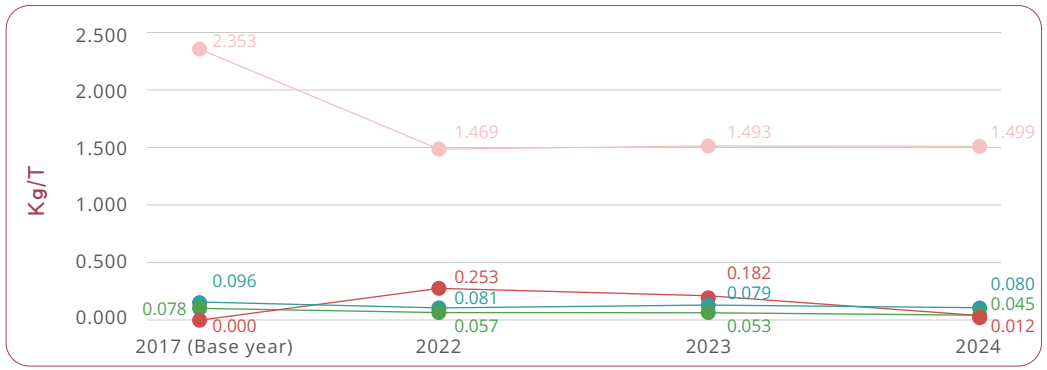
Mainland China Zhongshan Plant air pollutant emission information by type



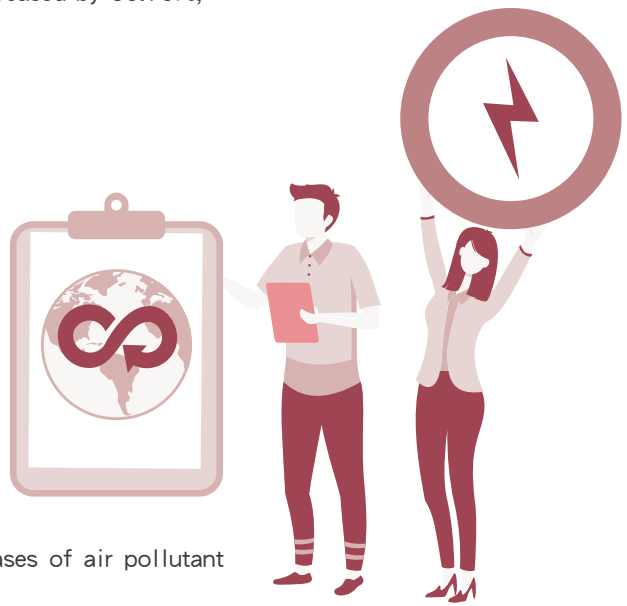
Note: In mainland China, there is currently no established regulatory mechanism for Hazardous Air Pollutants (HAPs). Therefore, HAPs emission data for the Zhongshan Plant is not disclosed.

In terms of VOCs emissions per unit product, using 2017 as the base year, the overall average for the Taiwan plants decreased by 35.76%, successfully achieving the target of a 10% reduction in VOCs emissions per unit product compared to the base year.

VOCs Emission Intensity by Product Category



Note: There is no VOCs emission data for the Zhongshan Plant in the year 2017.



In 2024, TTC recorded two air pollution violation incidents at the Linyuan Plant, failing to meet the target of zero cases of air pollutant exceedance fines. The details of the violations and corrective actions are as follows:

Air Pollutant Emission Improvement Plan for 2024

Plant	Situation in 2024	Explanation (including reasons for non-achievement)	Improvement Plan for 2024
Linyuan Plant	2 cases of violations	On March 27, 2024, the Kaohsiung Environmental Protection Bureau's Inspection Division conducted an inspection of the plant's emission ducts. It was found that black smoke was emitted from the RTO duct in Area 26 of the plant. In accordance with Article 32, Paragraph 1, Subparagraph 1 of the Air Pollution Control Act, the Company was fined NT$225,000.	All process and utility areas within the plant are required to notify the Area 26 shift supervisor prior to start-up and shutdown operations. During these periods, the supervisor is responsible for monitoring the operation of the RTO and adjusting its operating parameters as necessary.
		On July 04, 2024, the Kaohsiung City Environmental Protection Bureau dispatched inspectors to the Plant to conduct inspection checks on equipment components. The inspection revealed that two points of equipment components had leak concentrations exceeding the "Kaohsiung City Equipment Component Volatile Organic Compounds Control and Emission Standards", set at 2000ppm. A fine of NT$300,000 was imposed under Paragraph 1, Article 20 of the Air Pollution Control Act.	· VOC concentrations exceeded standards at the cover gap of the water seal tank (P2238(O01)) in Area 22. The cover sealing has been improved, with regular replacement of water in the seal tank. A follow-up inspection by a third-party testing company was arranged on July 5, and the improvement results have been submitted to the Environmental Protection Bureau for completion confirmation. · VOC concentrations exceeded standards at the drainage bucket of the settling tank (A04-O01) in Area 24. Drainage operation procedures have been revised: after discharge, the bucket is immediately removed from the production area, emptied into the wastewater treatment facility, and covered when empty. A follow-up inspection by a third-party testing company was arranged on July 5, and the improvement results have been submitted to the Environmental Protection Bureau for completion confirmation.

Air Pollutant Emission Improvement Plan for 2024 and 2025

Plant	2024 Improvement Initiatives	2025 Planned Initiatives
Linyuan Plant	· Continue to add flue gas denitration control equipment (selective catalyst) to boilers to reduce the emission concentration of nitrogen oxides. · The baghouse dust collector in the waste incineration furnace has been updated to enhance the efficiency of air pollutant control equipment.	· Continue to add flue gas denitration control equipment (selective catalyst) to boilers to reduce the emission concentration of nitrogen oxides. · Improve the exhaust gas collection system in the process area to prevent odor dispersion to the surrounding environment.
Qianzhen Plant	Regenerative Thermal Oxidizer (RTO) is expected to have its metal Pall rings replaced to prevent an increase in pressure differential and ensure that there are no gas leaks.	Cleaning of insulators in the electrostatic precipitator.
Toufen Plant	· Energy methods in the ceiling line dryers are being improved to comply with air pollution emission standards. · Updated the post-furnace cooling blower. · Improvement of electrostatic precipitator drainage.	Planning to install scrubbing and cooling equipment on pipelines P006 and P007 to prevent abnormal smoke emissions and ensure compliance with air pollution control standards.

3.5 Waste Management GRI 3-3、GRI 306(306-1、306-2、306-3、306-4、306-5)

Material Topics

Waste Management

Material Reason

The government enforces strict requirements for the industry to ensure proper waste disposal and traceability. With the existing waste landfill sites nearing capacity, the prices for processing facilities are increasing. Qualified waste disposal companies are hard to find, which affects waste processing for various plants.

Impact Scope

If waste produced during the manufacturing process isn't properly handled, it will impact the environment.

Impact Boundary

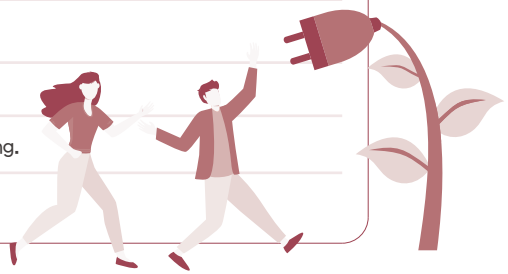
Government agencies
communities
employees

Sustainability Principles and Corresponding SDGs

Create Friendly Environments/ SDGs 12 Responsible Consumption and Production

Management Approach

Policy Purpose	Comply with waste-related regulations, fulfill our duties with due diligence, and minimize waste generated during the production process.
Objective	2024 Goals: Implementation of the waste patrol inspection system; The proper treatment rate of waste is 100% Mid-term goals in 2027: Implementation of the waste patrol inspection system; The proper treatment rate of waste is 100% Long-term goals in 2030: Implementation of the waste patrol inspection system; The proper treatment rate of waste is 100%
Management Plan	1. Establish a waste audit management system. 2. Strictly control waste treatment in the plant and commission legitimate vendors for disposal. 3. With the addition or update of equipment, promote waste reduction plans to decrease the amount of waste.
Evaluation of the Management	Implement autonomous inspections of industrial waste and legally dispose of industrial waste. An annual review report is presented to management during the yearly management review meeting to assess the previous year's performance, propose improvement measures, and evaluate the effectiveness of these improvements.
Assessment Mechanism	Continuously implement the ISO 14001 Environmental Management System to systematically manage waste treatment.
Assessment Result	Annual waste generation and proper handling ratio.
Policy Adjustment	For unmet targets or proposed improvement plans, reviews and adjustments will be presented during the management review meeting.
Grievance Mechanism	Details can be found in Section 3.1.2 under EHS Grievance Channels.



TTC produces waste during production and processing stages of product manufacturing. In recent years, in response to increasingly strict standards imposed on waste disposal contractors, each facility, besides intensifying the advocacy of proper waste classification, storage, and labeling, also endeavors to reduce waste production. This ensures that waste disposal aligns with legal regulations.

TTC adheres to waste management regulations, commissioning certified disposal organizations for waste treatment. We require these operators to provide proper handling documents, periodically check on the commissioned waste management status, and report on disposal volumes. Using the Global Positioning System (GPS) installed on waste disposal vehicles, we verify if the transportation routes align with the designated waste treatment facilities, conducting random vehicle inspections and establishing an autonomous waste inspection system to diligently fulfill our responsibilities. In 2024, a total of 18 inspections were conducted. The results complied with relevant legal stipulations, and the waste inspection system continues to be effectively implemented. Each facility's waste generation and proper handling rate was 100% (Note: The proper waste handling rate indicates that all plant waste is properly treated by certified disposal contractors as per regulations) , achieving the goal of a 100% proper waste treatment rate.

Waste Generation and Disposal Process

In 2024, TTC's total waste generation amounted to 4,696.5 metric tons, representing a 27.22% increase compared to 2017. This increase is primarily attributed to the change in calculation scope—while previous years mainly accounted for bulk waste from each plant, from 2023 onwards, all reported quantities on the official waste reporting platform have been included to effectively track waste flows. The majority of waste generated by each facility is classified as non-hazardous industrial waste. Regarding disposal methods for general industrial waste, 19.83% was incinerated (excluding energy recovery), 15.42% was landfilled, and 0.49% was subjected to other disposal methods. In terms of recycling, 0% was prepared for re-use, 60.95% was recycled, and 3.31% underwent other recycling operations, resulting in an overall recycling rate of 64.26%.

TTC's Waste Production, Transfer, and Disposal in the Last 3 Years

Unit: Tons (T)

Plant	Hazardous/ Non-hazardous	Type of Disposal	Method of Disposal	2022	2023	2024
Linyuan Plant	Non-hazardous waste	Direct Treatment of General Industrial Waste	Incineration (excluding energy recovery)	542.9	316.1	641.5
			Landfill	0.0	10.0	4.2
			Other disposal methods	0.0	0.0	0.0
		Total weight of non-hazardous waste		542.9	326.1	645.7
		Recycling operations	Preparation for reuse	0.0	0.0	0.0
			Recycling for reuse	914.6	907.0	1,166.2
			Other recycling operations	26.5	20.2	84.4
		Total weight of non-hazardous waste		1,484.0	1,253.2	1,896.3
Linyuan Plant	Non-hazardous waste	Direct Treatment of General Industrial Waste	Incineration (excluding energy recovery)	72.1	83.6	88.4
			Landfill	0.0	0.0	0.0
			Other disposal methods	0.0	0.0	0.0
		Total weight of non-hazardous waste		72.1	83.6	88.4
		Recycling operations	Preparation for reuse	0.0	0.0	0.0
			Recycling for reuse	292.8	324.0	341.2
			Other recycling operations	68.8	82.5	60.2
		Total weight of non-hazardous waste		433.7	490.2	489.8

Plant	Hazardous/ Non-hazardous	Type of Disposal	Method of Disposal	2022	2023	2024
Toufen Plant	Non-hazardous waste	Direct Treatment of General Industrial Waste	Incineration (excluding energy recovery)	50.6	39.3	26.7
			Landfill	0.0	0.0	0.0
			Other disposal methods	0.0	0.0	0.0
		Total weight of non-hazardous waste		50.6	39.3	26.7
		Recycling operations	Preparation for reuse	0.0	0.0	0.0
			Recycling for reuse	664.4	1,106.5	1,355.0
			Other recycling operations	2.1	10.6	10.8
		Total weight of non-hazardous waste		717.1	1,156.4	1,392.5
Zhongshan Plant	Non-hazardous waste	Direct Treatment of General Industrial Waste	Incineration (excluding energy recovery)	157.9	162.3	174.9
			Landfill	702.0	924.8	719.8
			Other disposal methods	0.0	0.0	23.2
		Total weight of non-hazardous waste		859.9	1,087.0	917.9
		Recycling operations	Preparation for reuse	0.0	0.0	0.0
			Recycling for reuse	0.0	0.0	0.0
			Other recycling operations	0.0	0.0	0.0
		Total weight of non-hazardous waste		859.9	1,087.0	917.9

Note: The "Other Recycling Operations" refers to the resource recovery of sludge. This is carried out by qualified processing plants using a thermal treatment method, after which it is used as a supplementary material for cement (not a product of TTC).

Plant	Hazardous/Non-hazardous	Type of Disposal	Method of Disposal	2022	2023	2024
Toufen Plant	Toufen Plant	Direct Treatment of Hazardous Industrial Waste	Other disposal methods	2.1	0	0
		Total weight of hazardous waste		2.1	0	0

Note: After washing and processing by qualified contractors, the hazardous industrial wastes from the Toufen Plant are crushed and sliced for recycling.

Flowchart of Waste Generation for TTC in 2024

Waste Management Operations

1 Linyuan Plant

Since 2018, wastewater sludge has been dehydrated using a plate-and-frame type dehydrator, with the addition of a dryer to further reduce moisture, achieving sludge reduction. Some secondary materials (coagulants) from the process are sold to manufacturers as raw materials, reducing waste coagulant production. ABS powder in the process wastewater is also recycled for reuse, reducing sludge waste. In 2024, residual materials from the production process were effectively utilized for use in other product grades. The recycled materials obtained ISO 14021 certification, increasing the volume of material reuse.

2 Qianzhen Plant

Since 2018, optimized the addition ratio of coagulants for wastewater sludge to further improve the efficiency of the belt filter press; planned onsite reuse of waste materials to reduce overall waste generation.

3 Toufen Plant

In 2015, they successfully developed a method to reuse waste glass wool, significantly reducing the need for waste landfilling. From 2016, through process waste reduction and repackaging of defective products, quality-inspected cotton that can be reused is sent back to the production line for pack aging, reducing the handling of waste cotton. This has led to a continuous decrease in waste disposal. In 2022, the curved printing process was dis continued, reducing waste output.

4 Zhongshan Plant

Waste wood generated is sold for incineration by a management unit. Regular household waste is collectively recycled and incinerated by government sanitation units. Sludge is landfilled by a third-party company, while hazardous waste, with the consent of the Zhongshan City Environmental Protec tion Bureau, is processed by qualified companies.

Improvement Plans for Waste Management in 2024 and 2025

Plant	2024 Improvement Initiatives	2025 Planned Initiatives
Linyuan Plant	Recycled and remanufactured process residues, effectively utilizing leftover waste materials as other product grades; the recycled materials have obtained ISO 14021 certification.	Continuously implement process residue recycling and reuse programs to increase the volume of recycled materials.
Qianzhen Plant	Recycling for reuse in-plant raw materials of flexible intermediate bulk container, repurposed for packaging products 751C and 331X.	Implement pallet recycling and reuse programs with raw material suppliers.
Toufen Plant	· Add new vendors for recycling and reuse processing. · Reduce process waste, repackage defective products, and after quality control inspection, the usable cotton is returned to the production line, reducing waste cotton handling and continuously decreasing waste disposal.	· Add new vendors for recycling and reuse processing. · Plan to establish a centralized waste storage site for organized sorting and management. · Reduce process waste, repackage defective products, and after quality control inspection, the usable cotton is returned to the production line, reducing waste cotton handling and continuously decreasing waste disposal.
Zhongshan Plant	· Strengthen process management to reduce end-of-pipe treatment. · Reuse EPS with non-standard particle sizes and periodically sell scrap to downstream manufacturers.	· Strengthen process management to reduce end-of-pipe treatment. · Reuse EPS with non-standard particle sizes and periodically sell scrap to downstream manufacturers.

04

Creating a Safe Workplace

Annual Material Topic	2024 Annual Goals	Performance Status
Occupational Safety and Health	Number of disabling injuries: 0 Disabling injury frequency rate (F.R.)= 0 Disabling injury severity rate (S.R.)= 0	The goal has been achieved

4.1 Occupational Safety and Health

GRI 3-3、GRI 403(403-1、403-2、403-3、403-4、403-5、403-6、403-7、403-8、403-9、403-10)

Material Topic

Occupational safety and health

Material Reason

A safe and healthy working environment is the primary labor requirement for workers. Thus, continuous efforts should be made to reduce safety and health risks, prevent and minimize occupational accidents, and consistently improve safety and health performance, underscoring our commitment to safety and health.

Impact Scope Impact Boundary

Government agencies, communities, and employees

Sustainability Principles and Corresponding SDGs

Shape an Inclusive Society/SDGs 3 Good Health and Well-being Management Approaches

Management Approaches

Policy Purpose	Continuously reduce safety and health risks, prevent and minimize occupational accidents, and promote employee health.		
Objective	Goal for 2024： Zero disabling injuries, zero incidents of occupational accidents	Mid-term goal for 2027： Zero disabling injuries, zero incidents of occupational accidents	Long-term goal for 2030： Zero disabling injuries, zero incidents of occupational accidents
Objective	Add or update equipment to reduce pollutant emissions to reduce the OSH-related risks		
Evaluation of the Management	Measure the "Number of disabling injuries" every year and present an assessment report to the management during the annual management review meeting. This allows for a review of the past year's performance and the formulation of improvement measures, as well as an evaluation of the effectiveness of those measures.		
Assessment Mechanism	Continuously implement the ISO 45001 Occupational Health and Safety Management System for a systematic management.		
Assessment Result	Number of disabling injuries in the last three years		
Negative Impact Remedies and Preventive Measures	Inadequate implementation of Process Safety Management (PSM) leading to accidents: Our company has integrated the PSM system, employing a systematic approach to prevent unforeseen incidents.		
Grievance Mechanism	Details can be found in Section 3.1.2 under "EHS Grievance Channels"		

TTC occupational safety, health, and environmental policy is detailed in Chapter 3: Environmental Protection. Through the following management practices, the Company continuously reduces occupational safety and health risks to achieve the established goals:

Implementation of Occupational Health and Safety Management System:

01 Implementing the ISO 45001 standard, TTC adopts a systematic PDCA (Plan-Do-Check-Act) management cycle to enforce risk management and continuous improvement in safety, fire protection, health, and environmental aspects, as well as disaster prevention. The Company also places strong emphasis on preventing physical and mental harm and occupational diseases among employees.

02 TTC's plants in Linyuan, Qianzhen, and Toufen have passed the ISO 45001 standard verification. While the Zhongshan Plant has not been verified, it operates based on Company regulations and policy mandates. Both internal and external audits involve all employees and contractors. In 2024, 482 employees and 136 contractors were covered by the Occupational Health and Safety Management System (including fire safety management), representing 100% coverage.

03 By adopting the best available techniques and management practices, we are committed to organization, waste reduction in processes, pollution prevention, and ensuring the health and safety of our employees, contractors, and neighboring communities.

04 We emphasize continuous training, communication, and consultation with employees, encouraging everyone's participation. We also enhance communication with contractors and clients, ensuring they are fully informed of our occupational safety, health, and environmental policies.

05 In terms of fire safety management audits, each site is legally staffed with certified fire safety personnel (Fire Prevention Manager/Safety Supervisor) in accordance with regulations. The Company ensures proper maintenance and management of fire protection systems and equipment and conducts regular self-defense team training and emergency drills.

06 Procedures are established for occupational safety, health, environmental, and energy noncompliance and corrective actions, as well as for environmental and safety inspections. Personnel are assigned on a weekly rotation to conduct site inspections, and monthly audits are carried out to verify compliance with occupational safety, health, and fire protection regulations. Additionally, in coordination with the annual cross-plant audit program organized by the Group, a cross-plant audit team is formed from occupational safety, environmental protection, and fire safety managers or senior engineers from each Group site. The audit scope includes: compliance with occupational safety, health, environmental protection, and fire safety regulations; adherence to external commitments on occupational safety, environmental protection, and fire safety; the effectiveness of corrective actions for regulatory violations; and the implementation of corrective actions for occupational safety, health, environmental, and fire-related incidents. Corrective actions are proposed and followed up for deficiencies identified in cross-plant audits, with progress reviewed and tracked in EHS or occupational safety meetings.

Implementing the Process Safety Management (PSM) System:

01 TTC's Linyuan, Qianzhen, and Toufen Plants began implementing the PSM (Process Safety Management) system in 2021. Through planning, execution, inspection, and improvement, they have progressively promoted the PSM system to strengthen process operational safety. The goal is to establish and implement a safety culture and system at the plant, spanning from top management to employees and from equipment to personnel.

02 The PSM system was fully implemented in 2023 and is regularly reviewed through compliance audits to ensure effectiveness. The Group has also launched cross-plant PSM audits, with audit teams formed based on professional expertise, department category, and PSM familiarity. Identified deficiencies are addressed through corrective actions with follow-up improvements. Non-conformities identified through internal and external audits are reviewed and tracked in monthly PSM meetings. To date, 57 issues have been resolved, with 6 items still under improvement.

03 For PSM audits, a PSM compliance audit procedure and an annual compliance audit plan are established to ensure proper implementation and adherence to relevant procedures and standards. Compliance audits are conducted regularly, with corrective actions and follow-ups taken on identified deficiencies to achieve PSM performance targets.

04 Audit frequency is categorized into regular and random audits. Regular audits follow the Process Safety Assessment Implementation Guidelines, ensuring that all 14 elements of PSM are reviewed for adequacy and compliance at least once every three years. Random audits are triggered by significant internal incidents, such as process safety events, occupational safety or environmental accidents, and workplace injuries, to identify and address management or technical issues. The related audit activities are managed and tracked through the PSM Compliance Audit Information Management Platform.

Occupational Health and Safety Organization

TTC's Linyuan, Qianzhen and Toufen Plants have established labor unions and the "Occupational Safety and Health Committee (OSHC)" have also established in accordance with the "Regulations for Occupational Safety and Health Management," with labor representatives elected or appointed by the union. The committee meets with management every quarter to discuss ESH topics on behalf of employees.

The Zhongshan Plant has a dedicated Health and Safety Department responsible for the daily management of occupational health and safety. They hold monthly environmental safety meetings to review issues related to occupational safety management.

The proportion of worker representatives in the Occupational Safety and Health Committees at each plant is as follows: 65% at the Qianzhen Plant, 36% at the Linyuan Plant, and 33% at the Toufen Plant. In 2024, a total of 66 safety and health proposals were submitted, with 10 still under implementation.

Workplace Safety and Health Operations

TTC's Linyuan and Qianzhen Plants obtained OHSAS 18001 Occupational Health and Safety Management System certification in July 2001. By August 16, 2020, these plants, including the Toufen Plant, successfully transitioned to the ISO 45001 standard. Each plant regularly designates personnel to conduct safety inspections and checks on a weekly basis. Additionally, the Company has implemented the "Group Safety and Health Partner Regional Joint Defense" system. This system encourages affiliated enterprises within the Group to supervise each other, share experiences, and conduct cross-audits. This approach further solidifies the implementation of safety and health management. In 2024, Qianzhen, Linyuan, and Toufen Plants underwent a total of 19 ISO and Group audits.

The Zhongshan Plant has not yet adopted the ISO 45001 Environmental Health and Safety Management System. However, it still operates in accordance with relevant occupational safety regulations and the environmental and safety policies of TTC.

Occupational Safety and Health Risk and Opportunity Assessment and Control Procedures

TTC has established comprehensive hazard identification and risk assessment procedures covering occupational safety, fire safety, chemicals, and public hazardous materials. All evaluators undergo risk assessment training, ensuring their competency and understanding. Assessment methods involve internal staff (including contractors) or external stakeholders. They can submit their findings to their respective supervisors. The executive team collates, reviews, and tracks the proposed improvements. Furthermore, by establishing internal and external communication procedures, employees are involved in incident investigations, hazard risk assessments, and decision-making on control measures. This ensures all relevant employees, contractors, suppliers, and stakeholders are timely informed about the Company's occupational health, safety, environmental policies, and system requirements.

To prevent hazards from operations, activities, services, or facilities that might compromise the safety and health of personnel or result in financial losses to the Company, early actions are taken to address opportunities for improving occupational health and safety performance. Post-risk assessment, the chosen control methods include (a) elimination, (b) substitution, (c) engineering controls and job reorganization, (d) managerial controls including training/signs/warnings/management controls, and (e) personal protective equipment. Controls are chosen based on a priority sequence from (a) to (e), identifying the most optimal method, and reducing risks to acceptable levels.

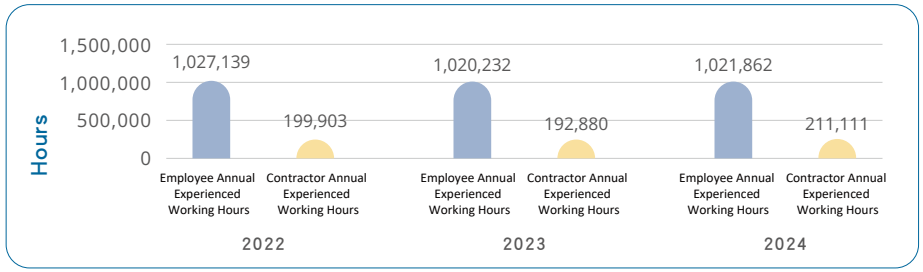
Performance Statistics for Hazard Identification and Risk Assessment: In 2024, a total of 9 measures were derived from the identification of unacceptable occupational health and safety risks.

TTC's occupational injury management goal aligns with the Group's "Zero Occupational Hazards, Zero Accidents" target. Maintaining a low injury rate is a key indicator for evaluating employee health and safety within the organization. As a result, designated personnel at each plant conduct regular inspections of occupational safety, environmental protection, and fire safety. A performance evaluation system for inspectors is established, and all identified deficiencies are tracked through the EHS management platform to ensure corrective actions and prevent recurrence. **In 2024, TTC recorded zero occupational safety incidents, zero fire accidents, and zero chemical spills, achieving the goals of zero lost-time injuries and zero disasters.**

Employee Occupational Health and Safety Performance Statistics (as of December 31, 2024):

1. Annual Experienced Working Hours Statistics for Employees and Contractors

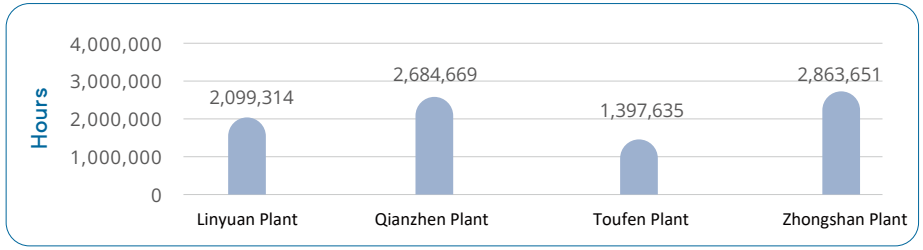
Experienced Working Hours in the Past Three Years



Note 1. Work hours lost due to commuting accidents are not included in the recordable injury statistics.
Note 2. For contractors, the accumulated total work hours without recordable injuries in 2024 were 211,111 hours.

2. Total Accumulated Work Hours Without Lost-Time Injuries (hours)

2024 Annual Total Work Hours Without Lost-Time Injuries by Plant



3. TTC's absentee rate in 2024 was 0.436%.

Note: Absentee Rate = (Total Absentee Hours) / (Total Scheduled Work Hours) × 100%. Total Absentee Hours in 2024 are based on actual HR statistics, calculated from sick leave and occupational injury leave hours. Total Scheduled Work Hours represent the actual worked hours in 2024.

4. Performance Statistics Table for Occupational Health and Safety Over the Last Three Years

Item		2022	2023	2024
Taita Chemical Co., Ltd.	F.R.	0	0	0
	S.R.	0	0	0
	F.S.I.	0	0	0
	TRIR	0	0	0
Contractors	F.R.	0	0	0
	S.R.	0	0	0
	F.S.I.	0	0	0
	TRIR	0	1.04	0

Note: 1. Disabling Injury Frequency Rate (F.R.) = Number of Disabling Injuries × 106 / Total Work Hours
2. Disabling Injury Severity Rate (S.R.) = Total Lost Workdays × 106 / Total Work Hours
3. Frequency Severity Index (F.S.I.) = √ [(F.R × S.R.)/1,000]
4. Total Recordable Incident Rate (TRIR) = Number of injuries × 200,000/Total work hours
5. According to the statistics from the Occupational Safety and Health Administration of the Ministry of Labor, the plastic and synthetic rubber manufacturing industry has had the following rates over the last three years: F.R. of 1.04; S.R. of 299; F.S.I. of 0.55
6. Details on the number of contractor injuries and improvement measures can be found in the Contractor Safety Management description

5. Process Safety Management Performance

Process Safety Management Performance 2024

Total Count of Process Safety Incidents (PSIC)	Process Safety Total Incident Rate (PSTIR)	Process Safety Incident Severity Rate (PSISR)
0	0	0

Note 1. Employees are only permanent employees. The total hours worked in 2024 was 1,021,862 hours
Note 2. PSTIR = The cumulative (annual) count of incidents x 200,000/total hours worked by workers
Note 3. PSISR = The total severity score of process safety incidents x 200,000/total hours worked by workers

4.2 Health Promotion

Care for Employee Health

Before entering the plant, new recruits are required to undergo health check-ups at medical institutions recognized and approved by government agencies. Every year, regular employees undergo health check-ups conducted by accredited major hospitals to ensure their well-being. Results, when necessary, are reported to the competent authorities for record. As of 2024, the health check-up participation rate across all plants reached 100%.

Upon completion of the health check-ups, employees receive a health report detailing their medical data over the past three years. This allows them to understand the fluctuations in various test results during this period. Additionally, we maintain an archive of each employee's annual health reports, which they can access for personal review. Employees engaged in tasks that pose particular health risks are required to undergo special health check-ups. We have established a health management database and conduct tiered health management based on regulations. Depending on the examination results, health level, and physician's recommendations, employees with abnormal findings receive health education, follow-up examinations, treatments, or are managed by adjusting their job assignments to safer environments.

Overview Table of Job Types Requiring Special Health Check-ups Across Factories

Plant	Types of Jobs Requiring Special Health Check-ups
Linyuan Plant	Operations involving noise, dimethylformamide, and laboratory work with potassium dichromate
Qianzhen Plant	Operations involving noise, ionizing radiation, and laboratory work with benzene
Toufen Plant	Operations involving noise and dust exposure
Zhongshan Plant	Noise operation

While the rate of unsatisfactory health examination results can be directly or indirectly related to factors such as age progression and individual lifestyle habits, we still place an emphasis on the promotion of employee health, especially for those with higher unsatisfactory rates. To this end, we draft an annual health promotion plan and implement various health promotion initiatives as follows:

- After each health examination, we invite hospital physicians to host an examination result briefing. This allows employees to understand their current health status, communicate face-to-face with the doctor, and receive suggestions regarding their post-examination health condition.
- To ensure employees have the opportunity for physical and mental relaxation, plant welfare committees and unions organize tiered recreational trips annually. This ensures that all employees have a chance to participate, promoting overall well-being.

Prevention Management of Work-related Ill Health

TTC implements and complies with occupational safety and health regulations. According to the Occupational Safety and Health Act, relevant preventive measures have been taken for work categories involving health hazards as below. In 2024, the number of occupational illness cases was zero.

Category	Hazard Factors	Potential Occupational Illness	Preventive and Management Measures
Physical	Noise	Occupational hearing loss	Establish a hearing protection plan, provide education and training, and supply protective equipment
	Work under sunshine	Heatstroke, heat exhaustion	Install indoor cooling systems, air conditioning, fans, provide water dispensers, schedule work and rest periods
Chemical	Organic solvents	Liver and kidney damage, dermatitis	Limit exposure time, set up local exhaust ventilation systems, supply protective equipment
	Dust	Respiratory irritation, occupational asthma	
Ergonomic	Heavy objects	HIVD	Develop a human-centered hazard prevention plan, limit duration of use, use machinery to replace manual work where possible, advocate for the correct working posture
	Poor posture	Neck and shoulder pain	
Social, physiological	Overwork	Cardiovascular diseases	Establish a plan to prevent illnesses caused by abnormal workloads, control working hours, advocate for the improvement of bad habits, promote correct posture
	Psychological stress	Occupational psychiatric disorders	Implement a prevention and management plan against unlawful infringements in the workplace, station doctors and nurses in he plant for consultation and counseling

Work-related Illnesses Statistics

Item/Year	Employees		Contractors	
	Male	Female	Male	Female
Number of cases of recordable work-related ill health	0	0	0	0
Number of fatalities as a result of work-related ill health	0	0	0	0

Health Promotion Management

Beyond its commitment to business management, TTC places significant emphasis on the physical and mental well-being of its employees.Regular events, such as group travel and participation in charitable activities, are organized across all plants. Employees are encouraged to participate actively. Additionally, stationed doctors and nurses offer free medical consultations and health guidance on-site, helping employees understand potential physical or psychological health issues and promoting health management awareness and initiative. For general health examination anomalies, individual employees receive health education. In 2024, the Company's occupational health and medical staff provided health education sessions a total of 147 times.

4.3 Emergency Response

In response to the possibility of emergency procedures for raw materials (chemical) leakage, fire, explosions, and earthquakes.In addition, TTC has classified incidents into three levels and has planned different response stages. When the level of an incident rises, the stage of response also rises. The three stages of response are as follows. Each plant, in addition to participating in annual fire drills, also has a yearly emergency response drill plan. The goal is to continuously train staff to become familiar with the emergency handling procedures through regular drills.

The Three-stage Emergency Response Flowchart

STEP 1

Situation

Minor leakage or hazardous substances and a minor fire occur within the plant

Response

The foreman will be the site commander to instruct personnel within the unit to stop the leakage or fire

STEP 2

Situation

Major leakage or hazardous substances and a major fire occur within the plant, the emergency response team of the incident occurring unit cannot effectively control the situation, and it must mobilize the plant's emergency response organization to support the control

Response

- The foreman on-duty officer mobilizes the emergency response organization according to the alert and reporting procedure based on the request for support of the incident occurring unit.
- Based on the emergency situation, request for support outside of the plant and notify relevant agencies as necessary.
- Determine the need to immediately shut down plant operations and isolate the incident affected areas.
- The site commander can be the head of the incident occurring unit or department, until the plant manager or his/her agent takes over the command.
- Set up a response command center to gather information regarding the latest situation for the chief commander to make decisions and notify the response organization.

STEP 3

Situation

An incident may spread outside of the plant and its impact reaches outside the plant.

Response

- The plant manager or his/her agent becomes the chief commander to command the emergency plan within the plant and report the situation to local competent authorities.
- If the situation runs out of control and may threaten the life of employees, the plant is evacuated.

In addition, plants across Taiwan collaborate with the Taiwan Responsible Care Association (TRCA), the Industrial Safety and Health Promotion Association, and the Pollution Prevention Coordination Group. Through mutual observation and learning in areas such as occupational safety, environmental protection, fire safety, and health, they aim to enhance the safety and health protections of operational staff. They also annually hold regular emergency response, firefighting drills, and safety education training. In the fiscal year 2024, a total of 123 emergency response and fire drills, and education training sessions were conducted, benefiting 2,562 participants. This training nurtures employees' ability to respond to emergencies and self-manage their safety.

Photos Related to the Emergency Response Drills


Linyuan Plant 2024 Emergency Response Drill-Emergency response drill for toxic chemical incidents in Area 13 and Area 27


Qianzhen Plant 2024 Emergency Response Drill-Emergency response drill for minor fire incident at BA tank


Toufen Plant 2024 Emergency Response Drill-Ammonia Gas Leak Training




Zhongshan Plant 2024 Emergency Response Drill -Emergency drill for SM pipeline leakage in the cylinder filling area

Environmental, Safety, and Health Training

Education, training, and publicity are the fundamentals for promoting HSE awareness to employees and contractors. By establishing relevant management regulations for each plant, TTC provides knowledge and skill training for different categories of employees and contractor personnel based on actual needs. For the fiscal year 2024, the total number of trainees reached 6,773, with a combined training duration of 19,410 hours.

Statistics Table for Environmental, Safety, and Health Training Hours and Number of Different Personnel in 2024

Plant	Linyuan Plant		Qianzhen Plant		Toufen Plant		Zhongshan Plant	
Category	Person	Total hours	Person	Total hours	Person	Total hours	Person	Total hours
New Employees	3.0	9.0	5.0	558.0	7.0	21.0	1.0	24.0
On-the-Job Training	2,560.0	8,560.0	740.0	2,705.0	680.0	1,444.0	1,723.0	4,467.0
Contractor Personnel	686.0	1,029.0	324.0	486.0	19.0	57.0	25.0	50.0
Total	3,249.0	9,598.0	1,069.0	3,749.0	706.0	1,522.0	1,749.0	4,541.0

Photos Related to HSE Education

Linyuan Plant-Workplace safety training for all employees

Qianzhen Plant-Practical training on fall prevention for working at heights and prevention of entanglement and crushing injuries

Toufen Plant-Common overload in the workplace - Promotion of cerebrovascular and cardiovascular diseases prevention and CPR

Zhongshan Plant-Fire safety educational training conducted by National Fire Agency

Contractor Safety Management

TTC has set regulations for contractor management. These clearly stipulate that contractors must undergo safety education before entering the plant. They are informed about potential hazards to ensure a comprehensive understanding of the safety of the construction environment and safety measures. Only after this training are contractors allowed to work within the facility. Before commencing work, a safety check is implemented to guarantee the security of the work site, fulfilling the responsibility of occupational safety and health management. Random safety checks are conducted during operations. In case of any violation, the contractor is immediately asked to cease construction. They can only resume after necessary improvements are made. Additionally, meetings are held concerning contracted projects, emphasizing clear safety guidelines, precautions, and emergency response measures within the plant area. Through these meetings, bidirectional communication is facilitated to ensure the safety of all contracted operations, thereby reducing the occurrence of accidents. They can only resume after necessary improvements are made. Additionally, meetings are held concerning contracted projects, emphasizing clear safety guidelines, precautions, and emergency response measures within the plant area. Through these meetings, bidirectional communication is facilitated to ensure the safety of all contracted operations, thereby reducing the occurrence of accidents. In 2024, the number of contractor-related incidents was zero.

Transportation Safety Management for Raw Materials

(1) Tanker Truck Management

Each plant utilizes tanker trucks for the transportation of raw materials. Considering the safety of vehicle transportation, raw material storage, and unloading operations, each plant has established regulations as per their requirements. These regulations cover the transportation of chemical tankers and finished products, raw material storage management, unloading-related operations, and guidelines for operating procedures related to the unloading and storage of tanker or drummed raw materials.

The transportation tankers are qualified tankers for transporting chemical substances; each contractor has good emergency response ability, and well-established emergency response plans. Transportation is implemented according to the relevant control regulations and management measures. Furthermore, since acrylonitrile and butadiene are classified by the Ministry of Environment as toxic and concerned chemical substances, dedicated transportation hazard prevention and emergency response plans have been established for both chemicals. The Company has also joined the national joint emergency response organization for toxic and concerned chemical substance incidents involving acrylonitrile and butadiene. Furthermore, the Company participates in emergency response drills for tanker truck transportation organized by the competent authorities and industry associations. **In 2024, the number of tanker transportation incidents at Linyuan, Qianzhen, Toufen, and Zhongshan plants was zero.**

(2) Pipeline Management

In addition to raw material transportation via storage tank trucks, pipeline transportation is also utilized. To ensure the safety of pipeline transportation, each plant has established standard operating procedures (SOPs) for pipeline transport management to ensure that long-distance pipeline operations comply with relevant monitoring standards. Safety management measures for both above-ground and underground pipelines are as follows:

Linyuan Plant

The underground pipelines transporting butadiene and styrene are located within the Linyuan Industrial Zone, bypassing the Kaohsiung city area. The plant has established a "Raw Material Transportation Pipeline Management Standard" to regulate maintenance, daily inspections, and abnormality management for underground pipelines both within and outside the plant. Above-ground pipelines in the plant are also inspected and maintained based on related standards. In addition, flow and pressure monitoring equipment is installed on the transmission pipelines. Both the Company's control room personnel and the supplier's control room personnel jointly monitor the flow and pressure values of the transmission pipelines. During material transfer, the flow and pressure are continuously monitored. If any abnormal readings are detected, the monitoring system automatically triggers an alarm to alert relevant personnel. Flow variations between the input and output ends are continuously cross-checked, and appropriate emergency response actions are promptly taken in case of any irregularities.

Qianzhen Plant

Styrene is transported directly from CGTDC's tanks to the Qianzhen plant processing area through above-ground pipelines. The entire transportation route is within the boundaries of both plants. A "Maintenance and Management Procedure for SM Transparent Pipes from CGTDC to TTC Process" has been established. Staff from each shift use Personal Digital Assistants (PDAs) for inspections, checking for pipeline leaks. Pipeline thickness is measured annually to evaluate any thinning of the pipe walls. If any irregularities in the styrene transportation process are detected during production, both the Qianzhen Plant control room and CGTDC control room have monitoring screens and alarms. Immediate action is taken during abnormalities, and CGTDC personnel will also provide on-site support.

Zhongshan Plant

Above-ground pipelines are inspected by tank area operators for any leaks. There is an underground pipeline between the storage tank area and the processing area that can transport styrene and pentane. According to the "Special Equipment Safety Inspection Regulations", this underground pipeline is classified as a pressure pipeline. The Zhongshan Special Equipment Testing Institute conducts annual online tests on these pressure pipelines. Once thoroughly inspected and approved, a "Special Equipment Use Registration Certificate" is issued by the quality technical supervision department for legal use.

In 2024, there have been no incidents related to pipeline transportation at the Linyuan, Qianzhen, and Zhongshan Plants.

(3) Product Transportation Safety Management

Linyuan Plant

Product transportation safety on roads is entrusted to contracted transporters. Similar to Linyuan, vehicles entering the plant must adhere to related management regulations, and trucks coming in for loading are managed for safety during loading and unloading. Vehicles entering the plant must adhere to related management regulations. Trucks entering the plant for loading are subjected to loading and unloading operations and safety management. Transport contractors must ensure their diesel vehicles have joined the Kaohsiung diesel vehicle self-management system and have obtained the smoke inspection qualification mark before they can operate within the plant.

Qianzhen Plant

The product is granular in appearance. Domestic transportation of bagged products uses standard trucks, while bulk transportation uses specialized tanker trucks. For overseas clients, containerized products are transported to the docks by trailers and then by sea shipping. There's an established "Finished Product Transportation Management Procedure Manual". Annually, audits are conducted on contracted transportation companies. Just like Linyuan, diesel vehicles must be part of the Kaohsiung diesel vehicle self-management system and possess a smoke inspection qualification mark to operate in the plant.

Toufen Plant

Product transportation safety on roads is entrusted to contracted transporters. Similar to Linyuan, vehicles entering the plant must adhere to related management regulations, and trucks coming in for loading are managed for safety during loading and unloading.

Zhongshan Plant

Finished product transportation primarily uses trucks. Detailed regulations and corresponding penalties ensure transportation safety. All vehicles entering the plant must follow entrance-related management regulations, register upon entry, undergo checks, and adhere to safety management for loading and unloading, ensuring safety within the plant premises.

05 Shape an Inclusive Society

Ongoing Monitoring Topics	2024 Annual Goals	Performance Status
Talent Attraction and Retention	Turnover Rate (including fixed-term contract employees and retired employees) ≦ 7.5%	The goal has been achieved

5.1Talent Attraction and Retention GRI 3-3、GRI 401 (401-1、401-2、401-3)

Material Topics

Talent attraction and retention

Material Reason

Quality human assets are one of the key success factors for a company. Utilizing talent appropriately and providing a reassuring work environment allows employees to fully demonstrate their expertise and achieve their potential are the Company's sustainability goals. Therefore, TTC is dedicated to creating a harmonious and stable work environment by offering various benefits, ensuring that employees can thrive without worries and grow alongside the Company. If employees cannot work with peace of mind, not only will the Company's performance suffer, but it also leads to a high employee turnover rate, adversely affecting the overall operational efficiency.

Impact Scope

Employees, investors, and partners.

Sustainability Principles and Corresponding SDGs

Sustainability Principles and Corresponding SDGs

The management approach and components

Policy Purpose	By offering various benefits, we ensure employees enjoy their workplace and can work with peace of mind.
Policy	A Great Place to Work
Commitment	Establish comprehensive welfare measures to create a joyful and harmonious work environment. This promotes employee stability and reduces turnover.
Objective	✔ 2024 Goal (including indefinite contract and retired employees)：Turnover rate ≦ 7.5%。 Turnover rate ≦ 7.5%：Turnover rate ≦ 7.5% Long-term goal for 2030：Turnover rate ≦ 7.0%
Management Plan	Employee benefits include bonuses, leaves, insurance, meals, transportation, and entertainment.
Negative Impact Remedies and Preventive Measures	A shortage of manpower due to difficulty in employee recruitment: To stabilize the workforce and retain outstanding talents, apart from adjusting the pay for employees according to the consumer price index and personal performance of the employees every year, we participate in a compensation survey of the petrochemical industry to estimate pay standards in the market to make appropriate adjustments and planning. We also consider giving a special promotion to employees with outstanding performance to ensure that our pay is competitive with the market.
Grievance Mechanism	Corporate Union Communication Channel, Employee Complaint Hotline, Employee Suggestion Box

Workforce Structure GRI 2-7

In 2024, the total number of employees at TTC was 482, of which 414 were male (accounting for 85.9%) and 68 were female (accounting for 14.1%). Due to the characteristics of the petrochemical industry, the proportion of male employees is higher than that of female employees. Furthermore, senior management at TTC is primarily recruited locally from Taiwan.

In 2024, the number of local employees hired in Taiwan was 338 (70.1% of the total), spread across the Taipei headquarters, Toufen Plant, Linyuan Plant, and Qianzhen Plant. Of these, 336 were on indefinite contracts (99.4% of total), 2 on fixed-term contracts (0.6% of total), and 22 were foreign migrant workers (4.6% of total). All the foreign workers, who were male, were employed on fixed-term contracts at the Toufen Plant. In China, the Company employed 122 local staff. All of these employees were on full-time indefinite contracts and worked at the Zhongshan Plant.

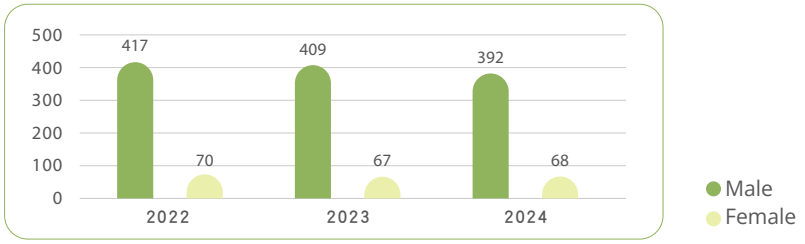
Employee Type Overview Table for the Last Three Years

Year		2022		2023		2024	
Category		Numbers of person	Percentage	Numbers of person	Percentage	Numbers of person	Percentage
Indefinite contract employees	Male	416	82.9%	407	82.1%	392	81.3%
	Female	67	13.3%	66	13.3%	66	13.7%
Fixed-term contract employees	Male	16	3.2%	22	4.4%	22	4.6%
	Female	3	0.6%	1	0.2%	2	0.4%
Total (No. of Employees)		502		496		482	

Note: The employee statistics period ends on December 31, 2024

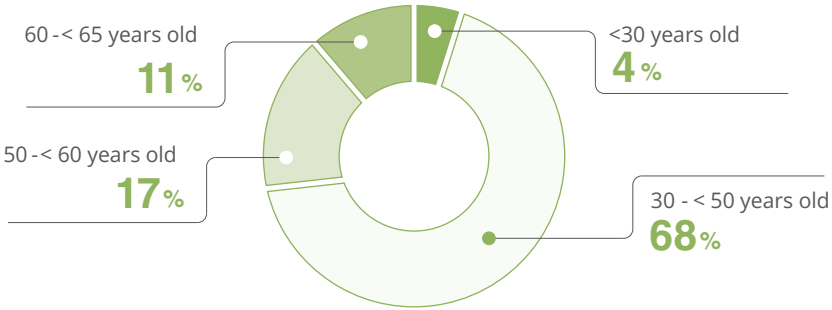
Distribution Over the Past Three Years

Unit: persons(excluding foreign migrant workers)



2024 Employee Age Distribution

Unit: persons(excluding foreign migrant workers)



Employees under 30 years of age constitute 4%. The age group of 30 to just under 50 years represents 68%. Employees from 50 years to just under 60 years constitute 17%. Notably, the proportion of employees who retired in the past five years (from 60 to under 65 years of age) is 11%. TTC has consistently maintained stability in its workforce structure over the years, focusing on recruiting and retaining outstanding talents, while also implementing talent development programs. Conduct pre-employment training and internal job training for new employment in accordance with employee training regulations, to provide them with the skills required for their jobs, and we recruit excellent talents with a fair, open, and transparent recruitment system. In addition to maintaining diversity and equal opportunities, no employee shall be subject to discrimination or differential treatment on the grounds of race, social class, language, ideology, religion, political affiliation, place of origin, birthplace, gender, sexual orientation, age, marital status, pregnancy, appearance, facial features, physical or mental disabilities, zodiac sign, or blood type.

Non-Employee Workers: This mainly focuses on the count of contracted workers who impact production, operations, environment, and engineering maintenance. In Taiwan: 97 individuals. In China: 39 individuals.

Statistics on Non-Employee Workers (Contractual) in 2024

Nature of work involved	Linyuan Plant	Qianzhen Plant	Toufen Plant	Zhongshan Plant	Total
	Numbers of person	Numbers of person	Numbers of person	Numbers of person	
Container Transport	6	7	12	17	42
Finished Product Storage/ Container Loading for Shipment	17	12	2	7	38
Finished Product Packaging	5	11	0	10	26
Material Preparation/Mixing	2	6	0	2	10
Plant Cleaning	2	1	0	2	5
Construction and Maintenance	0	0	0	0	0
Environment Maintenance	0	0	0	1	1
Equipment Inspection/ Dismantling and Assembly	5	0	0	0	5
Processing of Residual Materials	3	0	0	0	3
Assisting in Wastewater Treatment Operations	0	1	0	0	1
Incinerator	2	0	0	0	2
Civil/Insulation Engineering	3	0	0	0	3
Total	45	38	14	39	136
	Taiwan			China	
	97			39	

New Talent Intake

TTC's recruitment channels include newspapers, job websites, human resource management companies, educational institutions, and employment service centers. For vacancies within the plant premises, local community talents are given priority consideration, offering local employment opportunities as a way of giving back to the community. In 2024, about 93% of new hires at Taiwan plant were local talents.

In 2024, TTC hired 15 new employees, representing 3.11% of the total workforce.

Overview Table of Gender Distribution Among New Employees for the Last Three Years

(Unit: Persons)

Category	2022	2023	2024
Male	45	28	12
Female	4	1	3
Numbers of New Hires	49	29	15
End-of-Year Employee Count	502	496	482
Annual Recruitment Rate	9.76%	5.85%	3.11%

Note 1. Includes both indefinite contract employees and fixed-term contract employees
Note 2. Annual Recruitment Rate = Number of New Hires/End-of-Year Employee Count

2024 Overview Table of New Hire Distribution by Region and Age

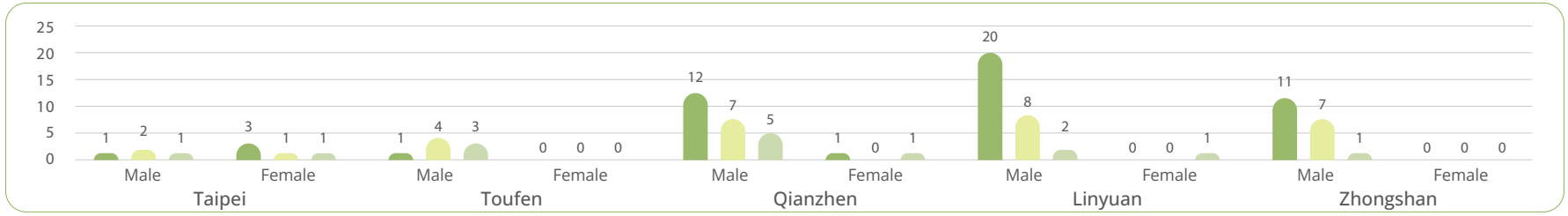
(Unit: Persons)

Regions		Taiwan		China	
Age Group	Gender	Male	Female	Male	Female
	<30 years old	1	1	0	0
	30 - <50 years old	10	2	1	0
	≧ 50 years old	0	0	0	0
Total		14		1	
Year-end Total Number of Employees		360		122	
Annual Recruitment Rate		3.89%		0.82%	

Note 1. Includes both indefinite contract employees and fixed-term contract employees
Note 2. Annual Recruitment Rate = Number of New Hires/End-of-Year Employee Count

Region Distribution of New Employees Over the Past Three Years

(Unit: Persons)



2024 Overview Table of Local Hiring for New Employees

Locations	Taipei		Toufen Plant		Qianzhen Plant		Linyuan Plant		Zhongshan Plant		Subtotal		
Gender	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Total
Numbers of new hires	1	1	3	0	5	1	2	1	1	0	12	3	15
Number of employees hired locally	1	1	3	0	5	1	2	1	0	0	11	3	14
Percentage of new employees hired locally	100%	100%	100%	-	100%	100%	100%	100%	0%	-	92%	100%	93%

Note 1. Calculated based on the number of employees with indefinite contracts in the county or city where the plant is located.
Note 2. Due to the vast geographical expanse of China and the diverse origin of talents from various provinces, the percentage of local hires is relatively low.

Talent Turnover

All TTC employees are entitled to voluntary termination of employment by law. Their labor conditions are subject to local laws and regulations, including the minimum wage, working hours, overtime pay, Labor Insurance, National Health Insurance, and pensions. We also provide employees with group insurance and various employee benefits.

In 2024, TTC recorded a total of 31 employee departures, resulting in a turnover rate of 6.43%. After excluding 10 retirements, the adjusted turnover rate was 4.36%, successfully achieving the target of maintaining a turnover rate of ≦ 7.5%.

Overview Table of Employee Turnover by Gender Over the Past Three Years

(Unit: Persons)

Category	2022	2023	2024
Male	45	38	28
Female	9	4	3
Number of Departures	54	42	31
End-of-Year Employee Count	502	496	482
Annual Turnover Rate	10.75%	8.46%	6.43%

Note 1. Includes employees with indefinite contracts, fixed-term contract, and retired employees.
Note 2. Annual Turnover Rate = Number of Departures / End-of-Year Employee Count

2024 Overview Table of Departures by Region and Age (Unit: Persons)

Regions		Taiwan		China	
Age Group	Gender	Male	Female	Male	Female
	<30 years old	2	0	4	0
	30 - <50 years old	10	1	4	0
	≧ 50 years old	9	0	0	1
Total		22		9	
Year-end Total Number of Employees		360		122	
Annual Turnover Rate		6.11%		7.38%	

Note 1. Includes employees with indefinite contracts, fixed-term contract, and retired employees.
Note 2. Annual Turnover Rate = Number of Departures / End-of-Year Employee Count

Employee Compensation Plan

Upholding the belief to share profits with employees, TTC attracts, retains, cultivates, and encourages all kinds of outstanding talents and have established a comprehensive and competitive employee remuneration plan. All new employees are paid better than the statutory minimum wage. Allowances vary according to the position and educational attainment of employees. The monthly performance bonuses and year-end bonus is distributed according to the employees' performance. Most importantly, the base salary is equal regardless of gender.

To stabilize the workforce and retain outstanding talents, apart from adjusting the pay for employees according to the consumer price index and personal performance of the employees every year, we participate in a compensation survey of the petrochemical industry to estimate pay standards in the market to make appropriate adjustments and planning. We also consider giving a special promotion to employees with outstanding performance to ensure that our pay is competitive with the market.

Salary of non-management full-time employees

The term "non-management full-time employees" refers to the total number of all company employees (or regular employees) after subtracting those in managerial roles, employees of overseas branches, part-time employees, and those who qualify for exclusion from the statistics. This count includes both domestic and foreign employees.

Salary Statistics Table for Non-management Employees Over the Last Three Years

Item	2022	2023	2024	Differences Between 2024 and the Previous Year
Number of non-management full-time employees	354	351	352	1
Average salary of non-management full-time employees (NT$ thousands)	1,100	1,031	1,031	0
Median salary of non-management full-time employees (NT$ thousands)	1,039	968	987	19

Salary Information for "Non-management Full-time Employees" can be accessed via the following path:

Market Observation Post System (MOPS) > Summary Reports > Corporate Governance > Employee Benefits and Compensation Statistics > Salary Information for Non-management Full-time Employees.

Employee Benefits GRI 201-3

TTC places a strong emphasis on the safety and well-being of its employees. In addition to legally mandated labor insurance, the Company offers a group insurance plan for its employees. The company also covers the additional premium for the group life insurance. All insurance premiums are borne by the Company.

Foreign workers at our Toufen Plant are provided with dormitory accommodations that are managed by dedicated personnel. These accommodations include facilities such as a basketball court and an entertainment room. Regarding meals, a catering company supplies three meals a day, ensuring that our workers can focus on their jobs with peace of mind. We are committed to respecting the individual differences of each employee. Consequently, there have been no incidents of discrimination at TTC.

TTC greatly values employee benefits. Employees are entitled to the benefits as outlined in the table below:

TTC Employee Benefits Overview

Bonus	Year-end bonus, regular bonus and performance bonus
Leave	Maternity leaves, pregnancy checkup leaves, parental, menstrual, family care, pregnancy checkup accompaniment, and paternity leaves.
Insurance	Labor insurance, health insurance, accident insurance, life insurance, group insurance for employees/families, employee condolences, business travel group injury insurance for employees, pension contributions
Food	Employee canteens and meal allowances
Transport	Employee parking spaces and travel allowances
Entertainment	Employee Trip
Allowances	Subsidies for on-the-job training, domestic/overseas further education
Other benefits	Wedding/childbirth/funeral subsidies, employee maternity subsidies, employee tour subsidy, citation for senior employees, bonuses for three major folk festivals, children education allowance, periodic health checkups and healthcare plan.

2024 Statistics Table for Parental Leave Usage and Return-to-Work

Parental Leave Usage Statistics	Total number of employees entitled to parental leave	Total number of employees who actually took parental leave	Total number of employees who returned to work after the end of their leave	Total number of employees who remained employed 12 months after returning from leave	Percentage of employees who returned to work and remained employed
Male	19	1	0	0	0
Female	2	0	0	0	0

Human Rights Policy and Management Plan

Human Rights Policy

To fulfill CSR obligations, protect human rights, and realize universal human rights values, the Company has established the human rights policy applicable to the Company and USIG affiliates with respect to internationally accepted human rights standards in March 2018, such as the International Bill of Rights and the Declaration on Fundamental Principles and Rights at Work, in order to eliminate behavior prejudicing and violating human rights. TTC aims to provide employees with a safe and healthy working environment where employees are treated with fairness, dignity, and respect.

Identification and assessment of human rights risk

We identify human rights risks every year and perform compliance checks and assessment of concerned human rights issues. Based on the risk assessment results and defects found in internal and external audits, we adopt mitigation and corrective actions and make continual improvement to achieve the goal of risk management.

The Company has established procedures and processes for each stage of human rights management as the foundation for safeguarding and protecting human rights. These stages include: Declaration>Identification>Asses sment and Analysis >Actions and Measures>Reporting. As human rights issues involve different business departments and units, the Human Resources Department conducts human rights due diligence and risk management based on the specific affected groups and human rights issues.

Human rights due diligence process

Stage	Step	Practice
Stage 1: Commitment	Declaration	Make external commitment and support and draw up the human rights policy in compliance with international standards and local laws and regulations.
Stage 2: Management	Identification	Validate material human rights issues and the affected based on the organizational attribute and style of operations.
	Assessment and Analysis	Periodically assess human rights impacts on all employees and service processes to understand the significance of exposure.
Stage 3: Countermeasures	Actions and Measures	• Draw up different action plans based on the significance of the periodically assessed human rights risks. • Follow up the status and performance of action plans and communicate to ensure the effectiveness of human rights management. • If there is a human rights violation, provide compensatory measures through system improvement, physical benefits, and counseling.
	Reporting	Discuss and report human rights management within the organization and disclose the practice and effectiveness of human rights management on the corporate website.

Concerns of Human Rights and Practice

Providing a Safe and Healthy Workplace Environment

To ensure workplace safety for our employees, the Company has installed various pollution control and fire safety equipment, and has also passed the audits and certification for ISO 14001 (Environmental Management System) and ISO 45001 (Occupational Health and Safety Management System). In addition, the Company actively promotes improvement measures such as energy conservation and emission reduction, disaster prevention, and pollution control to ensure a safe and healthy working environment.

In addition to providing a safe and healthy working environment as regulated by the law, the Company has established a dedicated Occupational health and safety unit and committee, employed professional medical doctors and nursing personnel, and regularly conducts safety and health, fire prevention, and other related educational training. We take necessary precautions to prevent occupational accidents from occurring, thereby reducing the risk factors in the work environment.

Friendly Workplace

Diversity, Equity, Inclusion (DEI)

The Company respects different genders, ages, and cultures to build a friendly workplace environment where everyone can leverage their talents.

Creating a diverse environment that embraces people of diverse backgrounds, races, genders, sexual orientations, abilities, and perspectives in the workplace; offering equal opportunities and treatment to all employees in a fair and inclusive manner to bridge the gap between different groups, reasonably ensuring that each employee is respected and accepted, and able to fully participate and contribute.

At the same time, the Company continually promotes gender equality policies and workplace assault prevention through educational training and publicity, and committed to providing employees with a dignified and friendly working environment.

Eliminate Illegal Discrimination to Reasonably Ensure Equal Job Opportunities

The Company has incorporated human rights policies into its internal control procedures. We practice fairness in labor rights such as recruitment, remuneration welfare, training opportunities, promotions, dismissals or retirement. We do not discriminate against employees or job applicants based on factors such as race, social status, language, thought, religion, political party, native place, place of birth, gender, sexual orientation, age, marital status, pregnancy, appearance, facial features, physical/mental disabilities, horoscope, and blood type.

Ban Child Labor

To ensure compliance with corporate social responsibility and ethics and integrity, the Company has stipulated no child labor from the start of recruitment. By the end of November 2024, the Company has a total of 357 employees with no child laborers.

Prohibition of Forced Labor

The Company does not force or threaten any personnel who has no intention to perform labor services. Regulations governing employees' daily and weekly normal working hours, extended working hours, holidays, special leaves, and other types of leaves all comply with legal norms.

A reminder function is set in the attendance system for employees to apply for overtime work. Overtime compensation or time-off is provided after overtime work, and dedicated personnel conduct monthly reviews and control of working hours in the plant.

Training and Practice of Human Rights Protection

- **New employee training -** On their arrival, new employees are requested to receive related compliance training, with topics including sexual harassment prevention, no discrimination, no harassment, working hours management, protection of humane treatment, and so on.
- **Preventing workplace violence -** Through publicity and notices, we let employees understand their responsibility to assist in ensuring that no unlawful infringements occur in the workplace and disclose the grievance hotline, working together to create a friendly work environment.
- **Training for occupational safety -** Contents include OHS educational training, fire safety training, emergency response, and first aid personnel training.
- **Code of ethical conduct promotion -** Arrange education and publicity on integrity and ethics in routine work and behavior to build a healthy and positive workplace culture.

We continuously concern ourselves with human rights protection and implement relevant training to raise the awareness of human rights protection and lower the likelihood of the relevant risks. In 2024, we held training related to the promotion of human rights protection, with a total of 2,210 people participating and the total hours were 7,067 hours. The detailed list of participants and training is as follows:

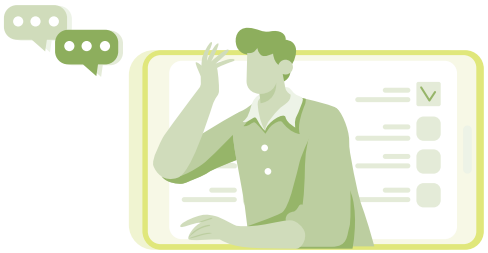
Course Name	Total Attendees	Total Training Hours
Process safety training	566	1,658.5
Industrial safety training/publicity	628	2,129.5
Environment protection training	85	640.5
OHS on-the-job educational training (including training and retraining for operation supervisors)	86	642
Emergency response drill	283	614
Self-defense firefighting team training	125	268
Firefighting training/publicity	163	637
Special operations and cancer screening themed seminar	20	10
Promotion of worker health lecture	54	54
First aid personnel and relevant educational training in professional nursingW	25	55.5
Friendly workplace - Advocacy for maintaining a work environment free of violence, harassment, and intimidation	175	358
Total	2,210	7,067

Mitigation Measures for Human Rights Risks

The Company is committed to ensuring workplace safety, respecting and upholding the dignity of all personnel, and operating in accordance with ESG principles, legal compliance, and ethical standards. To uphold this commitment, the Company operates with integrity, respects employees based on legal principles, assigns dedicated personnel to implement occupational safety and health practices in accordance with regulations, continuously promotes human rights awareness through education, integrates human rights policies into daily operations, and establishes effective grievance mechanisms.

Human Rights Management Achievements in 2024

Based on the Company's "Human Rights Policy and Management Plan," 14 human rights issues were identified through risk assessment this year, among which 9 were classified as key management priorities. These include: "workplace inclusiveness," "forced labor," "long working hours," "sexual harassment," "unlawful workplace conduct," "child labor," "personal data management and privacy protection," "occupational safety management," and "employment and workplace discrimination." For the identified key issues with potential risks, the Company has implemented both risk mitigation measures and impact remediation measures, achieving a 100% implementation rate for impact remediation. The measures implemented are as follows:



Human Rights Risk Mitigation Measure and Compensation Measures

Issues	Mitigation Measures	Compensation Measures
Workplace Inclusiveness	・In compliance with legal requirements, the Company ensures the employment of persons with disabilities at the legally mandated ratio. ・The Company has established an accessible and disability-friendly workplace environment. ・In addition to the aforementioned disability-friendly policies, the Group has formulated and disclosed its workplace diversity policy. The "Group Recruitment and Employment Management Guidelines" clearly stipulate that recruitment, selection, hiring, assignment, and placement shall not involve discrimination or differential treatment based on race, class, language, ideology, religion, political affiliation, place of origin, birthplace, gender, sexual orientation, age, marital status, appearance, facial features, zodiac sign, or blood type. Furthermore, the Group actively promotes a diverse and inclusive workplace, ensuring equal employment opportunities and career development for foreign workers (including blue-collar, white-collar, and overseas students), indigenous people, and female employees. Through competency-based talent development mechanisms, the Group provides diversified training and skill enhancement programs to foster inclusion and growth for all talents, enabling every employee to thrive in suitable positions and grow together with the Company.	For any shortfalls in employment quotas, the Company complies with the requirements of the competent authorities and actively adjusts its recruitment processes to improve the hiring ratio in line with diversity goals.
Long working hours	・The Company adheres to labor laws regarding working hours, with regular reviews of internal regulations to ensure compliance. ・Employee attendance and overtime are accurately recorded via an attendance and overtime management system. ・Daily reminders are sent through the system for clock-in/out irregularities, reminding employees of standard working hours and overtime regulations, and prompting confirmation on whether extended hours are considered overtime eligible for compensatory leave or overtime pay. ・Each unit's overtime situation is periodically reviewed.	・If employees work overtime, they will be paid overtime pay in accordance with the law. ・Understand colleagues' workload and reasons for overtime, and actively improve processes and optimize operations to help improve work efficiency. ・Employees with excessive working hours are included in abnormal workload risk assessments and regularly undergo health checkups, with workload and manpower adjustments made accordingly. ・The Company continuously identifies reasons for overtime and implements process improvements to boost efficiency.

Assist employees maintain physical and mental health and work-life balance

1. The Company commissions major hospitals to conduct annual health checkups to safeguard employees' physical well-being, with reports filed to authorities as required. Special health screenings are additionally provided for plant employees to ensure a safe and healthy work environment.
2. The Company provides venues or sponsorship funds, encourages employees to participate in healthy activities, employees form their own clubs, which help to foster camaraderie among colleagues through club activities.
3. Besides organizing end-of-year feasts, Mid-Autumn festivals, and other events to alleviate employees' mental and physical stress and consolidate their organizational commitment, the Company also provides sports and fitness equipment for employees to use in their spare time.
4. To promote both well-being and work-life balance, in 2024 the Taipei headquarter launched the "USIG Walk Challenge," encouraging employees to develop a healthy walking habit by targeting 6,000 steps daily. Collected steps were converted into a corporate tree-planting initiative, combining health promotion with environmental sustainability. The program enhanced employee vitality and strengthened workplace cohesion through teamwork and mutual encouragement.

Grievance System

We have established unfettered grievance channels for employees to report all internal problems to supervisors at all levels or the Human Resources Division. To maintain gender equality at work and provide employees and job applicants with a workplace environment free from sexual harassment and illegal infringements, we have established a dedicated mailbox and email for sexual harassment prevention and illegal infringement prevention. All information will be kept confidential during the investigation. Neither the name nor the data valid for identifying the complainant will be disclosed to ensure complainant protection.

Minimum Notice Periods for Operational Changes

Implemented in accordance with legal requirements, the Company will provide notice in the event of the following operational changes:

1. Closure or transfer of operations;
2. Financial losses or business contraction;
3. Work suspension due to force majeure for more than one month;
4. Changes in business nature necessitating workforce reduction and no suitable alternative roles available;
5. Employees demonstrably not competent for their roles.

Notices will be issued based duration of employment:

1. For those employed for more than 3 months but less than 1 year, a 10-day advance notice will be provided.
2. For those employed for over 1 year but less than 3 years, a 20-day advance notice will be given.
3. For those employed for more than 3 years, a 30-day advance notice will be served.

Pension Contributions GRI 201-3

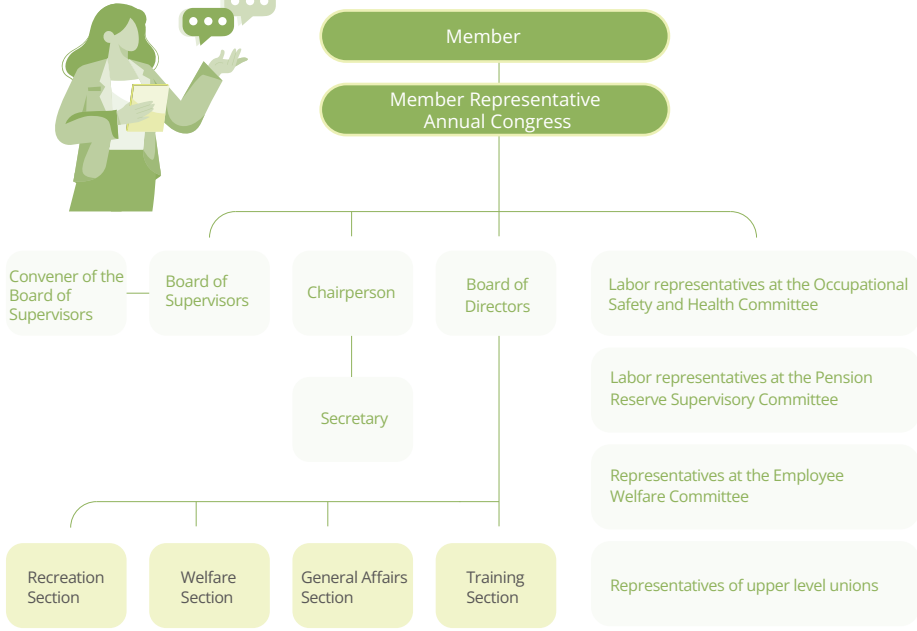
TTC has established a set of retirement regulations for all full-time employees and contribute every month the employee pension reserves to the personal pension account at the Bureau of Labor Insurance for each employee in accordance with the Labor Standards Act.

Item	Proportion of Contribution	Employee Participation in the Retirement Plan
Pension under the Labor Standards Act (old system)	Employer contribution: 12% of the employee's monthly wage, all of which have been regularly allocated in full.	100%
Pension under the Labor Pension Act	Employer: 6% of the monthly salary; Employee: 0-6% of the monthly salary. Currently, contributions are made as stipulated.	100%

Labor Union and Organization GRI 2-30

TTC has established union organizations in its plants located in Toufen, Qianzhen, and Linyuan. However, there's no union in the Taipei headquarter or in the Zhongshan Plant in China. Owing to the Company's consistent and good communication with employees through the union and associated-management meetings, no specific collective agreement has been made between the two sides.

Plant	Union Membership			Total Employees	Percentage of Union Members to Total Employees
	Male	Female	Total		
Linyuan Plant	144	8	152	166	92%
Qianzhen Plant	74	6	80	90	89%
Toufen Plant	51	10	61	82	74%



During the regular board meetings of the unions at various factories in Taiwan, relevant company executives attend and communicate directly with union leaders. Every year, member education training is held with enthusiastic participation from union members, aiming to foster mutual understanding and promote collaboration between management and labor. Furthermore, representatives elected by both management and labor constitute various committees such as the "Pension Supervisory Committee," the "Employee Welfare Committee," and the "Occupational Safety and Health Committee." Regular meetings are convened to provide Channels of communication between management and labor are maintained to safeguard workers' rights.


Every year, the union holds an annual member representative assembly. The images capture moments from the 2024 union member representative assembly.




To foster collaboration between management and labor and enhance communication, the Company collaborates with the union to conduct labor education activities each year. Above are the visual records of the related activities for 2024.

Employee Welfare Committee

TTC allocates 0.15% of its monthly sales revenue for the "Employee Welfare Committee" activity fund. This fund encompasses benefits such as employee trips, birthday, childbirth, marriage, and funeral subsidies, scholarships for employees' children, and annual festival bonuses. These welfare initiatives serve as a token of appreciation for the employees' daily hard work. Periodic travel events are organized, allowing employees to relieve work stress, promote physical health, and foster mutual exchanges, thereby boosting team cohesion.

Employee Feedback Survey Report

In August 2023, the Group Human Resources Division conducted an employee opinion survey across all subsidiaries. The purpose was to gain a comprehensive understanding of employees' perceptions regarding company management and operations, identify key factors influencing employee retention, and pinpoint areas for improvement to develop targeted talent development initiatives. The survey covered both employee satisfaction and engagement. The satisfaction survey included eight aspects: supervisors, compensation, colleagues, job responsibilities, career development, corporate culture, organizational commitment, and sustainable business practices. TTC achieved a response rate of 86%, an increase of 13% compared to the previous survey. The overall satisfaction score reached 4.55 out of 6, representing a 0.2-point improvement. Moving forward, TTC will continue to listen to employee feedback based on the survey results and implement ongoing improvement measures.

Item	Taita Chemical Co., Ltd.
Target	Survey of All Staff Members
Categories	Eight aspects including: supervisors, compensation, colleagues, job responsibilities, development, corporate culture, sustainable business practices, and organizational commitment, covering 28 dimensions in 60 questions.
Number of Respondents	126 people
Recovery	86%
Overall Satisfaction Score (Note 1)	4.55 out of 6 (lowest 1, highest 6)
Survey Results	・ Overall, the highest satisfaction scores were in "sustainable business practices," "colleagues," and "organizational Commitment." ・ The lowest satisfaction scores were in "compensation," "development," and "job responsibilities."
Improvement Initiatives	・ Follow-up Improvements from 2023 Employee Survey in the 2023 ESG Report: ・ To address lower satisfaction in "compensation," "development," and "job responsibilities" identified in the 2023 survey, improvement measures have been implemented in 2024, with a follow-up employee survey scheduled for July 2025: ・ Develop key talent and establish succession pipelines. ・ Starting salary and supervisory allowance review: adjusted based on industry benchmark salaries, internal averages, job scope, responsibilities, and organizational functions to enhance internal pay equity and external competitiveness. ・ Management skills training: Held training courses on cross-team collaboration, talent identification, development planning, and communication skills. ・ Continuously monitor the market competitiveness of the salary structure while actively enhancing employee benefits, such as introducing the Employee Assistance Program (EAP) to improve employees' physical and mental well-being and overall satisfaction. ・ To invigorate the organization, stimulate creativity, and encourage a mindset of continuous improvement, we aim to cultivate a high-performance organizational culture. This will enhance the Group's competitiveness. New proposal improvement methods have been introduced. For suggestions related to production, quality, R&D, maintenance, energy conservation, water conservation, and environmental protection that result in material, time, or labor savings, and pass review and implementation, rewards and a maximum bonus of NT$3,000 are granted. ・ To fairly evaluate employee commitment to the organization, job competence, performance, and contribution, we have established a performance appraisal system. This will serve as the foundation for holistic performance management and talent development. The results will guide employee promotions, salary adjustments, year-end bonuses, and other HR activities. ・ To enhance the HR management benefits of cross-company/department project collaboration within the Group and improve organizational agility and competitiveness, relevant audit and performance evaluation procedures have been set up. Matrix management methods have been established, detailing the rights and responsibilities of members of the matrix organization. ・ We have launched the USIG EMBA, collaborating with prestigious institutions like National Taiwan University to provide senior executives with specialized courses. ・ The introduction of PSM training aims to equip plant engineers and senior staff with management skills and safety operation awareness, ensuring a safe working environment for all employees.

5.2 Talent Development

The USIG regards talent as its core asset—not only as a labor force and a key competitive advantage, but also as the driving force for the Company's sustainable development.

- We establish competitive compensation and benefits packages by considering multiple factors to attract top talent, and we continuously adjust and improve them.
- We recruit talent through internal applications and diverse external channels, selecting suitable candidates through aptitude assessments, professional skill tests, and background checks to ensure the Company has sufficient and high-quality human resources.
- We support employees with diverse talent development programs, offering clear career paths and promotion opportunities. Training is provided for upskilling and reskilling based on job requirements, while AI tools are leveraged to enhance work efficiency and create greater value for the Company.
- We are committed to fostering a friendly workplace environment that is diverse, inclusive, positive, collaborative, and harmonious between labor and management. We encourage communication and learning among employees while promoting a healthy work-life balance.
- We cultivate partnerships among the Group, schools, and students to strengthen future talent pipelines and enhance our corporate image and employer brand.

Talent Development and Cultivation

Talent development and cultivation are vital corporate investments. Establishing comprehensive talent development programs lays a solid foundation for the Company's sustainable growth.

(I) Group Talent Development Roadmap

The Group's talent development is based on a comprehensive consideration of internal and external environments, strategic goals, employee needs, and other factors, aiming to establish a complete talent development system to support the Group's sustainable growth. The following are specific measures for the Group's talent development:

- **Succession Planning：**Proactively cultivate and reserve talent for key positions to ensure timely replacement during personnel changes and maintain smooth team operations.
- **Competency-Oriented Training：** Design training courses based on required job competencies, such as leadership development, communication skills, and problem-solving. Recently, this program received the TTQS Bronze Award.
- **Job Rotation：**Rotate employees across different departments and positions to broaden their perspectives, skills, and adaptability.
- **Online Learning Platform：**Establish or adopt online platforms offering diverse learning resources and courses, allowing employees to learn anytime, anywhere.
- **Project Assignments：**Assign challenging projects to employees to foster practical learning and growth.
- **Workshops and Seminars：**Regularly hold workshops and seminars featuring internal and external experts to share the latest knowledge and skills. Additionally, the Group is committed to implementing initiatives in ecological sustainability, DEI, mental health, parenting courses, and fostering a friendly workplace to support employees' holistic well-being.

(II) Talent Development Framework

The Group focuses on enhancing employees' existing knowledge and skills through systematic training, education, and instruction, enabling them to perform current roles competently while preparing for future positions.

According to the Group's employee training policy, each employee is required to complete a minimum of 8 hours of training annually. In 2024, the total employee training hours reached 17,176 hours, averaging 35.6 hours per person.

Statistics Table for Hours of On-the-Job Employee Training Programs in 2024

Training Programs/Total Duration	Linyuan Plant	Qianzhen Plant	Toufen Plant	Zhongshan Plant	Total hours	Percentage
Managerial Skill	1,006.00	606.5	309	665	2,586.50	15.1%
Technical Expertise	3,700.50	558	208	834	5,300.50	30.9%
Industrial Safety, Environmental Protection, and Fire Safety	2,259.50	1,308.50	836	2,618.00	7,022.00	40.9%
Other	1,594.00	232	91	350	2,267.00	13.2%
Subtotal	8,560.00	2,705.00	1,444.00	4,467.00	17,176.00	100%

2024 Overview Table of Training Hours by Location

Participation in Educational Training		Male	Female	Total
Supervisor	Average (hours/persons)	43.8	35.2	42.1
Direct Personnel (workers)	Average (hours/persons)	31.1	33.6	31.2
Indirect Personnel (staff members)	Average (hours/persons)	47.0	36.5	43.3
Company-wide	Person	4,985	737	5,722
	Hours	14,781	2,395	17,176
	Number of Employees	415	67	482
	Average (hours/persons)	35.6	35.7	35.6

Note 1. Direct personnel refers to workers, while indirect personnel pertain to staff members who are not in supervisory roles.
Note 2. Due to varying departmental functional requirements, there might be disparities in training hours across genders.
Note 3. A supervisor is defined as an individual of section chief level or above.

2024 Statistical Table of Supervisor Ratios at Each Operational Location

Supervisor	Male		Female	
	Taiwan	China	Taiwan	China
Numbers of person	36	11	5	7
Subtotal	47		12	
Total	59			
Percentage	79.66%		20.34%	

Note 1. A supervisor is defined as an individual of section chief level or above.
Note 2. Ratio Calculation: Male (Female) Each Subtotal/ Total

5.3 Social Engagement

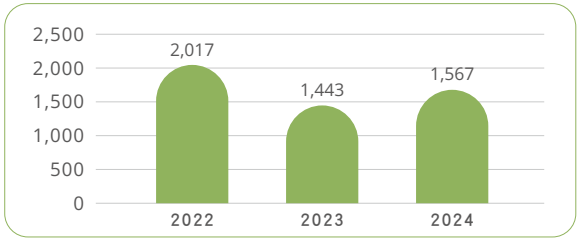
TTC adheres to the spirit of "taking from society and giving back to the community," making every effort to care for community neighbors, local groups, and local schools, and continuous interaction with local community neighbors to maintain friendly relations. TTC, with its core capabilities in plastic manufacturing, focuses on three main pillars of social **investment:** "Neighborhood Care," "Community Organizations," and "Donations and Others."

Community support: Community development associations, education and culture, environmental protection bureau, community organizations, local folk festivities, and emergency relief.

Providing job opportunities: Where appropriate, we hire local residents for job openings and encourage contractors to hire local residents.

Community involvement: Community activities, group representatives, environmental protection groups, religious activities.

Expenditures on community care and contributions in the Linyuan District over the past three years



Expenditure on local contributions

Starting from 2022, the special fund for the Good Neighborliness Plan Fund is used uniformly by the Linyuan District Office from the annual payment, and the total amount of TTC's Good Neighborliness Plan Fund in 2024 is NT$1,567 thousand

Overview Table of Specific Activities and Implementation Results of Community Participation and Community Care in 2024

Category	Effect / Implementation Results
Neighborhood Care, Community Organizations	Linyuan District neighborhood care celebrations or activities and fraternity training feedback
	Linyuan District community organization development association and various association study activities feedback
	Repairs to various public facilities in Linyuan District
	Promoting local customs and marketing agricultural and fishery specialties in Linyuan District
	Assistance to school facilities at all levels in Linyuan District
	Scholarships and grants for schools at all levels in Linyuan District
	The Toufen Plant participated in the beach cleanup charity event organized by Miaoli County.
	The Toufen Plant cooperated with the Miaoli County Environmental Protection Bureau to connect enterprises for promoting and subsidizing liquid straw decomposing bacteria.
	On September 14, 2024, the Group held a softball charity game in southern Taiwan and donated NT$20,000 to the Jintan Elementary School baseball team, aiming to enhance the Group's corporate social responsibility and encourage employee participation in charity events.
	On November 16-17, 2024, sponsored and participated in the regional Enterprise Union and Petrochemical Industry Trade Union slow-pitch softball tournaments, allowing employees to demonstrate their vitality and passion for sports.

Category	Effect / Implementation Results
Neighborhood Care, Community Organizations	On November 23, 2024, TTC, Asia Polymer, and Taiwan VCM Corporation jointly sponsored NT$100,000 each to organize the USI Cup Tennis Championship.
	On April 20, 2024, held USIG's Basketball Charity Game and sponsored funds for Kaohsiung Municipal Renwu Senior High School
	TTC Linyuan Plant upholding the corporate spirit of ESG sustainability, continues its involvement in Kaohsiung City Environmental Protection Bureau's promote operations in "2024 Air Purification Zone Management Plan" and "2024 Kaohsiung City Cross-Departmental Greenhouse Gas Cooperation Reduction Plan", adopted the Zhong-Yun Elementary School in Linyuan District, Kaohsiung City and sponsored energy-saving equipment upgrades at the Kaohsiung Public Library's Linyuan Branch Library.
	Received the Excellence Award from the Kaohsiung City Environmental Protection Bureau for significant contributions to the adoption of air purification zones.
	Long-term commitment to community-friendly activities in the Linyuan District, promoting harmonious relations with the local community, awarded a Certificate of Appreciation by the Linyuan District Office, Kaohsiung City
	Donated two fitness treadmills to the Linyuan Fire Brigade to support firefighters' regular training and physical fitness, enhancing their disaster response efficiency.
Donations and Others	Collaborated with the Experimental Forest of the College of Bio-Resources and Agriculture at National Taiwan University, committing to a 20-year afforestation project to create 5 hectares of afforestation land
	TTC was honored with the Recycling and Circular Economy Award at the 2024 2nd Green Sustainability Achievement Conference.
	Participate in USI Education Foundation related activities
	Temple festival activities and other sponsorships

USIG Basketball Charity Game

To fulfill corporate social responsibility and foster community relations, TTC's Linyuan and Qianzhen Plants participated in the 2024 Second Annual Charity Basketball Tournament organized by the USI Group on June 22, 2024. Funds from the event were used to purchase boxed meals from the Children Are Us Foundation and to sponsor the Renwu Senior High School basketball team's competition expenses. In recognition, Renwu Senior High School presented a certificate of appreciation. Beyond friendly basketball competition and skill exchange, the event encouraged employee involvement in charity, raised public awareness of grassroots activities, strengthened camaraderie among group colleagues, and achieved the goal of nurturing community ties.

Employees participating in the charity basketball game pictured with Plant Manager Wang of Qianzhen Plant (third from the right)

Renwu Senior High School presents a certificate of appreciation, accepted on behalf of the Linyuan Plant by Plant Manager Tsai (first from the right)

USI Cup Slow Pitch Softball Charity Game

On September 14, 2024, TTC's Linyuan Plant participated in the annual USI Cup Slow Pitch Softball Charity Game held for the four plants in southern Taiwan ,and donated NT$20,000 to the Jintan Elementary School baseball team, aiming to enhance the Group's corporate social responsibility and encourage employee participation in charity events.

Group photo of employees participating in the USI Cup Softball Game

Jintan Elementary School presents a certificate of appreciation, accepted on behalf of the Linyuan Plant by Plant Manager Tsai (first from the left)

Kaohsiung City Petrochemical Industry Trade Union - Petrochemical Cup Labor-Management Slow-Pitch Softball Tournament

TTC's Linyuan Plant participated in the 14th Kaohsiung Petrochemical Cup Labor-Management Slow-Pitch Softball Tournament, jointly organized by CPC Corporation and the Kaohsiung City Petrochemical Industry Trade Union on November 16-17, 2024, and sponsored the event. Linyuan Plant's softball team enthusiastically participated in various joint softball competitions, demonstrating their vitality and passion for sports.

Group photo of employees participating in the Slow-Pitch Softball Tournament

Group photo of employees participating in the Slow-Pitch Softball Tournament

USI Cup Tennis Tournament

Every year, the three factories in the Group's Linyuan area (TTC/Asia Polymer/Taiwan VCM Corporation) have been continuously commissioned the Linyuan Tennis Association to host the USI Cup Tennis Tournament, with each company contributing NT$100,000 each year to organize the Tournament. The 22nd USI Cup Tennis Tournament was held on November 23, 2024. Through the tournament, participating companies engaged in friendly interactions with local residents, fostering good neighborly relations. The event not only promoted physical fitness but also created more opportunities for interaction and communication between community members and corporate employees, strengthening community ties.

Group photo of key participating teams and event organizers

Group photo of key participating teams and event organizers

TTC Linyuan Plant and other Group affiliate plants participated in the Linyuan District Onion Harvest Festival, enthusiastically sponsoring the purchase of fresh, sweet white pearl onions to share with employees, and also visiting local farms to experience the unique local tradition of harvesting onions.

TTC Linyuan Plant Manager, Mr. Chung-Ju Tsai (fourth from left), and supervisors from Group affiliate plants participate in the Onion Harvest Festival event.

Adoption of Air Purification Zones in Kaohsiung City and Kaohsiung City Cross-Departmental Greenhouse Gas Cooperation Reduction Plan

TTC Linyuan Plant upholding the corporate spirit of ESG sustainability, continues its involvement in Kaohsiung City Environmental Protection Bureau's promote operations in "2024 Air Purification Zone Management Plan" and "2024 Kaohsiung City Cross-Departmental Greenhouse Gas Cooperation Reduction Plan", adopted the Zhong-Yun Elementary School in Linyuan District, Kaohsiung City and sponsored energy-saving equipment upgrades at the Kaohsiung Public Library's Linyuan Branch Library.

Air Purification Zone Management Plan Adoption Certificate of Appreciation

Greenhouse Gas Cooperation Reduction Plan Certificate of Appreciation

Sponsored Linyuan Fire Brigade and received a certificate of appreciation

To express gratitude for the firefighters' hard work in emergency rescue, TTC's Linyuan Plant, together with affiliated Group companies, generously sponsored two fitness treadmills to the local Linyuan Fire Brigade. These are intended to support the firefighters' regular training and physical fitness, enhancing their rescue efficiency. The fire brigade also encourages all plants to consistently carry out inspections of firefighting equipment and conduct rescue drills, strengthening both on-site rescue capabilities and external support coordination.

TTC Linyuan Plant and affiliated Group companies enthusiastically sponsored fitness treadmills to the Linyuan Fire Brigade.

TTC Linyuan Plant Manager Chung-Ju Tsai (right) represented the plant to receive the appreciation award.

Received a certificate of honor from the Taiwan Responsible Care Association (TRCA)

TTC Linyuan Plant actively implemented emergency drills for toxic and concerned chemical substances, participated in the 2023 butadiene live drill organized by the Taiwan Responsible Care Association (TRCA), and was recognized for outstanding performance, receiving the "Outstanding Performance Award Plaque for the 2023 Butadiene Live Drill" from TRCA on May 15, 2024.

Group photo of outstanding performance teams from the 2023 TRCA live drill

"Outstanding Performance Award Plaque for the 2023 Butadiene Live Drill" presented by TRCA

Received Certificate of Appreciation from the Kaohsiung City Linyuan District Office

TTC's Linyuan Plant has long supported local neighborhoods in organizing various public welfare activities and community infrastructure projects. Through ongoing participation in local engagement initiatives, the plant has fostered a harmonious relationship with the community and was awarded a certificate of appreciation by the Kaohsiung City Linyuan District Office and the Linyuan District Village Chiefs Association.

Kaohsiung City Linyuan District Office Certificate of Appreciation

Linyuan District Village Chiefs Association Certificate of Appreciation

The Toufen Plant cooperated with the Miaoli County Environmental Protection Bureau to connect enterprises for promoting and subsidizing liquid straw decomposing bacteria, receiving a certificate of appreciation.

Since 2021, the Miaoli County Environmental Protection Bureau has been promoting the use of liquid straw decomposing agents to process post-harvest rice straw, aiming to prevent farmers from resorting to open-field burning, which causes heavy smoke, impairs drivers' visibility, and poses traffic safety hazards. In recent years, the Miaoli County Environmental Protection Bureau has actively collaborated with corporate partners to promote and subsidize the use of liquid straw decomposing agents. TTC's Toufen Plant has participated in the donation program for three consecutive years and was awarded a certificate of appreciation by Director Hua-Sheng Chen of the Environmental Protection Bureau on November 27. Through this sponsorship, the plant supports local farmers and farming contractors in using liquid decomposing agents, aiming to further reduce open-field burning practices among farmers. To help maintain good air quality in the county, TTC's Toufen Plant will continue participating in the donation and promotion of liquid straw decomposing agents, working together with the Miaoli County Environmental Protection Bureau to safeguard residents' health and traffic safety.

Group photo of participating sponsoring companies

The Miaoli County Government awarded a Certificate of Appreciation

Honored with the Recycling and Circular Economy Award at the 2024 2nd Green Sustainability Achievement Conference.

SGS Taiwan Ltd. held the 2nd "SGS Green Sustainability Achievement Conference" on December 13 at the 88th floor of Taipei 101. The event, themed "Sustainable Innovation, Creating the Future Together," recognized 30 companies for their outstanding performance in green sustainability. Among them, TTC of the USI Group received the "Recycling and Circular Economy Award" for its innovative product, TAIECORTM. The product has passed ISO 14021 recycled content verification and obtained the SGS Green Label. Demonstrating innovative technology, it selectively sorts, purifies, and optimizes formulations to recycle valuable process waste into high-value recycled materials. This has established the product as an industry-leading recycled material brand and a successful model for the circular economy.

TTC was honored with the Recycling and Circular Economy Award at the 2024 2nd Green Sustainability Achievement Conference, with TTC President Pei-Ji Wu receiving the award.

USI Education Foundation

USI Education Foundation was established on December 30, 2011 funded with donations from USI Corporation and Asia Polymer Corporation. The foundation officially started operations in 2012 to promote educational charitable affairs, with a focus on the care for the education of the disadvantaged, education in remote areas, and environmental protection. The foundation advances its goals by establishing scholarships and grants, donating to charities, and sponsoring educational and charitable activities.

To further expand the scale of charity, CGPC and TVCM joined the foundation in 2017. In 2018, TTC also joined the foundation to enable investments of more resources in nurturing talent for the petrochemical industry, rural education, and environmental sustainability in order to give back to society.

In 2024, the total amount of sponsorships and donations from the USI Education Foundation came to NT$9.72 million, which included NT$3.25 million for scholarships and grants; NT$1 million for The Alliance Cultural Foundation, NT$4 million for Junyi School of Innovation in Taitung; and NT$1.47 million for various other charity events.

Excellence Scholarships

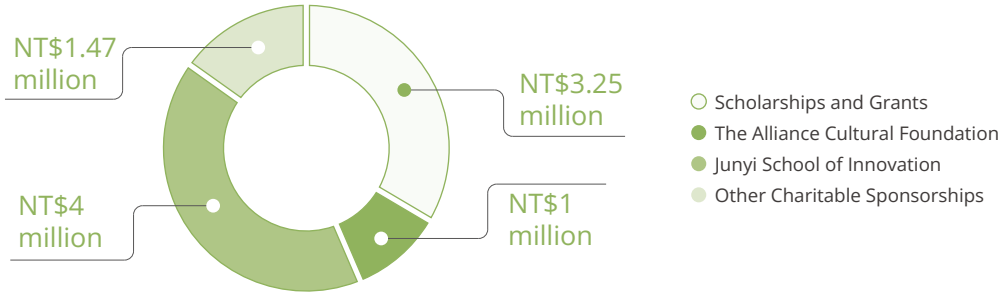
We offer scholarships to students from low-income families with outstanding performance and specializing in disciplines relating to chemical engineering, materials science, chemistry, and applied chemistry of 15 public and private universities to promote education and talent cultivation in related fields, encourage university students of related disciplines to study hard and cultivate outstanding industrial talents for society. This year marked the 13th anniversary of the USI scholarship. Over the years, we have accumulatively granted scholarships amounting to NT$23 million to over 330 students.

In 2024, we offered over NT$3 million in total to 30 students from 18 departments of 11 public and private universities, including 3 from doctoral programs, 12 from master's programs, and 15 undergraduates - 20 of them were from low-income families. To encourage scholarship-winning students, the presentation and commendation ceremony was held at the Grand Mayfull Hotel Taipei on December 6, 2024. USI officers attended the event to exchange opinions and experience with students, wishing them to keep studying in order to demonstrate positive influence and contribute to society. The ceremony invited Chairman Stanley Yen of the Alliance Cultural Foundation to share his life experiences and wisdom, encouraging the award-winning students to empower themselves and "be an angel in their own and others' lives."

Major Sponsorships in 2024

Scholarships and Grants	Donation to Non-Profit Organizations	Sponsoring Educational and Philanthropic Activities
Excellence Scholarships Artificial Intelligence Field Scholarships	The Alliance Cultural Foundation Junyi School of Innovation Teach for Taiwan Foundation BOYO Social Welfare Foundation	Toufen Junior High School Music Program Beach Cleanup Activity at Longfong Fishing Port Non-Profit Events of Medical and Health Education

Sponsorship Expenditures of USI Education Foundation in 2024




Chairman Stanley Yen of the Alliance Cultural Foundation encouraged the awarders

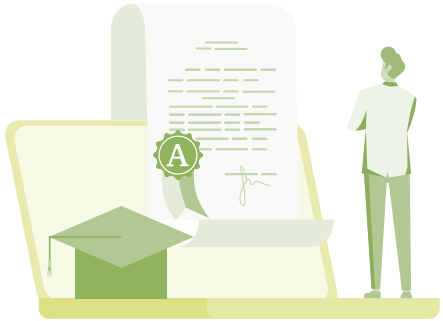

Scholarship Presentation and Commendation


Scholarship Presentation and Commendation Ceremony 2024

Artificial Intelligence Field Scholarships

To encourage outstanding domestic graduate students to participate in research and development applications in the field of artificial intelligence (AI), bridge the gap between academia and industry, and to cultivate chemical industry talents specializing in AI. The foundation has specifically set up this plan to reward masters and doctoral students whose research topics focus on intelligent production systems, process control, and AI applications aimed at saving energy and costs. The pilot program started in 2022 with a duration of five years. Each awarded student receives a scholarship of NT$50,000 per semester and can receive continuous support for up to four semesters through regular reviews. So far, a total of 5 students have been awarded.

AI Scholarship Presentation Ceremony



The Alliance Cultural Foundation

To invest more resources in rural education and the sustainable development of Hualien and Taitung, the foundation sponsors the Alliance Cultural Foundation and Junyi School of Innovation on a long-term basis. This year marks the 15th anniversary of the Alliance Cultural Foundation. Its development in the Hualien and Taitung regions has entered an integration phase, with three key pillars in its "Hualien-Taitung Sustainable Blueprint": cultivating local talent for sustainable development, establishing Junyi School as a model base for transforming education, and promoting internationalization of Hualien-Taitung through the Paul Chiang Art Center.

Cultivating local talent for sustainable development by nurturing skills-based education, supporting the deep-rooted culture of both the mountains and the sea. For example, hardware renovation and capacity-building projects such as the "Pakelang Boat House" in Changbin and the "Pisirian Cultural Center" in Sanxiantai; support for unique local crafts and aesthetics like "Cotton and Hemp House" in Longchang, the "Luanshan Forest Culture Museum" in Aliman, Yanping Township, the "Gaoshan Forest Center" in Mazhongyuan, Fengbin Township, Hualien, and the "Hunter School" in Xinqilan Sakinu. Industry professionals have also been invited to Chenggong Commercial and Fisheries School to offer semester courses that teach Japanese cuisine using local rice and seafood, along with training for homestay and travel planning. Tourism guide training is provided to transform Chenggong Township from a transit spot into a destination for in-depth tourism. Over a decade ago, collaborations began in mechanical processing, woodworking, and construction courses at Gongdong High School of Technology, creating connected networks that have developed into the "Shuangbin Win-Win Alliance" of regional businesses in Changbin and Fengbin, as well as the "Island Learning Community" linking the Taitung coastline, valley routes, and the South Link region.

Since 2014, the Alliance Cultural Foundation has been supporting the development of the "Paul Chiang Art Center" project, aiming to create a space where visitors can engage closely with art and experience the harmonious integration of nature and architecture. After a long period of construction, the center is scheduled to officially open in the spring of 2025. The Alliance Cultural Foundation will assist with exhibition planning and management, and through various art and aesthetic education programs, will enable more people to experience and appreciate this artistic landmark. It is anticipated that in the near future, with the future talents nurtured by Junyi School, the promotion efforts of Master Paul Chiang, and the collective strength gathered by the Alliance Cultural Foundation, the center will become an important hub for international artistic exchange, while the Hualien-Taitung region will emerge as a model destination for sustainable tourism.

2024 Shuangbin Collaborative Community

Island Life: Sharing from the Hawaii South Island Conference

Junyi School of Innovation

Taitung has a population of only around 200,000, accounting for just 1% of Taiwan's total population. Over 55% of elementary schools in the county have fewer than 60 students, leading to a severe shortage and fragmentation of educational resources. Therefore, transforming Hualien and Taitung must start with education. The mission of Junyi School is to cultivate young people with the abilities and qualities of "character, life skills, and professional competence." "Character" refers to character education, which includes not only responsibility and ethics but also empathy, a sense of justice, independent thinking, and teamwork skills. Teachers are expected to guide students in developing a character-based life perspective and civic awareness. Junyi School promotes interdisciplinary learning through arts, culture, and various academic subjects, helping children discover and develop their strengths. This enables students to understand themselves and find their direction in a rapidly changing world, nurturing a fulfilling and enriched spiritual life.

"Dormitory life" plays a crucial role in rural education, especially in Hualien and Taitung, where many children must leave home to study in cities after elementary or junior high school due to geographical isolation. Junyi School provides a quality boarding environment to help students develop independence, build character, and cultivate positive life attitudes. The school also invites foreign teachers to live on campus, enabling students to use English in daily life. Through various dynamic and static activities in dormitory life, students learn self-leadership and teamwork skills, especially through weekend activity planning and routine training. Dormitory life has become a key model and highlight of Junyi School.

To cultivate global competencies and nurture international talent, Junyi School launched the "Innovative Overseas Education Program" in 2017. Currently, its students have studied abroad in 15 different countries. The diverse backgrounds of teachers and students on campus, along with a variety of learning approaches, have broadened everyone's sense of inclusion. This environment equips students with a wider perspective and the ability to engage respectfully and effectively with people from different cultural backgrounds.

To make full use of Junyi School's dormitory facilities, the Alliance Cultural Foundation collaborates annually during summer break with external partners such as Taipei American School, Kehua Educational Foundation, Gosh Foundation, and Harvest365 Foundation to organize various free residential themed camps. These camps offer underprivileged students the opportunity to recharge their confidence and love of learning through group living, singing, drama, and diverse activities led by dedicated teachers and volunteers. At the same time, the camps also promote the spirit of volunteer service among university students across Taiwan.

Junyi School Creative Learning Group - International Hospitality Banquet Service

Junyi School Social Internship

2024 A Cappella Youth Camp

Toufen Junior High School Music Program

By integrating with the Harvest 365 Music Program of the Harvest 365 Foundation (Harvest 365), The Alliance Cultural Foundation collaborated with Toufen Junior High School to introduce the Toufen Junior High School Music Education Program in September 2021. The professional choir instructors of Harvest 365 collaborated with the music teachers of Toufen Junior High School to form the Harmony Choir with 7th and 8th graders. The choir has nearly 30 members. Apart from the routine school club time, they also practice after class. It is hoped that vocal art can keep students in company through their growth and motivate students to perform on stage at the annual Harvest 365 music festival so as to develop self-confidence in students.

Students who originally lacked confidence in their singing found joy and confidence after joining the choir and singing together with classmates, becoming a little braver in the process. Some students even practiced singing diligently at home every day, so much so that their parents learned the songs too! Teacher Yu-Ching Chu said, "The students' real progress is not about musical skills, but comes from understanding what 'choral singing' truly means." Everyone feels each other's strength in the ambiance of music, and we hope that children can continue to showcase themselves in the future!

Harmony Choir of Toufen Junior High School

Beach Cleanup Activity at Longfong Fishing Port

In support for the marine environmental protection policy of the Miaoli Environmental Protection Bureau, China General Plastics Corporation (CGPC), a USIG subsidiary, adopted 500m coast of Longfong Fishing Port in Zhunan Town in 2017. Through regular beach clean-up activities, the Company aims to raise employees' environmental awareness and deepen their understanding of the harm caused by plastic and marine debris to the environment and aquatic life. By emphasizing the ecological crisis caused by marine litter, CGPC encourages reducing single-use plastics and promotes proper waste sorting and recycling to make a positive impact on the environment.

This year, CGPC once again partnered with TTC's Toufen Plant to jointly hold a beach cleanup event on September 21, 2024, aiming to maintain the cleanliness of the marine environment. This year is marked as the seventh beach cleanup activities organized by CGPC, under the leadership of Vice Chairman Han-Fu Lin and President Chi-Hung Hu, with over 200 employees enthusiastically participated in the cleanup to protect the beaches and the sea.

Beach cleanup activity pictures

BOYO Social Welfare Foundation

Founded in 2002 and led by Principal Chia-Tung Lee, BOYO Social Welfare Foundation upholds the belief that "no poor child should fall into eternal poverty." For many years, it has provided free after-school tutoring and learning support materials to disadvantaged children in rural areas, aiming to help them break the cycle of inherited poverty through education. Through the two main service approaches of social work and education, the Foundation provides "care and counseling." Social workers help to unlock the emotional and mental barriers of the children, while teachers assist them in understanding difficult problems. Together, everyone works hard to support the children. This is also a key reason for the success of BOYO's tutoring program.

Since BOYO Social Welfare Foundation was established 20 years ago, each year it invests a large amount of labor and resources in curriculum design, develops remedial teaching materials, and trains parents in the community. Currently, there are 17 locations to provide after-school club service for over 2,000 students. The hope is for the children to grow up relying on their own strength to "lift themselves out of poverty," gaining the ability to choose their careers and lifestyles, breaking the cycle of poverty, and fulfilling the vision of "bringing hope home through knowledge."

Teach for Taiwan Foundation

Founded in 2013, Teach for Taiwan (TFT) Foundation is a non-profit organization caring for "education inequity," hoping to create equal opportunities in education for every child. Through training competent youth to teach at elementary schools in rural communities for at least two years resolves the long teacher shortage and high turnover rate problems in the rural area.

Since its first cohort, the TFT program has impacted over 7,000 children, serving more than 1,000 students annually. According to an internal study conducted in the 2021 academic year, nearly 70% of the students taught by TFT members achieved basic academic proficiency for their grade level. Beyond academics, the high-quality teaching environment and instruction provided by TFT members have also helped nearly 70% of students develop strong non-cognitive skills such as self-management, self-efficacy, perseverance, and emotional regulation, empowering them with diverse abilities to create meaningful change for their future.

Non-Profit Events of Medical and Health Education

Although Taiwan's National Health Insurance provides convenient and comprehensive medical coverage, ensuring citizens can access care without worrying about costs, the student medical service teams bring a deeper humanistic care to rural areas. Their work embodies the core values of medical education and healthcare professionals by not only delivering scarce medical resources and knowledge to underserved communities but also offering emotional support and companionship to the residents. Importantly, these teams, guided by healthcare practitioners, enable medical students to integrate their classroom learning with real-world practice. Through purely altruistic service free from commercial interests, students discover their sense of mission and purpose in healthcare.

To encourage medical universities to organize medical service teams that provide healthcare services, health education, and free clinics in underserved rural areas, the foundation sponsored part of the expenses for five medical health education public welfare camps in 2024. The participation count for the five camps has exceeded 500, serving more than 2,600 people.

School	Club	Location	Number of Participants	Number of Service
Taipei Medical University	Social Medical Service First Group	Dacheng Township, Changhua County, and three other townships	110	300+
	Green Cross Medical Service Team	Shuilin Township, Yuanchang Township, Yunlin County	120	400+
	Mountain Social Medical Service Group	Ren-ai Township, Puli Township, Nantou County	70	400+
	Feng-Hsing Medical Youth Service Group	Penghu County	220	1,000+
China Medical University	Oral Health Education Promotion Service Team	Manjhou Township, Pingtung County	30	500+

Taipei Medical University Social Medical Service First Group - Team members assist dentists in providing dental cleanings for local residents

Taipei Medical University Feng-Hsing Social Medical and Health Knowledge Promotion Service Team - "Dreams Take Flight" Educational and Recreation Camp

Taipei Medical University Green Cross Medical Service Team - Free clinic station

06 Appendices

GRI Content Index

Usage Statement	[TTC] has followed the GRI standards to report the content for the period [January 1, 2024, to December 31, 2024].
Used GRI	GRI 1: Base 2021

GRI 2: General Disclosures 2021					
GRI Standards		**Disclosure Item**	**Chapter**	**Page**	**Annotations**
The Organization and its Reporting Practices	2-1	Organizational details	Our Value Chain	6	
	2-2	Entities included in the organization's sustainability reporting	About this Report	1	
	2-3	Reporting period, frequency and contact point	About this Report	1	
	2-4	Restatements of information	-		No restatements of information for the year
	2-5	External assurance	About this Report	1	
			Appendices External Assurance Statement	131	
Activities and Workers	2-6	Activities, value chain and other business relationships	Our Value Chain	6	
	2-7	Employees	Talent Attraction and Retention	96	
	2-8	Workers who are not employees	Talent Attraction and Retention	97	
Governance	2-9	Governance structure and composition	Board Composition and Operation	20	
	2-10	Nomination and selection of the highest governance body	Board Composition and Operation	20	
	2-11	Chair of the highest governance body	Board Composition and Operation	20	
	2-12	Role of the highest governance body in overseeing the management of impacts	Board Composition and Operation	20	
	2-13	Delegation of responsibility for managing impacts	Board Composition and Operation	20	
	2-14	Role of the highest governance body in sustainability reporting	Board Composition and Operation	25	
	2-15	Conflicts of interest	Board Composition and Operation	22	

GRI 2: General Disclosures 2021					
GRI Standards		**Disclosure Item**	**Chapter**	**Page**	**Annotations**
Governance	2-16	Communication of critical concerns	Sustainable Vision and Business Strategy	4	
			Board Composition and Operation	20	
	2-17	Collective knowledge of the highest governance body	Performance of the Board member expertise diversification policy	20	
	2-18	Evaluation of the performance of the highest governance body	Board Composition and Operation	23	
	2-19	Remuneration policies	Board Composition and Operation	26	
	2-20	Process of determining remuneration	Board Composition and Operation	26	
	2-21	Annual total compensation ratio	Board Composition and Operation	26	
Strategy, Policies and Practices	2-22	Statement on sustainable development strategy	Sustainable Vision and Business Strategy	4	
	2-23	Policy commitments	Sustainable Vision and Business Strategy	4	
			Talent Attraction and Retention	95	
	2-24	Processes to remediate negative impacts	Sustainable Vision and Business Strategy	4	
			Talent Attraction and Retention	95	
	2-25	Legal Compliance	Material Topics Management	11	
			Material Topics and Value Chain	28、36、43、54、69、73、76-77、83、95	
	2-26	Mechanisms for seeking advice and raising concerns	Code of Conduct	33	
	2-27	Legal Compliance	Code of Conduct	33	
	2-28	Membership of associations	Our Value Chain	8	
Stakeholder Engagement	2-29	Approach to stakeholder engagement	Stakeholder Engagement	8	
	2-30	Collective bargaining agreements	-	104	No collective agreement with the labor union

GRI 3: Material Topics 2021					
GRI Standards		Disclosure Item	Chapter	Page	Annotations
Disclosure of Material Topics	3-1	Process of determining material topics	Material Topics Management	11	
	3-2	List of material topics	Material Topics Management	11、14	
	3-3	Management of material topics	Management of Various Material Topics	28、36、43、54、69、73、76-77、83、95	

Topic-specific Disclosures						
Material Topics	Management Approach and Disclosures				Page	Annotations
Category: Governance						
Economic Performance	GRI 201: Economic Performance 2016	Specific Topics	201-1	Direct Economic Value Generated and Distributed	28	
			201-2	Financial Implications and Other Risks and Opportunities due to Climate Change	59	
			201-3	Defined Benefit Plan Obligations and Other Retirement Plans	100 104	
			201-4	Financial Assistance Received from Government	29	
Technology R&D	-	Self-defined Topics			43	
Product Quality	-	Self-defined Topics			36	
Category: Environmental						
Climate Change and Energy Management	GRI 302: Energy 2016	Specific Topics	302-1	Energy Consumption within the Organization	64	
			302-2	Energy Consumption Outside of the Organization	-	Data Unavailable
			302-3	Energy Intensity	63	
			302-4	Reduction of Energy Consumption	63	
			302-5	Reductions in Energy Requirements of Products and Services	-	N/A

Topic-specific Disclosures						
Material Topics	**Management Approach and Disclosures**				**Page**	**Annotations**
Category: Environmental						
Climate Change and Energy Management	GRI 305: Emissions 2016	Specific Topics	303-1	Direct (Scope 1) Greenhouse Gas (GHG) Emissions	66	
			303-2	Energy Indirect (Scope 2) Greenhouse Gas (GHG) Emissions	66	
			303-3	Other Indirect (Scope 3) Greenhouse Gas (GHG) Emissions	66	
			303-4	Density Of GHG Emissions	66	
			303-5	Reduction Of GHG Emissions	67	
Water Resources Management	GRI 303: Water and Effluents 2018	Specific Topics	305-6	Interactions with Water as a Shared Resource	69	
			305-7	Management of Water Discharge-related Impacts	70	
			306-1	Water Withdrawal	70	
			306-2	Water Discharge	72	
			306-3	Water Consumption	70	
Air Pollution Control	GRI 305: Emissions 2016	Specific Topics	306-4	Emissions of Ozone-Depleting Substances	-	No relevant emissions in the process, not applicable
			306-5	Nitrogen Oxides (NOx), Sulfur Oxides (SOx), and Other Significant Gas Emissions	74	
Waste Management	GRI 306: Waste 2020	Management Approaches	306-1	Waste Generation and Significant Waste-Related Impacts	77	
			306-2	Management of Significant Waste-related Impacts	77	
		Specific Topics	306-3	Waste Generated	77	
			306-4	Waste Diverted from Disposal	78	
			306-5	Waste Directed to Disposal	78	

Topic-specific Disclosures						
Material Topics	**Management Approach and Disclosures**				**Page**	**Annotations**
Category: Society						
Talent Attraction and Retention	GRI 401: Employment 2016	Specific Topics	401-1	New Employee Hires and Employee Turnover	98	
			401-2	Benefits Provided to Full-Time Employees (Exclude Temporary or Part-time Employees)	100	
			401-3	Parental Leave	100	
Occupational Safety and Health	GRI 403: Occupational Health and Safety 2018	Management Approaches	403-1	Occupational Health and Safety Management System	84	
			403-2	Hazard Identification, Risk Assessment, and Incident Investigation	85	
			403-3	Occupational Health Services	87	
			403-4	Worker Participation, Consultation, and Communication on Occupational Health and Safety	88	
			403-5	Worker Training on Occupational Health and Safety	91	
			403-6	Promotion of Worker Health	88	
			403-7	Prevention and Mitigation of Occupational Health and Safety Impacts Directly Linked by Business Relationships	88	
		Specific Topics	403-8	Workers Covered by an Occupational Health and Safety Management System	84	
			403-9	Work-related Injuries	86	
			403-10	Work-related Illnesses	88	

Chemical Industry SASB index

SASB Indicators	Code	Category Description	Metric Data	Corresponding Section	Page
Greenhouse Gas Emissions	RT-CH-110a.1	(1) Scope 1 GHG emissions (tCO2e); (2) Percentage (%) of Scope 1 Greenhouse Gas Emissions Regulated by Emission Limitation Regulations	(1) 16,639 (2) None	3.2.3 GHG Management	65
	RT-CH-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets and an analysis of performance against those targets			
Air Quality	RT-CH-120a.1	Air emissions of the following pollutants (kg): (1) NOx (2) SOx (3) VOCs (4) HAP s	(1) 17,080；(2) 2,704 (3) 34,185；(4)11,516	3.4 Air Pollution Control	74
Energy Management	RT-CH-130a.1	(1) Total consumed energy (GJ) (2) Grid electricity usage ratio (%) (3) Renewable energy usage ratio (%) (4) Self-produced energy (GJ)	(1) 849,477；(2) 44.60 (3) 0；(4) 0	3.2.2 Energy Usage and Management	64
Water Management	RT-CH-140a.1	(1) Total Water Intake (Million Liters) (2) Total Water Consumption (Million Liters) (3) Percentage of each in regions with high or extremely high baseline water stress and the proportion of (1) and (2)	(1) 1,073；(2) 406 (3) 0	3.3.1 Water Resources Management	70
	RT-CH-140a.2	Number of incidents of non-compliance associated with water quality permits, standards and regulations	-		
	RT-CH-140a.3	Description of water resources management risks and discussion of strategies and practices to mitigate those risks	-		
Hazardous Waste Management	RT-CH-150a.1	(1) Amount of hazardous waste generated; percentage recycled	0	3.5 Waste Management	77
Labor Health and Safety	RT-CH-320a.1	(1) Total recordable incident rate (TRIR) formula: (Number of Incidents × 200,000)/Total Hours Worked; (2) fatality rate for (a) direct employees and (b) contract employees	(1) 0；(2) 0	4.1 Occupational Safety and Health	86
	RT-CH-320a.2	Description of efforts to assess, monitor and reduce exposure of employees and contract workers to long-term (chronic) health risks		4.2 Health Promotion	87
Safety & Environmental Stewardship of Chemicals	RT-CH-410b.1	Percentage (%) of products that contain Globally Harmonized System of Classification and Labeling of Chemicals (GHS) Category 1 and 2 Health and Environmental Hazardous Substances; and the percentage (%) of related products underwent hazard analysis.	-	None of our products contain GHS hazardous chemicals.	
	RT-CH-410b.2	Discussion of strategy to manage chemicals of concern and develop alternatives with reduced human and/or environmental impact			
Genetically Modified Organisms	RT-CH-410c.1	Percentage of products by revenue that contain genetically modified organisms (GMOs)	-	No genetically modified products produced by the Company.	

SASB Indicators	Code	Category Description	Metric Data	Corresponding Section	Page
Management of the Legal & Regulatory Environment	RT-CH-530a.1	Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	-	1.4 Ethical Corporate Management	32
Operational Safety and Emergency Response	RT-CH-540a.1	Process Safety Incident Count (PSIC), Process Safety Incident Rate (PSTIR), Process Safety Incident Severity Rate (PSISR).	0	4.1 Occupational Safety and Health	86
	RT-CH-540a.2	Number of transport incidents	0	4.3 Emergency Response	92

Sustainability Disclosure Indicators - Plastics Industry

No.	Unit of Measure	Category	Annual Disclosure	Unit	Corresponding Section and Page	頁碼
I.	Total energy consumed, percentage grid electricity, percentage renewable, total self-generated energy	Quantitative	Total energy consumption: 849,477 Percentage of purchased electricity: 44.60% Percentage of renewable energy: 0 Total self-generated and consumed energy: 0	Gigajoules (GJ), Percentage (%), Percentage (%), Gigajoules (GJ)	3.2.2 Energy Usage and Management	64
II.	Total water withdrawn and total water consumption	Quantitative	Total water withdrawn: 1,073 Total water consumed: 406	Thousand M^3	3.3.1 Water Resources Management	70
III.	Amount of hazardous waste generated, and percentage recycled	Quantitative	Weight of general waste: 4,696.5 Recycling percentage: 64.26 Weight of hazardous waste: 0 Percentage recycled: Not applicable	Tons, (%)	3.5 Waste Management	77
IV.	Number of employees in and rate of occupational accidents	Quantitative	Occupational accident count: 0 Rate: 0	Persons, Percentage (%)	4.1 Occupational Safety and Health	86
V.	Volume of major products by category	Quantitative	Linyuan Plant ABS: 86,741 Qianzhen Plant EPS: 59,751 Qianzhen Plant GPS: 94,641 Toufen Plant GW: 8,998 Zhongshan Plant EPS: 162,204	Tons	2.1.1 Sales Regions for Major Products	37 38

Climate-related Financial Disclosures

<table>
<tr><th>No.</th><th>Item</th><th>Implementation Status</th></tr>
<tr><td>1</td><td>Describe the Board's oversight of climate-related risks and opportunities.</td><td>At TTC, the Board of Directors oversees climate management operations, with the ESG Committee as the highest governance body for climate management. Chaired by independent directors, the committee reviews the Company's climate change strategies and targets every year, manages the actions and reviews the performance in climate change risks and opportunities, and reports to the Board.
In light of the growing global emphasis on Environmental (E), Social (S), and Governance (G) issues, the Company has aligned with the "Sustainable Development Guidemap for TWSE- and TPEx-Listed Companies" issued by the Financial Supervisory Commission. In accordance with this roadmap, the Company is progressively promoting the disclosure of greenhouse gas (GHG) inventory and assurance information, while actively building internal capabilities for corporate GHG accounting. The Company has completed the consolidated financial statement inventory and assurance process for the parent and subsidiary companies. Each annual report details the concrete implementation of various measures, with recommendations provided by the Board of Directors.
In addition to continuously enhancing the effectiveness of corporate governance, the Company is also carefully planning and executing strategies to achieve carbon reduction goals and develop green energy initiatives. By leveraging AI technology for more efficient management, the Company aims to reduce risks and challenges, align with international standards, and ultimately achieve its long-term vision for sustainable development.</td></tr>
<tr><td>2</td><td>Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term</td><td>In 2023, we conducted a survey for the ESG Committee and senior unit managers to assess the relevance of each risk to the Company's operations and the duration of potential impacts, as well as the development and viability of each opportunity. We collected 10 responses in total. After statistical analysis by the group, we identified 11 materiality climate issues (1 items of physical risk, 5 items of transition risk, and 5 items of opportunity).
TTC evaluates potential financial impacts from 11 materiality risk and opportunity items, devises corresponding strategies, and establishes management mechanisms. The aim is to understand the potential effects of climate change across various aspects, reduce operational disruptions caused by extreme weather events and foster a resilient climate change culture. For details on the potential financial impacts and response measures related to risk and opportunity items, please refer to section 3.2.1 Climate Change of the report.
Climate-related risk items are classified into three timeframes based on the period of potential impact: short-term (<3 years), medium-term (3-5 years), and long-term (>5 years). Climate-related opportunity items are categorized into five levels according to their impact on company development potential and technical feasibility. The corresponding classifications are shown in the table below:
<table>
<tr><th>Type</th><th>Item</th><th>Duration</th></tr>
<tr><td>Physical Risk</td><td>Drought</td><td>Short-term (<3 years)</td></tr>
<tr><td rowspan="6">Transition Risk</td><td>Government regulation or supervision - Levy of water conservation</td><td>Short-term (<3 years)</td></tr>
<tr><td>Carbon fee</td><td>Short-term (<3 years)</td></tr>
<tr><td>Renewable energy regulations - Risk of energy-heavy industries clause</td><td>Short-term (<3 years)</td></tr>
<tr><td>Transition of low-carbon technology</td><td>Short-term (<3 years)</td></tr>
<tr><td>Increased raw materials price</td><td>Short-term (<3 years)</td></tr>
</table>
<table>
<tr><th>Type</th><th>Item</th><th>Developmental</th><th>Technical Feasibility</th></tr>
<tr><td rowspan="6">Opportunity</td><td>High-efficiency production</td><td>Progressive and aligned with the existing policies of the Company</td><td>Expanding development</td></tr>
<tr><td>Recycling and reuse - Circular economy</td><td>Progressive and aligned with the existing policies of the Company</td><td>Expanding development</td></tr>
<tr><td>Reduce water use and water consumption</td><td>Progressive and aligned with the existing policies of the Company</td><td>Matured</td></tr>
<tr><td>Use low-carbon energy</td><td>Progressive and aligned with the existing policies of the Company</td><td>Matured</td></tr>
<tr><td>R&D and innovation of new products and services - research and development of low-carbon and energy-saving products</td><td>Progressive and aligned with the existing policies of the Company</td><td>Expanding development</td></tr>
</table></td></tr>
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No.	Item	Implementation Status
3	Describe financial impacts of extreme weather events and transition actions	Financial Impacts of Extreme Weather Events TTC follows the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) to establish future scenarios for both physical and transition risks. The Company analyzes potential future impacts and opportunities, and incorporates the results into strategic resilience assessments. Physical risks are assessed with reference to the Taiwan Climate Change Projection Information and Adaptation Knowledge Platform (TCCIP), specifically the "Atlas of Taiwan Climate Change Key Indices: AR6 Statistical Downscaling Edition" published in June 2023, as well as the "Climate Change Disaster Risk Map Platform" published by the National Science and Technology Center for Disaster Reduction. These resources are used to estimate long-term future climate changes and potential climate-related risks. The IPCC AR6 adopts scenarios combining Shared Socioeconomic Pathways (SSPs) and Representative Concentration Pathways (RCPs). TTC has selected the SSP5-8.5 emissions scenario, which represents extremely high greenhouse gas emissions with CO_2 emissions expected to double around the year 2050, for conducting future scenario analyses of climate hazards, specifically focusing on high temperatures, flooding, and drought. Under the RCP 8.5 scenario, by mid-21st century (2040 – 2065) and end-of-century (2075 – 2099), the projected impacts on typhoon activity affecting Taiwan are as follows: the total number of typhoons is expected to decrease by approximately 15% and 55%, respectively; the proportion of intense typhoons will increase by around 100% and 50%; maximum wind speeds are projected to increase by about 4% and 8%; and typhoon-related rainfall is anticipated to rise by approximately 20% and 35%. Although the number of typhoons affecting Taiwan is projected to decrease in the future, the threat of more intense typhoons will increase. The Company must strengthen disaster preparedness and enhance resilience to minimize the potential losses caused by typhoons. Financial Impact of Transition Actions The financial impact of transition actions on the Company primarily stems from changes in policies and regulations, technological shifts, and evolving market demands, which result in adjustments to costs and investments. New government regulations on water consumption fees and carbon fees will directly increase the Company's operating costs. For example, water consumption fees are expected to rise by approximately NT$220,000 per year, and carbon fees by around NT$4 million annually. In addition, major electricity consumer requirements mandate companies to increase the proportion of renewable energy use and improve energy efficiency, which will further lead to higher capital expenditures for green electricity procurement and equipment upgrades. However, by actively investing in low-carbon technology transitions such as improving energy efficiency, upgrading equipment, and enhancing wastewater recycling systems, companies may face higher upfront capital expenditures, but these initiatives help reduce long-term operating costs and mitigate risks. Overall, under the low-carbon transition, companies should anticipate an increase in short-term costs; nevertheless, proactive measures can enhance medium- to long-term competitiveness and sustainability.
4	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	To uphold sound business integrity and ensure stable operations and sustainable development, TTC established its "Risk Management Policy and Procedures" in 2020, as approved by the Board of Directors. This policy aims to mitigate potential operational risks by enabling directors to effectively assess and oversee both existing and potential risks. Each responsible functional department conducts timely assessments and rolling adjustments in response to evolving international economic trends, the latest ESG regulations, and the Company's risk and opportunity management framework. The President's Office reports the Company's risk management status to the Board of Directors at least once annually, allowing directors to remain informed of key risks and provide more targeted recommendations on business strategies.
5	When assessing the resilience taking into consideration different climate-related scenarios, state the input parameters, assumptions, and analytical choices for the scenarios used, and critical financial impacts.	Reduction, analyze the projected changes in temperature, rainfall, flooding, and drought from 2016 to 2035 under the RCP 8.5 scenario and identify three physical risk issues based on the Group's strategy, industry characteristics, Intended Nationally Determined Contribution (INDC), and TCFD indicators. Based on the nature of risk and opportunity factors, risks are categorized into transition risks and physical risks. Transition risks include: policy and regulatory risks, reputational risks, technological risks, and market risks. Physical risks include: flooding, drought, and high temperatures. Opportunities are identified across four dimensions: resource efficiency, energy sources, products and services, and markets. Physical risks are assessed with reference to the Taiwan Climate Change Projection Information and Adaptation Knowledge Platform (TCCIP), specifically the "Atlas of Taiwan Climate Change Key Indices: AR6 Statistical Downscaling Edition" published in June 2023, as well as the "Climate Change Disaster Risk Map Platform" published by the National Science and Technology Center for Disaster Reduction. These resources are used to estimate long-term future climate changes and potential climate-related risks. The IPC CAR6 adopts scenarios combining Shared Socioeconomic Pathways (SSPs) and Representative Concentration Pathways (RCPs). TTC has selected the SSP5-8.5 emissions scenario, which represents extremely high greenhouse gas emissions with CO_2 emissions expected to double around the year 2050, for conducting future scenario analyses of climate hazards, specifically focusing on high temperatures, flooding, and drought.

No.	Item	Implementation Status
5	When assessing the resilience taking into consideration different climate-related scenarios, state the input parameters, assumptions, and analytical choices for the scenarios used, and critical financial impacts.	Transition risks are assessed with reference to the World Energy Outlook (WEO) published by the International Energy Agency (IEA) in 2021. The report outlines three scenarios based on different energy trends and climate policies: Stated Policies Scenario (STEPS), Announced Pledges Scenario (APS), and Net Zero Emissions (NZE). Among these scenarios, NZE assumes that all countries will achieve net-zero emissions by 2050, representing the most ambitious pathway with the most proactive emission reduction measures. In addition, the Company also refers to the "Taiwan's Pathway to Net-Zero Emissions in 2050" published by the National Development Council (NDC) in 2022, aligning with the national decarbonization pathway and ensuring TTC's resilience for sustainable operations amid the impacts of extreme climate change. TTC promotes energy-saving and carbon-reduction initiatives to minimize energy and water consumption and waste generation within its operations and supply chain, thereby reducing its climate impact. The Company actively enhances energy efficiency, invests in green energy equipment, and drives innovation in green product development to effectively manage and respond to both transition and physical risks, while creating additional business opportunities and meeting market demands. However, the implementation of these projects will also lead to increased capital investment and operating costs for TTC, thereby impacting the Company's financial performance.
6	If transition plans are used in climate-related risk management, state the contents of such plans and the metrics and targets used to identify and manage physical risks and transition risks.	TTC has adopted 2017 as the base year for identifying greenhouse gas (GHG) emission indicators and targets (detailed in section 9), and has established the following indicators and targets for identifying and managing physical and transition risks: TTC set energy management targets within the Group's carbon reduction initiative, with 2017 as the base year, aiming for a 27% reduction by 2030, and achieving carbon neutrality by 2050. Climate Response Strategy: Short-term (<3 years): Replace outdated equipment, improve energy efficiency, install solar power systems, implement green procurement, develop water and drought response measures, and mitigate the impact of carbon fees; Medium-term (3-5 years): Shift towards low-carbon energy sources, introduce intelligent monitoring systems, and expand renewable energy installation and utilization; Long-term (>5 years): Continue to focus on low-carbon fuels, carbon capture and utilization (CCU) technologies, and negative emission technologies. GHG emissions disclosures: Disclose the data of Scopes 1, Scope 2, and Scope 3 emissions in the ESG report every year and review the causes for changes periodically.
7	If internal carbon pricing is the planning tool, state the basis of the pricing system	Taiwan officially announced the implementation of three subordinate regulations for carbon fees on August 29, 2024, and announced the carbon fee rate on October 21, 2024. Starting in 2025, carbon emissions will be formally included in the carbon fee calculation, marking the beginning of the carbon pricing era. To proactively align with government policies, effectively address climate change, and reduce carbon risks, TTC introduced an internal carbon pricing mechanism in 2024. The initial internal carbon price is set at NT$300 per metric ton, referencing the domestic carbon fee pricing benchmark, with a phased increase to be reviewed and adjusted periodically. This mechanism integrates carbon costs into corporate decision-making and investment evaluation processes, assesses the impact of carbon emissions on business operations, accelerates the implementation of carbon reduction measures, and drives low-carbon investments. In July 2024, the Group organized two training sessions to help relevant departments understand the concept and application of internal carbon pricing, supporting each plant in promptly implementing the system. Additionally, a general knowledge course on carbon-related topics was held in September, inviting all Group employees to participate. These initiatives aim to enhance overall carbon reduction awareness and professional capabilities, fostering collective efforts toward achieving the Group's carbon reduction targets.
8	If climate-related targets are set, state the activities, scopes of GHG emissions, planning period, and annual targets. If the relevant targets are achieved with the renewable energy certificates (RECs), state the sources and quantity of the carbon credit of such RECs or the quantity of RECs.	To strengthen its resilience in the face of climate risks, TTC established a carbon reduction target in 2022, aiming for a 27% reduction in carbon emissions by 2030 compared to 2017 levels. Furthermore, in 2023, the Company set a long-term goal of achieving carbon neutrality by 2050. In addition, to assess its capability in addressing climate risks, TTC has adopted the recommendations of the TCFD framework, published by the Financial Stability Board (FSB) in 2015. The Company analyzes potential climate risks and opportunities under a scenario of extremely high greenhouse gas emissions, formulates mitigation and adaptation strategies, and implements various carbon reduction initiatives. It has established short-, medium-, and long-term greenhouse gas reduction targets to minimize potential financial impacts and achieve the goal of sustainable corporate development. TTC follows the Group's decarbonization roadmap. As of 2023, the GHG emissions from its three plants in Taiwan have decreased by 17.9% compared to the base year (2017). The Company will continue to actively implement energy-saving and carbon reduction initiatives in the future. The medium-term carbon reduction strategy will proceed towards the transition to low-carbon energy, enhancement of energy efficiency, intelligent monitoring, and the setup and use of renewable energy. The long-term carbon reduction strategy will continuously focus on low-carbon fuels, carbon capture, reuse technology, and negative carbon emissions technology, to implement the carbon neutrality goals and move towards a low-carbon economy transition. The planned schedule and yearly progress for greenhouse gas emission reductions are detailed in Section 3.2.3 GHG Management of the report.
9	GHG inventory and verification	For greenhouse gas inventory data, please refer to Section 3.2.3, "GHG Management," in the report.

UN Sustainable Development Goals (SDGs) Content Index

Material Topics	SDG Targets		Page	Corresponding Section
Governance				
Economic Performance	 SDGs 8 Decent Work and Economic Growth	8.2 Enhance economic capacity through diversification, technological upgrading, and innovation, including focusing on high value-added and labor-intensive industries.	28	1.2 Economic Performance
Technology R&D	 SDGs 9 Industry, Innovation and Infrastructure	9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency, and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities.	43	2.2 Technology R&D
Product Quality	 SDGs 12 Responsible Consumption and Production	12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling, and reuse.	36	2.1 Product Quality
Environmental				
Climate Change and Energy Management	 SDGs 13 Climate Action	13.3 Enhance education, awareness-raising, and human and institutional capacity on climate change mitigation, adaptation, impact reduction, and early warning.	54	3.2 Climate Change and Energy Management
Water Resources Management	 SDGs 6 Clean Water and Sanitation	6.5 By 2030, implement integrated water resources management at all levels, including through transboundary cooperation as appropriate.	69	3.3 Water Resources Management
Air Pollution Control	 SDGs 11 Sustainable Cities and Communities	11.6 By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality, urban administration, and waste management.	73	3.4 Air Pollution Control
Waste Management	 SDGs 12 Responsible Consumption and Production	12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling, and reuse.	76	3.5 Waste Management
Social				
Talent Attraction and Retention	 SDGs 8 Decent Work and Economic Growth	8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value. 8.8 Protect labor rights and promote safe and secure working environments for all workers, including migrant workers, particularly women, and those in hazardous jobs.	95	5.1 Talent Attraction and Retention
Occupational Safety and Health	 SDGs 3 Good Health and Well-being	3.9 By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water, and soil pollution as well as other contamination.	83	4.1 Occupational Safety and Health

External Assurance Statement

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INDEPENDENT AUDITORS' LIMITED ASSURANCE REPORT

Taita Chemical Company, Limited

We have undertaken a limited assurance engagement on the selected performance indicators in the Sustainability Report ("the Report") of Taita Chemical Company, Limited, ("the Company") for the year ended December 31, 2024.

Subject Matter Information and Applicable Criteria

See Appendix for the Company's selected performance indicators ("the Subject Matter Information") and applicable criteria.

Responsibilities of Management

The management of the Company is responsible for the preparation of the Subject Matter Information in accordance with Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies, Universal Standards, Sector Standards and Topic Standards published by the Global Reporting Initiative (GRI), SASB Standards published by the Sustainability Accounting Standards Board (SASB), and the criteria specifically designed by the Company, and for such internal control as management determines is necessary to enable the preparation of the Subject Matter Information that are free from material misstatement resulted from fraud or error.

Auditors' Responsibilities

Our responsibility is to plan and conduct our limited assurance engagement in accordance with Standard on Assurance Engagement 3000 "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" issued by the Accounting Research and Development Foundation of the Republic of China to issue a limited assurance report on whether the Subject Matter Information (see Appendix) is free from material misstatement. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and, therefore, a lower assurance level is obtained than a reasonable assurance.

We based on our professional judgment in the planning and conducting of our work to obtain evidence supporting the limited assurance. Because of the inherent limitations of any internal control, there is an unavoidable risk that even some material misstatements may remain undetected. The procedures we performed include, but not limited to:

- Inquiring of management and the personnel responsible for the Subject Matter Information to obtain an understanding of the policies, procedures, internal control, and information system relevant to the Subject Matter Information to identify areas where a material misstatement of the subject matter information is likely to arise.
- Selecting sample items from the Subject Matter Information and performing procedures such as inspection, re-calculation, and observation to obtain evidence supporting limited assurance.

Inherent Limitations

The Subject Matter Information involved non-financial information, which was subject to more inherent limitations than financial information. The information may involve significant judgment, assumptions and interpretations by the management, and the different stakeholders may have different interpretations of such information.

Independence and Quality Control

We have complied with the independence and other ethical requirements of the Norm of Professional Ethics for Certified Public Accountant in the Republic of China, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies Standard on Quality Management 1 "Quality Management for Public Accounting Firms" issued by the Accounting Research and Development Foundation of the Republic of China, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Subject Matter Information is not prepared, in all material respects, in accordance with the applicable criteria.

Other Matters

We shall not be responsible for conducting any further assurance work for any change of the Subject Matter Information or the applicable criteria after the issuance date of this report.

The engagement partner on the limited assurance report is Tsai, Yu-Ling.

Yu-Ling Tsai

Deloitte & Touche
Taipei, Taiwan
Republic of China

August 6, 2025

Notice to Readers

For the convenience of readers, the independent auditors' limited assurance report and the accompanying summary of subject matter information have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' limited assurance report and summary of subject matter information shall prevail.

External Assurance Statement

APPENDIX

SUMMARY OF SUBJECT MATTER INFORMATION

#	Subject Matter Information	Corresponding Section	Applicable Criteria	Industry-specific Disclosures of the Sustainability Metrics Describe in the Rules Governing the Preparation and Filing of Sustainability Reports - Plastics Industry
1.	Qianzhen Plant, Linyuan Plant, Toufen Plant, and Zhongshan Plant: In 2024, the total energy consumption was 849,477 GJ, the percentage of purchased electricity was 44.60%, and the utilization rate (renewable energy/total energy) was 0%, and total self-generated and self-use energy was 0 GJ.	3.2 Climate Change and Energy Management/ Sustainability Disclosure Indicators - Plastics Industry	Total energy consumption, percentage of purchased electricity, utilization rate (renewable energy/total energy), and total self-generated and self-use energy	Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies Article 4, Paragraph 3, Appendix 1-5, No. 1
2.	Qianzhen Plant, Linyuan Plant, Toufen Plant, and Zhongshan Plant: In 2024, total water withdrawn was 1,073 thousand M^3, and total water consumption was 406 thousand M^3.	3.3 Water Management/ Sustainability Disclosure Indicators - Plastics Industry	Total water withdrawn and total water consumption	Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies Article 4, Paragraph 3, Appendix 1-5, No. 2
3.	Qianzhen Plant, Linyuan Plant, Toufen Plant, and Zhongshan Plant: In 2024, total general waste generated was 4,696.5 tons, and percentage recycled was 64.26%. Total hazardous waste generated was 0 tons, and percentage recycled was not applicable.	3.5 Waste Management/ Sustainability Disclosure Indicators - Plastics Industry	Total general and hazardous waste generated, and percentage recycled	Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies Article 4, Paragraph 3, Appendix 1-5, No. 3
4.	Qianzhen Plant, Linyuan Plant, Toufen Plant, and Zhongshan Plant: In 2024, the number of employees in occupational accidents was 0 person, and the rate of occupational accidents was 0%.	4.1 Talent Attaction and Retention/ Sustainability Disclosure Indicators - Plastics Industry	Number of employees in and rate of occupational accidents	Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies Article 4, Paragraph 3, Appendix 1-5, No. 4
5.	Qianzhen Plant, Linyuan Plant, Toufen Plant, and Zhongshan Plant: In 2024, the air emissions were 17.795 MT of nitrogen oxides (NOx), 3.129 MT of sulfur oxides (SOx), 36.046 MT of volatile organic compounds (VOCs), and 11.516 MT of hazardous air pollutants (HAPs).	3.4 Air Pollution Control	Emissions of sulfur oxides (SOx), nitrogen oxides (NOx), volatile organic compounds (VOCs) and hazardous air pollutants (HAPs).	SASB RT-CH-120a.1 Air Quality

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