



01

Establish Robust Governance

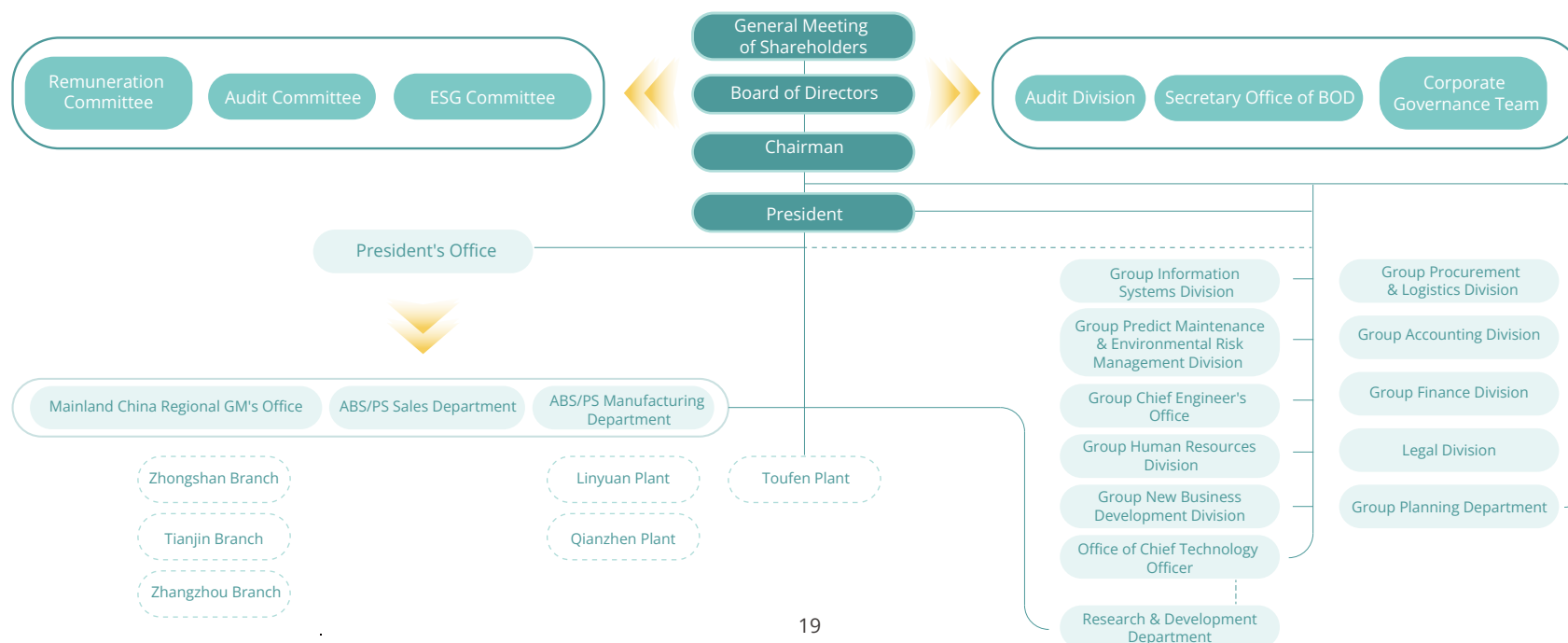
- 1.1 Corporate Governance
- 1.2 Economic Performance ★
- 1.3 Risk Management
- 1.4 Ethical Corporate Management

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**

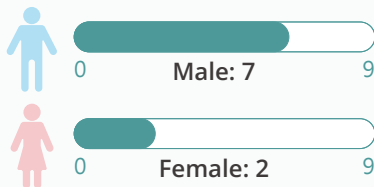
We adopt the candidate nomination system for the directorial (including independent directors) election. The Board along with shareholders holding over one percent of the total issued shares may propose the candidates to add to the List of Candidates for Directors and Independent Directors. After candidate 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

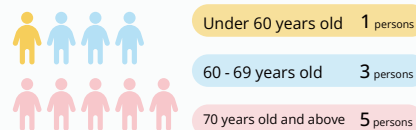
Current team May 31, 2024 to May 30, 2027

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 ➤



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](#).

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:

- 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.
- 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.
- 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.
- 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.
- Ongoing Improvement:** The Company will continue to review and enhance its conflict of interest avoidance mechanisms to uphold transparency and fairness in corporate governance.



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."

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		Individual Directors Members		Audit Committee		Remuneration Committee		ESG Committee	
Evaluation Aspect		Evaluation Aspect		Evaluation Aspect		Evaluation Aspect		Evaluation Aspect	
Participation in the Company's operations	4.75	Corporate targets and mission control	4.70	Participation in the Company's operations	4.63	Participation in the Company's operations	4.58	Participation in the Company's operations	4.75
Improvement of the decision quality of the Board of Directors	5	Duty awareness of directors	4.79	Duty awareness of the Audit Committee	4.75	Duty awareness of the Remuneration Committee	4.60	Duty awareness of the ESG Committee	4.80
Composition and structure of the Board of Directors	5	Participation in the Company's operations	4.57	Improvement of the decision-making quality of the Audit Committee	4.75	Improvement of the decision-making quality of the Remuneration Committee	4.62	Improvement of the decision-making quality of the ESG Committee	4.80
Selection and continuing education of directors	4.67	Internal relationship development and communication	4.61	Composition and member selection of the Audit Committee	4.75	Composition and member selection of the Remuneration Committee	4.67	Composition and member selection of the ESG Committee	4.80
Internal control	5	Expertise and continuing education of directors	4.67	Internal control	4.75				
		Internal control	4.74						
Evaluation results		Evaluation results		Evaluation results		Evaluation results		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."		The results of director self-assessment show that the average score of all six major aspects is over 4.5, which means "good."		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.		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."		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

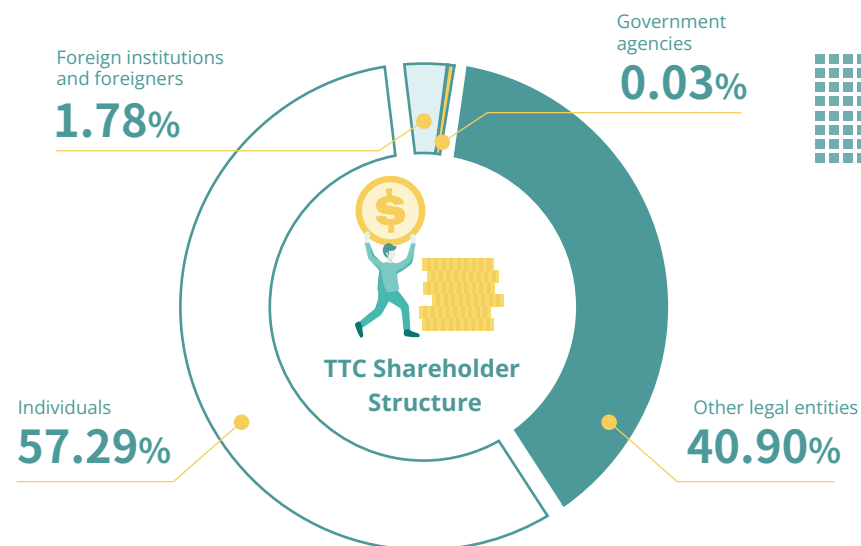
Shareholder rights and interests and information transparency

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:

- 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

« 2024

Work plan for 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

« 2025

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%)	<ul style="list-style-type: none"> • Talent Development Program (10%) • Energy Conservation & Carbon Reduction Results (10%) • Occupational Health & Safety (10%)
Senior Managerial Officers	Sustainability Performance (20%)	<ul style="list-style-type: none"> • 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	Material Reason	Impact Scope	Sustainability Principles and Corresponding SDGs
Economic Performance 	The Company's operational performance is a significant factor supporting sustainable business development. 	Directly affects the Company and its employees, indirectly affects investors and suppliers. 	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	<ol style="list-style-type: none"> 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:	<ol style="list-style-type: none"> 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	<ol style="list-style-type: none"> 1. General Meeting of Shareholders 2. Company website "Investor Services/Contact Point" 		

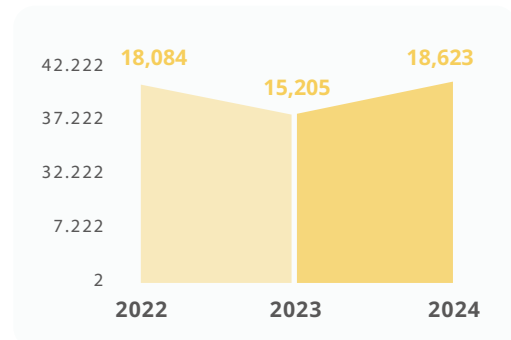


As of 2024, TTC had total assets of NT\$9.8 billion, of which current assets were NT\$6.5 billion, accounting for about 66% of total assets, and non-current assets were NT\$3.3 billion, accounting for about 34% of total assets. The asset turnover rate for 2024 was 1.99 times.

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.

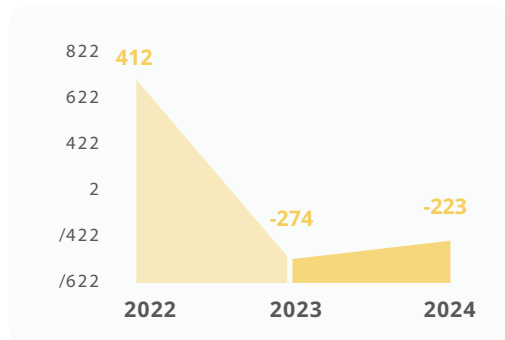
Operating revenues

NT\$ millions



Net income after tax

NT\$ millions



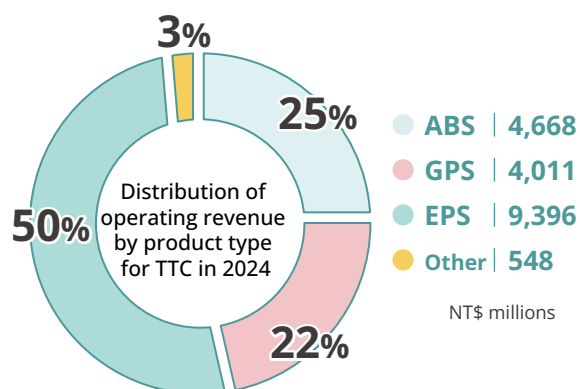
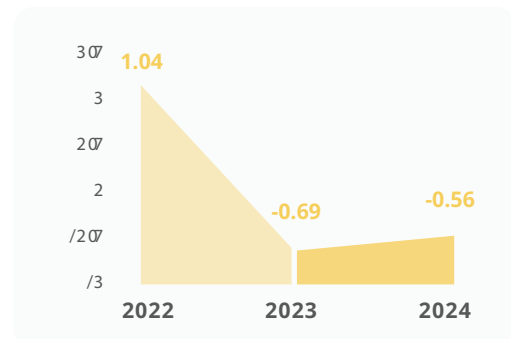
Consolidated Financial Information for the Past Three Years

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

EPS

(NT\$)



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

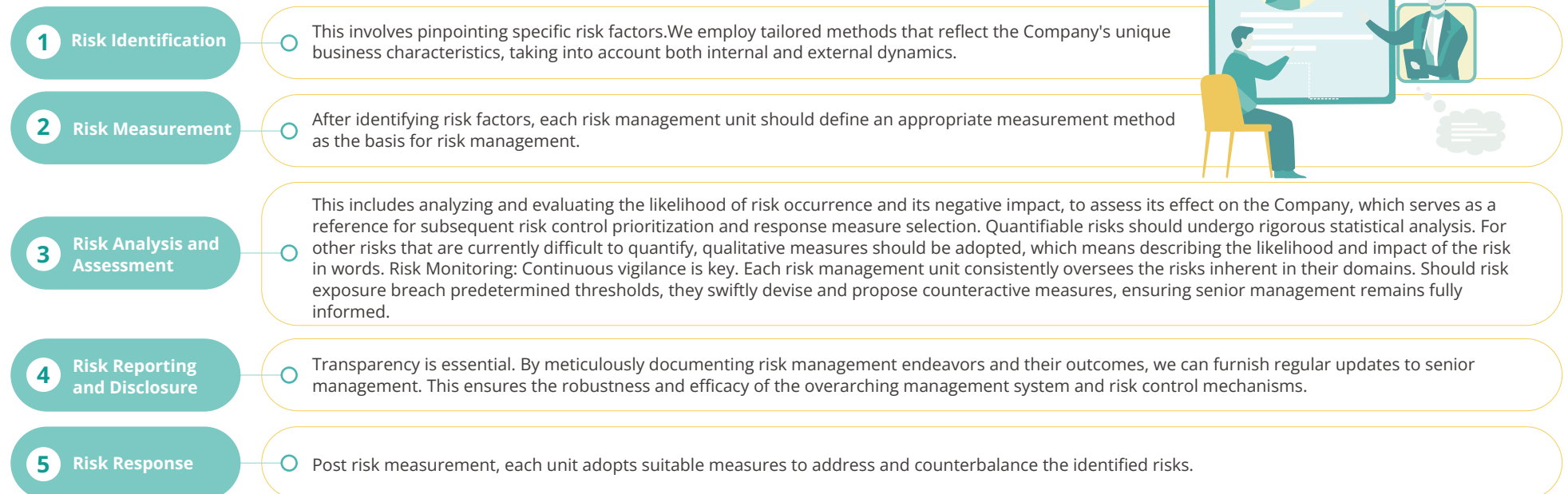
To fortify corporate governance and mitigate potential operational risks, we are committed to ensuring the Company's steadfast operation and ongoing growth. In line with this, the "Risk Management Policy and Procedures" were endorsed by the Audit Committee and the Board of Directors in December 2020. 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.



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

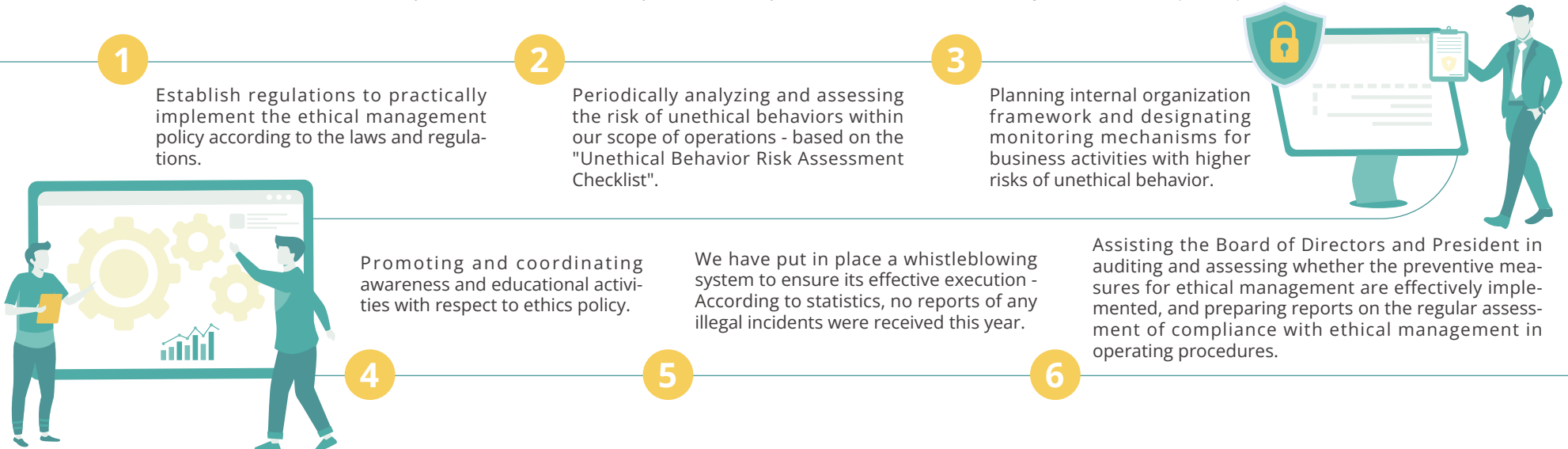
The Code is established in order to encourage the Company's directors and managerial officers to act in line with ethical standards when engaging in business activities ex officio for the Company, in order to prevent any unethical conduct and activities from injuring the Company's and shareholders' interest. 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. °

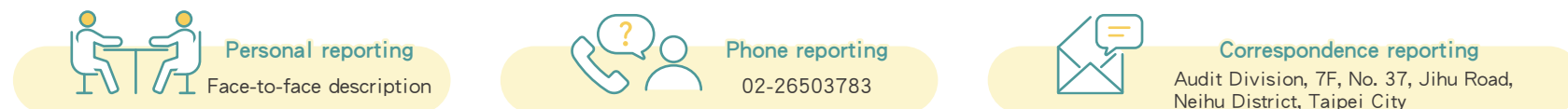
Internal Review of Regulatory Compliance GRI 2-27

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:



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:



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	<ul style="list-style-type: none"> The two leaking components of Water Seal Tank (P2238(001)) in Area 22 and Settling Tank (A04-001) 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(001)) 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 (A04-001) 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.